



## SCRUTINY BOARD (STRATEGY AND RESOURCES)

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Thursday, 22nd March, 2018 at 10.30 am

*(A pre-meeting will take place for ALL Members of the Board at 10:00 a.m.)*

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### MEMBERSHIP

#### Councillors

- S Bentley - Weetwood;
- A Garthwaite - Headingley;
- P Grahame (Chair) - Cross Gates and Whinmoor;
- P Harrand - Alwoodley;
- J McKenna - Armley;
- D Nagle - Rothwell;
- A Smart - Armley;
- A Sobel - Moortown;
- E Tunnicliffe - Roundhay;
- T Wilford - Farnley and Wortley;
- 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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**Principal Scrutiny Adviser:**  
**Steven Courtney**  
**Tel: 24 74707**

Produced on Recycled Paper

# 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 Head of Governance Services 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 have been identified.</b></p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p><b>LATE ITEMS</b></p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes.)</p>	
4			<p><b>DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS</b></p> <p>To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.</p>	
5			<p><b>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</b></p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p><b>MINUTES - 22 FEBRUARY 2018</b></p> <p>To confirm as a correct record, the minutes of the meeting held on 22 February 2018.</p>	1 - 6
7			<p><b>EXPENDITURE ON EXTERNAL RESIDENTIAL PLACEMENTS IN CHILDREN'S SERVICES</b></p> <p>To consider a report from the Head of Governance and Scrutiny Support that provides background information regarding the assurance work undertaken on Children's Services expenditure on external residential placements for Looked After Children.</p>	7 - 10
8			<p><b>EQUALITY IMPACT PRIORITIES REFRESH</b></p> <p>To consider a report from the Director of Communities and Environment that presents a summary of performance information relating to Equality Impact Priorities refresh.</p>	11 - 22

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			<p><b>COUNCIL WIDE REVIEW OF WORKFORCE DEVELOPMENT AND TRAINING</b></p> <p>To consider a report from the Director of Resources and Housing that sets out the scope of a review of Workforce Development and Training; with a view to presenting further updates as the review progresses.</p>	23 - 28
10			<p><b>CIVIC ENTERPRISE LEEDS PERFORMANCE REPORT</b></p> <p>To consider a report from the Director of Resources and Housing providing a summary of performance information relating to Civic Enterprise Leeds (CEL) covering the third quarter of 2017/18.</p>	29 - 80
11			<p><b>DIGITAL INFORMATION SERVICE (DIS) PERFORMANCE REPORT</b></p> <p>To consider a report from the Director of Resources and Housing providing a summary of performance information relating to Digital Information Service (DIS) and follow-up actions following the Board meeting in November 2017.</p>	81 - 102
12			<p><b>BUSINESS RATES UPDATE</b></p> <p>To consider a report from the Chief Officer Financial Services that presents additional information in relation to the Scrutiny Board's ongoing inquiry into Business Rates.</p>	103 - 124
13			<p><b>FINANCIAL HEALTH MONITORING - MONTH 10</b></p> <p>To consider a report from the Head of Governance and Scrutiny Support introducing the Chief Officer Financial Services report – Financial Health Monitoring 2017/18: Month 10 – due to be considered by the Executive Board at its meeting on 21 March 2018.</p>	125 - 154

Item No	Ward/Equal Opportunities	Item Not Open		Page No
14			<p><b>WORK SCHEDULE</b></p> <p>To consider the Scrutiny Board’s work schedule for the 2018/18 municipal year.</p>	155 - 160
15			<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>Currently, there are no further meetings scheduled for the current municipal year.</p> <p><b>THIRD PARTY RECORDING</b></p> <p>Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda.</p> <p>Use of Recordings by Third Parties – code of practice</p> <ul style="list-style-type: none"> <li>a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.</li> <li>b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.</li> </ul>	

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## SCRUTINY BOARD (STRATEGY AND RESOURCES)

THURSDAY, 22ND FEBRUARY, 2018

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

Councillors S Bentley, A Garthwaite,  
R Grahame, P Harrand, J McKenna,  
D Ragan, A Smart, T Wilford and R Wood

### 68 Late Items

The Director of Resources and Housing submitted a late item of business in relation to the implications of the recent collapse of Carillion (minute 75) refers.

An extract from the minutes of the Scrutiny Board (Infrastructure and Investment) meeting held on 24 January 2018 was also presented to the meeting for consideration by the Board. The extract being of particular relevant to the Board's consideration of the report on Carillion (minute 75 refers).

### 69 Declaration of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests made at the meeting.

### 70 Apologies for Absence and Notification of Substitutes

The following apologies and notifications of substitute members were presented at the meeting.

- Apologies from Councillor A Sobel, with Councillor R Grahame attending as a substitute member.
- Apologies from Councillor A Sobel, with Councillor D Ragan attending as a substitute member.
- Apologies from Councillor D Nagel. No substitute member was in attendance.

### 71 Minutes - 18 January 2018

**RESOLVED** – The minutes of the meeting held on 18 January 2018, as presented, were agreed as an accurate record.

### 72 Elections, Registrars and Land and Property Search Services Performance Report

The Director of Communities and Environment submitted a report setting out a summary of performance across Elections, Registrars and Land and Property Search Services.

The following were in attendance to present the report and address any questions from members of the Scrutiny Board.

- Councillor James Lewis – Executive Member for Strategy and Resources
- John Mulcahy – Head of Elections, Licensing and Registration and Deputy Returning Officer

The Head of Elections, Licensing and Registration introduced the report, highlighting a number of specific matters including:

- The positive reaction of the Elections Team in responding to the announcement of the 2017 General Election.
- The Register of Electors being at its highest ever level in Leeds.
- The introduction of a new IT system for the Elections Service.
- Positive performance against national targets from the Registrations Service.

The Scrutiny Board considered and discussed the report presented at the meeting; raising a number of matters, including:

- Confirmation of the availability of the final election register for the forthcoming local elections (May 2018) and availability of the associated and updated electoral ward boundary maps.
- In relation to 'Vote 100', queries around any targeted work aimed at specific groups of women.
- Assurance sought around the necessary testing of the new IT system for the Elections Service, and details of the contract savings for the new system.
- Details of election polling stations and associated costs.
- Arrangements to deliver the necessary training of those involved in administering all aspects of the forthcoming local elections.
- Queries in relation to any proposed changes to the identification arrangements for voters.
- Assurance sought around the process and safeguards around the registration of births.

#### **RESOLVED –**

- (a) That the report and details discussed at the meeting be noted.
- (b) That the additional information identified at the meeting be provided to members of the Scrutiny Board.

### **73 Update - Employee Engagement Survey and Appraisals**

The Director of Resources and Housing submitted a report setting out details of the Council's annual Employee Engagement Survey and mid-year appraisal round.

The following were in attendance to present the report and address any questions from members of the Scrutiny Board.



- Councillor James Lewis – Executive Member for Strategy and Resources
- Graham Sephton – Head of Human Resources

The Head of Human Resources introduced the report that set out the results of the recent employee engagement survey and appraisals, and highlighted the following matters as particular areas for improvement for the Council to consider:

- The quality and consistency of staff appraisals.
- Arrangements for staff to 'Have a Say'.

It was also highlighted that undertaking the staff survey allows the Council to listen to staff, both in terms of positive areas and areas for improvement or development.

In considering the report, the Executive Board member added that the survey outcomes should be considered in the context of the Council's overall values and approach to being a good employer, including its approach to such matters as the Living Wage and retaining Council services in-house.

The Scrutiny Board considered and discussed the report presented at the meeting; raising a number of matters, including:

- Specific concern around the mid-year appraisal rate for Children's Services.
- Concern at the outcome of the staff survey results in relations to (1) staff feeling valued, (2) what I say counts, and (3) being encouraged to undertake diversity and inclusion training.
- Balancing concerns with positive survey results relating to (1) clarity of job role, (2) being trusted, and (3) receiving support from colleagues.

In concluding the discussion, the Chair paid tribute to the workforce in meeting the needs of communities – particularly during the ongoing period of financial austerity and associated challenges.

**74 RESOLVED** – That the report and details discussed at the meeting be noted.  
**Financial Health Monitoring 2017/18 - Month 9**

The Head of Governance and Scrutiny Support submitted a report introducing the Financial Health Monitoring 2017/18 – Month 9 report, considered by Executive Board at its meeting on 7 February 2018.

The following were in attendance to present the report and address any questions from members of the Scrutiny Board.

- Councillor James Lewis – Executive Member for Strategy and Resources
- Doug Meeson – Chief Officer, Financial Services

The Chief Officer, Financial Services introduced the report that set out an overall positive financial position, which projected a slight budget underspend

by the end of the 2017/18 financial year. Within that context, it was reported there were continuing issues around business rates, which had resulted in more provision for Business Rate Appeals in the 2018/19 budget.

The Scrutiny Board considered and discussed the report presented at the meeting; raising a number of matters, including:

- Council Tax collection rates during the council tax year and in subsequent years. The Board requested further details around the longer-term collection rates achieved.
- The Council's overall approach debt, debt collection and the Council's debt right-off scheme. As part of this discussion, it was confirmed the Council did not 'sell-on' any outstanding debts to third party collection agencies.
- The on-going risks to the Council delivering a balanced budget for 2017/18, as detailed in the financial dashboards appended to the report, including Waste Management, Planning and Asset Management.
- Concerns raised around the budget pressure associated with the remodelling of the Children's Social Work service.

**RESOLVED –**

- (a) That the report and details discussed at the meeting be noted.
- (b) That the additional and further information identified at the meeting be provided to members of the Scrutiny Board.

**75 Carillion**

The Director of Resources and Housing submitted a report that provided an update on the position between the Council and the various Carillion group companies, following a number of Carillion Group companies entering into a 'compulsory liquidation' insolvency process on 15 January 2018.

An extract from the draft minutes of the Scrutiny Board (Infrastructure and Investment) meeting held on 24 January 2018 was also presented to the meeting for consideration by the Board.

The following were in attendance to present the report and address any questions from members of the Scrutiny Board.

- Councillor James Lewis – Executive Member for Strategy and Resources
- David Outram – Chief Officer (Projects, Programmes and Procurement Unit)
- Neil Evans – Director, Resources and Housing

The Chief Officer (Projects, Programmes and Procurement Unit) presented the report, highlighting a number of matters, including:

- The seven Private Finance Initiatives (PFI) contracts between Leeds' schools and Carillion – which involved 110 staff.

- Confirmation that facilities management services to those affected schools continued to operate, with no drop in service through what was currently a temporary transfer of services and resources to an alternative contractor (Mitie)
- The 2 highway contracts involving Carillion – as previously reported to the Scrutiny Board (Infrastructure and Investment) on 24 January 2018.
- An outline of the Councils procurement processes, including the use of procurement searches, credit checks and the use of insolvency bonds.

The Scrutiny Board considered and discussed the report presented at the meeting; raising a number of matters, including:

- Details of any direct Council losses as a result of the Carillion Group companies' compulsory liquidation insolvency processes. It was confirmed there had not been any direct losses as a result of the insolvency. It was also confirmed there was no debt to be written off by the Council.
- A request for details of any opportunity costs, for example officer time, in dealing with matters as they related to the East Leeds Orbital Road (ELOR) scheme. The request would be shared with relevant officers outside of the meeting.
- The Council's pre-contract procedures and risk assessment for companies – prior to entering into a formal contractual agreement. Reference was again made to the Councils procurement processes, including the use of procurement searches, credit checks and the use of insolvency bonds where any financial risks were identified. It was also reported that a significant factor had been the non-reporting of the financial position of the Carillion Group of Companies.
- Concerns around the potential impact on small and medium sized businesses following Carillion's insolvency; and the associated impact this could have on local communities.
- Concerns around the competency of Mitie following a recent incident at a local school. It was confirmed the specific issue raised would be investigated and reported outside of the meeting.

It was noted that the collapse of the Carillion Group, and the associated circumstances, was the subject of an ongoing parliamentary select committee inquiry, the outcome of which was currently unknown.

#### **RESOLVED –**

- (a) That the report and details discussed at the meeting, including the temporary arrangements for the continuation of existing school-based contracts, be noted.
- (b) That a further report on the insolvency of Carillion Group companies, including the longer-term implications of the compulsory liquidation and any relevant outcomes from the parliamentary select committee inquiry, be presented to the Board at a future meeting.

## **76 Work Schedule**

Draft minutes to be approved at the meeting  
to be held on Thursday, 22nd March, 2018

The Head of Governance and Scrutiny Support submitted a report that set out the Scrutiny Board's work schedule for the remainder of the current municipal year.

The report also presented the draft minutes from the Executive Board meeting held on 7 February 2018.

Members discussed the details presented and requested the following details:

- An update on the current position of outstanding Business Rates appeals and progress of the 100% Business Rates Retention pilot.
- Details of expenditure on out of area placements in Children's Services.

**RESOLVED –**

- (a) That the draft Executive Board minutes from 7 February 2018 be noted.
- (b) That the work schedule as presented by agreed, subject to the additions identified at the meeting.

**77 Date and Time of Next Meeting**

Thursday, 22 March 2018 at 10:30am, with a pre-meeting for all members of the Scrutiny Board at 10:00am.

The meeting closed at 12:15pm.



Report author: Steven Courtney  
Tel: (0113) 37 88666

## Report of Head of Governance and Scrutiny Support

### Report to Scrutiny Board (Strategy and Resources)

Date 22 March 2018

### Subject: Expenditure on external residential placements in Children's Services

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

### Purpose

1. The purpose of this report is to provide some background information in relation to the use of external residential placements in Children's Services.

### Background

2. One of the main budget pressures for the Council is the demand-led children in care budget; in particular expenditure on external residential placements and independent fostering agencies. In 2016/17 there was a £3.8M budget overspend on these two areas and the latest budget health monitoring report submitted to the Executive Board (February 2018) reports an overspend of £800K.
3. As such this is a high risk area for audit planning purposes and has been the subject of a number of audits over the last three years (as detailed below). At a very high level the process for matching a child or young person with a suitable provider is:
  - Step 1 – Establish whether there are any suitable internal providers. If not go to step 2;
  - Step 2 – Establish whether there are any suitable matches to a framework contract provider (known as the White Rose Framework). If not go to step 3;
  - Step 3 – Find a suitable match through a non-framework provider.
4. For audit purposes, coverage of steps 1 to 3 have been classed as the "call-off" process.

## Corporate Governance and Audit Committee

5. In September 2015, the outcome of an Internal Audit review of the commissioning arrangements in place for the placement of children with external fostering agencies and residential care providers was reported to the Council's Corporate Governance and Audit Committee.
6. As part of that report, limited assurance was provided for compliance with the agreed "call-off" process due to a lack of evidence to verify expected controls (e.g. Authorisation for the external placement via a Delegated Decision Note, the completion of the Decision to Seek Accommodation Form and Record of Actions document). At that time it was also report that monitoring arrangements were in place to ensure that any external placement continued to be in the child's best interest and whether there may be other more cost effective options, such as independent semi supported living.
7. Overall, the internal audit review was unable to provide sufficient assurance that value for money was being obtained when external providers of residential care and independent fostering agencies were being commissioned.
8. In June 2017, as part of a report on the outcome of a follow-up review, it was reported to CGA that although some improvements had been made to the control environment there had been limited progress in evidencing how many suitable matches had been identified when attempts were made to place a child. As such, Internal Audit was again unable to provide independent assurance that value for money was being achieved in the brokerage of external placements.
9. As part of the follow-up review, recommendations were agreed with Children's Services and a further follow up review to assess progress was scheduled to be undertaken during 2017/18.

### **Main issues**

10. As part of the further follow-up review, audit testing was completed in January 2018. Officers in Internal Audit are currently in the process of agreeing the audit report with the Head of Looked After Children; with a meeting scheduled in advance of the Scrutiny Board meeting.
11. Based on the further follow-up review, Internal Audit are satisfied that good progress has now been made in addressing previous audit recommendations around the "call-off" process.
12. Pending completion of the final report, officers within Internal Audit have stated there is now good evidence to show the efforts that have been made to place the child and therefore why any placements have been made with providers who are not on the White Rose Framework Contract (typically due to a lack of capacity with framework providers to meet demand). It should also be noted that Children's and Families have recently had an Ofsted inspection which included coverage of the placement and matching service. The feedback from this inspection has also been very positive.
13. To assist the Board's consideration of this matter, appropriate senior officers have been invited to the meeting to discuss details set out in this report and address any issues raised by the Scrutiny Board.

## **Recommendations**

14. That the Scrutiny Board considers this details set out in this report and outlined at the meeting; and agrees any specific scrutiny actions that may be appropriate.

## **Background documents<sup>1</sup>**

15. None used.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Report author: Lelir Yeung and  
Graham Sephton  
Tel: 378 9045

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## Report of Director of Communities and Environment

### Report to Scrutiny Board (Strategy and Resources)

Date: 22<sup>nd</sup> March 2018

### Subject: Equality Impact Priorities refresh

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

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## 1 Summary of main issues

- 1.1 This report provides a summary of performance information relating to Equality Impact Priorities refresh.

## 2 Recommendations

- 2.1. Members are recommended to:

- Consider and comment on the update.
- Use the information provided in the report to determine further scrutiny work to support improvement over the coming year.

## 1. Purpose of this report

- 1.1. This report provides members with information and an update on the council's Equality Improvement Priorities. The update is not intended to give a comprehensive view of all the equalities work undertaken during 2017/18, but instead provides an overview using examples from across all council directorates.

## 2. Background information

- 2.1. The council's Equality Improvement Priorities 2016 - 2020 were approved by Executive Board in October 2015. The Equality Improvement priorities were produced to ensure that the council meets its legal duties under the Equality Act 2010. The Equality Act became law in October 2010. It replaced previous legislation (such as the Race Relations Act 1976 and the Disability Discrimination Act 1995) and ensures consistency in what employers and employees need to do to make their workplaces a fair environment and comply with the law.
- 2.2. Compliance with the Equality Act 2010 includes a specific duty to develop equality priorities which are reviewed at least every four years. The specific duty requires local authorities to:
  - publish accessible information outlining the equality analysis which has taken place to inform equality objectives;
  - engage with people who have an interest in furthering the aims of the general equality duty; and
  - demonstrate progress against equality objectives for both employment and service delivery; and
  - publish information to show their compliance with the Equality Duty, at least annually
- 2.3. The council's Equality Improvement Priorities take into account the protected characteristics as required under the Equality Act 2010. They also recognise poverty as a barrier that limits what people can do and can be. As a result priorities were included that address poverty as the council recognises that a number of the protected characteristics are disproportionately represented in those living in poverty. The Equality Improvement Priorities also recognise that there are currently different outcomes and experiences for different groups and communities.
- 2.4. The Equality Improvement Priorities were developed to compliment the priorities set out in the Best Council Plan and the ambition for Leeds to be 'The best city in the UK: one that is compassionate with a strong economy, which tackles poverty and reduces the inequalities that still exist'.
- 2.5. The council has a legal duty to publish information to show how it complies with the requirements of the Equality Act 2010.

## 3. Main issues

- 3.1. During 2017/18 work is taking place with council directorates to review the Equality Improvement Priorities to ensure that they are still relevant and continue to reflect the ambition of the council. This work is due to conclude at the end of April 2018 and the annual update and revised Equality Improvement Priorities will be reported to Executive Board in July 2018. (**Appendix 1**: Equality Improvement priorities summary – updated November 2017)
- 3.2. This also aligns to the work on the updated Best Council Plan which was approved by Executive Board in February 2018.

- 3.3. In addition, Human Resources set out important building blocks to help the council become more inclusive and representative (**Appendix 2**: spider diagram). Teams are able to use this framework to check and challenge everyday practice.
- 3.4. To support the delivery of Inclusion and Diversity work in 2017/18, it has been agreed with directorates that they need to develop delivery plans setting out details of the work they are doing to 'be more representative, and be more inclusive'. Progress against these delivery plans will be included in future Equality Improvement Priorities Annual Update reports, with the first progress report due in July 2018.

## **Corporate Considerations**

### **4. Consultation and Engagement**

- 4.1. This is an information report and as such does not need to be consulted on with the public. It is noted that performance information such as the BCP key performance indicator results are available to the public.

### **5. Equality and Diversity / Cohesion and Integration**

- 5.1. This is an information report rather than one that requires a decision and so it is not necessary to conduct an equality impact assessment.

### **6. Council Policies and City Priorities**

- 6.1. The Equality Improvement Priorities were developed to compliment the priorities set out in the Best Council Plan and the ambition for Leeds to be 'The best city in the UK: one that is compassionate with a strong economy, which tackles poverty and reduces the inequalities that still exist'.

### **7. Resources and value for money**

- 7.1. There are no specific resource implications from this report,

### **8. Legal Implications, Access to Information and Call In**

- 8.1. The Equality Improvement priorities were produced to ensure that the council meets its legal duties under the Equality Act 2010. The council has a legal duty to publish information to show how it complies with the requirements of the Equality Act 2010.
- 8.2. This report is an information update and as such is not subject to call in.

### **9. Risk Management**

- 9.1. Failure to comply with the requirements of the Equality Act 2010 may result in a number of risks arising including:
  - Discrimination claims being made against the council by employees, and the resource implications of having to deal with these claims. The council's Corporate Risk Register includes a risk on 'Employment Litigation'.
  - Enforcement action taken against the council by the Equality and Human Rights Commission (EHRC).
  - A significant adverse impact on the council's reputation.
  - The council may be seen as a less attractive organisation to work for when compared to others that comply with the act.

## **10. Conclusions**

- 10.1. This report provides an overview of progress being undertaken across the council in reviewing the Equality Improvement Priorities and also the development of directorate delivery plans setting out how they intend to 'be more representative and be more inclusive'.
- 10.2. It is noted that as actions are due to be completed in the first quarter of 2018/19, a further report is planned for Scrutiny Board (Strategy and Resources) later in 2018 to provide an update on this work.

## **11. Recommendations**

- 11.1. Members are recommended to:
- Consider and comment on the update.
  - Use the information provided in the report to determine further scrutiny work to support improvement over the coming year.
- 11.2. Background documents<sup>1</sup>
- 11.3. Appendix 1: Equality improvement priorities summary – updated November 2017
- 11.4. Appendix 2: Inclusion and diversity building blocks

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



Leeds  
CITY COUNCIL

# Equality Improvement Priorities (Summary) 2016-20

Update November 2017

Tackling poverty and reducing inequalities



# Introduction

We know that some of our communities have poorer outcomes than others and this affects them individually as well as the city as a whole. It is important for everyone to benefit from being part of a strong economy and our focus on a compassionate city approach will help us do this.

We are committed to making equality a reality for all the citizens of Leeds. Leeds will be a city where people are able to recognise, value and embrace diversity and difference. We will support people from different backgrounds and ages to feel comfortable living together. We will work with organisations across Leeds to promote a clear and consistent message that prejudicial views or behaviour that could result in hate incidents or crimes are not tolerated or condoned. We will work with communities to ensure people are treated with dignity and respect and the causes of unfairness are understood and addressed. We value the contributions that all citizens in Leeds make to our city and we want everyone to recognise and appreciate these.

We will ensure that we show kindness, and empathise with the difficult situations people find themselves in. We will do what we can to work with them to help them alleviate these.

In our aim to be a compassionate city, we want to live in an equal society which recognises different people's different needs, situations and goals and removes the barriers that limit what people can do and can be. We will consider all the protected characteristics covered in the Equality Act 2010, and we will also widen our considerations to others who are disadvantaged in other ways eg by poverty. Our priorities do not include all our work across all the protected characteristics, but highlights those areas where there are significant differences in outcomes for people due to those characteristics. We believe that by addressing these areas we will make Leeds a better city for everyone.

We welcome all communities in Leeds and value the contributions that our citizens make to our city.

The following pages outline our equality priorities which have been developed because we recognise that there are currently different outcomes and experiences for different groups and communities. This is not acceptable and we will address these differences where ever we can.

Detailed information about the equality priorities is included within the equality annual report 2016-17

The equality improvement priorities will be reviewed during 2017-18 to ensure they are still relevant and continue to reflect the ambition of the council to tackle poverty and reduce inequality.



# Compassionate City

Living safely and well, living at home, and valuing communities

## Why this is important:

- There are approximately 300 children assessed as potentially at risk of, or a victim of child sexual exploitation in Leeds
- Police reports indicated that approximately 18,750 incidents of domestic violence were reported to the police between April 2016 and March 2017. 79% of these victims were female
- West Yorkshire Police recorded 1836 hate incidents during the year to February 2017, a 23.8% increase on the same period during 2015/16
- 2,339 young people (16-24 year olds) presented themselves as homeless in Leeds in 2014. 30% of these were 16-17 year olds
- 2,861 (5%) of lead tenants in council properties are between 16-24
- Over the next 15-20 years it is projected that 68% of council tenants will be over 55 with 18% of these being over 85
- People using Adult Social Care services tell us they do not have the information they need, or that it is in a format or language they find difficult
- Reducing fuel poverty increases life expectancy, improves mental health and wellbeing and reduces health inequalities

## Key actions

- Continue to support the partnership arrangements that are in place to enable partners to work together to identify and safeguard children and young people vulnerable to and at risk of child sexual exploitation, and divert /prosecute those intent on sexually exploiting children.
- Through the BME women's project build confidence, breakdown barriers and promote use of health services
- Develop understanding of new and emerging communities in each locality
- Consider and adopt appropriate models to strengthen communities working together
- Continue to develop innovative adaptation schemes to support tenants with additional support needs.
- Continue to provide appropriate support models to older tenants
- Improve communications

## Key indicators

- Reduce repeat incidence rate of domestic violence and abuse
- Reduce number of repeat victims of hate incidents and hate crime
- Increase availability of housing choice and provision including Extra Care and Sheltered Schemes across Leeds for older people
- Reduce number of households in fuel poverty
- Increase the number of people saying they have adequate information to decide on their care
- Produce annual reports on the BME women's project

## Our equality priorities

Although specific protected characteristics are identified for each priority, work in these areas will improve the position for everyone.

### Women:

Reduce the prevalence and impact of domestic violence and abuse

### Young people:

Improve housing options

### BME:

improve the health of migrant communities

### Those in poverty:

Reduce fuel poverty

### BME:

Understand the context and impact of migration on Leeds

### Young people:

(Girls from South Asian communities, and boys) Protect children from child sexual exploitation

### Older and disabled people:

Supported to live safely and as long as they wish in their own homes

### BME, LGBT, and disabled people:

Reduce the impact and occurrence of hate crime

### Older people and disabled people:

Identify and remove as many barriers as possible, especially those relating to communication and information

### Older and vulnerable people:

reduce the number of long term empty homes in the city impact of migration on Leeds



# Compassionate City

Enjoying culture and sport, inclusive access and language access

## Why this is important:

- Annual sports customer survey identified access as an issue for some groups, particularly women and disabled people
- Older and disabled people tell us that they have problems with obstructions on pavements, and this makes it difficult to get out safely
- People with mobility impairments tell us it is easier to get around the city centre if you know the average time it takes to walk to a destination
- In 2016 - 2017 the council successfully prosecuted 156 cases of misuse of blue badges and disabled parking facilities in Leeds. This illegal parking prevents disabled people from using these spaces.
- The introduction of the British Sign Language Video Interpreter Service at the One Stop Centres and British Sign Language Live via the Contact Centre has reduced avoidable contact and improved services for deaf and hard of hearing customers.
- The Learning English in Leeds website [www.lel.help](http://www.lel.help) provides an accessible and comprehensive on-line directory of English for Speakers of Other Languages (ESOL) to both understand and meet needs.

## Key actions

- Identify barriers to female participation in sports
- Take action against residents who are causing access problems on public pathways eg wheelie bins, A boards, overgrown hedges
- Continue to carry out external consultation and involvement with the Equalities Assembly and/or the Access and User-Ability Group in the design of major projects and developments in the city
- Provide relevant and appropriate information in a way that is accessible to all

## Key indicators

- Number of access audits undertaken on museums and galleries in Leeds
- Increase the percentage of parks and countryside community parks which meet Leeds Quality Parks Standard
- Percentage of staff trained in equality, disability awareness and adapting activities (sport)
- Reduction in service requests in relation to access to pavements

## Our equality priorities

Although specific protected characteristics are identified for each priority, work in these areas will improve the position for everyone.

### **BME, people of faith, young and old, disabled people:**

Improve the quality of parks

### **Older people, children, disabled people, BME:**

Improve access to cultural opportunities and sport

### **All users of buses, trains and park and ride:**

Improved access to transport and quality of service for all to enable more people to use public transport

### **Older people, children, disabled people, BME:**

Improve access to Leeds city centre, pavements and disabled parking

### **Deaf people and those with limited English:**

Continue to improve awareness of availability of ESOL classes and improve BSL interpretation

### **Older people, children, disabled people:**

Ensure that simplified street space is safe

### **Those in poverty and new to Leeds:**

Improve recycling rates





# Strong Economy

Achieving potential, and improving representation

## Why this is important:

- Children living in poverty do not do as well at school and this affects their life opportunities. The gap between the proportion of those eligible for free school meals and those not eligible achieving 5+ A\*-C GCSEs has remained relatively constant.
- 10% of learners on apprenticeships are from BME groups compared with 19% of adult learners as a whole.
- 15,450 Employment Support Allowance/Incapacity Benefit claimants of working age in Leeds have mental ill health or a behavioural disorder
- 23% of premises in W Yorkshire with the poorest connectivity (no superfast broadband provision) are in the 20% most deprived areas of the country.
- Since 2013, over 20,000 awards have been made to vulnerable residents of Leeds. Although cuts in Government funding have meant refinements to the scheme, the council continues to provide a scheme which continues to target those most in need of emergency food aid and support for basic household goods.
- Research in 2010 indicated that lone parents (38%) were more likely than the average survey sample to use high cost sources of credit, have less savings and be experiencing financial difficulties
- At March 2015 the council employed 15,605 staff, of these 2% disclosed they were LGBT, 6% disabled, and 13% BME

## Key actions

- Targeted support and challenge for schools with significant proportions of relatively low achievers from vulnerable groups, including academies
- Promote affordable credit and banking service as an alternative to high cost lenders
- Increase disclosure rates of council staff by leading a campaign around the topic of 'why we need your information'

## Key indicators

- Reduce educational achievement gaps
- Increase the number of people experiencing mild to moderate mental ill health moving into work
- 98% of premises across W Yorkshire and York able to access superfast broadband by end 2018
- Growth in credit union membership
- Increase the proportion of underrepresented people with protected characteristics recruited into the council
- Reduce the gaps in representation between % of board membership and resident population, of specific identified boards

## Our equality priorities

Although specific protected characteristics are identified for each priority, work in these areas will improve the position for everyone.

### BME and young people:

Improved access to apprenticeships

### Those In poverty:

Support people out of financial hardship

### Those in poverty:

Increase digital inclusion

### BME, LGBT, women, and disabled people:

Develop a skilled and diverse council workforce

### BME, LGBT, women, and disabled people:

Increase board representation

### People experiencing mental health:

Provide effective support to access the labour market

### Vulnerable learners including: Children Looked After, and those children and young people with special educational needs and impairments

Reduce the gaps in learning outcomes



“Our vision is for Leeds to be the best city in the UK: one that is compassionate with a strong economy, which tackles poverty and reduces the inequalities that still exist. We want Leeds to be a city that is fair and sustainable, ambitious, fun and creative for all with a council that its residents can be proud of: the best council in the country.”

**Cllr Judith Blake, Leader of Leeds City Council**

**Tom Riordan, Chief Executive of Leeds City Council**

(Best Council Plan 2015-2020, update 2017-18)

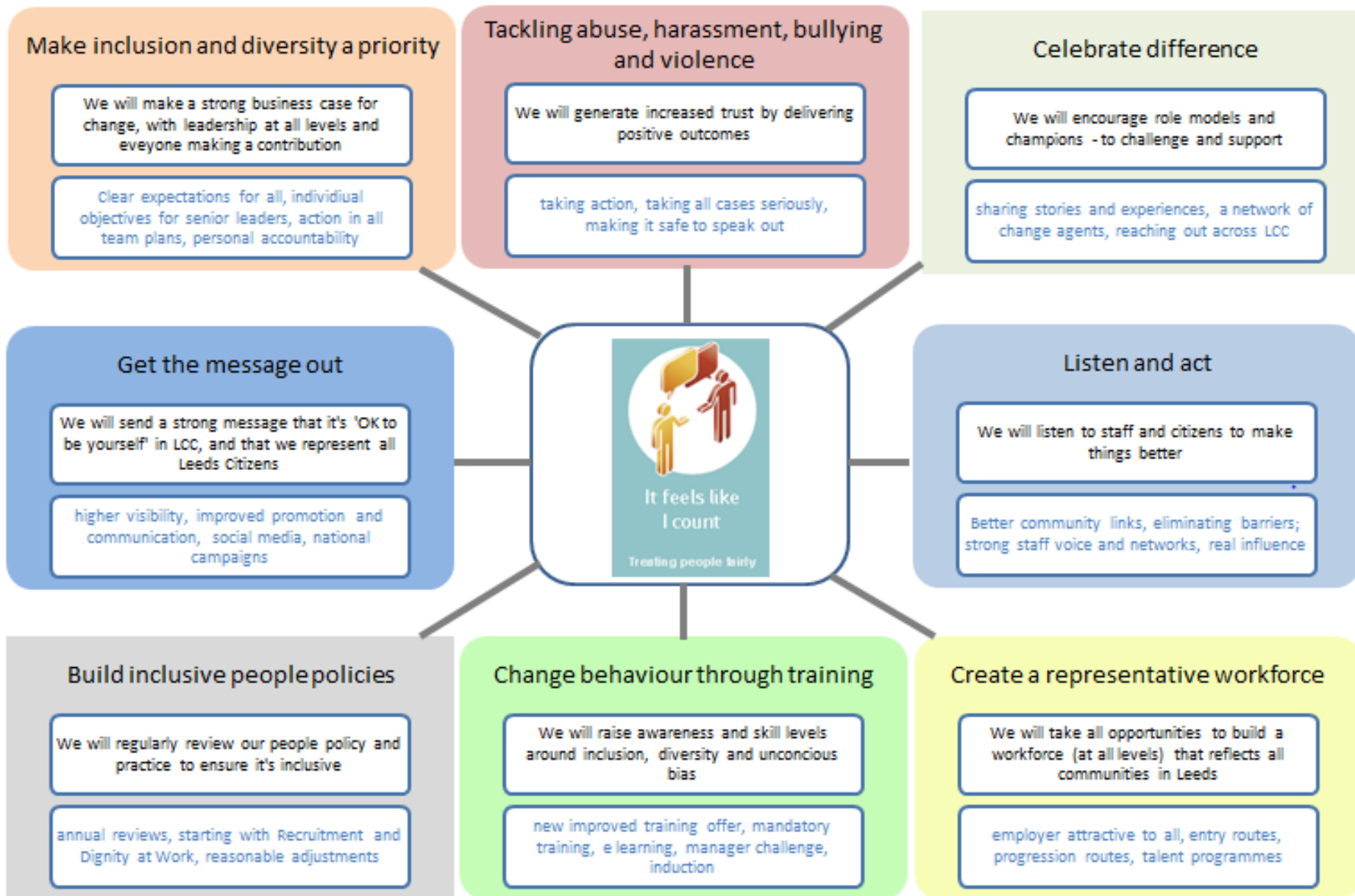


Cllr Judith Blake



Tom Riordan

Any enquiries, or to have this paper made available in alternative formats, please email [equalityteam@leeds.gov.uk](mailto:equalityteam@leeds.gov.uk), phone 0113 378 5998, text 07891 270162 or visit the website at [www.leeds.gov.uk/equality](http://www.leeds.gov.uk/equality)



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Report author: Graham Sephton

Tel: 0113 37 89343

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## Report of the Director of Resources & Housing

### Report to the Scrutiny Board (Strategy & Resources)

**Date: 22nd March 2018**

### **Subject: Council wide review of Workforce Development and Training**

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 checked="" type="checkbox"/> Yes	<input 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

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## **1 Summary of main issues**

- 1.1. This report provides a summary of performance information relating to Workforce Development and Training.
- 1.2. A review of Workforce Development and Training has been initiated as part of the council's Support Service Review programme. It is part of our drive to work smarter, deliver better outcomes and save money.

## **2 Recommendations**

- 2.1. Members are recommended to note the update. Comments are welcomed.

## **1. Purpose of this report**

- 1.1. The council is currently undertaking a review of Workforce Development and Training. This report sets out the scope of the review for Scrutiny Board, with a view to bringing back further updates during the year as the work progresses. Links to existing work around Apprenticeships and the relaunch of our Learning Agreement with Trade Unions are also made.

## **2. Background information**

- 2.1. Scrutiny Board previously received a report on Apprenticeships in October 2017, outlining the significant opportunities for using Levy funding to provide structured training for our staff.
- 2.2. A Learning Agreement between the council and Trade Unions has been in place since 2011, and this has been refreshed and relaunched in 2018.
- 2.3. The council has had a preferred learning provider since 2010. The company is called QA Ltd. They currently provide around 10-15% (by cost) of the council's training each year.

## **3. Main issues**

### **3.1. Workforce Development and Training Review**

- 3.1.1. Each year the council makes a significant investment in staff training and development. In 2017/18, training budgets totalled £1.5M. The vast majority of this money is held and managed at directorate and service level, as is the responsibility for planning, organising and delivering any training itself. Some of the funding is used to fund training for people outside the council, especially in the city wide Adults and Children's social care workforces (independent and third sector).
- 3.1.2. The Support Service Review aims to explore current practice and determine ways to improve outcomes, value for money and gain better access for all staff.
- 3.1.3. The first stage of the review is to capture the current, council wide position. We are looking at who needs what, who gets what, and how well things are currently working. We are keen to check whether everyone has fair and full access to learning, and identify any barriers.
- 3.1.4. In this initial stage, we will check to see whether we are meeting our statutory, mandatory and essential training requirements in the best way, including refresher training and certification.
- 3.1.5. We will look at the range of delivery models at play, and the balance between externally and internally commissioned deliveries.
- 3.1.6. We will perform a value for money analysis, looking at where our training money goes, and how the different funding approaches work. A review of external procurement and contracts will be part of this work.
- 3.1.7. As part of our consultation, we will work hard to understand the experience of staff in different roles – front line, low pay, multiple jobs, across different professions, those without regular IT access.
- 3.1.8. Throughout all our work, we will focus on impact, and the difference our investment is making. The key aim of the review is to build a clear picture of workforce and organisational skill needs, and make sure we meet them in the best and most efficient way.

### 3.2. Apprenticeships

- 3.2.1. Recent reports to Scrutiny Board have outlined the training opportunities linked to the Apprenticeship Levy, and these will be fed into our wider training review.
- 3.2.2. Changes to Apprenticeships mean we can now offer development opportunities to existing and part time staff, and we will be looking to maximise and mainstream these as part of our wider offer to staff.
- 3.2.3. As our Apprenticeship offer develops, we will work hard to support priority groups to access opportunities and give the best support to people to pass their apprenticeships and develop further careers
- 3.2.4. Workforce planning will help us to focus our Apprenticeships and training on the roles and skills we need for the future, as well as addressing any current skills issues and gaps.
- 3.2.5. Proposals for a range of Management Apprenticeships are being developed – from front line team leaders and supervisors (Level 3) through to higher level senior management (Level 6)
- 3.2.6. 6500 people attended the recent Leeds Apprenticeship Fair at the Arena. The Council was present, promoting itself as one of over 100 different employers. Demand for apprenticeships is there, and interest in the council was very high, which reflects our efforts to market ourselves as an employer of choice.

### 3.3. Learning Agreement and Union Learn

- 3.3.1. A Learning Agreement and partnership between the council and trade unions has been in place since 2011, which has allowed us to work together and establish Union Learn Representatives (ULRs), who are given facilities times to support staff to access learning and development – especially in front line services.
- 3.3.2. The partnership has been productive and positive, but all parties felt that the agreement was due an update to reflect the progress we have made, and the current challenges and context we now work in.
- 3.3.3. A new 'statement of intent' was agreed in February 2018 between senior politicians, senior officers and trade union colleagues, with renewed and extra focus in the following areas:
  - Encouraging more staff to consider and take up apprenticeships
  - Improving access to learning for all staff at work (focus on front line, part time, basic skills)
  - Offering wider opportunities that support people in and beyond work – e.g. low pay support, wellbeing, staff benefits and discounts

## **4. Corporate Considerations**

### **4.1. Consultation and Engagement**

- 4.1.1. Consultation has already taken place with front line staff and teams across the council as part of initial information gathering. Conversations with workforce development teams across the council are also taking place, as they have an important role in terms of commissioning, planning and delivering at local level.
- 4.1.2. The Best Council Design Team (Senior Manager Representatives from each Directorate) has been engaged in the review.

- 4.1.3. All relevant stakeholders continue to be consulted on the implementation of the Apprenticeship Levy, including senior leaders, elected members and trade unions.

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

- 4.2.1. Equality Impact Assessments have been carried out in respect of all Apprenticeship training providers, and all necessary equality and cohesion issues have been appropriately considered.
- 4.2.2. An important part of our review work is to ensure that there is fair and full access to training and support for all staff, particularly in front line, part time, low paid roles, and for underrepresented groups to aid personal development and career progression.
- 4.2.3. A review of Inclusion and Diversity training is already in motion, as reported to Executive Board early 2018, with a view to relaunching a new offer soon...

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

- 4.3.1. The proposals set out in this report contribute to the Best Council Plan 2017-18 priorities around supporting communities and raising aspirations, providing skills programmes and access to employment opportunities.
- 4.3.2. There are strong business benefits to be gained from having a high performing, inclusive workforce, not just in terms of unlocking and maximising our own talent, but also through increased customer trust and confidence and improved service delivery and outcomes

## **4.4. Resources and value for money**

- 4.4.1. Assessing the impact and return on the council's £1.5M investment in staff training is a key aim of the review. Areas of smarter working and greater efficiency are expected.
- 4.4.2. Potential savings and gains are possible using a more co-ordinated 'bulk buying' approach for external training across the council.
- 4.4.3. The apprenticeship levy is valued at £1.7M per year to the council.
- 4.4.4. Consideration of resource and capacity issues (particularly in front line teams) will need to be given, as we explore ways to provide more and better access to learning for all staff.

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

- 4.5.1. The procurement of training provision for QA Ltd (our preferred learning provider) and Apprenticeship Training Providers is carried out in accordance with the Councils Contract Procedure Rules and Financial Procedure Rules.

## **4.6. Risk Management**

- 4.6.1. Well-developed quality assurance mechanisms are in place to monitor the delivery of services from QA Ltd and Apprenticeship Training Providers. Arrangements for monitoring the impact and value of all other training takes place at service level.
- 4.6.2. Stronger reporting and monitoring of training is required at council level, and improvements in this area will be driven by the review.



## **5. Conclusions**

- 5.1. This report sets out the scope and plans for a council wide review of Workforce Development and Training, which is part of our Support Services drive to work smarter, deliver better outcomes and save money.
- 5.2. The council remains committed to providing high quality learning and career development opportunities for all staff – and the review will help us to focus our efforts.
- 5.3. The review will allow the council to check that the current and future skills needs are being met in the best way.

## **6. Recommendations**

- 6.1. It is recommended that the Resources and Housing Scrutiny Board note this update, and receive further updates as the Workforce Development and Training review progresses. Comments are welcomed.

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Report author: Richard Jackson  
Tel: 273346

**Report of the Director of Resources and Housing**

**Report to Scrutiny Board (Strategy and Resources)**

**Date: 22<sup>nd</sup> March 2018**

**Subject: Civic Enterprise Leeds Performance Report**

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**

This report provides members with a summary of performance information relating to Civic Enterprise Leeds (CEL) covering the third quarter of 2017/18.

**Recommendations**

Members are recommended to:

- Consider and comment on the most recent performance information in relation to CEL.
- Use the performance information provided to determine areas for further scrutiny work to support improvement over the coming year.

## **1. Purpose of this report**

- 1.1. This report provides members with a summary of performance information relating to Civic Enterprise Leeds (CEL) covering the third quarter of 2017/18.
- 1.2. The report gives Scrutiny Board members information to inform decision making around identifying areas for further scrutiny work to support improvement across council outcomes, priorities and values.

## **2. Background information**

- 2.1. CEL sits within the Resources and Housing Directorate and consists of Facilities Management, Cleaning, Catering, Passenger Transport and Fleet Services. CEL's performance is viewed in the context of their service priorities: Delivery; Cost; People; Safety and Quality. CEL's performance results for the third quarter of 2017/18 are detailed in Appendix 1.

## **3. Main issues**

- 3.1. Full details of CEL's performance against their priorities can be seen in Appendix 1. In the third quarter of 2017/18 CEL reported good progress across all service areas in terms of People, Delivery, Safety, Cost and Quality. Key points include:
  - Particular emphasis has been put on Fire Safety post Grenfell and our results show excellent progress such as achieving 20 Fire Safety Audits in High Rise, 99% of reported bulky items moved in 24 hours and 100% of blocked bin chutes attended to in 24 hours.
  - Performance against the Facilities Management E-Schedule is good, all legislative requirements such as Fire Risk Assessments and Evacuations are above 90% and we have recently added in new indicators such as an annual Inclusion and Diversity review of the building and annual review of Local Safety Arrangements and associated training which will make our buildings more inclusive and safer.
  - Catering performance highlights include holding 81% of the primary catering market and achieving 93% of good/very good client rating which is significantly higher than Q2. Other achievements in Quarter 3 serving record number of meals, averaging at 34,750 per day and servicing an additional 11,000 meals at Christmas.
  - Passenger Transport's performance highlights include a 21 % increase on the number of PRESTO customers from 101 to 123 at end of quarter 3. The service started providing transport to LTHT in December supporting the transfer of elderly people from hospital to home, feedback is positive.
  - Fleet Services performance highlights include an increase in the HGV MOT pass rate at 94% which is a vital indicator for the industry, 100% response to breakdowns on time and 98% customer satisfaction.

## **4. Corporate Considerations**

### **4.1. Consultation and Engagement**

- 4.1.1. This is an information report and as such consultation and engagement does not apply.

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

- 4.2.1. This is an information report, rather than a decision report and so due regard is not relevant.

## **4.3. Council policies and the Best Council Plan**

- 4.3.1. This report brings to Scrutiny Board (Strategy & Resources) a performance update on progress against services that support the delivery of the council's Best Council Plan. The Best Council Plan itself forms part of the council's budget and policy framework.

## **4.4. Resources and value for money**

- 4.4.1. Effectively monitoring and managing performance helps ensure that resources continue to be appropriately deployed. There are no other financial implications from this report.

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

- 4.5.1. This report is an information update providing Strategy & Resources Scrutiny Board with a summary of performance for selected portfolio areas within its remit and is not subject to call in.

## **4.6. Risk Management**

- 4.6.1. There are no specific risks associated with this performance report. However, it is noted that performance results may be linked to the corporate risks that could impact on the delivery of the Best Council Plan.
- 4.6.2. Although CEL does not lead on any of the corporate risks, they maintain their own service level risk register which is updated and reviewed at their management team each quarter.

## **5. Conclusions**

- 5.1. The report provides details of performance for the CEL for the third quarter of 2017/18.

## **6. Recommendations**

- 6.1. Members are recommended to use the performance information provided by CEL to determine areas for further scrutiny work to support improvement over the coming year.

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A high-angle, nighttime photograph of a city street in Leeds, UK. The street is illuminated by streetlights, and light trails from traffic are visible. In the background, the city skyline is lit up, and the Cathedral of St. Asaph is prominently featured on the right side, with its large dome and clock tower illuminated. The sky is a mix of blue and orange, suggesting dusk or dawn.

Appendix 1  
Civic Enterprise Leads  
Q3 Reporting

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## Executive Summary

**Civic Enterprise Leeds** sits within the Resources and Housing Directorate and consists of Facilities Management, Cleaning, Catering, Passenger Transport and Fleet Services.

Our key priorities for 2017/18 are set out in page 6 of this report and are People, Delivery, Safety, Cost and Quality. Key objectives have been set out for the year which include reviewing internal recharging, making better use of Digital Information Systems, promoting partnership working, providing support and advice across the Council on Commercialisation, improving Equality and Diversity, reviewing alternative delivery models for Passenger Transport and enhancing our offer on schools catering. Our performance against these objectives is covered on pages 7 to 11; good progress has been made against all of these objectives at quarter 3.

Each section of Civic Enterprise Leeds has its own service specific performance indicators. Pages 12 to 14 cover Cleaning and Facilities Management performance at quarter 3, where particular emphasis has been put on Fire Safety post Grenfell and our results show excellent progress such as achieving 20 Fire Safety Audits in High Rise, 99% of reported bulky items moved in 24 hours and 100% of blocked bin chutes attended to in 24 hours. The average cleaning monitoring score is slightly down from the previous quarter to 90% but is extremely pleasing as we have implemented a revised cleaning specification and reduced spend on cleaning by £500k for 2017/18, robust plans are in place to keep the standards required. Other highlights include delivering a solution to enforce City Centre Traffic Regulation Order staffing the City Centre Gates, beginning the roll out of Stage 1 Fire Safety Checks to Low Rise Properties and increasing our share of business in the school cleaning sector.

Performance against the Facilities Management E-Schedule is good, all legislative requirements such as Fire Risk Assessments and Evacuations are above 90% and we have recently added in new indicators such as an annual Inclusion and Diversity review of the building and annual review of Local Safety Arrangements and associated training which will make our buildings more inclusive and safer. Performance is slightly below that of Q2 due to the time spent of recommissioning Merrion House but we have plans in place to pick up any outstanding work. Other highlights for the quarter include successfully decommissioning buildings as part of the move into Merrion House, ensuring that all surplus furniture and equipment is put to good use and implementing a revised reception/security model for our main city centre office accommodation which links all of the buildings and has specific lock down plans in place, also completion of stage 1 of the Customer Access Buildings Security Review.

Catering's performance is detailed on pages 15 to 18, highlights include holding 81% of the primary catering market and achieving 93% of good/very good client rating which is significantly higher than Q2. Other achievements in Quarter 3 serving record number of meals quarter 3, averaging at 34,750 per day and servicing an additional 11,000 meals at Christmas, providing hot meals for 7 sites with various utility failures and providing over 40 hampers over Christmas to families in Harehills who suffer from extreme poverty at a time when schools are closed and no free school meals are available. During this quarter, a lot of work has carried on exploring options in relation to managing and recycling food waste.

Pages 19 to 22 detail Passenger Transport's performance for this quarter, highlights include a projected reduction in spend on Adults and Health on OE of 5.8% on and a 21 % increase on the number of PRESTO customers from 101 to 123 at end of quarter 3. Work with Adults is ongoing to promote the Meals on Wheels Service as the number of referrals has dropped

22%. The service started providing transport to LTHT in December supporting the transfer of elderly people from hospital to home, feedback is positive.

Fleet Services performance is detailed on pages 23 to 29. Highlights include an increase in the HGV MOT pass rate at 94% which is a vital indicator for the industry, 100% response to breakdowns on time and 98% customer satisfaction. Other achievements include a growth in external MOT income now projected at £120k pa, and training over 600 staff in driver CPC ensuring our staff have vital training to keep themselves and members of the public safe. Other important work has taken place around Removal of recharges, vehicle advertising and Fleet Replacement ensuring that our fleet can comply with the CAZ zone.

Our financial performance is detailed on page 30. A balanced position is currently forecast and any risk is managed through service specific action plans. As a result of the marginal financial impact of the reduced number of feeding days in 2017/18 and inflationary pressure on food costs there's likely to be a £430k pressure for the Catering service, partially offset by savings/actions within the rest of the division to leave a net £200k pressure which is being managed within the directorate. The Facilities Management element of the CEL budget is expected to balance and achieve the £100k budgeted savings for the year.

Overtime is summarised on page 31, the majority of Civic Enterprise Leeds staff work part time so the majority of this is not paid at enhanced rates it is classed as additional time paid at plain time. The table shows a projected over spend of £180k due to a number of factors mainly around increased income and demand for our services and is offset by an increase in income.

Civic Enterprise Leeds employees are integral to us providing high quality services to the people of Leeds, our Quarter 3 performance is detailed on pages 32 to 38. In summary we have seen a reduction in headcount 2843 in 2016/17 to 2802 which is mainly due to the revised cleaning and caretaking review which has delivered significant savings to the Council.

Our Equality data is on pages 32 and 33. A lot of work has been undertaken with the staff networks to increase participation with front line staff.

Managing attendance is critical to our financial success and our service delivery, our attendance levels have continued to significantly improve on the previous years; this is a result of closer working with Trade Unions and colleagues in HR and introducing a number of measures to improve health, well-being and support staff in work.

Civic Enterprise Leeds are committed to providing sustainable and permanent vacancies within our departments. Agency staff, however, are sometimes required to ensure the flexibility of some functions are maintained. It is our aim to reduce the total number of agency staff in line with the Council's objectives regarding employment within the city. We have seen a reduction in agency staff across most areas of the business, but towards the end of quarter 3 there has been an increase mainly due to increased demand for Security staff across the city, agency staff are only deployed when there are no other options and until direct staff can be recruited.

We have worked very hard to improve staff engagement, communication, training and development and we have worked closely with the Unions on the learning agreement. Our staff survey results on pages 37 and 38 reflect this with excellent results a score of 8.12 against council average of 7.54 on the question how satisfied are you with your job, we also attribute this to completing 100% appraisals across the group on time. Throughout the quarter we have been working closely with HR to maximise our uptake of the apprentice levy.

The Health, Safety and Well Being of our staff and customers is critical to our success, we are proud of our record and this is demonstrated with our continued accreditation to ROSPA and OSHAS 18001 Health and Safety Management Systems. Our Health and Safety performance is detailed on pages 39 to 41. In quarter 3 we had 71 accidents across all areas of Civic Enterprise Leeds; all of these accidents were thoroughly investigated with a CF50 being completed and a Managers Investigation being carried out and any recommendations implemented.

Our commitment to Health and Safety is demonstrated in our training statistics with 299 members of staff being trained in safety related courses in quarter 3 and increase of 144 on the same quarter the previous year.

We continue to manage Risk and Resilience closely with details on pages 42 of the pack, a number of Business Continuity Plans are in place to ensure our services can still operate should there be an array of unplanned events such as loss of power or severe weather, our ability to respond is critical to other council services being able to deliver in such difficult times, a good example of this in Q3 is the support our teams offered at the Silk Mill explosion over Christmas delivering security, removal and storage services.

There are a number of high level risks detailed on our risk register, all of which are managed closely with specific action plans with robust control measures in place around risks such as Fuel Shortages and compliance with Regulations these are detailed on page 42.

Civic Enterprise Leeds always strives to deliver the highest possible levels of service that we can to our colleagues and customers. We are proud of our ISO9001 accreditation and have an established quality management system in place that continually holds up to scrutiny from both internal and external auditors to ensure we maintain the standard. Our quality results on pages 43 and 44 show how we have performed over quarter 3.

We have seen good progress across all areas of Civic Enterprise Leeds in terms of People, Delivery, Safety, Cost and Quality, this has been demonstrated by the information in this pack and we are striving to continue to deliver improvements in quarter 4 in what will be difficult times due to a number of challenges. These include the Asset Rationalisation Program, the move to Merrion and the pressures on resource and budget that this brings, the increase in demand on Special Educational Needs Transport and the challenges that come from operating in a commercial market.

**Sarah Martin**

Chief Officer

Civic Enterprise Leeds

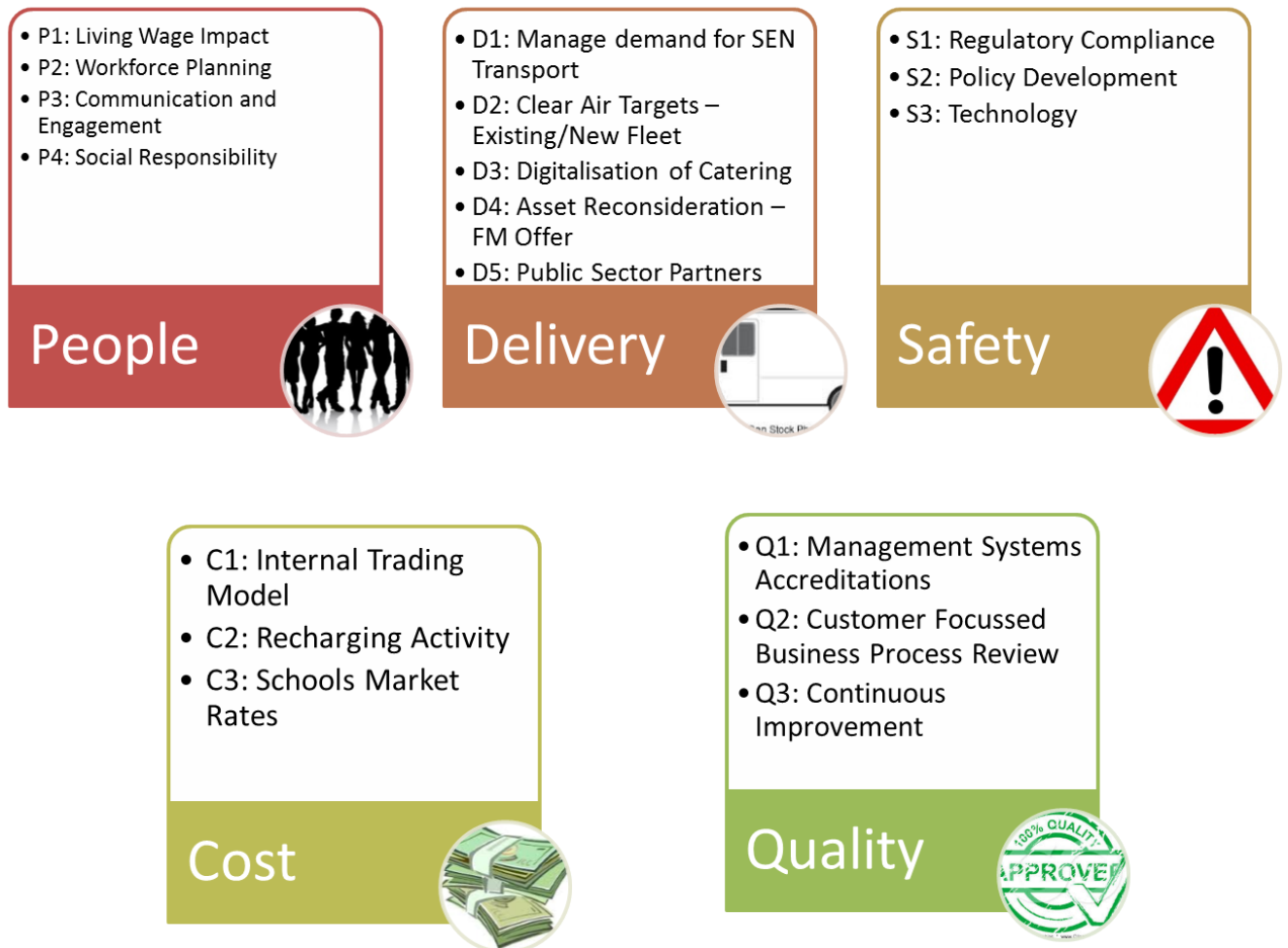
March 2018

## Introduction

The purpose of this document is to provide the Q3 performance results for Civic Enterprise Leeds for the following categories:

- Delivery
- Cost
- People
- Safety
- Quality

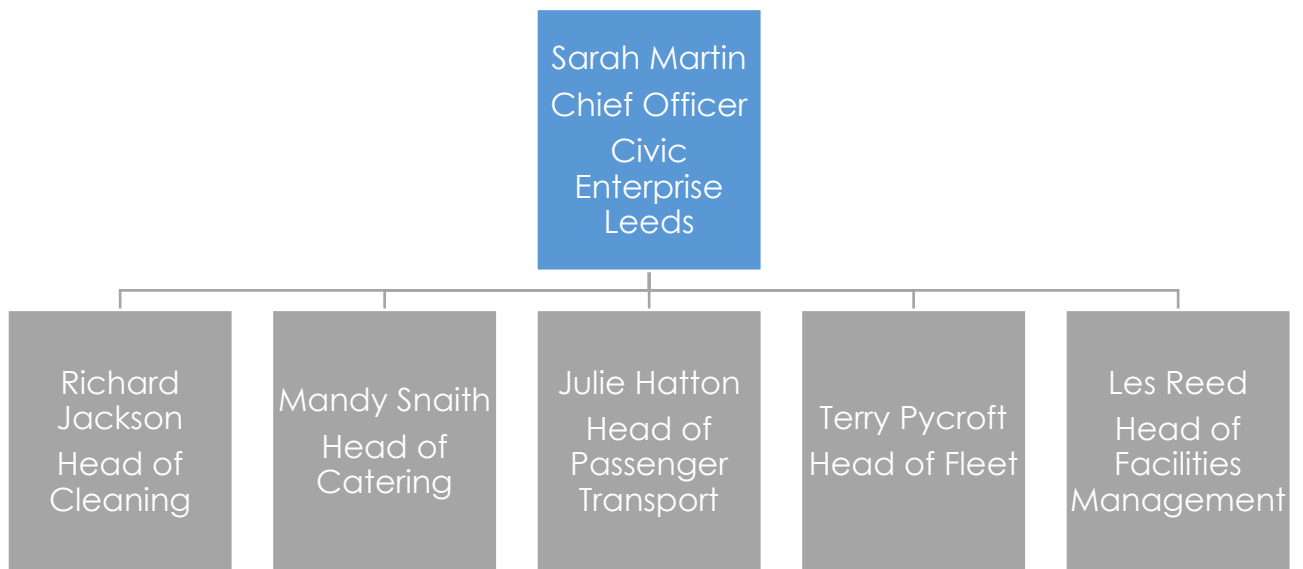
Below outlines the key priorities for Civic Enterprise Leeds within the financial year.



Civic Enterprise Leeds sits within the Resources & Housing Directorate and is comprised of the following services:

- Facilities Management and Cleaning
- Catering
- Passenger Transport
- Fleet Services

The Leadership Management Team Structure is as follows:



## Delivery

Civic Enterprise Leeds is proud to provide excellent service delivery to all our clients (internal and external) to ensure that we continually improve our procedures and standards across all services. The below highlights the overall service objectives and provides updates from both an overall and service specific level.

### Objective Summary 17/18 – Updates

OBJECTIVE	DESCRIPTION	QUARTER1 UPDATE	QUARTER 2 UPDATE	QUARTER 3 UPDATE
<b>Internal Recharging</b>	To review and dismantle the internal recharging/trading activity with services and source spend budget e.g. Fleet Services	<b>Cleaning/FM</b> Piloted with Cleaning and Fleet-Budget Spend on cleaning vehicles and maintenance journaled to Fleet. Reduces transactions by 900 per year. Looking at how we capture the savings related to reducing in transactions.	<b>Fleet</b> Meetings taking place with all CO's / HoS to discuss the process and timeline on removing the recharging activity. Timeline established for an implementation of April 18.	Fleet Service portfolios have been agreed with services and spend levels identified which are currently being ratified with Finance. The new budget control mechanisms are on target to be in place by the end of quarter 4.

<p><b>Digital Information Systems</b></p>	<p>Review and identify a digital solution to improve services to customers and create back office efficiencies</p>	<p><b>Cleaning/FM</b> Program of works devised with DIS to track implementation progress. Portable PA system now introduced to Civic. Trial on going for AV with Skype Facility on going for meeting rooms. Trial to commence for Total Mobile for Fire Safety Check sheets and monitoring.</p> <p><b>Catering</b> Live kitchen being trialled in 5 schools at start of new term.</p> <p><b>Passengers.</b> Working with staff groups to draft out specification for replacement to Trapeze which is due March 2019. Skype now used with main Taxi providers.</p> <p><b>Fleet</b> TP working to get fleet emission data from EV vehicles to build app 5 enforcement vehicles ready to collect data and 5 more proposed</p>	<p><b>Passengers</b> A meeting has been held with ICT and the draft spec developed. Further to this are discussions with PWC and the development of a bespoke database.</p> <p><b>Catering</b> - Kitchen Pilot continues – working with colleagues in DIS we are establishing business case and specifications to enable the service to go out to tender for the required system</p> <p><b>Cleaning</b> Scoping document for commissioning of mobile solution for fire safety checks and monitoring now complete and all processes mapped out.</p> <p><b>Fleet</b> Specification and business case in place for new Fleet Management System, reviewing option of bolt on to Housing System (Siebel), working on the ACCRA project with CEMEX and PPPU, mobile air monitoring devices have been fitted.</p>	<p><b>Catering</b> Kitchen pilot continues and is working well. Soft market test has been undertaken in partnership with ICT and PPPU, the results will then inform a tender exercise.</p> <p><b>Cleaning</b> A go live date has been agreed for the start of the Total Mobile for real time information relating to Fire Safety. All screens and Polycon devices have been ordered for the Civic Hall Committee Rooms to enable conference calling</p> <p><b>Fleet</b> Fleet Management System is currently in its pilot phase. There were a few technical issues which have now been resolved.</p>
<p><b>Partnership Working</b></p>	<p>Develop the shared service model and work in collaboration with</p>	<p><b>Cleaning/FM</b> Regular contract meetings with LTHT for Compton Security and working with them for a specification for</p>	<p><b>Passengers</b> Awaiting start date from LTHT OT service.</p>	<p><b>Catering</b> Ad hoc catering service for buffets continues</p>

	partners e.g. LTHT & WYCA in areas such as Cleaning, Catering and Transport	<p>Merrion. Meeting arranged to discuss how we can further develop this partnership.</p> <p><b>Catering</b> Now working with LTHT providing them with Buffet's. Discussions on going about providing other catering services.</p> <p><b>Passengers.</b> Agreement to pilot Transport to work with the LTHT Occupational Therapy service. Awaiting a start date. Ongoing discussions with WYCA and NHS re joint working.</p> <p><b>Fleet</b> 6 vehicles with LHTH (5 diesel and one EV) and is working well Ongoing meetings including EV bus coming to UK</p>	<p>Meetings held with NHS and Older peoples transport group (including WYCA) both of which are looking at joint partnership work. These are long term projects but could change the way transport is operational in the city in the future.</p> <p><b>Catering</b> working with the NHS on a regular basis to provide buffets for chief exec board room sessions. Further work is being discussed with Head of Facilities around joint working space</p> <p>Working with Fareshare and Leeds Community Foundation on holiday Hunger project</p>	<p><b>Cleaning/FM</b> The specification has been agreed for Leeds Teaching Hospital Trust to deliver security services at Merrion House. A meeting has been organised to discuss traded services between the organisations (Civic Enterprise Leeds delivering window cleaning)</p>
<b>Equality and Diversity</b>	Ensure that all front line staff undertake the appropriate E&D training	<p><b>Cleaning/FM</b> All managers (19) booked in on E&amp;D training. Tool Box talk being developed and to be delivered to all front line staff in QUARTER 2. More in depth Equality training being rolled out to all staff by our training officer approx. 100 staff per month.</p> <p><b>Catering</b> Tool box talk to be delivered to all staff</p>	<p><b>Group</b> Tool box talks to be delivered in quarter 3 and 4. E and d Newsletter now developed as part of a pro-active approach for the group to inform and raise awareness of the E&amp;D policy, relevant contacts and current campaigns. This newsletter will address individually each of the key priorities, starting with improving knowledge of ED&amp;I issues</p>	<p><b>Group</b> E and D newsletter continues to be utilised and goes out on a quarterly basis. Next issue focuses on dyslexia awareness, mental health first aiders and increased signposting. Mental health training has also been offered to other LCC areas. 30+ staff are now mental health and first aid trained.</p>



		<p>Taken part in mental health training as part of HSW plan</p> <p><b>Passengers.</b> Tool Box talk to be delivered to all staff in quarter 3-4. All new starters receive a disability awareness session as part of their induction. 100% of office staff undertook a deaf awareness session. Following feedback from customers the handrails on the vehicles are going to be replaced to aid the elderly whilst they are boarding the vehicle. All supervisors trained in mental awareness. The service has one Mental health first aider.</p> <p><b>Fleet</b> Delivered LGBT+ training to engineers E&amp;D related toolbox talks</p>	Mental health training rolled out in <b>Fleet</b>	
<b>Commercialisation Agenda</b>	To provide support and advice to Officers and Members regarding the provision of commercial activities	<p>Meetings with commercialisation task group for 17/18 and programme established</p> <p>Traded Services Task Group with various departments across LCC – MS attended</p> <p>Children's Traded Services Board for CEL advice regarding structure</p> <p>Meeting with Children's Services regarding business planning</p>	<p>Next meeting planned for 30<sup>th</sup> October focussing on Fleet and Passengers.</p> <p>Continue to support Children's Traded group</p> <p>Attending the council advertising review group and has an increased focus on the return required from vehicle advertising</p>	CEL has been working alongside all services who provide a traded service to schools and is bringing together a common offer which is marketed and promoted in a united way. This work continues. Cleaning and Catering continue to pick up new contracts in primary schools and are operating a targeted approach to seeking new business. Within Fleet the LTH partnership work is progressing with the supply of EV's on a trial basis and

			Catering and cleaning continue to be pro-active in seeking additional contracts for primary business	discussions around further vehicle replacement and service management.
<b>Passenger Transport</b>	To review alternative delivery models	Analysis of demand trends for specific PT groups completed	Discussions held with client services and exploration of options	This forms part of discussions with NHS and the Older peoples group; there are clear synergies regarding supply and demand, which if planned effectively could increase efficiencies and effectiveness.
<b>Primary &amp; Welfare Catering</b>	Maintain and seek to increase activity levels within primary school catering and enhance school offer through added value and support to working poor families.	82% market share in Primary Schools 2 Interventions being investigated: 1 Pilot in Social Pricing of school meals. 2. Holiday Hunger. These would ensure children within the poverty trap have access to meals all year round.	The council is working together and seeking to progress an initiative that can support projects in Leeds for Easter and Summer holidays 2018 and beyond. This initiative will be managed and administered by Leeds Community Foundation. Catering Leeds have offered the use of its transport kitchen and staff on retainer contracts during these times to aid the healthy provision of food to be made readily available. Meetings continue	Leeds Community Foundation have now launched the Healthy Holidays fund to award grants to projects addressing Holiday Hunger. Catering Leeds is a partnering organisation working with FareShare to support the projects. The closing date is February 18 and once bids are submitted we will be able to identify areas that we can support.

## Service Specific Delivery

### Facilities Management/Cleaning

Facilities Management and Cleaning Services carries out a range of activities including:

- Cleaning – an internal building service carrying out routine and non-routine cleaning on behalf of the Council and external organisations
- Specialist Cleaning – void property clearance/cleaning, foul property cleans, window cleaning, emergency cleans, corporate/domestic removals and moves, bin chute clearance, needle removal, fly tipping removal and garden clearance
- Static Guarding & security – front of house security service in buildings such as one stop shops
- Reception duties
- Caretaking
- Facilitating responsive and planned maintenance
- Compliance with building related legislation
- Energy Management – daily running of gas, electric and water contracts for the Council and schools within 2,300 sites

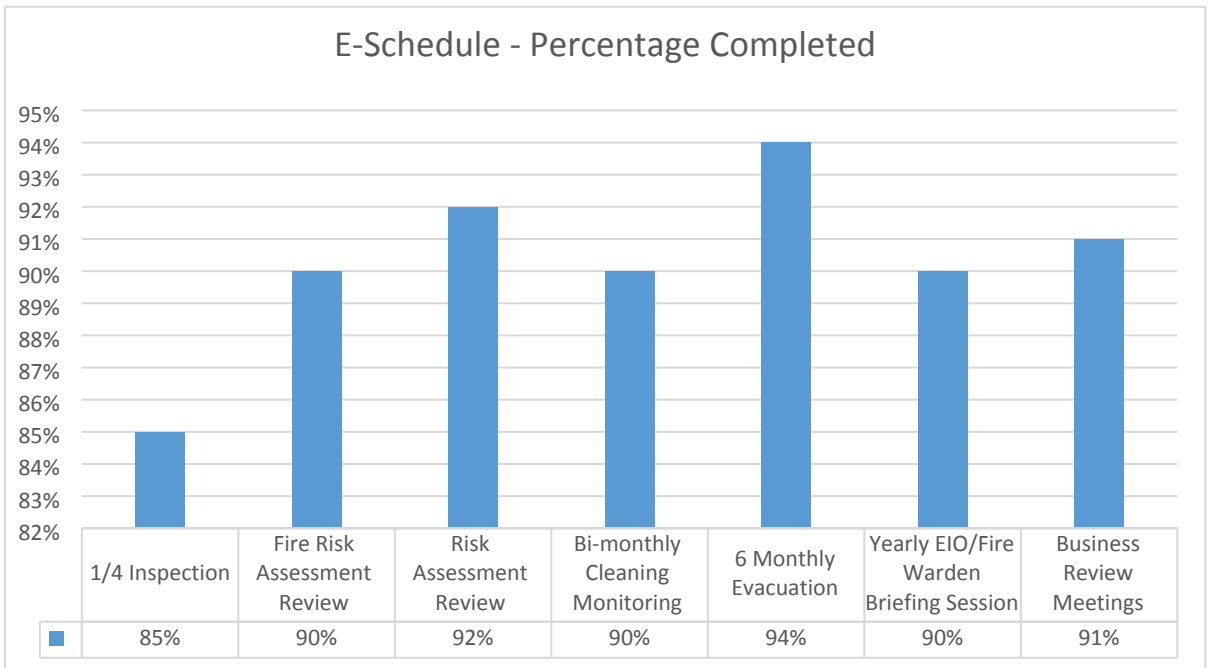
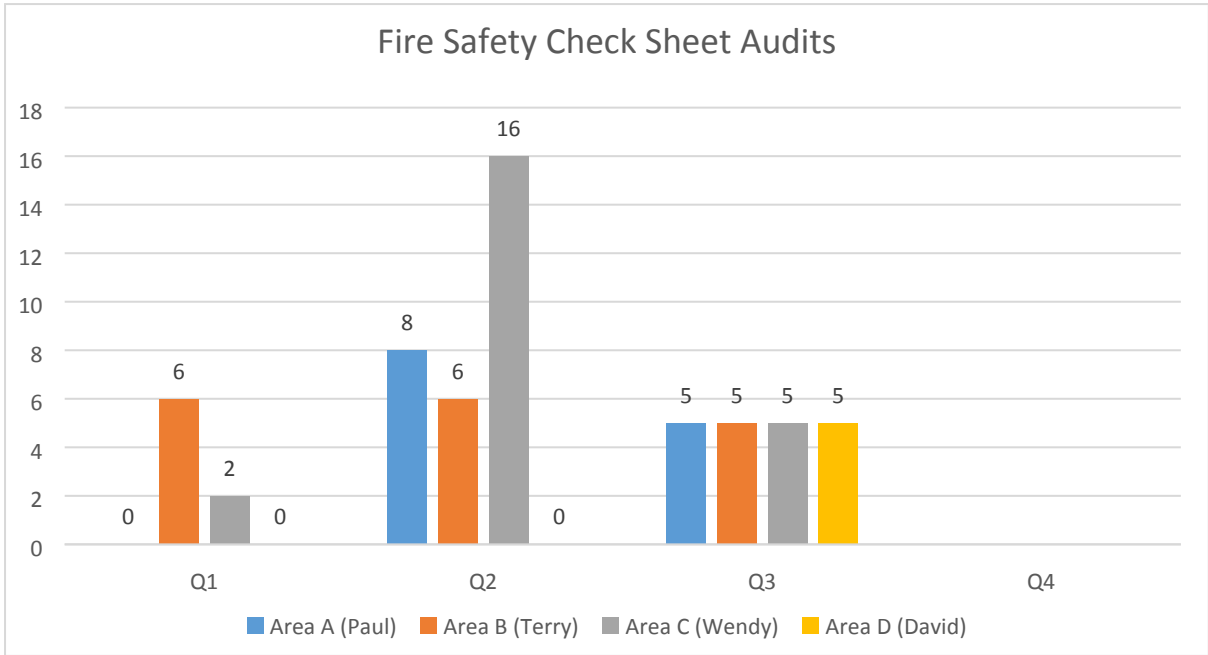
### Q3 Highlights

- Roll out of City Centre Emergency Lock Down Procedure for FM Managed buildings - all buildings linked by an emergency radio system and staff trained to initiate lock down procedure should there be an incident in the City Centre.
- New reception model delivered to City Centre Office accommodation to give more robust Local Safety Arrangements required due to CTW new ways of working.
- Working towards practical completion and partial handover of Merrion House, ready for occupation in February working closely with Colleagues across the Council to develop robust safety arrangements.
- Worked with Colleagues in City Centre Management and Highways to devise and deliver robust arrangements for emergency access to the City Centre TRO Gate Scheme which will be in place until the permanent solution is in place.
- Deliver emergency related services to the Silk Mill explosion victims providing security to the site on the night of the explosion, removal and storage solutions for the victims and provided re used furniture for the victims new accommodation.
- We continue to market to schools that we do not clean and are currently negotiating with 4 potential new schools.
- There has been an increase in demand for our relief caretaking function within schools as a result of our marketing campaign, turnover is up 15% on previous year and this brings in additional income to the council as well as creating employment.
- Completed phase one of the Customer Access Security Review where all sites have been RAG rated and bespoke site based actions plans have been devised, recommendations are now being implemented.
- Discussions on going across directorates about transferring FM responsibility to us for a number of buildings currently not managed where we can deliver costs services or greater accountability.
- 100% completion of Appraisals and score of 8.15 in staff satisfaction survey on how satisfied are you, significantly higher than Council average.
- Continue to work with partners to offer work experience and jobs to you people with learning difficulties.
- Support to Care Leaver Mentoring Scheme.

- Completed decommission of Belgrave House and Evolution House in order for them to be handed back to the landlord, delivered pragmatic solutions to maximise NNDR savings.
- 100% recycling rates from these building closures with a number of Community Centres benefitting from new furniture and equipment as well as other third sector organisations.
- Enrolling 7 staff onto the Leadership and Management apprenticeship course and 1 staff onto the Business Administration course
- Roll out of stage 1 Fire Safety checks to Low Rise Blocks now all Housing Leeds Properties with communal areas now have a minimum of weekly stage 1 fire safety check. Audit system is in place across all buildings and Fire Safety Audit results remain excellent.
- Progressed the implementation of Total Mobile for Fire Safety Checks to give us a real time reporting system for Housing Fire Safety Checks.
- Continued with our positive commitment to staff engagement/communication and development with a number of communication events with speakers on Union Learn, Staff Rewards Scheme, Pensions, Credit Union, Staff Networks and more. Also facilitated 10 women's voice consultation events.
- Financial performance remains excellent looking to come in under budget despite over £600k being taken out of budget as efficiency savings, main factors are reduction in staffing costs due to change in cleaning frequencies, reduction in number of caretakers due to new more efficient delivery model and increase income through new sites and diversification of services offered.

### Q3 Indicators

Q3					
<b>90%</b>	Average cleaning score for Q3	<b>89%</b>	Average score for external cleaning for Q3	<b>28</b>	Number of joint monitors completed
<b>100%</b>	Chute jobs attended	<b>78%</b>	Chutes cleared within 24 hours	<b>100%</b>	Demos actioned within 24 hours
<b>94</b>	Number of schools contracted	<b>20</b>	Number of fire safety audits	<b>99%</b>	Bulky items removed within 24 hours



## Catering

Catering delivers welfare and commercial catering activities to:

- Schools – Catering provides a fully managed school meals service. This includes planning menus, training staff, cooking and serving meals, developing and marketing the service to all schools. Catering Leeds also offers provision for after school clubs catering and supporting the healthy eating curriculum in schools
- Early Years – Catering provides breakfasts, lunches and teas in nurseries including food and menus that are suitable for very young and weaning infants
- Adult Social Care – Catering Leeds provides a full 7 day catering services in Council residential homes and day centres
- Civic Flavour is the commercial catering arm of Catering Leeds. It is primarily located within Civic Hall and provides commercial catering across Leeds to both internal and external clients

## Q3 Highlights

- Consistently maintain the majority share of primary catering across the city with 187 sites still with Catering Leeds. £2.15m net managed budget return for Primary School Catering in 16/17.
- Head of Service met with a large inner city primary school who had to outsource business as a result of the PFI initiative who are exploring their options for catering providers. Talks going very well.
- A number of academies are currently testing the market as groups, which is proving challenging as the contract includes schools not within the Leeds boundary.
- Record level of meal numbers being served, 33,500 per day on average through the year so far and a quarter 3 average of 34,750.
- Christmas meal numbers were excellent with an additional 11,000 meals served.
- Recruitment has proved challenging in quarter 3, plus higher meal numbers has required agency staff to backfill some frontline areas of the service during December.
- Early Years Catering Review being finalised. Efficiencies made in relation to staffing which are all now one person site working toward the model of 30 hours per week, through natural wastage.
- Provided emergency hot meals for 7 sites with various utility failures.
- Catering have identified workforce champions across CEL which have been shared with all staff within CEL, both electronically and printed to effectively share this message with both on and off network staff.
- Catering Leeds launched the CEL Equality Inclusion and Diversity Newsletter to all staff.
- Catering Leeds launched a staff Facebook group on the back of Can Do week which staff have responded to brilliantly. This involves lots of positive feedback, sharing best practice and seeking support from peers.
- Supported the launch of the employee benefits scheme, My Staff Shop.
- Took part in a health and wellbeing day in November at Knowsthorpe Gate, offering massages, health advice, blood pressure checks and much more.

- Catering Leeds continue with the Digital Information Trial within 5 sites which started in September and is going well. A soft market test has been undertaken in partnership with ICT and PPPU, the results will then inform a tender exercise.
- Catering Leeds are working with partners in HR to reduce the impact of the Digital Divide, alongside both Cleaning Leeds and Fleet Services with a pilot called 'Calls9'. This is an online mirror of INSITE which also includes service specific information which can be accessed off network and is configured for smart phones and other mobile devices. Catering Leeds have been developing content and engaging with frontline staff to encourage take up and ensure the trial is effective.
- Catering Leeds took part in "Can do" week which the whole service got behind.
- Catering developed and served a 'Best of British' menu, a 'Bonfire Night' menu and the always popular 'Christmas Dinner', all of which proved very popular with the children.
- Catering Leeds' Nutrition and Food Technology team attended the School Food Conference and presented our Sugar Reduction Plan to head teachers, business managers and healthy schools co-ordinator. This plan has been endorsed by Public Health, Leeds Dental Committee and Dental Public Health as it supports city wide improvements in childhood oral health and maintenance of a healthy weight.
- Fruit art workshop took place at Pudsey Greenside for 60 children.
- Bush tucker fun day at Grimes Dyke Primary held for 60 pupils.
- Provided 40 hampers, supported by suppliers, to families in the Harehills area who face extreme poverty at a time when schools are closed and no free school meal is available for children.
- CEL on your bike challenge was co-ordinated by Catering Leeds and raised over £1,100 for the Lord Mayor's Charity.
- Flavour held a pop up event at Civic Hall to support the White Ribbon Campaign raising over £100 for the cause. Office based staff also supported the campaign by wearing black and white to raise money.
- Flavour working hard to develop the catering service for the new Merrion which will involve a dedicated service to the suite of meeting rooms on each floor.
- Flavour remains very busy and is continuing to work hard on the new café offer at the John Charles Stadium, reviewing menus for Gala Day Swim meetings and developing the service alongside Hunslet Hawks for their match day hospitality.
- Flavour are currently in negotiations with Leeds Triathlon regarding this year's event, initially this looks like breakfast for all crew with a dinner being served within the Civic Hall.
- Discussions with Sports regarding the newly refurbished Aireborough Leisure Centre and Yeadon Tarn site are now picking up pace. Both sites will need investment into the space available.

## Anaerobic Waste

Following on from the interest at the last scrutiny meeting, Catering have been working with partners in Waste Management to explore options in relation to managing and recycling food waste.

Waste Management have advised that there are two companies who could potentially collect food waste, one of which the Authority are already in partnership with, AWM.

AWM have shown interest in supporting our service with the collecting of anaerobic waste as part of a pilot scheme.

The pilot would involve:

- AWM providing a regular size wheelie bin – the number of which could be specified by school.
- Collections would be charged at £9.93 per bin.
- Waste would then be sent to an Aerobic Digester plant in Doncaster.

There are 7 schools which Catering Leeds provide a service within, who also have their waste contract with AWM. School's select their own contractor and are not bound by LCC corporate contracts. These schools are: Corpus Christi RC Primary, Hunslet St Mary's C/E Primary, Little London Community Primary, Morley Victoria Primary, Roundhay St John's CE Primary, Swillington Primary and Tranmere Park Primary School.

Challenges of this task are in relation to:

- Who would pay for the bin collections of food waste, as this currently sits with school and there is no evidence that there will be a financial saving made as a result of this.
- How we could extend further, as the extent of AWM's reach, are the schools detailed above and is subject to change at any time as schools re-procure for their waste provider.

It is also unclear if undertaking this exercise, which would include a trip to Doncaster (potentially 5 days per week dependant on collection days that schools have in place) to utilise the anaerobic digester is a more environmentally friendly option



Q3 Indicators

Q3					
<b>81%</b>	% of primary school market share	<b>0</b>	Contract(s) won	<b>0</b>	Contract(s) not retained
<b>71p</b>	Spend on plate	<b>33504</b>	Number of meals per day	<b>97%</b>	Average monitor scores
<b>93%</b>	of very/good client rating	<b>6</b>	Number of customer complaints	<b>2</b>	Number of compliments

## Passenger Transport

- Passenger Transport provides transport on behalf of Children's Services and Adult Social Care. The service has 175 drivers and 300 escorts and transports over 3,000 passengers daily to day services and schools. These are adults with learning difficulties and children special educational needs provided through a mix of in-house services and taxi and private hire.
- Meals on Wheels – A service which provides hot, cold and frozen food to elderly customers who either self-refer or are referred by Adult Social Care
- Presto – a service which supports adults to live independently through a variety of services including companion care, cleaning services and drivers
- School Crossing Patrol – provision of 119 school wardens for the safe crossing of children

## Q3 Highlights

We continue to work with and support our two main clients; Adults and Health and Children's and Families.

As at the end of December the number of Passengers is as follows:-

	March 2016-17	3 <sup>rd</sup> Qtr 2017-18
Elderly	525	470
ALD	737	722
SEN	1200	1329
CLA	289	276

Our aim is to reduce the spend on Adults transport; and as at the end of month 9 we are predicting a 4% increase in cost from last year, but a 5.8% saving on the OE.

There are ongoing pressures on the SEN provision, and we are currently reporting a £1m increase in costs from 2016-17, and an additional cost of £46k on the budget. The offer of alternative travel assistance will be piloted in the Easter term where parents will be offered personal budgets to manage and arrange their own travel arrangements.

The trip rates for the service are as follows:-

	In house	Private hire
Adults	£13.51	£23.01
SEN	£18.94	£23.08

We continue to explore further opportunities for a replacement database and a decision will be made in Feb as to the way forward.

Through the use of ICT the service aims to see a reduction in the number of complaints relating to the service delivery. There is an improved communication process, certainly between the Taxi and Private hire providers and parents, as a result there is a reduction of 33% in the number of complaints, from 2016-17.

By communicating timely and relevant information the service hopes to see a further improvement on the staff engagement score which was 8.2% in 2016-17.

The service continues to engage with all staff as regularly as possible, sometimes this is difficult as the majority of staff work from home, but in order to ensure staff receive timely

and relevant information we have sent out three newsletters this period, have held a quarterly staff engagement session, four Lets share sessions were held in June and further ones planned for January and an MDT working party with drivers has met twice to discuss various issues, including their requirements for a replacement system. Drop in surgeries have taken place with DIS supporting drivers in the use of MDT's and these will continue in the new financial year by the service.

The Mobile phone numbers of all employees have now been received and urgent messages are sent as and when required. The text messages are used to promote the Council Values, which we have further adopted to Passenger transport i.e. "Remember, remember, thrifty November."

Through the use of ICT the service aims to see a reduction in the number of complaints relating to the service delivery. There is an improved communication process, certainly between the Taxi and Private hire providers and parents, as a result there is a reduction of 33% in the number of complaints, from 2016-17.

Presto continues to grow, with a 21% increase in the number of customers using the service, from 101 customers to 123 as at the end of December. This service is an invaluable service for the elderly many of whom rely on the care and support they receive.

The service continues to work very closely with Adults in order to promote the Meals on wheels service. Unfortunately since a price increase last October the number of new referrals from Adults is reducing, by 22%. 46 customers have taken up the offer of a hot soup and the service continues to market the service, through visits to various neighbourhood networks dieticians, and Social workers.

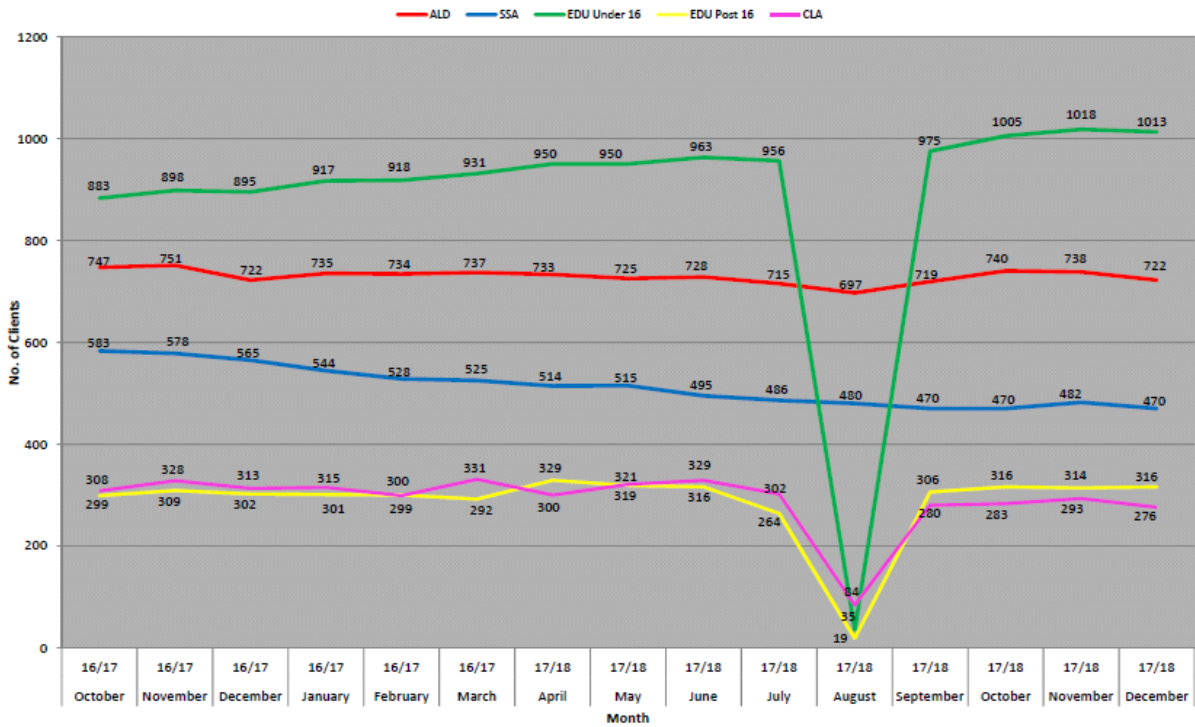
The 2017-18 budget projection for the Meals on Wheels service is a charge to Adults and health of £161k. This compares to a charge of £150k in 2016-17.

The travel training team continue to promote the service and sell the service to other authorities. Approximately £30k income is expected from this by the end of the year.

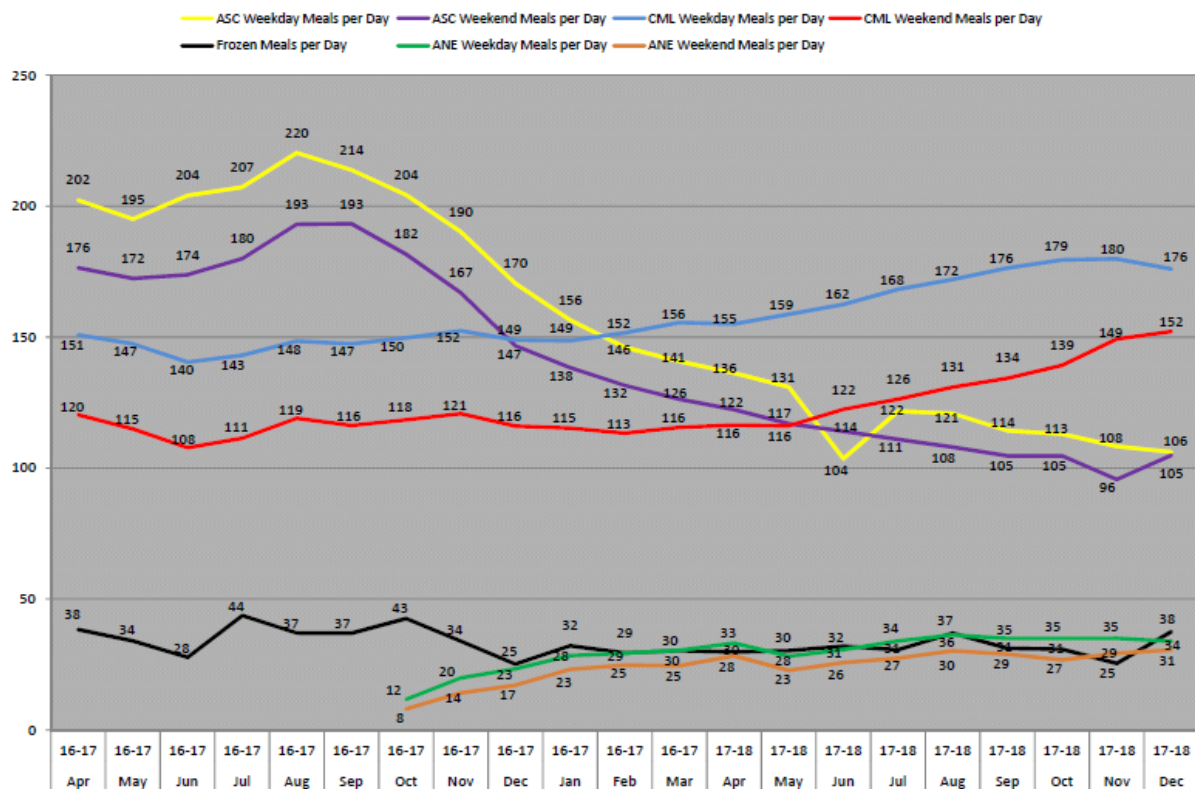
The service started providing transport to the LTHT at St James in December, supporting the transfer of elderly people from hospital to home. This is a 3 month project and the feedback continues to be positive.

The following pages highlight the performance results for the service across the year.

### Total Monthly Head Count



### Meals per day by Service Type



### Average time on board

Year	Row Labels	Adult		Adult Total	College		College Total	LAC		LAC Total	SEN		SEN Total	Grand Total
		In-House	Private Hire		In-House	Private Hire		In-House	Private Hire		In-House	Private Hire		
2017	Jan	36.56	28.23	35.05	40.02	41.49	41.29	49.31	33.72	36.43	53.35	31.83	39.32	37.70
2017	Feb	36.39	28.06	34.83	41.84	41.38	41.44	44.74	33.67	35.46	66.19	31.83	43.52	39.29
2017	Mar	34.40	28.11	33.19	39.81	41.17	41.04	43.31	33.47	35.02	45.74	31.61	36.40	35.39
2017	Apr	36.05	27.35	34.50	41.54	40.52	40.63	42.20	33.76	35.18	47.90	30.80	36.10	35.38
2017	May	33.84	27.40	32.67	40.68	40.93	40.91	47.98	33.60	35.95	46.30	30.42	35.47	34.72
2017	Jun	34.51	26.97	33.13	36.66	40.96	40.47	48.77	33.35	35.84	45.84	30.44	35.25	34.78
2017	Jul	34.58	26.75	33.23	41.51	38.08	38.74	48.92	31.66	34.44	46.44	30.25	35.34	34.58
2017	Aug	34.26	26.28	32.91	51.06	31.85	43.67	30.66	24.96	26.97	48.85	38.65	39.89	33.07
2017	Sep	34.37	28.90	33.51	42.80	38.15	38.60	46.43	31.82	34.45	49.05	31.95	37.97	36.23
2017	Oct	35.09	27.52	33.79	45.14	37.46	38.13	49.19	32.24	34.97	49.24	32.02	37.93	36.19
2017	Nov	35.93	27.70	34.49	47.72	37.36	38.33	49.01	32.65	35.27	48.64	31.63	37.48	36.40
2017	Dec	34.95	26.61	33.42	41.89	36.45	36.99	49.07	33.20	35.55	49.02	31.99	37.69	35.67

### Actual distance travelled

Year	Month	Adult		Adult Total	College		College Total	LAC		LAC Total	SEN		SEN Total	Grand Total
		In-House	Private Hire		In-House	Private Hire		In-House	Private Hire		In-House	Private Hire		
2017	January	5.54	7.38	5.88	6.87	9.92	9.51	9.97	10.52	10.42	8.33	8.04	8.14	7.63
2017	February	5.51	7.41	5.86	7.17	9.90	9.56	8.20	10.59	10.21	21.38	8.13	12.64	9.62
2017	March	5.42	7.46	5.81	6.95	9.86	9.57	13.96	10.51	11.06	7.97	8.00	7.99	7.61
2017	April	6.45	7.30	6.60	6.65	10.05	9.68	8.49	10.54	10.20	8.14	8.09	8.11	7.57
2017	May	5.49	7.38	5.83	7.07	9.83	9.54	9.28	10.34	10.17	8.34	7.76	7.94	7.46
2017	June	5.50	7.32	5.83	6.98	9.91	9.57	9.21	10.32	10.14	11.58	7.75	8.95	8.04
2017	July	5.61	7.34	5.91	7.12	10.12	9.54	9.77	9.71	9.72	8.53	7.71	7.97	7.44
2017	August	5.67	7.16	5.92	6.13	9.43	7.40	7.56	8.05	7.88	11.19	13.74	13.43	6.28
2017	September	5.72	7.92	6.07	7.78	9.92	9.71	9.24	9.53	9.48	8.88	8.00	8.31	7.71
2017	October	5.81	7.57	6.11	7.43	9.64	9.45	9.41	9.99	9.90	8.74	8.07	8.30	7.68
2017	November	5.82	7.65	6.14	8.44	9.57	9.47	9.99	10.04	10.03	8.74	7.97	8.23	7.80
2017	December	5.75	7.37	6.05	7.33	9.53	9.31	9.63	10.69	10.53	8.89	8.23	8.45	7.63

### Journeys over 75 minutes

	In-House		LAC	SEN	In-House		LAC	SEN	Private Hi	Grand Tot	
	Adult	College			Adult	College					
Jan	1374	30	200	1768	3372	159	203	190	709	1261	4633
Feb	1209	22	142	1233	2606	143	154	150	534	981	3587
Mar	1400	21	213	1973	3607	170	242	229	869	1510	5117
Apr	1121	11	100	863	2095	125	97	111	389	722	2817
May	1419	12	217	1673	3321	161	207	224	685	1277	4598
Jun	1424	9	228	1812	3473	144	187	255	753	1339	4812
Jul	1401	12	177	1475	3065	125	63	162	666	1016	4081
Aug	1198	2	14	19	1233	123		1	94	218	1451
Sep	1201	29	135	2128	3493	163	191	135	814	1303	4796
Oct	1367	24	108	1853	3352	121	183	112	788	1204	4556
Nov	1734	31	128	2596	4489	137	177	149	1024	1487	5976
Dec	1331	28	75	1372	2806	86	81	69	548	784	3590

### Cancelled at door

Month	Adult	College	LAC	SEN	Total
Jan	988	39	39	418	1484
Feb	686	19	46	319	1070
Mar	736	25	101	533	1395
Apr	801	9	49	234	1093
May	895	34	114	622	1665
Jun	941	33	138	613	1725
Jul	832	19	71	455	1377
Aug	740		12	1	753
Sep	827	20	32	432	1311
Oct	1011	28	20	416	1475
Nov	865	37	54	519	1475
Dec	1108	20	39	356	1523

## Fleet Services

Fleet Services provides fleet management and maintenance functions for the Council's 1200 mixed municipal fleet and has a regulatory role in ensuring compliance with Regulations and the Goods Vehicle Operator Licence including:

- Stores – holding maintenance and avoidable repair parts
- Fleet Deployment – managing the hire Framework Contract, client liaison and managing driver logistics for the service
- Fleet Management – management of the procurement and disposal of fleet, servicing and MOT schedule. Regulation of O Licence, Licence Mandate Checks, management of traffic offences and fuel management
- Fleet Maintenance – servicing, routine planned and reactive works, light and large goods vehicle MOT

## Q3 Highlights

Fleet Services continues to support all service areas, both for Fleet Maintenance and Management. While the service has been busy, specific support has been required around the water maintenance fleet, completion of summer overhauls, preparing call out rotas for engineers and subsequent vehicle trial runs across the winter maintenance fleet.

The Fleet KPIs indicate:

### Vehicle Maintenance and workshops

<b>Vehicles in Service (Light)</b>	<b>93.3%</b>	<b>Vehicles in Service (Heavy)</b>	<b>94.5%</b>	<b>MOT (Heavy)</b>	<b>94%</b>
<b>MOT (Light)</b>	<b>n/a</b>	<b>Breakdown Response within 1.5 hours</b>	<b>100%</b>		

The volume of repairs continues to be high however the fleet "up time" shows approximately 95% of the fleet is fully operational with the current MOT LGV testing facility first time pass rates being high at 94%

Fleet breakdown response times have been achieved throughout the period ensuring the gritting and refuse fleet complete their gritting and waste collection routes.

### Vehicle Safety and compliance unit

<b>External Training Hours</b>	<b>30</b>	<b>Driving Assessments (Internal)</b>	<b>172</b>	<b>Driving Assessments (External)</b>	<b>3</b>
<b>Driving Assessment No Shows</b>	<b>0</b>	<b>Midas Standard Candidates</b>	<b>39</b>	<b>Midas Standard Refresher Candidates</b>	<b>16</b>
<b>Midas Accessible Candidates</b>	<b>25</b>	<b>Midas Accessible Refresher Candidates</b>	<b>4</b>	<b>Driver CPC Attendance</b>	<b>169</b>

<b>Taxi and Private Hire attendance</b>	<b>101</b>	<b>Reverse Assistant Training</b>	<b>6 (Harrogate Council)</b>	<b>Trailer Training Attendance</b>	<b>1</b>
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The number of driver assessments continues to be high with 172 internal drivers assessed or re-assessed as part of the driver training regime.

Driver LGV certificate of professional competence continues to work well, all service areas have now booked drivers for 2018 regulatory training.

Reversing assistant training has been provided to Harrogate Council generating external income to the vehicle safety unit.

The unit continues to provide taxi and private hire driver training for DDA totalling 101 drivers

### Technical/Regulatory

<b>Overloads &gt;1t</b>	<b>113</b>	<b>Overloads &lt;1t</b>	<b>12</b>	<b>Speeding Offences (Light)</b>	<b>13</b>
<b>Speeding Offences (Heavy)</b>	<b>0</b>	<b>Parking Offences (Light)</b>	<b>16</b>	<b>Parking Offences (Heavy)</b>	<b>0</b>
<b>MOT in date (Heavy)</b>	<b>100%</b>	<b>MOT in date (Light)</b>	<b>100%</b>	<b>Tyre Checks (under 3.5t)</b>	<b>46</b>
<b>Tyre Checks (over 3.5t)</b>	<b>18</b>				

### Risk Management

Fleet risks are managed by the Service and are based on:

- Regulatory Compliance
- Fuel Crisis (Shortage of Fuel)
- Fleet Replacement Programme

The recent fatality in Chelmsford (8 December 2017 9:05am) with a loader being killed by a refuse vehicle highlights the need for ongoing driver training along with loader and reversing assistant training being part of the "empowering services" programme.

Fleet Compliance audits have shown a great improvement to date in 2017.

Driver training for LGV driver CPC was completed for 2017 with the new course approved for 2018. In excess of 600 drivers processed to date, all services up to date with legislative compliance.

Fleet were the conduit for recent vehicle mitigation exercises with both the Pride event and the Carnival, both events resulted in 13+ vehicles and drivers on the day. A feedback document is being prepared for sharing at CLT.

## OHSAS 18001

Fleet underwent reaccreditation for the OHSAS award. The OHSAS 18001 was maintained with a number of minor recommendations.

### Corporate Responsibility

Fleet currently have an internship running from Swarthmore; Jason Firth currently training as a stonemason.

Fleet are preparing a specific external contract, specifically aimed at Leeds-based SMEs, covering various areas of work in Transport.

CATCH support offered as per request (2) loan vehicles (recycled) to support charity work in Harehills.

### Corporate Compliance

#### Speeding Offences

13 speeding offences occurred to date across light and heavy fleet.

### Other Work Streams

1. Removal of Recharges
2. Vehicle Advertising
3. Telematics
4. Fleet Replacement
5. NHS/University Support
6. Apprentice Levy

Removal of recharges	<p>Details have now been triangulated and ratified across both areas.</p> <p>Fleet portfolios have been prepared and discussed with Chief Officer in all areas.</p> <p>Proposed action date: 1 April 2018. Monitoring measures are being established for mechanisms to manage costs in all areas.</p> <p>A briefing breakfast meeting being arranged for February 2018.</p>
Vehicle advertising	<p>Advertising continues to grow in strength across multiple internal service areas including Parks and Community Safety and more details reported at Corporate Advertising meeting.</p>
Telematics	<p>Telematics, Union meetings continue to be held in preparation of install roll-out 2018.</p> <p>Top level training has been undertaken with those staff who have full access.</p> <p>Further levels under consultation.</p>
Fleet replacement	<p>Fleet replacement programme currently being drawn up following the final CAZ results across Fleet and PPPU.</p> <p>Timelines are being established to link to CNG facility.</p>

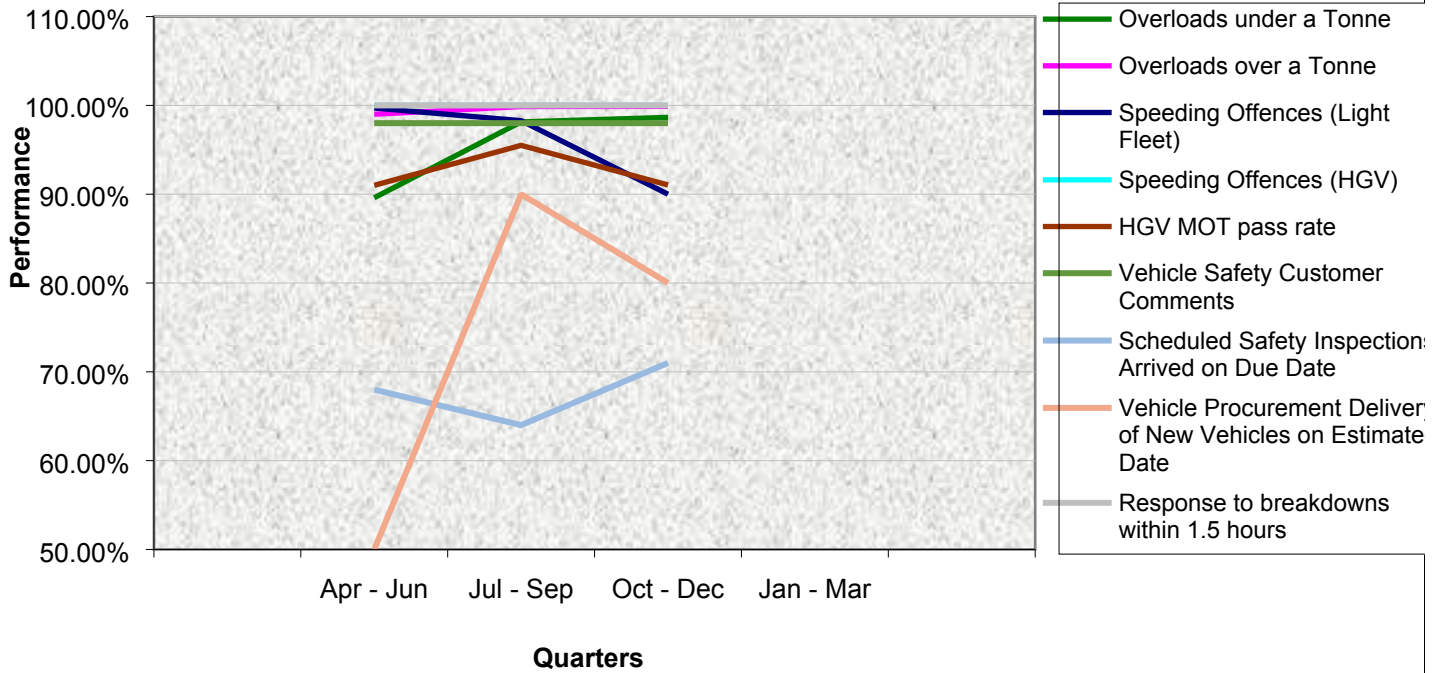


	Fleet and Refuse have undergone an independent review of refuse vehicle provision with supplier meetings throughout December.  Results are currently being tabled.
NHS/University support	Fleet continue to support the LTHT and Leeds University fleet.
Apprentice levy	Fleet have actively taken part in the apprentice levy. Provider recruitment and contract details currently being finalised.

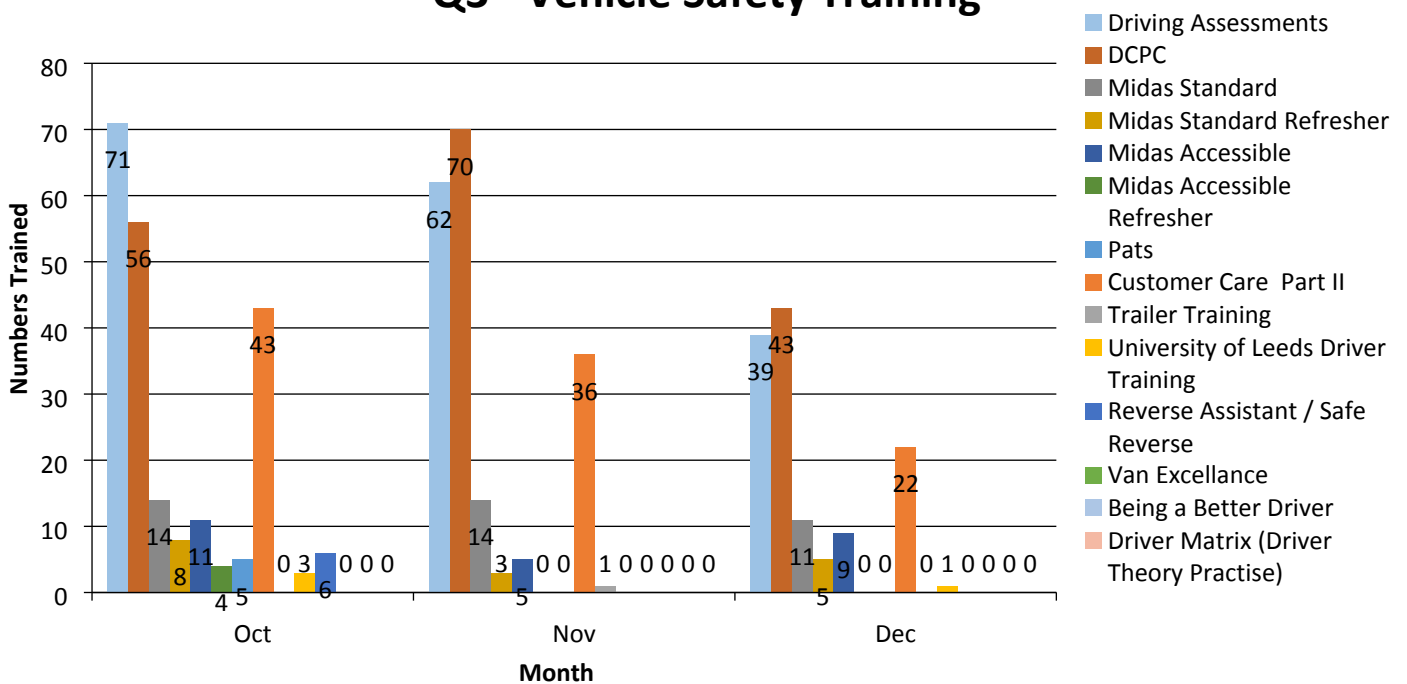
### Q3 Indicators

Performance Indicator	2016/17 Achievement	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	2017/18 Target
Overloads under a Tonne	90.00%	89.60%	98.14%	98.65%		95%
Overloads over a Tonne	95.00%	99.00%	99.87%	99.89%		95%
Speeding Offences (Light Fleet)	90.00%	99.70%	98.28%	90.00%		95%
Speeding Offences (HGV)	90.00%	100.00%	100.00%	100.00%		95%
HGV MOT pass rate	87.50%	91.00%	95.50%	91.04%		100%
Vehicle Safety Customer Comments	98.00%	98.00%	98.00%	98.00%		100.00%
Scheduled Safety Inspections Arrived on Due Date	68.00%	68.00%	64.00%	71.00%		90.00%
Vehicle Procurement Delivery of New Vehicles on Estimated Date	93.50%	50.00%	90.00%	80.00%		90.00%
Response to breakdowns within 1.5 hours	100.00%	100.00%	100.00%	100.00%		100.00%

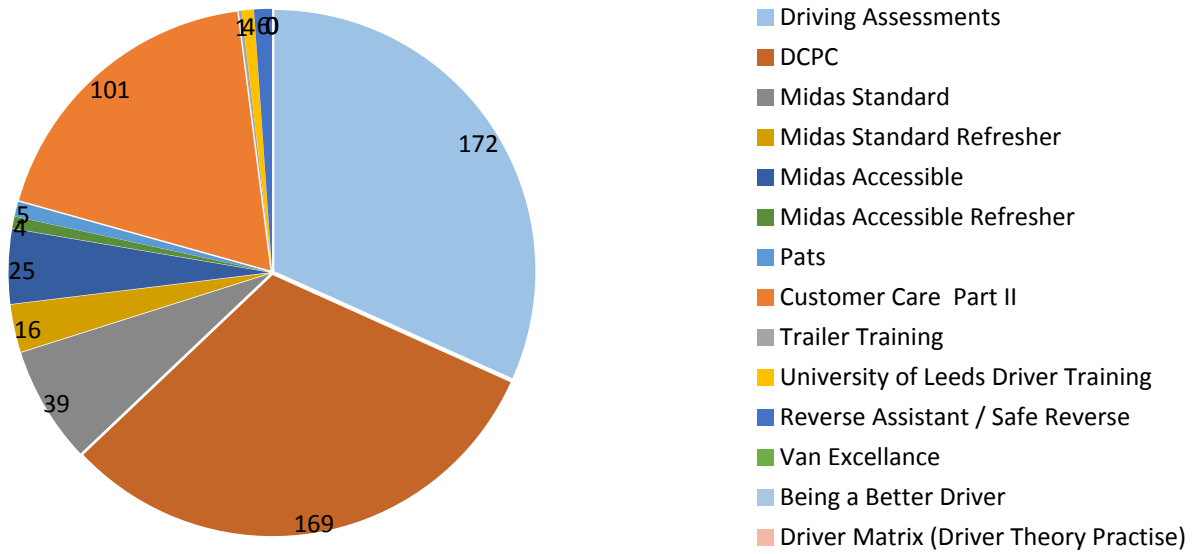
### Fleet KPI 2017/18



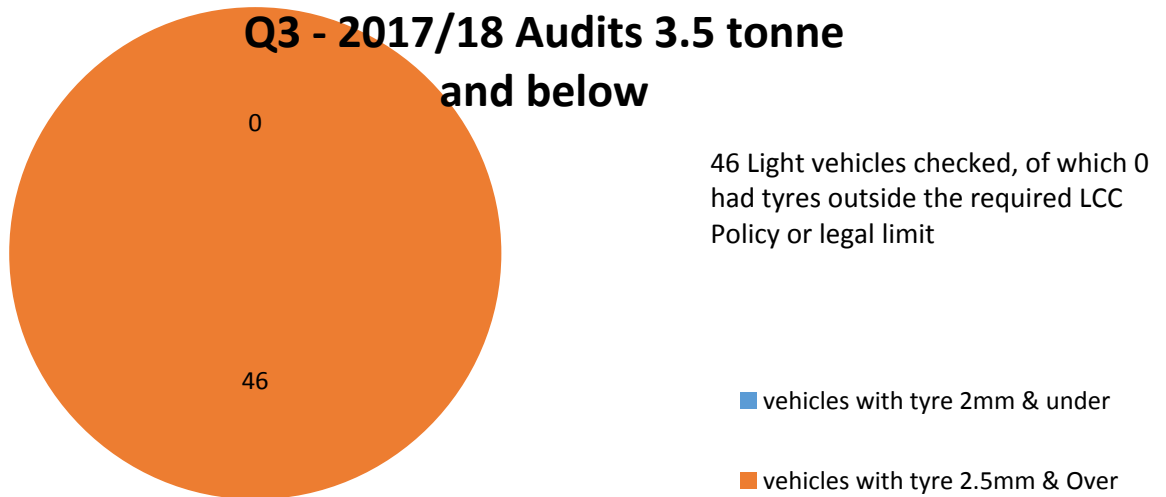
### Q3 - Vehicle Safety Training



### Q3 - Overall Vehicle Safety Training

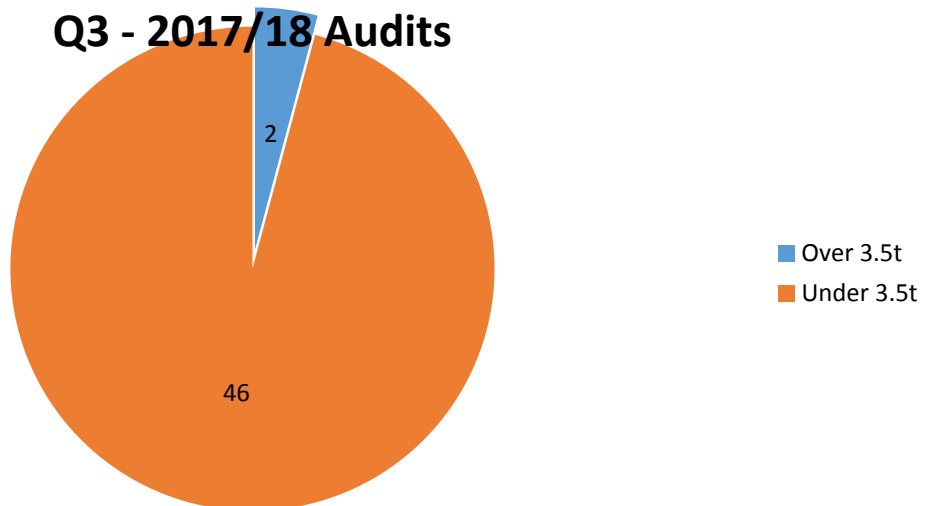


### Q3 - 2017/18 Audits 3.5 tonne and below

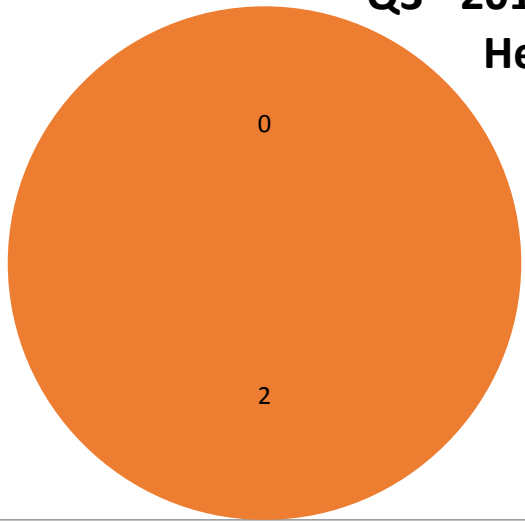


### Q3 - 2017/18 Audits

48 checks made at various sites. The ration of < 3.5 tonnes > to represent the LCC fleet of large and small vehicles



### Q3 - 2017/18 Tyre Checks - Heavy Vehicles



2 Heavy vehicles checked of which 0 had tyres outside the required LCC Policy or legal limit.

■ vehicles with tyre 2mm & under

■ vehicles with tyre 2.5mm & Over

## Cost

A balanced position is currently forecast through Directorate action plans to be identified. As a result of the marginal financial impact of the reduced number of feeding days in 2017/18 and inflationary pressure on food costs there's likely to be a £430k pressure for the Catering service, partially offset by savings/actions within the rest of the division to leave a net £200k pressure to be met through Directorate action plans. There is also likely to be a financial impact of Merrion House re-opening in this financial year and budget provision for the anticipated costs is in place. The Facilities Management element of the CEL budget is expected to balance and achieve the £100k budgeted savings for the year.

## Financial Reporting

Budget Management - net variations against the approved budget																
	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES											Total (under) / overspend £'000	
				Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000	Income £'000		
CEL	71,136	(63,550)	7,586	445	26	464	225	(40)	0	0	0	0	0	1,120	(1,121)	(1)

Key Budget Action Plans and Budget Variations:						
		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>						
<b>Efficiencies</b>						
1	Cleaning Savings	Sarah Martin	Efficiencies to be realised through expanding mobile cleaning, changing times and frequency of cleaning resulting in a reduction of the number of staff required.		0.50	0.00
2	Management Staff reductions	Sarah Martin	Reduction in level of JNC management support, delivered through a reconfiguration of roles and responsibilities.		0.20	0.00
3	Facilities Management Savings	Sarah Martin	Planned realignment of the service to be delivered through a restructure.		0.10	0.00
4	Fleet	Sarah Martin	Combination of maximising existing external income streams whilst developing new ones together with the aim of reducing costs.		0.10	0.00
5	Commercial Catering	Sarah Martin	Based on internalising commercial catering for some of the services within the Civic Quarter and expanding retail offer.		0.10	0.00
<b>B. Other Significant Variations</b>						
2	CEL	Sarah Martin	Shortfall against Catering income			0.20



## Overtime

There is a requirement across all of CEL's services for overtime to be paid to front line staff to ensure that critical services can continue to be delivered in times of staff absenteeism or additional work pressures. Overtime is used where required to cover for annual leave and sickness absence, vacancies and where additional income generating work requires it.

The majority of front line staff in CEL are part time working under 37 hours, where these staff are required to work additional hours the additional hours are paid at plain time up to 37 hours as per the Green Book Agreement.

Overtime is managed closely within CEL, first consideration is to use part time staff to limit the number of hours paid at enhanced rates and regular reviews take place on any overtime that is regularly paid to consider whether or not additional staff could be recruited to carry out this work.

There is a projected overspend across the group which is mainly due to the decision to cease using agency staff in school kitchens to cover staff absences and in security where there has been an increase in demand due to changes in National Security Threat Levels and the Customer Access Security Review. This overspend is offset by a reduction in agency spend and increase income.

<b>Service</b>	<b>17/18 Overtime Budget £</b>	<b>17/18 P9 Actual £</b>	<b>17/18 Projection £</b>	<b>Projected Variance £</b>
Property Cleaning	332,960	262,963	323,999	-8,961
Catering	293,560	301,299	423,620	130,060
Cleaning Schools	40,000	37,183	51,588	11,588
Transport Service	61,060	59,496	78,842	17,782
Security	92,900	133,616	188,746	95,846
School Crossing Patrol	14,130	9,840	12,455	-1,675
Passengers Facilities	190,000	124,766	157,976	-32,024
Management	197,940	118,167	167,394	-30,546
<b>Total</b>	<b>1,222,550</b>	<b>1,047,330</b>	<b>1,404,620</b>	<b>182,070</b>

## People

Civic Enterprise Leeds employees are integral to the directorate and providing services to the people of Leeds.

Below details a high level comparison of Q3 2016 with Q3 2017 to understand our position versus 12 months ago. As demonstrated below, Civic Enterprise Leeds has seen a reduction in its overall headcount, FTE and number of sick days across the services.

Q3 2017/18	Headcount	Full Time	FTE
Catering Services	1107	64	551.2677
Fleet Services	53	49	51.5473
Passenger Transport	634	109	399.2466
Facilities and Cleaning	1008	262	597.3001
Total	2802	484	1599.362

Q3 2016/17	Headcount	Full Time	FTE
Catering Services	1171	62	575.2591
Fleet Services	61	55	59.1351
Passenger Transport	636	117	401.9299
Facilities and Cleaning	975	261	591.7531
Total	2843	495	1628.077

Q3 Comparison	Headcount	Full Time	FTE
Catering Services	5%	-3%	4%
Fleet Services	13%	11%	13%
Passenger Transport	0%	7%	1%
Facilities and Cleaning	-3%	0%	-1%
Total	1%	2%	2%

## Equality and diversity

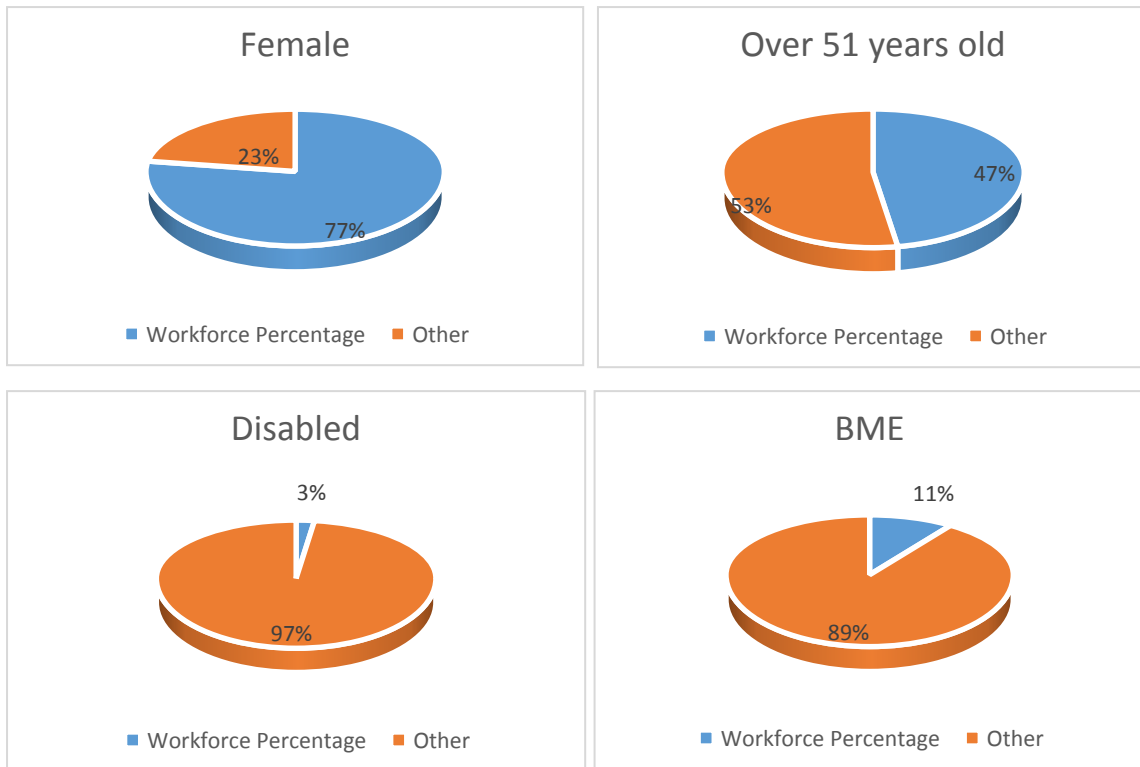
Civic Enterprise Leeds is committed to enhancing Equality and Diversity across its work for and manages this through its equality action plan and is working closely with all of the staff networks to ensure that we are discharging our duties to our staff and that our workforce represents the makeup of the City.

As part of the appraisal process all staff were given an equality and diversity related objective which will be reviewed in quarter 4 and our programme of equality and diversity training for all staff continues to be rolled out.

Below is a breakdown of Civic Enterprise Leeds workforce population in regards to equality and diversity.

Category	Women	Older	Disabled	BME
Workforce Percentage	77%	47%	3%	11%
Remaining	23%	53%	97%	89%





### Attendance Management

Below we have provided information relating to Civic Enterprise Leeds' sickness figures, as well as any actions that the services take to ensure that all employees are supported.

#### Catering Services (FI91 + FI92)

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	578.31	276.30	0.48	0.48	0.70	-0.22
May-17	576.76	764.77	0.85	1.33	1.41	-0.08
Jun-17	578.15	1211.90	0.77	2.10	2.12	-0.02
Jul-17	578.48	1563.40	0.61	2.70	2.83	-0.13
Aug-17	579.55	1871.47	0.53	3.23	3.54	-0.31
Sep-17	573.87	2278.50	0.74	3.97	4.29	-0.32
Oct-17	570.43	2734.12	0.82	4.79	4.96	-0.17
Nov-17	571.86	3313.77	1.00	5.79	5.66	0.13
Dec-17	571.26	3716.98	0.71	6.51	6.37	0.14
Jan-18	0.00	0.00	-6.51	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

#### Passengers (FI95 + FI97 - School Crossing)

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	363.49	335.93	0.92	0.92	0.70	0.22
May-17	362.84	859.36	1.44	2.37	1.41	0.96
Jun-17	362.42	1194.84	0.93	3.30	2.12	1.18
Jul-17	361.53	1509.38	0.88	4.17	2.83	1.34
Aug-17	364.93	1807.84	0.78	4.95	3.54	1.41
Sep-17	367.62	2224.38	1.10	6.05	4.29	1.76
Oct-17	366.53	2600.75	1.04	7.10	4.96	2.14
Nov-17	365.70	3140.25	1.49	8.59	5.66	2.93
Dec-17	364.00	3550.81	1.17	9.75	6.37	3.38
Jan-18	0.00	0.00	-9.75	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

### Fleet Services (FI22 + FI96)

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	49.92	16.54	0.33	0.33	0.70	-0.37
May-17	49.42	30.77	0.29	0.62	1.41	-0.79
Jun-17	49.42	47.75	0.34	0.97	2.12	-1.15
Jul-17	49.92	62.33	0.28	1.25	2.83	-1.58
Aug-17	50.42	77.33	0.29	1.53	3.54	-2.01
Sep-17	50.24	93.66	0.33	1.86	4.29	-2.43
Oct-17	50.24	130.26	0.73	2.59	4.96	-2.37
Nov-17	51.24	167.26	0.67	3.26	5.66	-2.40
Dec-17	51.24	242.75	1.47	4.74	6.37	-1.63
Jan-18	0.00	0.00	-4.74	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

### School Crossing

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	20.32	18.73	0.92	0.92	0.70	0.22
May-17	20.24	54.50	1.77	2.69	1.41	1.28
Jun-17	20.66	100.79	2.19	4.88	2.12	2.76
Jul-17	20.53	132.48	1.57	6.45	2.83	3.62
Aug-17	20.61	160.33	1.33	7.78	3.54	4.24
Sep-17	20.08	192.66	1.82	9.59	4.29	5.30
Oct-17	20.16	210.86	0.86	10.46	4.96	5.50
Nov-17	20.32	237.96	1.25	11.71	5.66	6.05
Dec-17	20.46	267.95	1.39	13.10	6.37	6.73
Jan-18	0.00	0.00	-13.10	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

**Cleaning Combined (FI27 + FI61 + FI07)**

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	476.33	369.55	0.78	0.78	0.70	0.08
May-17	474.22	757.87	0.82	1.60	1.41	0.19
Jun-17	474.89	1137.37	0.80	2.40	2.12	0.28
Jul-17	472.13	1518.23	0.82	3.22	2.83	0.39
Aug-17	471.05	1830.04	0.67	3.89	3.54	0.35
Sep-17	470.33	2106.66	0.59	4.48	4.29	0.19
Oct-17	474.06	2463.91	0.72	5.20	4.96	0.24
Nov-17	473.75	2959.73	1.05	6.25	5.66	0.59
Dec-17	473.18	3415.79	0.97	7.22	6.37	0.85
Jan-18	0.00	0.00	-7.22	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

**Facilities Management (FI98)**

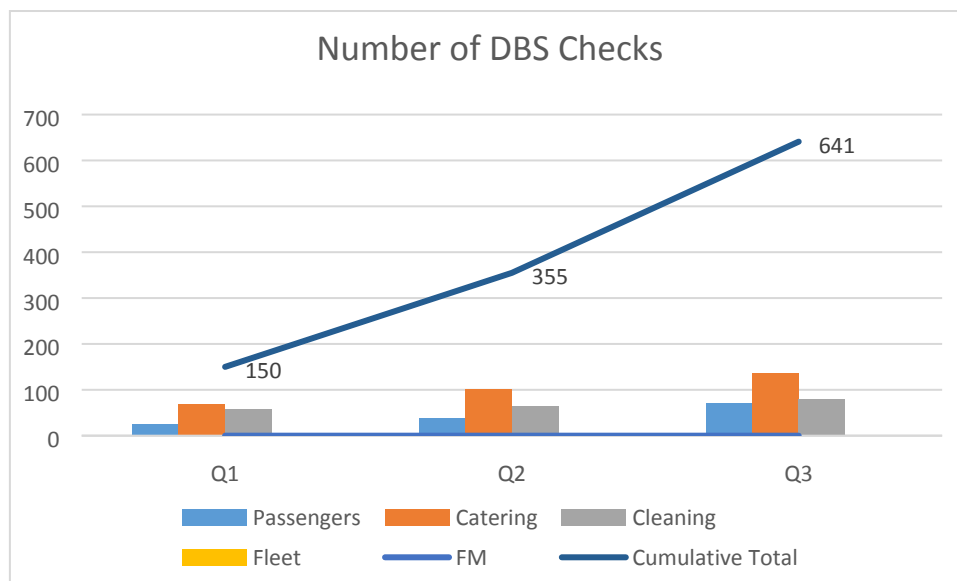
	Average FTE	FTE Days Sickness	Total days sick per month per FTE 15/16	Cum. Days per FTE	Target	Variance
Apr-17	56.43	40.00	0.71	0.71	0.70	0.01
May-17	54.93	74.14	0.64	1.35	1.41	-0.06
Jun-17	54.93	112.62	0.70	2.05	2.12	-0.07
Jul-17	54.93	139.25	0.48	2.54	2.83	-0.29
Aug-17	54.61	183.84	0.83	3.37	3.54	-0.17
Sep-17	54.52	218.43	0.64	4.01	4.29	-0.28
Oct-17	54.02	254.93	0.71	4.72	4.96	-0.24
Nov-17	53.52	297.05	0.83	5.55	5.66	-0.11
Dec-17	53.52	339.59	0.79	6.35	6.37	-0.02
Jan-18	0.00	0.00	-6.35	0.00	7.08	-7.08
Feb-18	0.00	0.00	0.00	0.00	7.79	-7.79
Mar-18	0.00	0.00	0.00	0.00	8.50	-8.50

- All supervisors are now trained in managing mental health in the workplace so issues can be identified and support put in place to reduce absences.
- Physio training provided to all drivers and booklet produced for all staff to advise correct way to carry out roles – thus avoiding potential injury and potentially more absence.
- Referrals to Physio for staff currently at work to improve their health and also to facilitate a faster return to work for staff on sick leave.
- Referrals to Counselling for staff currently at work to improve their mental health and also to facilitate a faster return to work for staff on sick leave.
- Team Teach training for all Passenger Assistants to manage challenging behaviour more effectively and avoid injury.

- Setting appropriate targets to timely move staff through the Improving Attendance procedure.
- Referrals to Occupational Health to support staff so appropriate adjustments are put in place to avoid further absence.
- Referrals to Occupational Health to identify staff who are unfit to carry out their substantive role – move into medical redeployment as necessary.

## Safeguarding

In order to fulfil client requirements, it is essential that all staff are vetted in relation to DBS. We are responsible for vetting employees prior to employment as well as carrying out renewal DBS checks every three years. Below indicates the amount of DBS checks and renewals that have been carried out by Civic Enterprise Leeds over the financial year.

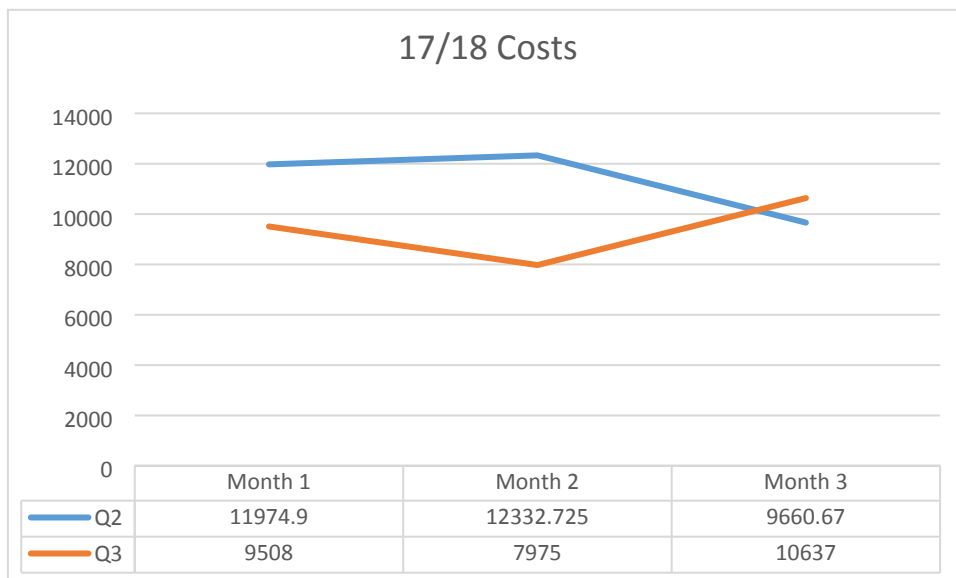
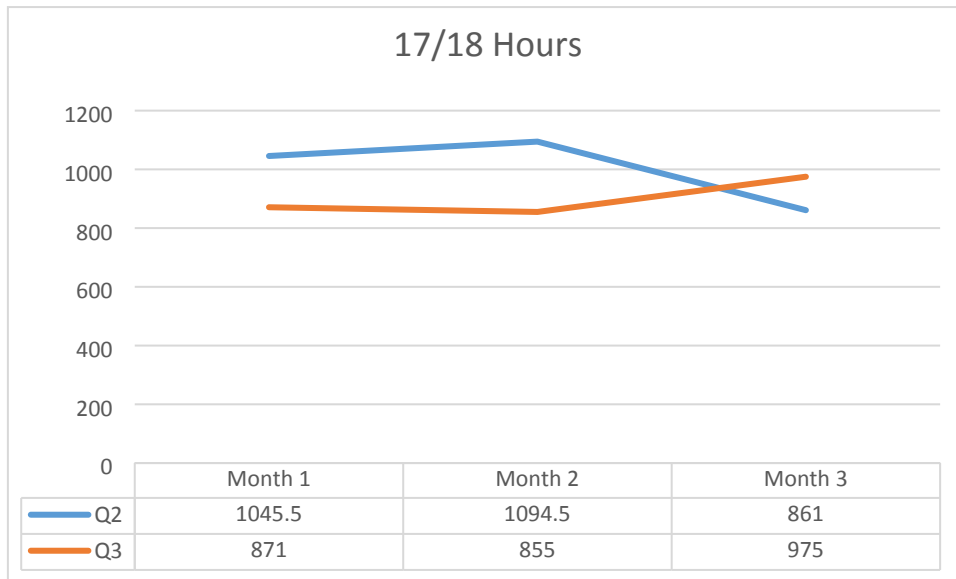


## Agency Staff

Civic Enterprise Leeds are committed to providing sustainable and permanent vacancies within our departments. Agency staff, however, is sometimes required to ensure the flexibility of some departments is maintained. It is our aim to reduce the total number of agency staff in line with the Council's objectives regarding employment within the city. Below provides a comparison of agency hours and spend from Q2 and Q3 17/18.k

The commercial catering arm, Civic Flavour, may have an impact on this area. As business grows, so may agency staff usage i.e. waiting staff for a dinner for 250 will require agency staff. In this type of situation we would hope to use staff from our own casual pool of staff, but where large numbers are required, agency may be required.

Agency usage shows a slight increase during this quarter due to increase demand for security staff and agency staff were used as an interim measure until staff could be employed directly.



### Appraisals & Staff Survey

Civic Enterprise Leeds performed extremely well on the staff survey with a score of 8.12 on “how satisfied are you with your job” against the Council average of 7.54 (+0.58 variance) which we believe is a result of our actions around employee development and engagement. This is also further evidenced by our 100% appraisal completion results and close working relationship with the Trade Unions. Further work will take place in Q4 to look at the results in more detail put together service specific action plans.

Service	Score
Leeds City Council (overall)	7.54
Civic Enterprise Leeds	8.12
Cleaning Services	8.15
Catering Services	8.01
Passengers	8.4

<b>Service</b>	<b>Percentage Completion</b>
Catering	100%
Cleaning & FM	100%
Fleet	100%
Passenger Transport	100%

## Training

Below demonstrates our commitment to training, especially with Health and Safety. The directorate has seen an increase in training provision through identification of requirements within the appraisal system.

<b>Course Title</b>	<b>Number of staff trained</b>
Manual Handling	123
Safeguarding	28
Health and Safety	128
Induction	76
Safe Disposal of needles	50
Bin Room Training	47
Customer Care	41
Violence and Aggression	27
Equality and Diversity	17
Lift Control	16
Raw Meat Training	10
Food Hygiene	33
Effective Appraisals	3
Customer Service	8

## Apprentice Levy

Civic Enterprise Leeds have been working closely with HR, PPU and Training Providers to identify opportunities to take advantage of the apprentice levy to improve the training and development of new and existing staff. Any new vacancies that would be appropriate to recruit apprentices to will be advertised and we are also looking at converting existing posts to apprentices where possible to aid staff development and progression.

## Health and Safety

Health and Safety is at the heart of everything we do in Civic Enterprise Leeds. The welfare and safety of our staff and customers is our biggest priority. Our commitment to Health and Safety is demonstrated and evidenced with our ROSPA Level 5 and OSHAS 18001 accreditations which we are very proud of. We work closely with colleagues in Health and Safety to regular review our processes and ensure that we are complying with legislation and best practice.

The information in this section highlights our overall Health and Safety Performance and provides updates on both an overall and service specific level.

### Accident Reporting

The below table illustrates the total number of incidents within Civic Enterprise Leeds:

Number of Incidents per Service Area for the current period	
Type of Incident	CEL
RIDDOR	6
Other Kinds of Incidents	57
Physical Abuse	9

Riddor reportable incidents

RIDDOR Reportable Incidents	Service Area	Type of RIDDOR	Cause of Incident
Injury			
Scald to left hand	CEL	Over 7 days absence	IP did not allow steam to escape from oven before reaching in to place item on shelf.
Scald to left hand and arm	CEL	Over 7 days absence	Lifted heavy pan off stove to drain. Pan too heavy tried to put down on stove and the pan tilted causing boiling water to go over hand and arm
Scald to right arm	CEL	Over 7 days absence	IP had removed vegetables from pan leaving boiling water. The pan was lifted from the stove to drain and the cloth got caught on the stove causing water to spill on arm

Deep cut to thumb right hand	CEL	Over 7 days absence	Using meat slicer when hand slipped over handle and guard coming into contact with blade
Open fracture to right thumb	CEL	Over 7 days absence	Opening a bin hopper within a bin room, the hopper was slightly stiff so a bit more force was used the momentum made it move quickly trapping the injured persons thumb between the hopper and metal framework
Muscle injury to left shoulder consistent with seatbelt	CEL	Over 7 days absence	Hit by moving vehicle - IP travelling in taxi driver when they pulled out at a junction and a car hit them. The taxi driver was found to be over the legal limit for drink driving

<b>Incident Category</b>	<b>CEL</b>
Contact with electricity	1
Contact with Sharps	6
Exposed/contact with a harmful substance	10
Fall from height	2
Hit by a moving vehicle	1
Hit by a moving, flying or falling object	5
Injured whilst handling, lifting or carrying	5
Other kinds of accident/incident	11
Slipped, tripped or fell on the same level	4
Struck against something fixed or stationary	3
Verbal abuse only	4
Physical abuse	9
Disruptive Behaviour	4
Damage to Property or Vehicle	7



## H&S Work

Below lists the proactive work that has been completed within the quarter from a Health and Safety perspective.

- Written Emergency Evacuation Procedures for Merrion House
- Tool Box talks delivered to all staff on:
  - COSHH
  - Mental Health
  - Driving whilst on Mobile Phone
- 4 Managers attended NEBOSH General
- 4 Managers attended NEBOSH Fire Risk Assessment
- Completed stage 1 of Customer Access Building Security Review

## Risk Management & Resilience

Civic Enterprise Leeds works closely with the Corporate Resilience and Emergencies team to ensure that any areas of our service that are identified and Critical to the delivery of their Council's day to day business have robust plans in place to ensure continuity of service should an unplanned event occur.

Business Continuity Plans covering the loss or failure of IT systems, operational buildings, transport, staff or adverse weather which could impact on service delivery are in place for all the services that CEL are required to provide covering following areas:

Number	Service	RAG Rating	Last Review	Next Review
1	Catering	Low	Aug 2017	Aug 2018
2	Facilities Management	Low	Aug 2017	Aug 2018
3	Static Guarding	Low	Oct 2017	Oct 2018
4	Passenger Transport	Low	Aug 2017	Aug 2018
5	Fleet Services	Low	Nov 2017	Nov 2018

The most significant risks facing CEL are maintained on a risk register which is updated and reviewed each quarter. The risk register is reported to the CEL leadership team who have responsibility for ensuring the risks are being managed and treated properly, each risk identified has an individual Risk Management Plan with robust control measures in place to mitigate any potential negative outcomes. The risks are:

Ref/No	Title	Rating	Date Last Reviewed
CEL 1	Vehicle compliance - Council fails to meet VOSA/Police vehicle compliance requirements leading to a curtailment of the 'O' operator licence and limiting the number of vehicles LCC can use.	High	28/12/2017
CEL 2	Fuel shortage - Fuel shortage leads to reductions/stoppages in Council's transport-related services.	High	12/01/2018
CEL 3	CEL Safeguarding - Risk of harm to a child or adult at risk, which may not be reported when using services provided or commissioned by CEL.	High	02/03/2018
CEL 4	Impact of the National Living Wage.	High	02/03/2018
CEL 5	LCC fleet vehicles fail to meet CAZ standards	High	12/01/2018

## Quality

Civic Enterprise Leeds always strives to deliver the highest possible levels of service that we can to our colleagues and customers. We are proud of our ISO9001 accreditation and have a robust management system in place that continually holds up to robust scrutiny from both internal and external auditors to ensure we maintain the standard.

Below is a high level summary of our quality monitoring results, compliments and complaints and internal and external audit results which demonstrate our commitment and ability to deliver first class services.

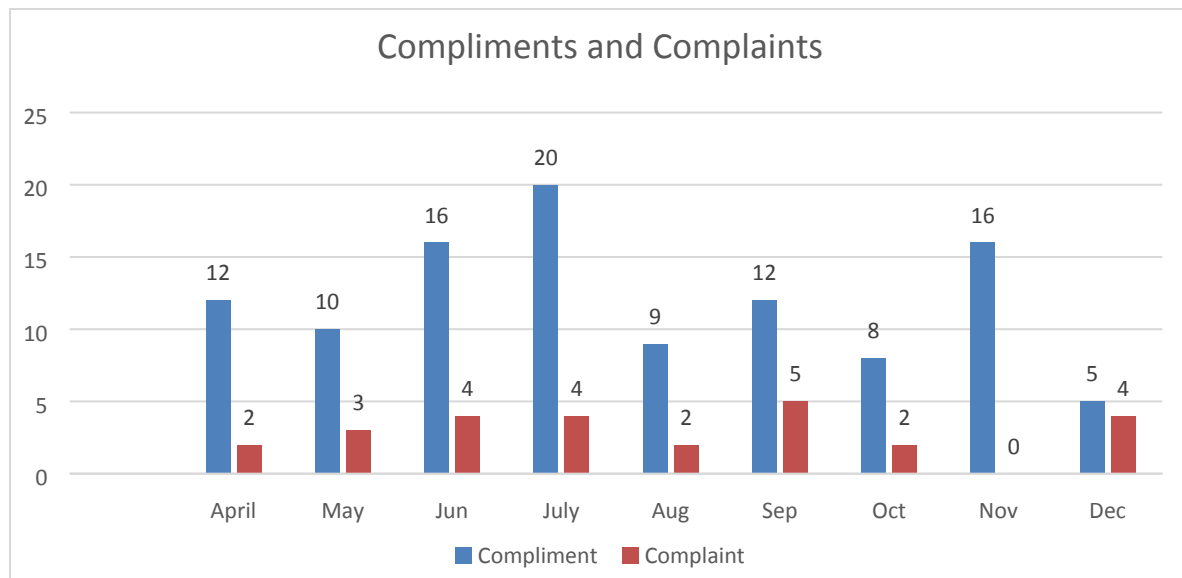
### Service Specific Monitoring

Below indicates the quality monitoring results across all services in 2017:

<b>Service</b>	<b>Type</b>	<b>Q1 Result</b>	<b>Q2 Result</b>	<b>Q3 Result</b>
Facilities Management	Cleaning Monitoring Result	92%	93%	90%
	E-Schedule	92%	92%	90%
	Fire Safety Audits	No non-compliances	No major non-compliances	No non-compliances
Catering	Performance Monitoring	86%	85%	97%
Passenger Transport	Quality Inspection	89%	98%	95%
Fleet Services	Performance Monitoring	87%	88%	92%

## Compliments and Complaints

Civic Enterprise Leeds is committed to providing excellent customer satisfaction across all services in line with the Leeds City Council values. Below indicates compliment and complaints figures for year to date.



## Feedback and Key Contacts

Your views are very important to Civic Enterprise Leeds. If you have any comments on what you have read in this Performance Summary, or on any service provided by our department, please let us know:

Sarah Martin – Chief Officer

[Sarah.martin@leeds.gov.uk](mailto:Sarah.martin@leeds.gov.uk)

Richard Jackson – Head of Service & Reporting Lead

[Richard.n.jackson@leeds.gov.uk](mailto:Richard.n.jackson@leeds.gov.uk)

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Report author: Tim Rollett  
Tel: 378 9235

**Report of the Director of Resources and Housing**

**Report to Scrutiny Board (Strategy and Resources)**

**Date: 22<sup>nd</sup> March 2018**

**Subject: Digital Information Service (DIS) Performance Report**

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**

This report provides members with a summary of performance information relating to the Digital & Information Services (DIS) covering the period April – February 2017/18. The paper also provides an update on actions arising from the previous performance report presented to the Board in November 2017

**Recommendations**

Members are recommended to:

- Consider and comment on the performance information and follow up actions.
- Use the performance information provided to determine areas for further scrutiny work to support improvement over the coming year.

## **1. Purpose of this report**

- 1.1. This report provides members with a summary of performance information relating to Digital & Information Services (DIS) covering the period April – February 2017/18.
- 1.2. The paper also provides an update on actions arising from the DIS's previous performance report presented to the Board in November 2017
- 1.3. The report gives Scrutiny Board members information to inform decision making around identifying areas for further scrutiny work to support improvement across council outcomes, priorities and values.

## **2. Background information**

- 2.1. The role of the DIS is to ensure that the council fully exploits its investment in information, communication and digital technologies. The DIS provides day to day support to all council staff using information, communications and technology to carry out their job. The DIS aims to ensure that the right solutions are in place to meet service needs and that they meet the right standards in relation to information security and governance. The DIS ensures that data is supported within the council's network and that where relevant it can be safely shared between applications, stakeholders and third party organisations. Details of the DIS's performance can be seen in Appendix 1 and progress against the follow up actions in Appendix 2.

## **3. Main issues**

- 3.1. Full details of DISs performance against their priorities can be seen in Appendix 1 which contains details of:
  - Service Operation & Delivery highlights of quarters 1 to 3 (2017/18)
  - DIS Operational Performance Indicators Scorecard (to February 2018)
  - Value for Money - Indicators Scorecard
  - Performance Indicators Scorecard - Customer Feedback (High and Low scores)
  - ICT Growth (Year on Year) from 2015-17
  - DIS ICT Service Achievement Report
  - ICT4 Leeds Service Achievement Report
  - West Yorkshire Joint Services
- 3.2. Appendix 2 provides an update on:
  - The replacement case management system (replacing Siebel), including members access.
  - Service Desk Performance – average waiting time on telephone calls
  - Performance targets – short briefing on SOCITM standards

## **4. Corporate Considerations**

### **4.1. Consultation and Engagement**

- 4.1.1. This is an information report and as such consultation and engagement does not apply.

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

- 4.2.1. This is an information report, rather than a decision report and so due regard is not relevant. It is noted that a report on Equality performance is due to be reported to the Strategy & Resources Scrutiny Board in March 2018.



### **4.3. Council policies and the Best Council Plan**

- 4.3.1. This report brings to Scrutiny Board (Strategy & Resources) a performance update on progress against services that support the delivery of the council's Best Council Plan. The Best Council Plan itself forms part of the council's budget and policy framework.

### **4.4. Resources and value for money**

- 4.4.1. Effectively monitoring and managing performance helps ensure that resources continue to be appropriately deployed. There are no other financial implications from this report.

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

- 4.5.1. This report is an information update providing Strategy & Resources Scrutiny Board with a summary of performance for selected portfolio areas within its remit and is not subject to call in.

### **4.6. Risk Management**

- 4.6.1. There are no specific risks associated with this performance report. However, it is noted that performance results may be linked to the corporate risks that could impact on the delivery of the Best Council Plan. The following corporate risks are linked to performance information included in this report (all of which are led by the DIS):
- **Major ICT Failure** - Risk that council services are disrupted due to frequent and/or prolonged ICT failures.
  - **Major cyber-incident** - Risk to citizens, council and city as a result of digital crime, process failure or peoples actions.
  - **Information management and governance** - Risk of harm to individuals, partners, organisations, third parties and to the council as a result of non-compliance with information governance legislation and industry standards.

## **5. Conclusions**

- 5.1. The report provides details of performance for the DIS for the period April to February 2017/18.

## **6. Recommendations**

- 6.1. Members are recommended to:
- Use the performance information provided by DIS to determine areas for further scrutiny work to support improvement over the coming year.
  - Note the updated performance reporting timetable.

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Digital & Information Services  
2017/18 April-February Report

The purpose of this report is to provide the performance results for the Digital & Information Service (DIS) within the following areas :

- 1. Introduction & Executive Summary
- 2. Service Operation & Delivery
- 3. Digital and Information Performance Indicators Scorecard
- 4. Value for Money & Finance
- 5. Performance Indicators Scorecard – Customer Feedback High Scores.
- 6. Performance Indicators Scorecard – Customer Feedback Low Scores.
- 7. ICT Growth 2015-2018
- 8. Service Level Management Dashboards (Service Centre and Service Availability Service Level Achievements DIS)
- 9. Service Level Management Dashboards (Service Achievements) ICT4Leeds
- 10. Service Level Management Dashboards (Service Achievements) WYJS
- 11. Conclusion Summary
- 12. Feedback and Key Contacts -

The role of the service is to ensure that the Council and partners exploit their investment in information, communication and digital technologies.

This report is intended to report the operational performance of the service during the 2017/18. The City Partners are Leeds City Council (LCC), Leeds Teaching Hospital Trust (LTHT), Leeds Clinical Commissioning Group(s), (CCG), Leeds Community Health (LCH), and Leeds York Partnership Foundation Trust (LYPFT). In addition we also support West Yorkshire Joint Services (WYJS), Aspire Group, '1 Adoption' and a large number of Schools under the 'ICT4Leeds' service.

We currently provide day to day support to council and partner staff using Information, Communications and Technology to carry out their job. This includes providing and supporting all hardware, software and infrastructure used across the Council and partners.

Some of our normal activities include:-

- getting 12,000 computer users switched on and connected to the network each day
- managing 23,000 telephony connections
- ensuring 40 million emails get to their destination each year
- supporting around 500 business applications and software (one of the most diverse set of applications in the country)
- Keeping the data on our network available, backed up and secure.

2. Service Operation & Delivery – Highlights of Q1 Q2 and Q3.

April/May/June  
Q1

- The Service Centre has continued a project to add additional security to folder access (in line with current configuration). This will provide the same high level of secure folder access and prevent top level folders being inadvertently moved.
- The Drop In Clinic were involved in supporting the local Election. Then they ensured the smooth transition of new councillors with the provision of their accounts and IT equipment. In order to help new Members to become accustomed to their new IT systems, training was provided where necessary and home visits were arranged if required
- The Drop In Clinic have also been working with the Changing the Workplace team (CTW) and have helped configure bespoke devices where needed; they have offered support to people who needed extra assistance with their new devices.
- The Drop In Clinic and technical teams provided support to teams organising and co-ordinating the European Union (EU) Referendum vote. This involved providing on-call and office based support leading up to and after both the vote and the count.

July/Aug/Sep  
Q2

- There were 8 Major Incidents during July relating to GCSx Mail, GIS Mapping, LCC & WYJS Network Performance which were all completed with minimal disruption to services. Landline Phones, Libraries Public Access clients, Orchard and BT Internet. In all instances, the root cause of the incident was identified and service restored. The Major Incident for performance issues related to the McAfee security package was closed following a successful update
- 5 Mobile drop-in clinics held at different sites
  - Ongoing TimePlan PC upgrade.
- BSC - Rollout of access to E-Forms
- Multi-Council access to a SharePoint for White Rose. This is a West Yorkshire wide rollout and the work is ongoing

Oct/Nov/Dec  
Q3

- Support of PSN remediation work
- Continued support of the Office 2013 upgrade
- Upgrade of Modern.Gov
- Annual school account review
- Creation of 100+ student social workers accounts
- Continued support of the Office 2013 upgrade including the last phase of the migration to Assistive Technology users, Aspire staff and Members
- Continued support of the upgrade to SharePoint 2013
- Last phase of Office 2013 roll out – ongoing for Assistive Tech/ Aspire users and Cllrs
- Rollout of Noise Tools
- IT solution for the Household Waste Sites
- Avaya One-X Agent Upgraded at the Customer Contact Centre
- Service Centre Manager won Manager Support award at recent Apprenticeship Award event

### 3. DIS Operational Performance Indicators Scorecard

PI Code	Description	Target	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 Jan/Feb	Narrative
O1	Service / System Availability – SOCITM KPI 15 (%)	99%	99.89	99.70	99.83	99.75	O1, 2, 3, and Jan & February - Availability Shows a consistent figure through Q1 to 3 with little fluctuation over the 3 periods. We do not envisage Q4 to be anything but over the 99% target. The same will be said for Reliability and Maintainability. The scores are a result of ongoing proactive work within the DIS technical teams and are testament to their hard work. I would expect these figures to increase once the full quarter has completed.
O2	Service Reliability - Mean Time Between Service Downtime (average per service)	300 hours	590	573	588.8	598.48	
O3	Service Maintainability - Average time taken to restore a service where downtime occurs - KPI 15	4 hours	00:09	00:17	0:15	0:32	
O4	% Service Desk calls met within Service Level Agreement target	80%	92%	93%	91%	93%	O4, 5, 6 - Service desk call levels are well above the target and are a constant measure of how well the teams respond to the calls. The first time fixes continue to be stable. The calls answered within 30 seconds have been poor for the most part and are as a result of a period of low resourcing caused by a number of leavers. At the end of Q3 additional staff were brought in and are currently learning the ropes. <b>The improvement seen in the January and February period is proof that we are now heading back in the right direction. This figure is expected to rise further in March and achieve the target set. This KPI will be closely monitored to ensure that progress is maintained.</b>
O5	% Service Desk calls fixed at first point of contact.	70%	77%	74%	73%	76%	
O6	% Service Desk calls answered within 30 seconds	70%	48%	39%	43.78	61.71	
C1	Average Customer Satisfaction Score (annual survey – all users)	70%	70%	70%	70%	70%	C1, 2, 3 and January & February– Customer Satisfaction Survey. A new Customer Satisfaction survey is being planned for 2018 which will tell us whether our current satisfaction target is accurate or requires raising above the current figure of 70%. Average Satisfaction although well above the target has dropped slightly in terms of the overall scoring in the year to date. DIS receive few complaints and these are always handled efficiently and within agreed corporate processes and timescales.
C2	Average satisfaction with overall service received for an incident (auto) Question 3 (IM3.1) KPI2	70%	96%	93%	92.87	93.54	
C3	% of Customer Complaints where the customer is satisfied with formal response and corrective action(s)	70%	100%	100%	100%	100%	

#### 4. Value for Money - Indicators Scorecard

<i>Value for Money &amp; Finance</i>		<i>Target</i>	<i>QTR 1</i>	<i>QTR 2</i>	<i>QTR 3</i>	<i>QTR 4 Jan/Feb</i>	<i>Narrative</i>
V1	<b>DIS Small Projects on-time and to-budget</b>	90%	89%	91%	90%	89%	During the year to date there has been a marked increase in the number of small project requests received which accounts for the slight drop in performance. 90% is a challenging target and performance is monitored closely.
V2	<b>DIS efficiency and financial savings (including cost avoidance measures)</b>	£750k per annum	See Qtr. 2	£615k	See Qtr 4	N/A At this time	This report is produced bi-annually with the latest report due again after the financial year end closedown in April. Indications are that efficiency savings will once again top the £1m mark which is well beyond the target set.
V3	<b>% Breakdown of resource time spent on SLA work and Project work</b>	60 /40	70 / 30	70 /30	70/30	70/30	This is an indicative KPI only and reflects the work requests coming into the service. The indications are that vital day to day operational work is preventing more time being spent on important project work for the service, the Council and the wider city partners.
V4	<b>Progress against service income targets (Cumulative)</b>	750k	256k	397k	725k	800k	With one month still to go the service has exceeded the budget target set for service income. This will enable the service to balance the books at the financial year end.

## 5. Performance Indicators Scorecard - Customer Feedback – High Scores

Upon the resolution of a reported incident to the DIS Service Centre we ask users to complete a short satisfaction survey. Customers are asked to rank their experience with the incident resolution service on a scale of 1 to 7, where 7 is the ranking for excellent performance. We aim to exceed a target of 5 (which equates to our current user satisfaction target) on each of the four questions below:-

***Q1 How satisfied were you with the level of customer service received in relation to this incident?***

***Q2 How satisfied were you with the time taken to resolve this incident?***

***Q3 Overall how satisfied were you with the way in which the problem was dealt with?***

***Q4 Outside of this incident how satisfied are you with the services provided by ICT overall?***

Below is an analysis of the high end (greatest satisfaction) ranking of the Service Centre Short Survey. It shows the distribution of user's allocations of six and seven scores for each of the survey's four questions (above). The scores for 2016-17 are added for comparison purposes.

<b>2017 / 2018</b>	<b>7 score for Question 1</b>	<b>7 score for Question 2</b>	<b>7 score for Question 3</b>	<b>7 score for Question 4</b>	<b>6 score for Question 1</b>	<b>6 score for Question 2</b>	<b>6 score for Question 3</b>	<b>6 score for Question 4</b>	<b>Surveys completed</b>
<b>Quarter 1 2017-18</b>	<b>84.02%</b>	<b>83.61%</b>	<b>82.92%</b>	<b>62.81%</b>	<b>11.57%</b>	<b>9.78%</b>	<b>10.33%</b>	<b>21.90%</b>	<b>726</b>
<b>Quarter 2 2017-18</b>	<b>65.43%</b>	<b>63.64%</b>	<b>65.15%</b>	<b>50.14%</b>	<b>11.29%</b>	<b>10.06%</b>	<b>9.92%</b>	<b>18.87%</b>	<b>614</b>
<b>Quarter 3 2017-18</b>	<b>66.39%</b>	<b>64.46%</b>	<b>65.98%</b>	<b>50.96%</b>	<b>11.43%</b>	<b>10.19%</b>	<b>10.06%</b>	<b>19.01%</b>	<b>623</b>
<b>2016 / 2017</b>	<b>7 score for Question 1</b>	<b>7 score for Question 2</b>	<b>7 score for Question 3</b>	<b>7 score for Question 4</b>	<b>6 score for Question 1</b>	<b>6 score for Question 2</b>	<b>6 score for Question 3</b>	<b>6 score for Question 4</b>	<b>Surveys completed</b>
<b>Quarter 1 2016-17</b>	<b>77%</b>	<b>75%</b>	<b>77%</b>	<b>51%</b>	<b>15%</b>	<b>13%</b>	<b>14%</b>	<b>29%</b>	<b>480</b>
<b>Quarter 2 2016-17</b>	<b>80%</b>	<b>79%</b>	<b>79%</b>	<b>56%</b>	<b>14%</b>	<b>12%</b>	<b>12%</b>	<b>27%</b>	<b>777</b>
<b>Quarter 3 2016-17</b>	<b>79%</b>	<b>79%</b>	<b>81%</b>	<b>58%</b>	<b>17%</b>	<b>14%</b>	<b>13%</b>	<b>24%</b>	<b>508</b>
<b>Quarter 4 2016-17</b>	<b>81%</b>	<b>81%</b>	<b>82%</b>	<b>59%</b>	<b>13%</b>	<b>11%</b>	<b>11%</b>	<b>24%</b>	<b>880</b>



## 6. Performance Indicators Scorecard – Customer Feedback – Low Scores

### Customer Satisfaction Ratings 1's & 2's ('Very Poor' and 'Poor' scores)

Whenever a customer rates any one or more of the questions in the Service Desk short survey with a score of one or a two, we contact the customer to get a better understanding of why they have such a poor perception. We categorise the areas in which these poor results are associated with and chart them as below.

In total there have been 135 instances where customer provided feedback on their customer experiences.

The category for 'Poor Customer Service' is where the comments returned suggest that the service perceived by the customer has not been as high as we would like, examples of this would be where the customer mentions an issue within the comments relating to the member of service centre they are speaking with and therefore resulting in a perceived unprofessional approach to the call or calls being closed without the customers knowledge without a resolution to their issue. A general hurried attitude during the call or a non-understanding of the service priorities all impact customer perceptions.

The category of 'Unable to contact the user' is also high. This is where the Service Centre cannot make contact with the customer following the survey response.

Tickets closed without a suitable resolution caused a third high category. Further investigations into why tickets are closed prematurely are under consideration.

Performance Pack - Management Analysis- 2017/18					
Categories	Q1	Q2	Q3	Q4 Jan/Feb	Totals
Delay - Printer	0	2	2	1	5
Delay - Sales Team	1	2	0	0	3
Delay - Service Centre	6	8	6	22	42
Delay- User	0	1	1	1	2
Hardware Fault - Laptop	1	1	0	3	5
Hardware Fault - Phone	1	0	0	0	1
Hardware Fault - Desktop	0	0	1	0	1
Software Fault -Academy	0	1	0	1	2
Software Fault -Orchard	1	0	0	0	1
Unable to Contact Customer	8	13	3	4	28
Poor Customer Service	6	6	0	1	13
Delay: Software - Excel	2	0	0	0	2
Delay: Software - Outlook	2	0	2	0	4
Delay: Software- SharePoint	1	0	0	0	1
Delay Supplier	0	0	4	1	5
Other generic	0	0	3	8	11
Other Training	0	0	3	5	8
Totals	29	34	25	47	135

## 7. ICT Growth (Year on Year) from 2015-17 figures are below with comments.

Description	Category	2015	2016	2017	Change 2016/17	Change 2015/17	Comments
No. of Desktops	Device	6312	5497	4121	↓ 1376	↓ 2191	Expected decrease as we move more to mobile working
No. of Laptops	Device	6389	6226	7337	↑ 1111	↑ 948	Expected increase due to requirements for mobile working
No. of Tablets	Device	310	482	700	↑ 218	↑ 390	Steady increase which is expected to continue as we support fieldworkers
No. of Printers	Device	876	785	837	↑ 52	↓ 39	Expected increase as the final satellite sites are connected to managed print.
No. of Monitors	Device	12071	12021	11100	↓ 921	↓ 971	Expected decrease due to CtW and desk to staff ratio decreasing
No. of Physical Servers	Device	188	177	193	↑ 16	↑ 5	Slight increase due to virtual servers & server moves into the data centre combined with on boarding of new sites.
No. of Virtual Servers	Device	838	765	920	↑ 155	↑ 82	Expected increase utilising virtual servers and storage
No. of Access Tokens	Device	5878	3700	11078	↑ 7378	↑ 5200	Increase in the estate due to CtW sites still rolling out mobile ICT.
No. Bring Your Own Devices (BYOD)	Device	679	3270	3441	↑ 171	↑ 2762	Large increase in the last year promoting BYOD on ICT Online
No. of network devices dongles etc	Device	280	899	347	↓ 552	↑ 67	Slight decrease due to CtW and new ways of working and review of estate
No. of Phones- Landlines	Telephony	14843	14043	1000	↓ 13043	↓ 800	Large Decrease following Skype for Business implementation.
No. of Mobiles	Telephony	13312	10048	10127	↑ 79	↓ 3185	Overall increase as expected, decrease from last year due to estate review
No. of IP desk telephones	Telephony	5340	5340	4099	↓ 1241	↓ 1241	No change from 2015 to 16, as expected decrease next year-Skype for Business
No. of Smart Phones	Telephony	1646	3400	3671	↑ 271	↑ 2025	Large increase 2015 to 16
No. of Sites (Wide Area Network)	Datacom's	600	450	450	↔ 0	↓ 150	Reduction of sites due to rationalisation of Council buildings
No. of data connections	Datacom's	13657	16288	16835	↑ 547	↑ 3178	Increase in devices which have a data connection due to mobile working/CtW
No. of voice connections	Telephony	15000	14109	14082	↓ 3627	↓ 918	Decrease from 2015-16 due to the ceasing of FeatureNet and commencing Enterprise Voice Project.
TB of Storage (TB)	Networks	750TB	1000TB	1000TB	↔ 0	↑ 250TB	Increase in storage caused by more digital working
No. of Staff in ICT	Resource	235	246	246.9	↑ .9	↑ 11.9	Slight Staff increase as expected as we refocus and restructure the service.
No. of Public WIFI Sites	Networks	45	120	120	↔ 0	↑ 75	Large investment in city WI-FI technologies over the last few years across LCC sites and the City Centre.
No. of Operations Incidents - Faults	KPI	76970	63796	72619	↑ 8823	↑ 4351	Expected increase over the 3 years due to increased use of technology by LCC staff.
No. of Change Management /Service Requests	KPI	801	859	901	↑ 42	↑ 100	Significant difference from 2015-16 due to the new way SOCITM report on change management requests this now only refers to actual change requests.
No. of Work Orders/Request Fulfilment	KPI	37910	38121	34673	↓ 3448	↓ 3237	Steady increase over 2015 and 2016. Decreased in 2017.
ICT Satisfaction Survey Score(1-7)	KPI	6.56	6	6.58	↑ 0.58%	↑ 0.2%	Fantastic result from 2012 to 2016. Next survey scheduled for 2018
No. of ICT Small Projects	PPPU	112	100	140	↑ 40	↑ 28	More small project requests received however income received met the target

							set
Budget £m	Finance	24,043	28,058	18,281	↓9,777	↓5762	Budget decrease expected due to austerity and resourcing cuts.
Skype for Business savings	Finance	£76,371	£82,942	£105,164	↑£22,222	↑£28,793	This technology is generating real savings and a true cost avoidance due to the Skype for Business technology.
Skype for Business: Total AV conferences	Operations	4106	6911	8941	↑2030	↑4835	Skype for Business is still being rolled out under Enterprise Voice (EV) these show real savings as above details.

- The overall trend shows that there is still a significant growth in the use of ICT since 2015. Much of this growth is as expected and is likely to continue and grow over the next few years due to increasing reliance on digital technologies, Changing the Workplace and new ways of working.
- The largest area of growth is in the use of mobile technologies and it is now becoming commonplace that Council users of technology are now legitimately using 3 or 4 separate primary and complementary devices from multiple locations.
- Whilst managing the current levels of growth staffing resources have stayed fairly constant over the last 3 or 4 years as has the percentage of ICT budget allocated to the service. It is also interesting that the percentage of overall Council spend on Information Technology is low at 2.6% of overall Council spend. The industry benchmark of total organisational spend on ICT amongst peer organisations is currently around the 4% mark.

## 8. DIS ICT Service Achievement Report

Service desk	Target	April	May	June	July	August	September	October	November	December	January	February
SLA 01 - % of incoming calls answered within 30 seconds	>= 70%	48.79	46.32	47.85	30.39	45.57	38.69	49.96	42.70	42.27	39.08	84.35
SLA 02 - % of calls queued to an operator but abandoned prior to pickup	<= 7%	7.40	7.59	6.60	21.41	12.16	13.49	16.11	10.82	12.08	15.51	2.95
SLA 03 - % incidents resolved at first point of contact	> = 70%	80.43	80.51	78.92	75.69	78.21	81.22	74.78	81.31	76.19	77.39	80.82
Availability of key services	Target	April	May	June	July	August	September	October	November	December	January	February
Children's Mosaic	99%	100.00	99.93	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 14 - Network Access	99%	100.00	100.00	100.00	100.00	99.81	99.98	100.00	99.39	100.00	100.00	99.64
SLA 15 - Iclipse	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 16 - e-Mail Service	99%	100.00	100.00	100.00	97.33	100.00	99.98	100.00	100.00	100.00	100.00	100.00
SLA 18 - FMS	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 19 - Internet Access	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 20 - Academy CT & Benefits	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	99.27	100.00
SLA 21 - Leeds City Council Website	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 22 - Network Security PDMZ (Partial de-militarised zone)	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 23 - NetApp File and Data Access	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 24 - Orchard Housing Services	99%	99.47	100.00	100.00	100.00	100.00	100.00	99.51	100.00	98.54	99.69	100.00

SLA 25 - InSite	99%	100.00	100.00	99.84	100.00	100.00	100.00	100.00	100.00	98.79	100.00	100.00
SLA 26 - SAP/HR Payroll	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	99.76	100.00	100.00
SLA 27 - Landline Phone Network (Voice)	99%	100.00	73.30	99.13	99.88	100.00	97.25	99.32	99.38	98.85	100.00	100.00
SLA 28 - Mobile Phone Network	99%	100.00	100.00	99.13	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 29 - User's Desktop Environment	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SLA 30 - ASC Client Information System (CIS)	99%	100.00	99.39	100.00	98.66	99.76	100.00	100.00	100.00	100.00	88.72	100.00
Smart & Mobile Phones & Tablets	99%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Failure to reach the targets set on KPI's SLA 01 and SLA 02 have now been addressed by the service and performance, particularly in February, has brought these KPI's back in line. The problem was initially caused by particularly high numbers of calls coming into the Service Centre since April and a lack of sufficiently trained Service Centre staff fielding these calls due to a number of experienced Service Centre staff leaving or moving into other DIS roles through secondments/promotions.

The Service Centre are the talent pool for Digital & Information Service and we develop and encourage staff into other roles however there has been a real peak in demand for resource from other areas of DIS to support projects and the timeline for recruitment into Service Centre was not keeping pace with turnover. DIS and HR have now agreed steps to reduce this timeline.

The additional staff that have now been recruited into the Service Centre are undergoing an intensive programme of staff training and progress in terms of overall service performance on the above KPI's is starting to improve significantly.

## 9. ICT4Leeds Service Achievement Report

Key Performance Indicator (KPI)	Target	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18
Calls offered		199	277	230	202	97	272	265	273	141	316	159
Calls answered		184	251	215	176	85	245	235	233	124	285	144
Calls abandoned		15	26	15	26	12	27	30	40	17	31	15
Call Abandonment Rate (per month)	No more than 7% of total calls abandoned	7.5%	9.4%	6.5%	12.9%	12.4%	9.9%	11.3%	14.7%	12.1%	9.8%	9.4%
Calls Answered within 30 secs (per month)	70% of calls answered in 30 seconds	63.6%	68.9%	68.9%	43.8%	61.2%	62.1%	42.0%	48.5%	50.8%	54.0%	80.5%
First time fix rate (Incidents) percentage of calls resolved by an operator during the initial call.	50% or more calls to be resolved on first contact	49.25%	43.59%	44.86%	46.67%	40.00%	67.53%	53.93%	58.06%	64.38%	66.67%	62.26%
Number of Incidents		78	121	107	90	17	82	77	82	50	92	53

## 10. West Yorkshire Joint Services

Service Desk	Target (per Month)	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18
SLA 01 - % of incoming calls answered within 30 seconds	>= 70%	49.28	46.32	47.85	30.39	45.57	38.69	57.21	42.70	42.27	39.08	84.35
SLA 02 - % of calls queued to an operator but abandoned prior to pickup	<= 7%	7.36	7.59	6.60	21.41	12.16	13.49	21.40	10.82	12.08	15.51	2.95
SLA 03 - % incidents resolved at first point of contact	> = 70%	80.43	80.47	78.92	78.92	78.37	81.16	74.78	81.31	76.19	77.39	80.85
Incident Management	Target (per Month)	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18
Critical priority incidents resolved within 2 Working Hours	>=85%	No Calls	No Calls	No Calls	No Calls	No Calls	No Calls	No Calls	No incidents	No incidents	No incidents	No incidents
High priority incidents resolved within 4 Working Hours	>=80%	No Calls	No Calls	No Calls	No Calls	No Calls	No Calls	No Calls	No incidents	No incidents	No incidents	No incidents
Medium priority incidents resolved within 8 Working Hours	>=80%	No Calls	100.0%	100.0%	No Calls	50.0%	100.0%	50.0%	100.00	100.00	100%	95.00
Low priority incidents resolved within 16 Working Hours	>=80%	93.22%	90.59%	93.94%	98.65%	90.57%	86.96%	82.09%	94.33	91.63	92.19	95.71
WYJS - Total Number of incidents reported in reporting month	N/A	59	86	66	74	55	47	69	75	43	89	87
WYJS - Total Number of Work Orders reported in reporting month	N/A	28	40	49	96	60	53	53	50	71	51	43

## 11. Conclusion Summary

We are operating in difficult times and “keeping the lights on” (i.e. the daily operational service to customers) is still the main objective of the service.

Demand for DIS services continues to grow and with future growth of new customers “on boarded” onto our services, resources will be an issue particularly as service resources reduce Council wide.

Operational Performance across the service is excellent across many KPI's:-

- General customer feedback is excellent with high scores registered on survey returns.
- Service reliability, availability and durability is good and on a par with peer organisations nationally.
- (Small) ICT Projects are well managed within the service with good practice being followed.
- Call answer and wait times on the Service Desk are improving following recent recruitment. We have recently reviewed the staffing levels on the DIS Service Centre and agreed a streamlined process for bringing new resources in to this team to avoid future temporary resource gaps.
- The successful use of apprentices continues and one of the Service Centre Managers was the winner of the Manager Support Award at the recent Apprenticeship award.

Partner organisations are currently happy with the services provided to them under mutually agreed SLA's.

The service is managing to deliver on its Service Plan with 98% of objectives at Green/Amber status.

Overall the service is going into a year of significant transition with the development and migration to a 'Community Cloud' provision in partnership with City health organisations. This will include migrating Council services to this new platform.



## 12. Feedback and Key Contacts

Your views are very important to Digital & Information Services. If you have any comments on what you have read in this ICT Performance Progress Summary, or on any service you provide or receive from Digital & Information Services please let us know as follows :-

### **Digital & Information Services Planning Team: -**

#### **ICT Business Planning Manager**

Email: [steve.bedford@leeds.gov.uk](mailto:steve.bedford@leeds.gov.uk)

#### **Senior ICT Business Planning Officer - Reporting**

Email: [pamela.malthouse@leeds.gov.uk](mailto:pamela.malthouse@leeds.gov.uk)

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## Scrutiny Board (Strategy and Resources) – Actions from 29th November 2017- Updated 7<sup>th</sup> March 2018

### Update on the replacement case management system (replacing Siebel), including members access.

The Siebel CRM system was decommissioned in October 2017 and replaced by an in-house developed SharePoint system - Corporate Case Management (CCM). Historical data is not now accessible via Siebel, but is accessed via another in-house system known as ARC.

The new corporate case management system (CCM) is being used to record information in replacement to Siebel for Democratic Services.

When working with the Service Leads in both Democratic Services and Chief Executives office they were asked to provide the details of all those colleagues who would need access and Councillors were not listed. We believe this was an internal decision within the service areas. In relation to the historical Siebel data contained in ACR, the service lead asked that the same staff with access to CCM should have access to ACR.

If it is decided that Councillors need access to CCM and/or ACR then this can be arranged quickly by staff within Democratic Services, who will also be able to provide the necessary system training. Following notification by the Democratic Service system lead, DIS, for our part, will ensure that the necessary system changes are processed in a timely manner.

### Service Desk Performance – average waiting time on telephone calls

DIS take calls to 3 separate lines..... Councillor Line, ICT4Leeds Line and Leeds CC line

Month	Calls taken within SLA (30Secs)	Leeds CC Average call wait	Councillors Average call wait	ICT4Leeds Average call wait
Apr-17	49%	01:08	00:40	00:31
May-17	46%	01:14	00:35	00:33
Jun-17	48%	01:18	00:26	00:42
Jul-17*	30%	03:20	00:45	01:06
Aug-17*	46%	02:05	00:54	00:39
Sep-17*	76%	02:14	00:32	00:36
Oct-17*	57%	04:00	00:24	01:05
Nov-17	42%	02:13	00:44	01:02
Dec-17	42%	02:05	00:17	01:04
Jan- 18	39%	02:39	00:38	01:01
Feb-18	84%	00:30	00:18	00:24

During the period April to December 2017 we lost 9 staff (due to internal promotion, projects, new work and leaving the authority). This was coupled with a year on year increase of 15% in call volumes as well as taking on new duties to facilitate staff leaving under the Council's Early Leavers Initiative (ELI).

We have had 8 new members of staff start within the Service Centre on 15th January 2018. The statistics for January, and particularly in February in the main report and in the table above are now much more in line with both customer and DIS service requirements. The DIS service is expecting further rises in standards and performance in this area as these new staff better integrate within the Service Centre and help to raise performance levels further.

### **Performance targets – short briefing on SOCITM standards**

Society of Information Management (SOCITM) is aimed at services across the public and independent sectors that wish to assess how well their corporate services are performing compared with those in similar organisations. It provides the benefits to share best practice to improve and offers five key areas of review these being: Costs, Performance, Estate, Digital and Customer Satisfaction. The programme is entitled SOCITM Improve.

Leeds chose to take up a review of **Costs, Performance** and **Estate**.

Improve **costs**: this features,

- Device acquisition & support costs
- Staff & training costs
- Revenue & capital expenditure
- Network costs

Improve Performance features,

- Incident resolution and Availability.
- Project delivery and performance
- Governance
- User Satisfaction

Improve Estate features,

- Numbers & locations of devices
- Staff turnover & training
- Network details

The best practice standards which DIS have adopted in our SLA's are set by SOCITM. These performance standards are based on the performance levels of participating organisations within the UK who participate in various national benchmarking exercises who provide performance data against a series of industry based national KPI's. From this large data source SOCITM Data Analysts then set 'Upper', 'Middle' and 'Lower Quartile' target ranges which ICT organisations benchmark their services against. DIS set our own service performance targets against the 'Upper Quartile' levels (targets for best performing organisations to achieve).

**Report of Chief Officer Financial Services**

**Report to Scrutiny Board (Strategy and Resources)**

**Date: 22 March 2018**

**Subject: Business Rates Update**

Are specific electoral wards affected? If yes, 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. To provide the board with:
  - an overview of Business Rates Administration and current performance in collection;
  - an update on the number of outstanding business rates appeals (on a month by month basis);
  - an update on the 100% business rates retention pilot and associated governance arrangements;
  - confirmation of the impact on the 2018/19 budget of estimates for business rates appeals; and
  - a brief update on Government's stated intention to centralise some aspects of business rates appeals.

**Recommendations**

The Scrutiny Board is recommended to note the information and issues highlighted in this report and consider if the Scrutiny Board wishes to undertake any further scrutiny work to support improvement over the coming year.

## **1. Purpose of this report**

- 1.1 This report sets out an overview of the work undertaken in the administration of business rates.
- 1.2 It also updates Scrutiny Board on a number of other issues relating to business rates retention and draws the Board's attention to the Government's renewed intention to address the issue of the impact of business rates appeals.

## **2. Background information**

- 2.1 Business rates are a local tax paid by businesses and other organisations based on a valuation of their premises and a rate (the multiplier) set by central government. Their administration and collection is determined by extensive legislation and subsequent case law that has developed definitions of the meaning of the legislation. All properties are revalued periodically with the current rating list coming into effect from April 2017.
- 2.2 Until 2013 Local Authorities collected business rates in their area which was all paid over to central government and then redistributed on the basis of need. Since 2013 50% has been retained locally and from 2018 Leeds has been selected as a pilot authority for 100% retention.
- 2.3 The administration of business rates in Leeds is undertaken by a team consisting of 15.5 FTEs who are responsible for all aspects of billing, collection and customer contact. The cost of collection is effectively funded by central government through an allowance, which was £1.2m for 2017/18.

## **3. Main issues**

### **Business Rates Administration and current performance in collection**

- 3.1 Business rates now constitute a significant proportion of the Council's income and the following is a summary of the work undertaken to ensure that the administration is accurate and effective and the potential income maximised.
- 3.2 Rating List maintenance
  - 3.2.1 There are currently 29,234 properties subject to business rates in Leeds with a total rateable value of £920m which generated a net income of £380m for 2017/18. Approximately one third of ratepayers are individuals with the remainder being limited companies or other organisations.
  - 3.2.2 The rateable value of each property is calculated by The Valuation Office Agency (VOA) and they update the rating list on a weekly basis as changes are made, which can be due to the following reasons:
    - New properties brought into the rating list
    - Existing properties split or merged
    - Properties removed due to demolition or conversion to domestic
    - Successful appeals against the rateable value
  - 3.2.3 The local authority must ensure that accounts are issued based on the current entry in the rating list. To date over 8,000 amendments to the list have been processed during 2017/18.

3.2.4 Local authorities have a statutory duty to notify the VOA if they believe an amendment to the rating list is required. To date £23.2m of additional rateable value has been added to the 2017 rating list as a result of reports submitted by Leeds to the VOA during 2017/18. These were identified mainly by the regular inspection of all properties with outstanding planning permission.

### 3.3 Ratepayers

3.3.1 The occupier of a property is liable for business rates and this is calculated as a daily charge. Therefore if there is a change of occupier or a property becomes vacant there is a change in liability and a new ratepayer must be charged. To date just over 9,000 new accounts have been raised during 2017/18.

3.3.2 There is no statutory obligation for ratepayers to advise the Council of any change in occupation, nor to respond to any request for such information

### 3.4 Reliefs and Exemptions

3.4.1 The gross rates payable in 2017/18 are £427m. However the net rates payable after reliefs and exemptions are taken into account are £380m. The key reliefs are as follows:

*i. Mandatory Rate relief*

This is awarded to registered charities and organisations which are exempt from registration, principally higher and further education facilities and schools outside of the control of the local authority such as academies and free schools.

The relief is 80% of the rates payable and was £27.6m in 2017/18. The value of this relief has increased significantly from £13.6m in 2010/11 due primarily to the introduction of Academies and Free Schools.

*ii. Small Business Rate Relief*

This is awarded to businesses who occupy only one commercial property and which has a rateable value below £15000. For properties under £12000 the relief is now 100% and there are just over 9,000 businesses currently receiving full relief. The total value of the relief has also increased significantly from £8.2m 2010/11 to £25.7m in 2017/18 due to changes in the rateable value threshold and an increase in the maximum relief from 50% to 100%.

*iii. Transitional Arrangements*

These are intended to phase in the impact of changes in rateable value as a result of the 2017 revaluation. The scheme both limits the increase in rates payable for those ratepayers whose liability has increased and caps the reduction in rates payable for those ratepayers whose liability has fallen. In 2017/18 businesses in Leeds received £11.2m in relief whilst £31.5m was added to the rates payable of those whose reduction was capped.

*iv. Discretionary Rate Relief*

The Council has always had the discretion to award relief from rates to not for profit organisations. The current policy was approved by the Executive Board with individual decisions delegated to the Chief Financial Officer, and includes relief for sporting organisations, social enterprises and organisations

associated with Arts and Culture. The value of this discount is £0.5m in 2017/18 and has not changed significantly in recent years.

v. Local Discounts

The Localism Act 2011 gave Local Authorities the discretion to award discounts to any business, regardless of whether they were conducted for profit. The Government have also used this provision to create new discounts which they then fully fund via Section 31 grant.

Leeds has adopted a local scheme, approved by the Executive Board, which allows up to 80% relief for a fixed period for businesses which meet the following criteria: Young Enterprises in priority sectors, Civic Enterprise, Utilisation of listed buildings, significant inward investment, shared workspaces and safeguarding employment. Discounts to the value of £0.5m have been approved in 2017/18.

Discounts fully funded by the Government include: up to £55,000 for businesses in the Aire Valley Enterprise Zone, discounts for businesses affected by flooding (applicable in Leeds in 2016/17), and a £1,000 discount for public houses.

In March 2017 the Government also made funding available for councils to develop their own schemes to support businesses which has been adversely affected by the 2017 revaluation. The funding for Leeds was £1.68m in 2017/18 and a scheme was approved by Executive Board which reduced the increases faced by 3,500 businesses by 50%. The Government funding for 2018/19 is reducing to £0.82m and a more limited scheme has been approved to provide a discount to 500 of the worse affected small to medium sized businesses, and to 100 childcare providers.

vi. Empty Property Reliefs and exemptions

In 2008 the rates payable on vacant properties was increased from 50% of the occupied rate to 100% and total exemptions were removed from industrial properties. A number of exemptions and reliefs apply including exemption for the first three months (six months for industrial properties), listed buildings, properties owned by companies in insolvency and those with a rateable value under £2,900. The total value of exemptions and reliefs on empty properties for 2017/18 to date is £19m.

Empty rate mitigation has become very widespread over recent years with a number of companies set up specifically to exploit loopholes in the legislation and obtain exemptions from empty rates for their clients. The loss of income to the Authority due to this activity is estimated to be in the region of £6m per annum.

3.5 Collection and Enforcement:

3.5.1 The collection and enforcement of business rates is governed by extensive legislation and case law. Rates are automatically payable over 10 monthly instalments and ratepayers have the option to extend this to 12.

3.5.2 The Council's preferred method of payment is direct debit and currently 51% of rates are received this way. The majority of the rest is received electronically via BACS payments, with the number of cheque and cash payments continuing to decline.



- 3.5.3 Enforcement is initially via reminder notices followed by a summons to the Magistrates Court if payment is not received. 2,700 summonses have been issued in 2017/18, just under 10% of the total caseload.
- 3.5.4 In the majority of cases payment arrangements are agreed with the ratepayer. However, should this not be possible, the options are action by Enforcement Agents (previously bailiffs) or, in limited cases, insolvency action is instigated.
- 3.5.5 The overall collection rate for all previous years since 2000/01 is just over 99%. However there have been fluctuations with the highest rate 99.4% in 2007/08 and the lowest 98.7% in 2011/12.
- 3.5.6 Of the average 1% not collected, 80% is due to company failure including insolvency and, where a company has no assets, dissolution. The remainder is due to being unable to trace individuals who have absconded or who have no assets.
- 3.6 Business Improvement Districts (BID):
- 3.6.1 The Business Rates team is also responsible for billing and collection for two Business Improvement Districts on behalf of Leeds BID Ltd and Otley BID Ltd. A fee is received for this service.
- 3.7 Assurance
- 3.7.1 As part of the annual Internal Audit Plan (2017/18) time had been allocated for undertaking fundamental reviews of Council key financial systems. This included the administration and collection of business rates, and helps provide assurance to support the Head of Internal Audit's Annual Opinion on the control environment.
- 3.7.2 The most recent Internal Audit assurance report was completed in January 2018 and recorded substantial assurance for the control environment, with no recommendations for improvement identified. A copy of the Internal Audit report is attached at **Appendix 1**.
- 3.7.3 It should be noted that the previous three Business Rates audits received substantial assurance for the control environment. For systems that receive this level of assurance, testing of compliance with the control environment is carried out once every three years

### **Outstanding business rates appeals**

- 3.8 On 1st April 2017, there were 5,337 appeals outstanding against the 2010 Ratings List. By 28<sup>th</sup> February 2018, these had reduced by just under 50% to 2,690 appeals outstanding, with 24.8% of the city's total rateable value currently subject to at least one appeal. Numbers of appeals received each month are detailed at **Appendix 2**.
- 3.9 No appeals have been received to date against the 2017 Ratings List.

### **The 100% business rates retention pilot**

- 3.10 The Leeds City Region Business Rates Pool was notified of its successful bid to pilot 100% retention in December 2017. Because the membership of the Pool has not changed Government did not need to redesignate the Pool. However, the Terms of Reference and the Governance Agreement will be updated slightly to reflect the

operation of the 100% pilot and adoption of these updated documents will be recommended at the first 2018/19 Pool Joint Committee meeting in July.

- 3.11 At its June 2017 meeting, the Joint Committee agreed to improve processes so the Pool's funding priorities are more widely understood, with a more inclusive process to bring forward, evaluate and agree spending proposals. A new Prospectus for bids, discussed at the March 2018 meeting, will introduce a revised approach to project selection, focussing on four key strategic themes: Culture, Sport and Major Events, Enabling Housing Growth, Business Support, Trade and Investment and Inclusive Growth. This Prospectus will be launched in April, and bids for funding will be considered in July.
- 3.12 Officers from member authorities have met to agree how to deal with a wide range of technical and administrative issues arising from delivering the business rates pilot.
- 3.13 Leeds City Council, as the Lead Authority for the pilot, has been invited to attend a Pilots launch event, hosted by the Ministry of Housing, Communities and Local Government on Monday 26 March 2018. It is intended that the event will enable pilot areas to jointly establish the aims and expectations of piloting in 2018-19 and enable Government and the local government sector to maximise the learning opportunities from the piloting programme.

#### **Provision for Appeals and the 2018/19 budget**

- 3.14 The opening appeals provisions for 2017/18 was £25.0m, made up of £23.0m relating to appeals received against the 2010 ratings list and £2m estimated costs in advance of appeals being received against the new 2017 ratings list.
- 3.15 During 2017/18 provisions were increased by £5.4m and £14.7m of appeals were charged against the provision, so that remaining provisions carried forward into 2018/19 total £15.7m. The 2018/19 budget reflects that a further £10m has been set aside from estimated 2018/19 business rates income to provide for the estimated cost of appeals in 2018/19, giving a total provision of £25.7m. The additional £10m set aside in 2018/19 reflects the assumption that the Authority will begin to receive appeals against the 2017 Ratings list.

#### **Government's intention to address the issue of appeals**

- 3.16 The Local Government Finance Bill 2016-17, which was to provide the framework to deliver 100% Business Rates Retention, had included proposals to give the Secretary of State power to make regulations about the calculation and payment of 'loss payments' to authorities with regard to business rates, and was understood to be intended to give the Government power to create a pool for 'tone of the list appeals', so that the risk would not sit with individual local authorities. 'Tone of the list' appeals are specifically those which are correcting valuation errors made by the VOA.
- 3.17 Following the 2017 general election the Bill fell and so did not form part of the Parliamentary timetable. However, earlier this month the Local Government Minister, Rishi Sunak has again acknowledged the issues of business rates appeals and confirmed the Government's intention to develop a 'centralised risk-sharing

system' under which councils would share the burden of business rates appeals. There are no further details at this stage.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

4.1.1 This report is for information only and as such has no issues directly requiring consultation or engagement.

### **4.2 Equality and diversity / cohesion and integration**

4.2.1 This report is for information only and has no direct equality and diversity/cohesion and integration impact. It is not necessary to conduct an equality impact assessment.

### **4.3 Council policies and best council plan**

4.3.1 Achievement of the priorities identified in the Best Council Plan requires that the Council's financial resources are maximised. The management of business rates is therefore essential to ensuring that the City can deliver on its ambitions.

4.3.2 This report provides an update on progress in delivering the council priorities in line with the council's performance management framework.

### **4.4 Resources and value for money**

4.4.1 The financial implications of the provision for business rates appeals on the 2018/19 budget are discussed in this report.

### **4.5 Legal implications, access to information, and call-in**

4.5.1 All performance information is publicly available and is published on the council website.

4.5.2 This report is an information update providing Scrutiny with a summary of performance for the strategic priorities within its remit and as such is not subject to call in.

### **4.6 Risk management**

4.6.1 The adequacy of resources to meet the Best Council Plan objectives in a sustainable way is identified as one of the Council's corporate risks. The management of business rates risk is a key element of this and is subject to regular review. Detailed monitoring arrangements are in place and key issues are highlighted to Financial Performance Group and to Executive Board monthly.

## **5. Conclusions**

5.1 This report provides a summary of the work undertaken by the Business Rates section in the administration of business rates.

5.2 It also updates Scrutiny Board on a number of other issues relating to business rates retention and draws the Board's attention to the Government's renewed intention to address the issue of the impact of business rates appeals.

## **6. Recommendations**

- 6.1 The Scrutiny Board is recommended to note the information and issues highlighted in this report and consider if the Scrutiny Board wishes to undertake any further scrutiny work to support improvement over the coming year.

## **7. Background documents<sup>1</sup>**

None used.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



# Internal Audit Confidential Report

## Business Rates 2017/18

Date: January 2018  
Report Status: Final

<b>Internal Audit Opinion</b> (see reverse for details)	
<b>Control Environment</b>	<b>Substantial</b>
<b>Organisational Impact</b>	<b>Minor</b>

### Audit Team

Louise Ivens (Principal Audit Manager)  
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## Definitions of Audit Assurance

<b>Control Environment Assurance</b> – The design and suitability of the current internal controls.		
Level	Assurance Level	Definitions
1	<b>SUBSTANTIAL ASSURANCE</b>	There are minimal control weaknesses that present very low risk to the control environment.
2	GOOD ASSURANCE	There are minor control weaknesses that present low risk to the control environment.
3	ACCEPTABLE ASSURANCE	There are some control weaknesses that present a medium risk to the control environment.
4	LIMITED ASSURANCE	There are significant control weaknesses that present a high risk to the control environment
5	NO ASSURANCE	There are fundamental control weaknesses that present an unacceptable level of risk to the control environment.

<b>Compliance Assurance</b> – The level of compliance with current internal controls.		
Level	Assurance Level	Definitions
1	<b>SUBSTANTIAL ASSURANCE</b>	The control environment has substantially operated as intended although some minor errors have been detected.
2	GOOD ASSURANCE	The control environment has largely operated as intended although some errors have been detected.
3	ACCEPTABLE ASSURANCE	The control environment has mainly operated as intended although errors have been detected.
4	LIMITED ASSURANCE	The control environment has not operated as intended. Significant errors have been detected.
5	NO ASSURANCE	The control environment has fundamentally broken down and is open to significant error or abuse.

<b>Organisational Impact</b> – The impact on the council should the risks identified materialise.		
Level	Impact Level	Definitions
1	<b>MAJOR</b>	The weaknesses identified during the review have left the council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole.
2	MODERATE	The weaknesses identified during the review have left the council open to medium risk. If the risk materialises it would have a moderate impact upon the organisation as a whole.
3	MINOR	The weaknesses identified during the review have left the council open to low risk. This could have a minor impact on the organisation as a whole.

## Report Recipients

The recipients of this audit report are:

Name	Title	Reason for receiving the report
Neil Evans	Director, Resources and Housing	Information
Doug Meeson	Chief Officer, Financial Services	Information
Bhupinder Chana	Head of Finance, Technical	Information
Mark Amson	Business Rate Manager	Information
Richard Ellis	Head of Finance - Financial Management	Information
Kevin Mulvaney	Head of Finance	Information
Naomi Eastwood	Senior Financial Manager	Information
Elizabeth Brooke	Senior Financial Manager	Information

## Freedom of Information Rider

Whilst this report is directed primarily to the recipients named in the report, Audit Reports are subject to the provisions of the Freedom of Information Act and, as such, may be required to be made publicly available upon request. However, there are several Freedom of Information Act exemptions to which parts, or all, of this report may be subject.

Before responding to any request to make this report publicly available, or otherwise making it publicly available, you should consult the Principal Audit Manager named in the report.

Similarly, this Audit Report, or extracts from it, should not be included in, or appended to, any City Council Committee Report, nor should it be quoted as a background paper to any City Council Committee Report without firstly consulting the Principal Audit Manager.

The final decision on what information is required to be disclosed will be made by Leeds City Council.

## Audit Summary

The following table sets out the objectives we have covered as part of the audit, our assessment of the adequacy of the controls in place, the effectiveness of the controls tested and any resulting recommendations.

Objective Assessed	Control Environment	Recommendations Raised
1. All applicable non-domestic properties are accurately recorded in the Business Rates database.	Substantial	None
2. Amounts due in respect of each property have been correctly calculated and recorded, including any relief, and bills are issued on a timely basis.	Substantial	None
3. Secure arrangements are in place for the receipt of Business Rates payments, all payments received are accounted for and promptly posted to the correct Business Rates account.	Substantial	None
4. Procedures are in place to ensure recovery action is undertaken promptly and in line with legislation and reminder notices are issued on a timely basis.	Substantial	None
5. All refunds and write offs are valid, accurate and correctly authorised.	Substantial	None
6. Adequate and timely management information is produced and acted upon.	Substantial	None
7. Procedures are in place to ensure the accuracy of information in relation to the Pooling arrangement.	Substantial	None

### Internal Audit Opinion

We are able to provide **substantial assurance** that all expected **controls** are in place to



mitigate the main risks associated with the Business Rates system.

**Minor Organisational Impact** has been assigned as the weaknesses identified during the review have left the council open to low risk. If the risk materialises it would have a minor impact on the organisation as a whole.

## Audit Details

### 1. Introduction

As part of the annual Internal Audit Plan time has been allocated for undertaking fundamental reviews of Council key financial systems. This is to provide assurance to support the Head of Internal Audit's Annual Opinion on the control environment.

The previous three Business Rates audits received substantial assurance for the control environment. For systems that receive this level of assurance, testing of compliance with the control environment is carried out once every three years. The coverage for 2017/18 included an assessment of the control environment.

### 2. Risks and links to key priorities

The review has links to the following risks in the Corporate Risk Register:

- Council's financial position goes into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the Council's risk-based reserves policy.

### 3. Scope and Work Completed

The scope of the work was to document, evaluate and validate the systems and procedures in place for the above objectives.

### 4. Audit Findings

#### 4.1 Objective 1: All applicable non-domestic properties are accurately recorded in the Business Rates database

- 4.1.1 There are controls in place to ensure that non-domestic properties are correctly recorded in the Business Rates database, Academy. These controls include regular reconciliations with the Valuation Office Agency (VOA), the prompt and accurate updating of amendments (including new growth) and regular visits to ensure that all property details are accurate.

#### 4.2 Objective 2: Amounts due in respect of each property have been correctly calculated and recorded, including any relief, and bills are issued on a timely basis

- 4.2.1 There are appropriate controls in place for the annual billing process. Data analysis work undertaken by Internal Audit verified that all bills for 2017/18, including BID

and any reliefs, had been correctly calculated according to the information within the business rates database.

- 4.2.2 Validation sample testing of reliefs and discounts confirmed that they had been applied in line with procedures and appropriately authorised, and evidence of eligibility could be provided for each one.
- 4.2.3 A low level recommendation had been made in the 2016/17 action plan to include additional checks at the annual billing stage to ensure that all exception reports provided by the owners of the business rates database, Capita, have been run and the results retained. We have confirmed that this has now been introduced.
- 4.3 Objective 3: Secure arrangements are in place for the receipt of Business Rates payments, all payments received are accounted for and promptly posted to the correct Business Rates account
- 4.3.1 Secure arrangements are in place for the receipt of business rates payments. We validated that two daily and two monthly cash and refund reconciliations had been undertaken promptly between Academy, the Income Management System (IMS) and the Financial Management System (FMS); that these reconciliations had been reviewed by another officer; and that any variances identified had been investigated and resolved.
- 4.3.2 Testing of a sample of 2 items which had been allocated to the suspense account confirmed that this account is monitored and actioned regularly. Further testing was undertaken on a sample of 2 accounts in credit. Again, this demonstrated that these accounts are monitored regularly and action taken as appropriate.
- 4.4 Objective 4: Procedures are in place to ensure recovery action is undertaken promptly and in line with legislation and reminder notices are issued on a timely basis
- 4.4.1 The correct recovery procedures were being followed in a timely manner and the appropriate notes recorded within the Academy system for our sample of 5 accounts in arrears. Where appropriate, the process for obtaining Liability Orders against defaulters was undertaken.
- 4.4.2 A validation of two accounts in place in relation to significant court actions was also undertaken. These actions are undertaken in conjunction with legal advice to minimise the current and future losses to the Council.
- 4.4.3 An overview of the procedures in place to identify: potential fraud / avoidance cases; the processes for undertaking any investigation; the decision processes around taking action / pursuing cases through the courts; and the reporting process was undertaken. Business Rates obtains advice, as appropriate, in these cases from Legal Services and from the Council's debt management solicitors, Weightmans.
- 4.4.4 Validation testing was undertaken to review the actions taken in relation to 2 cases, to gain assurance that losses to the Council had been mitigated. The processes were operating as expected and actions were taken, in conjunction with legal advice as appropriate, to minimise the loss of Business Rates income to the Council.

- 4.5 Objective 5: All refunds and write offs are valid, accurate and correctly authorised
- 4.5.1 Sufficient controls are in place for the processing of refunds and write-offs. This was verified by testing a sample of 2 refunds and 2 write-offs. In all instances the refund/write-off had been correctly processed and appropriately authorised.
- 4.5.2 We also tested a sample of 2 insolvency cases to ensure they had been correctly recorded, processed and included on the insolvency database. No concerns were identified.
- 4.5.3 As part of the review reports were prepared to identify potential cases where money laundering may be occurring. There is a detailed refund process in place which requires several levels of checking and authorisation which should be sufficient to identify any frequent or unusual overpayments or refunds. In all potential cases tested, there was no evidence to suggest that any money laundering activity had occurred.
- 4.6 Objective 6: Adequate and timely management information is produced and acted upon
- 4.6.1 Business Rates collection targets have been set and are monitored and reported to Finance Performance Group (FPG) monthly.
- 4.6.2 Collection rate estimates and actual figures are also reported to Central Government on a regular basis.
- 4.7 Objective 7: Procedures are in place to ensure the accuracy of information in relation to the Pooling arrangement
- 4.7.1 Adequate governance arrangements are in place covering the operation of the Pool, returns are accurately completed from the information provided by member authorities, and budgeted / predicted revenue for the Pool is compared to actuals.

*Detailed testing results are shown in the table below.*

**APPENDIX 1**

**Testing Summary**

The sample for testing was selected from the period covering October 2016 – September 2017, unless otherwise stated.

<b>Areas tested</b>	<b>Number of records retrieved</b>	<b>Number of records examined</b>
<b>Objective 1</b> - All applicable non-domestic properties are accurately recorded in the Business Rates database.		
1.1 Regular reconciliations occur between the business rates database and the VOA ratings list	2	2
1.2 Correct and prompt action has been taken where variances have arisen between the VOA ratings list and the business rates database	52 weekly schedules	5
1.3 Regular visits are undertaken where necessary to determine records of occupation are accurate	n/a <sup>1</sup>	5
<p><b>Results</b></p> <p><b>1.1</b> <i>The reconciliations completed were confirmed to supporting documentation and no issues were identified.</i></p> <p><b>1.2</b> <i>In the 5 cases tested, correct and prompt action was taken when any variances arose between the VOA ratings list and the business rates database.</i></p> <p><b>1.3</b> <i>In 4/5 accounts tested, the visit had occurred and was recorded in line with work instructions. In the remaining case, there was no visit undertaken as was scheduled to have taken place due to development not commencing within 3 years of approval. This made the planning approval invalid and the property rightly removed from the visit list.</i></p>		
<b>Objective 2</b> - Amounts due in respect of each property have been correctly calculated and recorded, including any relief, and bills are issued on a timely basis		

<sup>1</sup> A random sample of 20 properties was selected from visit schedules, the query book, completion notices and the planning database.

**APPENDIX 1**

2.1	Recalculation of all annual bills <u>only</u> issued for 2017/18 up to 31st August 2017.	28,234	28,234
	Recalculation of Otley BID bills	571	571
	Recalculation of Leeds City BID bills	1,033	1,033
2.2	Reliefs/discounts awarded are supported with evidence of eligibility with the relevant criteria; have been actioned promptly; and the exemption has only been applied for the maximum allowance or eligible dates as per the evidence supplied.	1,339	1,339
<b>Results</b>			
2.1	<b><i>All bills have been correctly calculated according to the information held within the Academy database.</i></b>		
2.2	<b><i>Evidence of eligibility for the relief/discount could be provided in all cases tested, and these had been appropriately approved.</i></b>		
<b>Objective 3</b> - Secure arrangements are in place for the receipt of Business Rates payments, all payments received are accounted for and promptly posted to the correct Business Rates account			
3.1	Monthly and daily reconciliations have been undertaken in a timely manner and that these have been reviewed.		
	- Monthly reconciliations	12	2
	- Daily reconciliations	262	2
3.2	Items in the suspense account are reviewed promptly and actioned appropriately	2	2
3.3	Accounts in credit are monitored and action taken as appropriate	321	2
<b>Results</b>			
3.1	<b><i>The sample of monthly and daily reconciliations had been undertaken promptly, these had been reviewed by a second officer and any variances were investigated and resolved. The cumulative figures used in the monthly reconciliations agreed to the 2016/17 year end reconciliation.</i></b>		
3.2			

**APPENDIX 1**

<b>3.3</b>	<b><i>For the items tested which had been allocated to the suspense account, action had been taken appropriately in a prompt manner to allocate the payment to the correct account. Accounts in credit are monitored regularly and appropriate action taken to refund, transfer or await further information before taking clearing the credit balance.</i></b>		
<b>Objective 4</b> - Procedures are in place to ensure recovery action is undertaken promptly and in line with legislation and reminder notices are issued on a timely basis			
4.1	Recovery action is appropriate and regular monitoring is undertaken. Reminder notices are issued promptly in line with the recovery timetable and agreed procedures.  REM 1 – 15/11/2017 REM 2 – 02/11/2017 REM 3 – 16/11/2017	n/a <sup>2</sup> n/a <sup>3</sup> n/a <sup>4</sup>	1 1 1
4.2	Stop Recovery Markers have been placed on accounts for appropriate reasons and length of time.	446	2
4.3	Appropriate court action has been taken.	n/a <sup>5</sup>	2
4.4	Long term arrangements have been made on accounts for appropriate reasons and length of time.	n/a <sup>6</sup>	2
<b>Results</b>			
<b>4.1</b>	<b><i>Reminders were issued promptly in line with the timetable and agreed procedures. Reminder stop recovery markers had been placed on the account appropriately.</i></b>		
<b>4.2</b>	<b><i>Appropriate court action had been taken.</i></b>		
<b>4.3</b>	<b><i>Long term arrangements on the accounts were appropriate.</i></b>		

<sup>2</sup> The sample was selected from hard copies of reports where the total number of records was not available.

<sup>3</sup> The sample was selected from hard copies of reports where the total number of records was not available.

<sup>4</sup> The sample was selected from hard copies of reports where the total number of records was not available.

<sup>5</sup> The sample was selected from hard copies of reports where the total number of records was not available.

<sup>6</sup> The sample was selected from hard copies of reports where the total number of records was not available.

**APPENDIX 1**

<b>4.4</b>	<b><i>Action taken in relation to pursuing potential fraud/avoidance cases has minimised the</i></b>		
<b>4.5</b>	<b><i>loss of business rates income to the Council.</i></b>		
<b>Objective 5 - All refunds and write offs are valid, accurate and correctly authorised</b>			
5.1	Refunds made are valid, for the correct amount, and paid to the correct person	1,248	2
5.2	There has been segregation of duties in the input and authorisation of refunds	1,248	1,248
5.3	Write-offs are valid, for the correct amount and have been appropriately authorised	874	2
5.4	Money laundering:		
	- any evidence of suspicious activity on accounts which potentially could have been overpaid with cash and subsequently refunded	40	4
	- any evidence of suspicious activity on accounts which potentially could have been overpaid with cash where there was a credit balance	29	4
<b><i>Results</i></b>			
<b>5.1</b>	<b><i>All refunds were valid, for the correct amount and paid to the correct person.</i></b>		
<b>5.2</b>	<b><i>For all refunds made during the period of review, there had been segregation of duties in the input and authorisation of refunds.</i></b>		
<b>5.3</b>	<b><i>In all cases tested, there was sufficient evidence that the write-off was valid, accurate and approved by an appropriate officer.</i></b>		
<b>5.4</b>	<b><i>No evidence of potential money laundering activity was identified.</i></b>		
<b>Objective 6 - Adequate and timely management information is produced and acted upon</b>			
6.1	Checks completed to confirm the accuracy of the figures for Business Rates in the monitoring statement for FPG.	12	2
6.2	Checks completed to confirm the accuracy of the figures relating to the Leeds element of the QRC1 and QRC2 forms.	2	2

**APPENDIX 1**

<b>Results</b>			
<b>6.1</b>	<b><i>The figures for Business Rates in the monitoring statement for FPG are accurate.</i></b>		
<b>6.2</b>	<b><i>The figures relating to Leeds in the QRC1 and QRC2 forms are accurate.</i></b>		
<b>Objective 7</b> - Procedures are in place to ensure the accuracy of information in relation to the Pooling arrangement			
7.1	Checks completed to confirm the accuracy of the figures for Leeds in the monitoring statement for the LCR business rates pool to the NNDR1 form.	1	1
7.2	Checks completed to confirm the accuracy of the figures relating to the Leeds element of the NNDR3 form and overview checks on the figures provided by the other pool authorities.	1	1
7.3	Confirmation that the amounts paid in FMS agree to the planned usage of the levy, and that top ups have been paid and tariffs received.	6 payment 48 top-up 16 tariff	6 payment 48 top up 16 tariff
<b>Results</b>			
<b>7.1</b>	<b><i>The figures for Leeds in the monitoring statement for the LCR business rates pool are accurate.</i></b>		
<b>7.2</b>	<b><i>The figures relating to Leeds and the other pool authorities in the NNDR3 form are accurate.</i></b>		
<b>7.3</b>	<b><i>The amounts paid and received in FMS agree to the planned usage of the levy, and the scheduled top ups have been paid and tariffs received.</i></b>		



## Appendix 2: Outstanding Business Rates Appeals at 28<sup>th</sup> February 2018

### 2010 Ratings List - Appeals outstanding, new appeals received and appeals settled

Number of appeals as at: -	30-Apr-17	31-May-17	30-Jun-17	31-Jul-17	31-Aug-17	30-Sep-17	31-Oct-17	30-Nov-17	31-Dec-17	31-Jan-18	28-Feb-18
<b>Appeals outstanding brought forward</b>	<b>5,337</b>	<b>4,979</b>	<b>4,838</b>	<b>4,586</b>	<b>4,255</b>	<b>4,093</b>	<b>3876</b>	<b>3605</b>	<b>3223</b>	<b>2966</b>	<b>2855</b>
New appeals received	2	34	11	3	7	10	19	6	13	3	5
Appeals notified late or with backdated 'Originating date'		147	48	12	27	3	9	13	0	2	0
Appeals resolved resulting in a reduction to RV	-51	-150	-181	-194	-50	-71	-73	-71	-69	-35	-73
Appeals resolved resulting in no change to RV	-309	-172	-130	-152	-146	-159	-226	-330	-201	-81	-97
<b>Appeals outstanding carried forward</b>	<b>4,979</b>	<b>4,838</b>	<b>4,586</b>	<b>4255</b>	<b>4093</b>	<b>3876</b>	<b>3605</b>	<b>3223</b>	<b>2966</b>	<b>2855</b>	<b>2690</b>

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Report author: Steven Courtney  
Tel: (0113) 37 88666

**Report of Head of Governance and Scrutiny Support**

**Report to Scrutiny Board (Strategy and Resources)**

**Date 22 March 2018**

**Subject: Financial Health Monitoring 2017/18 – Month 10**

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. At its meeting in June 2017, the Scrutiny Board agreed to maintain an overview of the Council’s financial health and continue routine monitoring through regular reports from the Chief Finance Officer.
2. Appended to this report is the Financial Health Monitoring 2017/18 – Month 10 report due to be considered by Executive Board at its meeting on 21 March 2018.
3. Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.

**Recommendations**

4. That the Scrutiny Board considers the attached Financial Health Monitoring report and agrees any specific scrutiny actions that may be appropriate.

**Background documents<sup>1</sup>**

5. None.

<sup>1</sup> The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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**Report of the Chief Officer Financial Services**

**Report to Executive Board**

**Date: 21st March 2018**

**Subject: Financial Health Monitoring 2017/18 – Month 10**

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 checked="" type="checkbox"/> Yes	<input 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 purpose of this report is to inform the Executive Board of the financial health of the authority in respect of both the revenue budget and the Housing Revenue Account as at month 10 of the financial year.
2. The 2017/18 financial year is the second year covered by the 2015 Spending Review and again presents significant financial challenges to the Council. The Council to date has managed to achieve considerable savings since 2010 and the budget for 2017/18 requires the Council to deliver a further £64m of savings.
3. The current and future financial climate for local government represents a significant risk to the Council's priorities and ambitions. Whilst the Council continues to make every effort possible to protect the front line delivery of services, it is clear that the position remains challenging and the projected overspend reflects this challenge.
4. Executive Board will recall that the 2017/18 general fund revenue budget, as approved by Council provides for a variety of actions to reduce net spend through the delivery of £64m of budget action plans by March 2018. At this stage of the financial year, it is clear that the majority of these actions are on track to be delivered, and where there are variations, compensating savings have been identified.

5. At month 10 there is a minor projected saving on the General Fund of £0.7m and the Housing Revenue Account is projected to break even.

## Recommendation

6. (i) Executive Board is asked to note the projected financial position of the authority as at month 10.

## 1. Purpose of this report

- 1.1. This report sets out for the Executive Board the Council's projected financial health position for 2017/18 at month 10.
- 1.2. Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations after the first nine months of the year.

## 2. Background information

- 2.1. Executive Board will recall that the net budget for the general fund for 2017/18 was set at £492.7m.
- 2.2. Financial monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc. This has again been reinforced through specific project management based support and reporting around the achievement of the key budget actions plans.

## 3. Main Issues

- 3.1. At month 10, a small underspend of £0.67m (0.14%) is currently projected.

Table 1

Directorate	Director	(Under) / Over spend for the current period				Total (under) /overspend	Month 9 Position
		Staffing	Total Expenditure	Income	To/from Reserves		
		£000	£000	£000		£000	£000
Adult & Health	Cath Roff	(828)	6,790	(7,705)	915	0	0
Children and Families	Steve Walker	1,073	1,994	(1,591)		403	0
City Development	Martin Farrington	(829)	1,075	(1,076)		0	0
Resources & Housing	Neil Evans	(2,671)	(623)	623		0	0
Communities & Environment	James Rogers	1,861	2,519	(2,519)		0	0
Strategic	Doug Meeson	(72)	(1,523)	454		(1,069)	(567)
<b>Total Current Month</b>		<b>(1,466)</b>	<b>10,233</b>	<b>(11,814)</b>	<b>915</b>	<b>(666)</b>	<b>(567)</b>
<b>Previous month (under)/over spend</b>		<b>(2,188)</b>	<b>12,346</b>	<b>(13,507)</b>	<b>594</b>	<b>(567)</b>	

3.2. The major variations within Directorates are outlined below with additional detail provided on the Directorate dashboards which are included as appendix 1 to this report;

### 3.3. **Adults and Health**

- 3.3.1. The Directorate's planned actions to reduce costs, together with lower than anticipated demand pressures relating to both the Learning Disability Service and Direct Payments, has resulted in a reduction in the budgeted contribution from the earmarked reserves. It is proposed that this is carried forward to address anticipated pressures in respect of residential placements and increased cost pressures on commissioned care contracts.
- 3.3.2. Community care packages (demand led budgets) are projected to cost an additional £1.5m, mainly as a result of agreed care home and home care fees.
- 3.3.3. Staffing costs are forecast to be £0.8m below budget, principally in Commissioning Services and general running costs are forecast at £0.6m below budget.
- 3.3.4. The report assumes that £8.0m of the additional £14.7m additional grant will be used to offset an income target set against Leeds CCG's. Post the budget setting it has become apparent that both local and national pressures within the NHS mean that this target is no longer realistically achievable. The remainder of the £14.7m Spring Budget monies is being used to protect the care market, sustain care packages and reduce social care related pressures in the health service.
- 3.3.5. Though it should be highlighted that there are potential pressures relating to demand and the impact of recent case law on the payments for sleep-ins, that may impact on this and future year's finances.

### 3.4. **Children and Families**

- 3.4.1. Children and Families are projecting a small overspend of £0.4m at Period 10, although there are a number of variations within the directorate. The major change since the last period relates to the income for Partner Improvement work has now been reprofiled and approximately £0.4m less will be received in this financial year and will be received in 2018/19 instead.
- 3.4.2. The increase in the demand for external residential and IFA (Independent Fostering Agents) placements during the autumn has now steadied. Based on current numbers (190 independent fostering and 62 external residential placements), a net variance of around £0.9m is projected. This is reduced from £1.4m last period due to additional income £0.3m and £0.2m of in house savings
- 3.4.3. Staffing costs are projected to overspend by around £1.1m. The Directorate will continue to review recruitment and agency spend to try and reduce this

pressure.

3.4.4. In order to offset these increased pressures the Directorate is looking to utilise an additional £2.0m of the DfE Partners in Practice funding earlier than profiled and will also maximise external income and identify savings of £0.7m that will help to offset other pressures including a £0.3m pressure on commissioned services.

3.5. The Dedicated Schools Grant is also facing a number of budget pressures in 2017/18. As in 2016/17 these are mainly on the High Needs Block (£2.7m) in relation to top-up payments and outside placements and some additional costs in relation to the new Social Emotional and Mental Health provision, offset by savings in the Early Years Block (£2.3m) and the Schools Block (£0.6m). It is currently forecast that there will be a small underspend in 2017/18 of £0.2m which will reduce the brought forward deficit reserve from 2016/17 of £3.6m. The movement from the previous reported deficit on the DSG mainly relates to the delay in academy conversions. The directorate has undertaken a review of the High Needs Block with the aim of identifying options to bring spend in line with the available resources, as increases due to the High Needs Block National Funding Formula have been capped, and to repay the deficit balance over the next few years. The cap on gains has resulted in the Council receiving an increase of £2m, rather than the £9m suggested by the formula.

### 3.6. **City Development**

3.6.1. The Directorate continues to project a balanced budget position at the year-end; however, there are net income pressures totalling £2.1m within Asset Management and Economic Development. This is largely offset by an additional £1.4m of Sport VAT income following the EU ruling on Sports admissions and additional net income from Planning of £0.3m.

3.6.2. The directorate action plan requires savings of £0.4m to bring the budget back into balance.

### 3.7. **Communities and Environment**

3.7.1. The Directorate continue to project a balanced position, although there are variations within services. The main variations are outlined below.

3.7.2. There is a projected shortfall in housing benefit overpayment income of £0.7m, against a budget of £8.4m, following a projected reduction in the number and average value of housing benefit overpayments.

3.7.3. Within Customer Access an overspend of £0.8m, mainly in respect of staffing, is forecast due to the delivery of the Community Hub programme and additional security arrangements at sites.

3.7.4. Within Waste Management, the Refuse service is projecting an overspend of £1.0m mainly due to slippage on the Refuse collection route efficiency programme. To help offset these pressures there is a net £0.1m from weighbridge income, business rates savings of £0.5m at the RERF. In addition,



£0.6m savings in respect of disposal costs and additional recycling income are projected, together with a further £0.4m of one-off savings identified across the Waste Management service, contributing to an overall underspend of £0.6m.

- 3.7.5. Savings in staff costs in other areas of the directorate total approximately £0.5m and the directorate will identify further actions of £0.1m to bring the budget back in to balance.

### **3.8. Resources and Housing**

- 3.8.1. The Directorate continues to project a balanced position although there are some variations within services. Savings in staffing costs will offset pressures of £0.2m within corporate property maintenance and a shortfall in income from court fees of £0.4m.

### **3.9. Strategic and Central Accounts**

- 3.9.1. There are income pressures of £2.1m on S278 (income from developers) and new homes bonus income £1.7m. However, these are offset by additional S31 grant (business rates) of around £3.8m following confirmation of reliefs. This grant is to recompense for the reduction in business rate income resulting from reliefs. In addition a saving of £0.7m in the levy payment to the pool is forecast. Other minor variations amount to £0.3m.

## **4. Other Financial Performance**

### **4.1. Council Tax**

- 4.1.1. The Council Tax in-year collection rate at the end of January was 89.99%, slightly below the performance in 2016/17, however forecasts show the 2017/18 in-year collection target of 96.1% collecting some £322.6m of income will be achieved.

### **4.2. Business Rates**

- 4.2.1. The business rates collection rate at the end of January was 89.41% which is in line with the performance in 2016/17. The forecast is to achieve the 2017/18 in-year collection target of 97.7% collecting some £373.3m of income.
- 4.2.2. The opening total rateable value of business properties in Leeds was £915.54m at 1<sup>st</sup> April. This grew by £1.7m to £917.24m in mid-May, but, following a number of Valuation Office reductions, had fallen to £914.77m at 30<sup>th</sup> September. At 31<sup>st</sup> January the list has recovered and exceeded the growth experienced in the early part of the year and stands at £920.5m.
- 4.2.3. To calculate Leeds' actual income from business rates this total rateable value is multiplied by the national business rates multiplier (46.6p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (49%), West Yorkshire Fire Authority (1%) and Central Government (50%). Following deductions for the Business Rates tariff and to meet the business rates deficit brought forward, Leeds' actual business rates income is projected to be in the region of £132.9m, which is lower than the budget requirement of

£142.9m and may impact further on the Collection Fund deficit. The position on the Collection Fund deficit is kept under constant review as deficits are carried forward and impact on the resources available in the following year.

#### **4.3. Business Rates Appeals**

- 4.3.1. The opening appeals provisions for 2017/18 was £25.0m, made up of £23.0m relating to appeals received against the 2010 ratings list and £2m estimated costs in advance of appeals being received against the new 2017 ratings list. Under 50% Business Rates Retention, Leeds' budget is affected by 49% of any appeals provision.
- 4.3.2. On 1<sup>st</sup> April 2017, there were 5,337 appeals outstanding. By 1st January 2018, these had reduced to 2,966 appeals outstanding. During January 116 appeals have been settled, 81 of which have not resulted in changes to rateable values. 3 new appeals were received in November, the low number received reflecting that appeals are no longer accepted against the 2010 list except in very specific circumstances. No appeals have been received to date against the 2017 list.
- 4.3.3. At 31<sup>st</sup> January there are 2,855 outstanding appeals in Leeds, with 22.1% of the city's total rateable value currently subject to at least one appeal.

#### **5. Housing Revenue Account (HRA)**

- 5.1. At the end of month 10 the HRA is projecting a balanced position in 2017/18.

#### **6. Corporate Considerations**

##### **6.1. Consultation and Engagement**

This is a factual report and is not subject to consultation.

##### **6.2. Equality and Diversity / Cohesion and Integration**

The Council's revenue budget for 2017/18 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 22<sup>nd</sup> February 2017.

##### **6.3. Council Policies and Best Council Plan**

The 2017/18 budget targeted resources towards the Council's policies and priorities as set out in the Best Council Plan. This report comments on the financial performance against this budget, supporting the Best Council ambition to be an efficient and enterprising organisation.

##### **6.4. Resources and Value for Money**

This is a revenue financial report and as such all financial implications are detailed in the main body of the report.

**6.5. Legal Implications, Access to Information and Call In**

There are no legal implications arising from this report.

**7. Recommendations**

7.1. Executive Board is asked to

- (i) Note the projected financial position of the authority as at month 10.

**8. Background documents<sup>1</sup>**

None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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# ADULTS AND HEALTH

## Financial Dashboard - 2017/18 Financial Year

### Month 10 (January 2018)

The directorate continues to project a balanced position for the year, though it should be noted that the reliance on reserves has been reduced by £0.2m to £0.9m, due to reduced demand based pressures relating to the Learning Disability service.

The position for Adults and Health has been adjusted to include the monies announced in the Spring Budget. It should be noted that though detailed plans for the associated spend have now been agreed, the monies are yet to be allocated and therefore for the purposes of this report they continue to be shown against the budgets for the procurement of care (Access and Care Delivery and Commissioning).

Budget action plans for demand based services are broadly on target to deliver but slippage in some areas is being monitored.

The main variations at Period 10 across the key expenditure types are as follows:

#### Staffing (-£0.8m – 1.6%)

Savings are evident across most areas but principally within Strategic Commissioning.

#### Community care packages (+£1.5m – 0.7%)

There is a £1.5m net pressure on demand led budgets. This is primarily related to the impact of the latest proposed care home fees, an increase in the use of supported accommodation and slippage on savings plans, partially offset by an underspend on Direct Payments and Learning Disability.

#### Spring Budget spend

The Spring Budget monies of £14.7m are shown within income. The spend is allocated as £8.0m to offset the unachieved Health income target and £6.7m shown within the commissioned care range.

This is due to the planned spend being incurred in these areas. Virements have been confirmed for P11 and it is anticipated that this will add clarity to the figures.

#### Income (-£7.7m – 6.0%)

Service user contributions, related to Community Support services, are projected to be lower than budgeted. Investigations continue to determine the cause of this and to identify potential remedies, it appears that growth in the number of new clients is considerably lower than envisaged, which may be as a result of the strengths based initiative and increased use of preventative solutions including reablement. This pressure has largely been offset by betterment of income in Learning Disability related to several Ordinary Residence cases. The grant income from the Spring Budget is recorded here

#### Budget Management - net variations against the approved budget

				PROJECTED VARIANCES										Total (under) / overspend £'000	
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure		Income
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
Health Partnerships	485	(220)	265	39	0	23	(2)	0	0	0	0	0	60	(17)	43
Access & Care Delivery	251,186	(44,131)	207,056	248	(29)	(357)	(14)	(450)	5,364	(1,140)	0	171	3,792	(329)	3,462
Commissioning Services	30,263	(36,708)	(6,445)	(930)	21	(14)	(8)	220	3,403	0	0	745	3,438	(6,656)	(3,218)
Resources and Strategy	5,160	(589)	4,570	(154)	1	(176)	9	(33)	100	0	0	0	(253)	(36)	(289)
Public Health (Grant Funded)	46,041	(46,014)	27	(30)	(0)	5	(12)	231	474	0	0	0	669	(668)	1
Appropriation Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>333,135</b>	<b>(127,663)</b>	<b>205,472</b>	<b>(828)</b>	<b>(7)</b>	<b>(519)</b>	<b>(27)</b>	<b>(30)</b>	<b>9,341</b>	<b>(1,140)</b>	<b>0</b>	<b>915</b>	<b>7,705</b>	<b>(7,705)</b>	<b>0</b>

**Key Budget Action Plans and Budget Variations:**

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>						
1.	Older people's residential and day support	D Ramskill	Ongoing Better Lives programme	Blue	0.4	0.0
2.	Assessment and care management practice	S McFarlane	Delivering the most cost effective service for new customers based on the strengths based approach	Green	0.5	0.0
3.	Review of care packages - mental health	M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Blue	0.8	(0.1)
4.	Review of care packages - physical impairment	J Bootle	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Green	0.5	0.0
5.	Review of care packages - learning disability	J Wright / M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	Amber	2.5	0.7
6.	Older people: reduction in the number of customers going into residential care	S McFarlane	Increased use of telecare, reablement and recovery service	Amber	1.3	0.9
7.	Legal Fees	S Hume	Reduction in in-house legal fees	Green	0.3	0.0
8.	Vacancy management	Various	Mainly non-frontline services	Green	0.6	0.0
9.	Fees and charges	S Hume	Improved income collection and income recovery from direct payment audit	Amber	0.7	0.2
10.	Review non-essential spend	Various	Review and top-slicing of non-essential spend	Green	0.3	0.0
11.	Public Health	I Cameron	Review of commissioned services	Blue	2.9	0.0
12.	Community Support	D Ramskill	In-house community support service closure	Blue	0.9	0.0
<b>B. Other Significant Variations</b>						
1.	Staffing	All	Relating to staffing turnover and slippage in employing new staff			(0.8)
2.	Community care packages	Various	Relates principally to unallocated Spring Budget monies, impact of proposed care fees, increased use of supported accommodation			6.6
3.	General running costs	All				(0.6)
4.	Use of reserves	All				0.9
5.	Income	S Hume	Primarily Spring Budget monies (offset by non-deliverable Health income target)			(7.9)
<b>Adults and Health Directorate - Forecast Variation</b>					<b>0.0</b>	

## CHILDREN & FAMILIES 2017/18 FINANCIAL YEAR FINANCIAL DASHBOARD - Period 10

**Overall Summary** - At period 10 the Directorate is projecting an overspend of £0.403m. The major change from the Period 9 position is that the income to be received through the Kirklees Partner Improvement work has been reprofiled with £0.405m less expected in 2017/18 compared to the previous month's projection. This income will now be received in 2018/19. The number of External Residential (ER) and Independent Fostering Agents (IFA) placements has continued to plateau at 190 IFA's and 62 ER's at the end of January. The overspend on the demand led budgets has reduced to £0.856m due to additional UASC income of £0.355m and in-house savings £0.2m. Projected spend on Passenger Transport is now expected to be within the budget. The £1.1m staffing pressure continues, due to delays in delivering action plans built into the Safeguarding, Specialised and Targeted Service.

In order to offset the demand led and staffing pressures, the Directorate is looking to utilise £1.95m of the DfE Partners in Practice funding earlier than profiled and also maximise external income and has identified an additional £0.6m (see **Other Income**). There are some risks within this position and these are mentioned below.

**Children Looked After** - Meeting the budgeted assumptions around the numbers of CLA is the most significant budget challenge that the Directorate faces in 2017/18. The 2017/18 budget now includes an increase to the CLA budget of £6.7m compared to 2016/17. There has been an increase in the overall projected spend on Adoption, Special Guardianship Orders (SGOs) and Residence Orders (RO) and there has been a reduction in the costs of In-House Fostering. The period 10 projection assumes that the current level of CLA numbers is maintained to the end of the year. There is a risk that CLA numbers continue to rise.

**Staffing** - It is now projected that staffing will be overspent by £1.1m. This includes an additional £0.25m from capitalised pension costs as a result of prior year early retirements. It is now projected that the action plan to deliver savings from the review of vacant posts, agency and overtime will now not deliver any savings.

**Transport** - At Period 10 overall spend on transport is projected to balance to the budget as the increased demand and increasing complexity of need is offset by efficiency savings. The 2017/18 budget included an increase to the Transport budget of £2.8m reflecting anticipated demand pressures.

**Trading and Commissioning** - Period 10 projects a shortfall against the £1.2m additional trading target of £0.240m. This is in service areas including the Activity Centres, Attendance Service and Music Support Service. This shortfall has been partially offset by the additional traded income anticipated from the Kirklees Improvement Partnership work. There is a pressure of £0.3m against the £1.1m commissioned service savings target.

**Other Income** - The new Innovations & Partners in Practice bid has now been approved and will provide additional funding to be spent over three years. A total of £7.3m was received in 2016/17 and all this funding has been carried forward to 2017/18; the projection assumes £1.95m additional in-year usage. The use of this grant in 17/18 will not impact on the future delivery of the programme but the earlier than originally planned use of the grant will need reflecting in the financial strategy in 2019/20. There is additional School Improvement Monitoring & Brokering Grant of £0.5m. A shortfall in income in children's centres of £1.15m is forecast. At period 10 sources of external income have been identified to offset the CLA pressure. This includes additional draw down of Kirklees Improvement Partnership income of £0.3m; UASC grant income £0.755m (Unaccompanied Asylum Seeking Children grant); and additional Dedicated schools Grant contribution to out of area External Residential placements of £0.3m.

**Dedicated Schools Grant** - There is a separate Dashboard for DSG.

### Budget Management - net variations against the approved budget

	Expenditure Budget	Income Budget	Latest Estimate	PROJECTED VARIANCES											Total (under) / overspend
				Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Demand Led Budgets:</b>															
In House Fostering	12,510	(2,810)	9,700	0	0	0	0	0	(790)	0	0	0	(790)	0	(790)
Internal Residential	3,605	0	3,605	133	53	13	0	0	0	(7)	0	0	192	0	192
Kinship Care	2,363	0	2,363	0	0	0	0	0	219	0	0	0	219	0	219
Family Placement & Place for Adoption	1,628	0	1,628	0	0	0	0	0	(119)	0	0	0	(119)	0	(119)
IFA	7,769	0	7,769	0	0	0	0	0	131	0	0	0	131	0	131
External Residential	11,016	0	11,016	0	0	0	0	0	683	0	0	0	683	0	683
Semi Independent Living <18 & Secure Justice/Welfare	2,575	0	2,575	0	0	0	0	0	(193)	0	0	0	(193)	0	(193)
Adoption, SGO and RO	6,568	0	6,568	2	4	0	0	0	967	0	0	0	973	(280)	693
Leaving Care	4,659	(1,469)	3,190	0	0	35	3	0	778	(347)	0	0	469	(755)	(286)
Section 17	444	0	444	0	0	0	0	0	326	0	0	0	326	0	326
SEN Outside Placements	4,857	(4,857)	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	14,694	(453)	14,241	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub total Demand Led Budgets</b>	<b>72,688</b>	<b>(9,589)</b>	<b>63,099</b>	<b>135</b>	<b>53</b>	<b>52</b>	<b>3</b>	<b>0</b>	<b>2,002</b>	<b>(354)</b>	<b>0</b>	<b>0</b>	<b>1,891</b>	<b>(1,035)</b>	<b>856</b>
<b>Other Budgets</b>															
Partnerships	21,952	(9,450)	12,502	(105)	13	143	15	(57)	187	(125)	0	(200)	(129)	(95)	(224)
Learning, Skills & Universal Services	71,006	(68,462)	2,544	52	0	(8)	0	578	0	(250)	0	0	372	(561)	(189)
Safeguarding, Targeted & Specialist Services	99,650	(60,648)	39,002	1,190	7	453	160	(190)	210	12	0	(1,783)	59	600	659
Central Overheads	9,554	(7,735)	1,819	(199)	0	0	0	0	0	0	0	0	(199)	(500)	(699)
<b>Sub total Other Budgets</b>	<b>202,162</b>	<b>(146,295)</b>	<b>55,867</b>	<b>938</b>	<b>20</b>	<b>588</b>	<b>175</b>	<b>331</b>	<b>397</b>	<b>(363)</b>	<b>0</b>	<b>(1,983)</b>	<b>103</b>	<b>(556)</b>	<b>(453)</b>
<b>Total</b>	<b>274,850</b>	<b>(155,884)</b>	<b>118,966</b>	<b>1,073</b>	<b>73</b>	<b>640</b>	<b>178</b>	<b>331</b>	<b>2,399</b>	<b>(717)</b>	<b>0</b>	<b>(1,983)</b>	<b>1,994</b>	<b>(1,591)</b>	<b>403</b>

<b>Key Budget Action Plans and Budget Variations:</b>		<b>Lead Officer</b>	<b>Additional Comments</b>	<b>RAG</b>	<b>Action Plan Value £m</b>	<b>Forecast Variation £m</b>
<b>A. Significant Variations</b>						
	Children Looked After	Steve Walker	Pressure on CLA demand led budgets (External Residential placements and Independent Fostering Agencies). The current number of IFAs is 190 and ER is 62. The pressure of £0.856m assumes the current level of CLA numbers continues to the end of the year. This is an improved position of £0.56m primarily due to additional UASC income of £0.36m & in-house savings of £0.2m.	R		<b>0.86</b>
	Staffing related costs	CSLT	Capitalised pension costs relating to former employees early retirement costs	R		<b>0.25</b>
	Income - ESG	CSLT	Additional School Improvement Monitoring and Brokering Grant against budgeted income.	G		<b>(0.50)</b>
	Net effect of all other minor variations	CSLT	There are a number of other minor variations within the directorate.	G		<b>0.11</b>
<b>B. Key Budget Action plans (BAP's)</b>						
E1	Remodel Social Work Practice	Sal Tariq	Reduced agency spend in Children's Social work service, and also reduce non-front line staffing in Children's Social work. A shortfall of £0.95m is currently projected against the saving target, primarily due to non-achievement of the Initial Budget Action Plan around Social Work staffing.	R	<b>(0.93)</b>	<b>0.95</b>
E2	Other staffing savings	CSLT	Net staff savings from ELI and through the management of vacant posts.	A	<b>(0.98)</b>	<b>(0.10)</b>
C2	ESG funded activities	Andrew Eastwood, Sue Rumbold	Proposed savings include running cost savings in information management & technology, learning improvement and information management, and staff savings across a number of services.	G	<b>(0.97)</b>	<b>0.00</b>
C3	Commissioned services	CSLT	Commissioned Services - A shortfall of £0.2m is currently projected against the budgeted savings. New contract awarded for Family Drugs Alcohol Court service £0.1m.	A	<b>(0.65)</b>	<b>0.30</b>
A7	Increase traded income and reduced level of subsidy	CSLT	Additional resources have been committed to provide the capacity to develop a strategy and implement the proposals. Additional traded income has been included in the 17/18 budget for activity centres, complex needs, early years improvement, attendance strategy and a range of other services provided to schools. We are now reporting a pressure relating mainly to Activity Centres although this is offset by an additional traded income from the improvement work with Kirklees Council shown below.	A	<b>(1.25)</b>	<b>0.24</b>
C1	Children's Centre Family Services & Childcare	Andrea Richardson	Reshape of family services which will include a review of the core offer and additional services currently funded by partners.	G	<b>(0.60)</b>	<b>0.00</b>
A4	Additional DfE Innovations funding	Sal Tariq	New Innovations bid approved and £7.3m received in 2016/17. It is anticipated that £5.7m will be spent in 2017/18.	G	<b>(2.50)</b>	<b>(1.95)</b>
A2	Children's Centre Income	Andrea Richardson	Increases in Fees from January 2017 and September 2017 and additional income from the new Free Early Educational Entitlement (FEEE) hourly rates. A shortfall of £1.15m against the overall income target is projected. Planned changes to the Catering Service have been delayed resulting in a pressure of £0.1m. These pressures are partially offset by Family Services staffing savings of £0.55m.	R	<b>(0.30)</b>	<b>0.70</b>
A3	Additional income from top slice Free Early Education Entitlement (FEEE) payments.	Sue Rumbold	New ability to top slice 5% from FEEE payments to nursery providers. Schools Forum approval received.	G	<b>(1.00)</b>	<b>0.01</b>
	Various other budget savings	CSLT	Including short breaks contract savings, additional income from Adel Beck, additional public health and CCG funding, additional DCLG funding for troubled families, running cost savings etc.	A	<b>(2.86)</b>	<b>(0.06)</b>
<b>C. Contingency Plans</b>						
	Utilisation of External Income		Utilisation of additional Kirklees Improvement Partner grant income £0.1m ; anticipated additional schools funding contribution to area External Residential placements £0.3m.	A		<b>(0.40)</b>
<b>Children and Families Directorate - Forecast Variation</b>						<b>0.40</b>



# CHILDREN & FAMILIES 2017/18 FINANCIAL YEAR

## DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD PERIOD 10

**Overall Summary** - The Dedicated Schools Grant (DSG) is made up of 3 separate blocks - the Schools Block, Early Years Block and High Needs Block. At period 10, general DSG is projected to underspend by £228k and de-delegated services are expected to overspend by £42k as detailed below.

**Schools Block** - This is the largest element of the DSG and mostly consists of delegated funding to local authority maintained schools. From this, there are a number of "de-delegated" services where schools have agreed for the local authority to retain funding back to cover some costs centrally which otherwise would need to be charged to schools (such as maternity costs, trade unions costs, libraries and museums services). In addition, there is a central provision which covers costs such as growth fund, prudential borrowing repayment, equal pay costs and the admissions service. Following a number of school conversions to academy status, there is a reduction in expenditure which is matched by reduced grant income. De-delegated services are projected to be overspent by £42k, mainly due to increased maternity pay costs which is partly offset by an underspend on the contingency fund. Due to slippage in planned places, there is expected to be an underspend of £400k on the Growth Fund and along with a number of underspends on other central provision budgets, an underspend of £618k is projected.

**Early Years Block** - This element is concerned with provision to pre-school children. The final grant amount received is largely based on the January 2018 census and so will not be confirmed until later in the year. The projections at the moment are that there will be an underspend of £2,303k as follows:

- for 2 year olds, The January census has usually been the lowest of the year and in order to not overspend this budget, the amount paid to providers is £5.05 an hour while the funding is £5.20 per hour to compensate for this. However, the actual pupil numbers in 2016/17 and the projected pupil numbers for 2017/18 suggest that this will not be the case this year. This means that it is now expected that there will be £123k more income than expenditure resulting in a saving in 2017/18.
- for 3 and 4 year olds, the funding received is effectively for more places than the payments made to providers. The projection is that there will be £1,340k more funding than expenditure. Based on details received in October, there has been a significant take up of the additional 15 hours offer for working parents in the private, voluntary and independent sector, though this is partly offset by a lower than expected take up in schools. Projected expenditure and income has been increased as a result.
- the SEN Inclusion Fund has received fewer applications for funding than expected producing a projected underspend of £440k.
- the contingency fund has not yet had any calls on it and so is projected to be underspent by £400k.
- Early Years pupil premium is projected to be underspent by £47k, though this is fully offset by reduced grant.

**High Needs Block** - This element is used to support provision for pupils and students with special educational needs and disabilities. This block is currently experiencing increasing costs due to high levels of demand and increasing complexity of cases. At period 10 there is projected to be an overspend of £2,735k in this area largely due to the following issues:-

- Following negotiations with Area Inclusion Partnerships, a reduced level of savings has been applied to their budgets resulting in a pressure of £929k. This is partly offset by the recovery of £300k of excess balances giving a total net pressure of £629k.
- There is a further £550k in 2017/18 in relation to more set-up costs for the new SEMH provision.
- LCC has recently started to receive invoices from private hospitals for the provision of education to young people in mental health beds. Work completed with providers to establish the responsibilities around this provision has resulted in reduced costs, but it is estimated that there will be costs of up to £200k in 2017/18.
- Outside placements have not been able to be brought back into LCC provision as quickly as hoped which means there is currently expected to be an overspend of £250k
- When the budget was set, £300k was set aside for the projected deficit on North West SILC. Current estimates are that the academy conversion will not happen until 2018/19 and so no costs will be incurred in 2017/18 as a result, which means there is an underspend on this budget. However, the deficit is now likely to be £1.4m which will need to be funded in 2018/19.
- an increase in the number and complexity of children with SEN along with top-up funding at the SEMH provision remaining at £20k per place rather than the £15k per place assumed in the budget and AIP's no longer contributing to the assessment costs of permanently excluded children, payments passported to other institutions are projected to overspend by £2,290k.
- following an assessment of current expenditure on external residential placements, there is now projected to be an overspend of £300k due to an increase in the number of SEN pupils in these placements.
- These pressures are partly offset by a contribution from the Early Years block for SENIT and Portage. When the budget was produced, it was assumed that the full costs of the service would need to be borne by the High Needs Block. However, as detailed in the paper to Schools Forum in February, £600k of the centrally retained element of the Early Years Block has been set against these costs.

**Transfers to / from reserves** - When the budget was set, it was with a contribution to reserves of £769k. However due to the overspends listed above, this contribution will not now be made.

**Grant Income** - The initial DSG grant for 2017/18 year was announced in December 2016. However, during the year there have been a number of schools converting to academy status, which has resulted in £6,936k less funding due to LCC. The early years funding is based on 5/12ths of pupil numbers in the January census and 7/12ths of the funding will be based on the census information in January 2018. Based on the expected pupil numbers provided by the service, the DSG income due is expected to be £2,042k higher than budgeted. However, the final grant amount for 2017/18 will not be confirmed until summer 2018. Within the high needs block, there have been some changes in respect of funding for dual registered pupils and an adjustment in respect of hospital funding resulting in a current projection of an additional £423k of income. Overall, the income received is expected to be £4,471k less than budgeted.

**Budget Management - net variations against the approved budget**

**DSG Grant Reserves**

	Budget £'000	Projection £'000	Variance £'000
<b>Schools Block</b>			
DSG Income	(324,708)	(317,772)	6,936
Individual Schools Budgets	311,768	304,609	(7,159)
De-delegated budgets	5,039	5,081	42
Central Provision	7,901	7,464	(437)
	<b>0</b>	<b>(618)</b>	<b>(618)</b>
<b>Early Years Block</b>			
DSG Income	(50,233)	(52,275)	(2,042)
FEEE 3 and 4 year olds	38,671	39,738	1,067
FEEE 2 year olds	8,265	7,823	(442)
Other early years provision	3,297	2,411	(886)
	<b>0</b>	<b>(2,303)</b>	<b>(2,303)</b>
<b>High Needs Block</b>			
DSG Income	(56,776)	(57,199)	(423)
Funding passported to institutions	49,305	53,790	4,485
Commissioned services	1,388	1,389	1
In house provision	5,314	4,755	(559)
Contribution to /from reserves	769	0	(769)
	<b>0</b>	<b>2,735</b>	<b>2,735</b>
<b>Total</b>	<b>0</b>	<b>(186)</b>	<b>(186)</b>

**Latest Estimate**

Balance b/fwd from 2016/17

Contribution to balances

**Deficit c/fwd to 2018/19**

**Projected Outturn**

Balance b/fwd from 2016/17

Contribution to/from balances

**Deficit c/fwd to 2018/19**

General £'000	De-delegated £'000	Total £'000
4,161	(528)	3,633
(769)		(769)
<b>3,392</b>	<b>(528)</b>	<b>2,864</b>
4,161	(528)	3,633
(228)	42	(186)
<b>3,933</b>	<b>(486)</b>	<b>3,447</b>

**Key Budget Action Plans and Budget Variations:**

	Lead Officer	Additional Comments	RAG	Action Plan Value	Forecast Variation against Plan/Budget
				£m	£m
<b>A. Key Budget Action Plans</b>					
Transfer funding from Schools Block to High Needs Block		Transfer of £2m from the schools block to the high needs block as detailed in report to Schools Forum in January 2017.		2.00	0.00
Savings to Area Inclusion Partnerships budgets		FYE of 2016/17 reduction (£310k) and realign PRU top-up funding from AIP allocations (£1.5m). Overspend is net of assumed recovery of excess balances.		1.80	0.63
Reductions in additional mainstream places		Revision of the criteria and processes on Funding For Inclusion. Changes to calculations of the amount of the notional SEN budget available to fund the first £6,000 of support for pupils.		1.50	0.00
<b>B. Significant Variations</b>					
Schools Block		Reduced spend due to academy conversions along with minor underspends on de-delegated services and central provision.			(7.55)
Early Years Block		Increased expenditure on payments to providers.			0.63
Early Years Block		Underspends on centrally managed budgets.			(0.89)
High Needs Block		Increased in numbers and complexity of placements plus retaining top-ups at existing levels and contribution no longer being received from AIP's for assessment places.			2.29
High Needs Block		Further £550k in 2017/18 for more set-up costs in relation to the new SEMH provision.			0.55
High Needs Block		Private hospital charges for education provision for mental health beds.			0.20
High Needs Block		Increased numbers of outside placements compared to budget			0.25
High Needs Block		Increase in numbers and cost of external residential placements for SEND pupils			0.30
High Needs Block		North West SILC academy conversion delayed to 2018/19			(0.30)
High Needs Block		Reduced demand on HNB following early years block contribution to costs of SENIT and Portage.			(0.60)
High Needs Block		Net effect of all other variances on the High Needs Block.			0.60
Contribution to / from reserves		Not making planned contribution to deficit reserve.			(0.77)
Grant income		Reduced grant following academy conversions.			4.47

**Dedicated Schools Grant - Forecast Variation**

**(0.19)**

## CITY DEVELOPMENT 2017/18 BUDGET - PERIOD 10 FINANCIAL DASHBOARD - MONTH 10 (APRIL - JANUARY)

The Period 10 Financial Dashboard maintains a balanced position whilst recognising a number of significant budget pressures and the actions identified to mitigate them.

Planning and Sustainable Development are projecting a £216k pressure on expenditure due to anticipated Inspection and Planning Appeals costs. This is offset by the £490k additional projected income from Planning Fees and Building Control Fees and Charges. The projection also recognises approximately £100k of additional income anticipated from the £20% increase in Planning Fees from Mid-January 2018, resulting in a £275k saving to support the overall Directorate position.

In Economic Development the projected overspend of £606k is predominantly due to income pressures at Kirkgate Market. In addition to a £276k pressure from granting a 7 month (01/07/17) - 01/01/18) 20% discount on rental charges to all Kirkgate Market traders (allowing them to invest in their businesses and, therefore, contribute to the market's long term viability), income pressures of £169k, £146k and £56k relate to the indoor market, the new Covered Daily Market (CDM) and the new Events Space respectively. These are new target income streams following completion of the major capital refurbishment scheme. Whilst some of this is due to the lead in times required for developing and delivering new trading and events, it is acknowledged that some of the budgeted income targets need to be revised down to reflect current trading and operating conditions. The 2018/19 budget strategy therefore includes proposals to address this. These pressures are partially offset by a £178k saving on borrowing costs.

In the last 18 months Asset Management have acquired a number of significant investment properties to add to the authority's portfolio and deliver new income streams. However a £1m pressure on net income (gross rental income - prudential borrowing annuity) against the budget action plan target is now anticipated. The investment policy requires that any investment and acquisition should contribute to and support the Council's ambitions and values, and be financially robust. Market activity and contractual lead times indicate that it is unlikely any further significant investments will be completed in 2017/18. However a review of borrowing costs has identified a £300k saving due to the difference in the assumed and real cost of borrowing, resulting in a net pressure of £700k. Additional ad-hoc income of £229k mitigates this to £471k. The £518k pressure on Advertising income, which assumes all current sites will be fully utilised, remains unchanged. Options are currently being evaluated to address this pressure in 2018/19.

Predominantly via careful vacancy management, Employment and Skills are projecting an underspend of £115k to assist in offsetting other Directorate pressures.

Highways and Transportation are projecting an underspend of £143k down by £192k from the previous month. This adverse movement from Period 9 reflects an increase in projected spend on materials and plant hire costs. Large, yet offsetting, variations on staffing, supplies and services, and income reflect the constantly fluctuating allocation of works (internal or external to strategic partners WSP) and ongoing recruitment requirements.

Sport and Active Lifestyles have pressures of £217k due to Public Health funding reductions, the failure of the Aquatics Centre moveable pool floor, and the net impact of part closure, refurbishment, and contractor delays at Aireborough Leisure Centre. A further pressure of £228k is due to the notable downturn in income at John Smeaton Leisure Centre due to 2 new budget gyms opening in close proximity. Savings of £60k have been identified at from across the service to mitigate this budget pressure. The EU ruling on VAT for sports admissions has not been challenged by HMRC which means that £1.4m of VAT is estimated to be recovered in this financial year which will assist in mitigating Directorate pressures.

New pressures of £104k have been identified in Period 10 recognising potential shortfalls in income in respect of the Town Hall and Lotherton Hall Estate. An action plan saving of £489k is required to balance the projected outturn position which will be met by the use of other balances.

### Budget Management - net variations against the approved budget

	PROJECTED VARIANCES														
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	Total (under) / overspend £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Planning & Sustainable Development	8,696	(6,320)	2,376	(7)	(50)	170	(7)	110	0	0	0	0	216	(490)	(275)
Economic Development	5,319	(4,666)	653	(44)	59	(46)	3	(156)	0	0	0	0	(183)	789	606
Asset Management & Regeneration	13,781	(15,485)	(1,704)	(60)	311	(22)	(7)	(357)	0	0	0	0	(134)	1,317	1,182
Employment & Skills	4,127	(2,378)	1,749	(105)	0	(169)	(0)	(0)	0	0	0	0	(274)	159	(115)
Highways & Transportation	58,554	(41,722)	16,832	(372)	(41)	1,099	973	(36)	0	0	0	0	1,623	(1,766)	(143)
Arts & Heritage	18,540	(8,990)	9,550	(67)	(92)	192	34	30	23	1	0	0	120	224	344
Sport & Active Lifestyles	24,459	(19,131)	5,328	(90)	(33)	(109)	13	15	(30)	15	0	0	(219)	(819)	(1,037)
Resources & Strategy	997	(125)	872	(84)	0	42	(1)	(31)	0	0	0	0	(74)	(489)	(563)
<b>Total</b>	<b>134,473</b>	<b>(98,817)</b>	<b>35,656</b>	<b>(829)</b>	<b>155</b>	<b>1,156</b>	<b>1,009</b>	<b>(424)</b>	<b>(7)</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>1,075</b>	<b>(1,076)</b>	<b>(0)</b>

**Key Budget Action Plans and Budget Variations:**

				RAG	Action Plan Value	Forecast Variation against Plan/Budget
		Lead Officer	Additional Comments		£'000	£'000
<b>A. Budget Action Plans</b>						
1.	Planning and Sustainable Development	Tim Hill	Reduction in the net cost of service via increased income generation.		Green	(275)
2.	Economic Development		Increased income and running cost savings		Amber	30
3.	Asset Management and Regeneration		Strategic Investment Income and additional fee income.		Red	471
4.	Highways and Transportation	Gary Bartlett	Additional income from fees and developers.		Green	(143)
5.	Arts and Heritage	Cluny MacPherson	Savings via increased income opportunities, not hosting the Tour de Yorkshire in 2017, and minor restructure.		Amber	100
6.	Employment and Skills	Sue Wynne	Staffing and commissioning savings.		Green	(115)
7.	Sport and Active Lifestyles	Cluny MacPherson	Reduction in the net cost of service via efficiency savings, staffing savings and increased income generation.		Red	146
8.	Resources and Strategy	Ed Mylan	Directorate wide additional savings requirement.		Green	0
<b>Total Budget Action Plan Savings</b>						<b>6,940</b>
<b>B. Other Significant Variations</b>						
1.	Asset Management		Shortfall in Advertising income.			518
2.	Economic Development		Kirkgate Market income pressures - 7 month 20% rent discount for all traders and then phasing out over 3 months (£276k), vacant units in the Indoor Market (£163k), Covered Daily Market (£146k), George Street shops (£59k), and Event Space (£56k), Open/Outdoor Market (£74k), partially offset by a saving of £178k on borrowing costs.			596
3.	Sport and Active Lifestyles	Cluny Macpherson	Income pressures from reduced Public Health funding, JCCS pool floor failure, and Aireborough refurbishment.			217
4.	Arts and Venues	Cluny Macpherson	Carnival and Reggae overspend and shortfall in income from Town hall and Lotherton Hall estate			240
5.	Sport and Active Lifestyles	Cluny Macpherson	Sport VAT ruling			(1,400)
6.	City Development	All	Use of balances and reserves to balance position			(489)
7.	Asset Management		Changing the Workplace/Merrion House			198
8.	Resources and Strategy	Ed Mylan	General savings across the Service.			(94)
					<b>City Development Directorate - Forecast Variation</b>	
					<b>0</b>	

# RESOURCES AND HOUSING

## FINANCIAL DASHBOARD - 2017/18 FINANCIAL YEAR

### MONTH 10

#### Overall

A balanced position is projected at period 10 although there are pressures within some service areas around the timely implementation of savings incorporated as part of the 2017/18 budget strategy as well as some in year pressures. which are identified below

#### Resources

For month 10 it is assumed that, overall, support services will achieve the £5m savings which formed part of the Support Services review. Shared Services are forecast to underspend by £1,048k primarily as a result of savings against the staffing budget due to vacant posts. Strategy and Improvement is projected to make savings of £80k mainly against the staffing budget. The HR budget is now forecast to overspend by £228k due to the non achievement of the £300k savings assumed in the budget strategy through the authority wide consolidation of training budgets partially offset by savings against the staffing budget. There's a continuing pressure of £150k against the PPPU budget (savings against staffing more than offset by a projected shortfall in income) and a £502k overspend in Finance mainly due to a £396k shortfall against court fees income. There's also a continuing £220k DIS pressure to enable remedial work to be undertaken to mobile devices, the network, patch and configuration and to strengthen access control so that the Council can qualify for the Public Services Network certificate.

#### Leeds Building Services

A £200k pressure is now projected for LBS acknowledging that there may be a shortfall in turnover to achieve a balanced position before delivery of the £1.8m efficiency target is taken into account. The current projection in relation to the delivery of the planned £1.8m savings required in the budget strategy indicates a shortfall of £600k at period 10. This variation is due to slippage in the implementation of both the revised staffing structure and the IT infrastructure. A reduction in budgeted overheads combined with anticipated increases in turnover will largely offset this pressure.

#### Housing and Property Services

Housing and Property Services are expected to achieve the £700k of budgeted savings in this financial year. Within CPM a pressure of £231k is forecast consisting of a £341k pressure against the responsive repairs budget partially offset by a £97k income surplus for a Refit scheme and £13k savings against staffing. A part year projection is included for the recruitment of 3 temporary posts to enable the service to deliver the additional £5m capital investment programme. The Supporting People contracts savings target of £350k has been achieved through the renegotiation and procurement of 3 sets of contracts. In addition to this, the revision of smaller contracts is expected to achieve a further saving of £50k.

#### Civic Enterprise Leeds

A projected overspend of £198k is forecast for the division. As a result of the marginal financial impact of the reduced number of feeding days in 2017/18 and inflationary pressure on food costs there's likely to be a £440k pressure for the Catering service, partially offset by savings of £141k within Cleaning and Security mainly as a result of over achievement against the income budget and projected £100k savings within Facilities Management predominantly against running cost budgets to leave a net £198k pressure. There is also likely to be a financial impact of Merriam House re-opening in this financial year and budget provision for the anticipated costs is in place.

**Budget Management - net variations against the approved budget**

				PROJECTED VARIANCES											Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Resources	98,298	(38,072)	60,226	(2,413)	29	64	(25)	17	0	0	0	(24)	(2,352)	2,269	(83)
LBS	46,947	(55,327)	(8,380)	(278)	159	1,235	(79)	(107)	0	0	0	0	930	(730)	200
Housing & Property	26,192	(12,399)	13,793	(600)	451	(550)	27	(158)	43	0	0	275	(512)	197	(315)
CEL	71,206	(63,631)	7,575	620	(4)	500	230	(35)	0	0	0	0	1,311	(1,113)	198
<b>Total</b>	<b>242,643</b>	<b>(169,429)</b>	<b>73,214</b>	<b>(2,671)</b>	<b>635</b>	<b>1,249</b>	<b>153</b>	<b>(283)</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>251</b>	<b>(623)</b>	<b>623</b>	<b>0</b>

**Key Budget Action Plans and Budget Variations:**

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>						
<b>Efficiencies</b>						
1	Specialist Admin	Helena Phillips	Further efficiencies by consolidating "specialist" admin staff under one professional lead	Green	1.00	-1.05
2	ICT, IM & T & Intelligence	Dylan Roberts	Introduce a new operating model to deliver staffing efficiencies.	Green	0.90	0.00
3	ICT, IM & T & Intelligence	Mariana Pexton	Introduce a new operating model to deliver staffing efficiencies.	Green	0.20	0.00
4	Workforce Development	Lorraine Hallam	Consolidation of training budgets.	Amber	0.30	0.30
5	PPPU	David Outram	Identify savings through a portfolio approach including development of prioritisation model	Amber	0.30	0.15
6	Financial Services	Doug Meeson	Savings to be delivered through staffing efficiencies.	Green	0.90	0.00
7	Human Resources	Lorraine Hallam	Staff savings through continuing to implement new ways of working.	Green	0.30	-0.07
8	Strategy & Improvement	Marianna Pexton	Further staff savings and efficiencies within Communications, Marketing and Emergency Planning.	Green	0.10	-0.08
9	Financial Services	Doug Meeson	Additional traded income.	Green	0.20	0.00
10	Legal & Democratic Services	Catherine Witham	Staffing efficiencies to fund cost of pay award.	Green	0.10	0.00
11	LBS - Consolidation of Construction/Property Maintenance	Simon Costigan	Savings through staffing, both management and support functions and a targeted reduction in running costs. Roll out of Total Mobile software will deliver efficiencies which will result in the reduction in use of sub contractors.	Amber	1.80	0.80
12	Strategic Housing - integration of functions	Jill Wildman	Closer working arrangements within the different functions will facilitate a reduction in the number of budgeted posts.	Green	0.10	0.00
13	Housing related support - reduction in contract payments	Jill Wildman	Savings to be realised through ongoing review and retendering of contracts.	Green	0.40	-0.05
14	Strategic Housing - review of charging arrangements	Jill Wildman	Adaptations review charges to both the capital programme and Housing Leeds.		0.20	0.00
15	Cleaning Savings	Sarah Martin	Efficiencies to be realised through expanding mobile cleaning, changing times and frequency of cleaning resulting in a reduction of the number of staff required.	Green	0.50	0.00
16	Management Staff reductions	Sarah Martin	Reduction in level of JNC management support, delivered through a reconfiguration of roles and responsibilities.	Green	0.20	0.00
17	Facilities Management Savings	Sarah Martin	Planned realignment of the service to be delivered through a restructure.	Green	0.10	0.00
18	Fleet	Sarah Martin	Combination of maximising existing external income streams whilst developing new ones together with the aim of reducing costs.	Green	0.10	0.00
19	Commercial Catering	Sarah Martin	Based on internalising commercial catering for some of the services within the Civic Quarter and expanding retail offer.	Green	0.10	0.00

**B. Other Significant Variations**

1	Financial Services	Doug Meeson	Shortfall against court fees income.	Amber		0.50
2	CEL	Sarah Martin	Net shortfall against Catering income, offset by savings in FM & Cleaning	Amber		0.20
3	DIS	Dylan Roberts	DIS pressure to secure Public Service Network certificate	Amber		0.20
4	CPM	Simon Costigan	Pressure against repairs budget	Amber		0.20
5	Driecotrare wide	All	Savings across Directorate accruing from staffing, running costs and additional income - which are not specifically part of the budget action plans	Amber		-1.10

<b>Strategy and Resources Directorate - Forecast Variation</b>	<b>0.00</b>
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# COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY

## FINANCIAL DASHBOARD - 2017/18 FINANCIAL YEAR

### Period 10 (January 2018)

**Overall Position (nil variance)**

**Communities (nil variance)**  
The service is projecting a nil variance against its budget at period 10.

**Customer Access (+£753k over budget)**  
The main area of overspend is staffing in Community Hubs where current staff in post are projected to exceed the budget by £580k. This is largely due to delivery of the Community Hub programme which has required additional resource and management/supervision to be put in place. The cost of providing static guards at a number of sites, including the Central Library, due to safety concerns is likely to cost an additional £240k. These pressures along with an expected shortfall in libraries income of £50k, are offset by additional income (net £270k) in the Interpreting and Translation Team from providing translation services to the NHS

**Elections, Licensing and Registration (+£43k over budget)**  
The service is currently projecting a minor variation due to the additional cost of the electoral registration system (HERA). There are also some concerns around income within births, deaths and marriages and this projected to be short by £38k. Costs in respect of the general election are expected to be met by government grant.

**Welfare & Benefits (+£502k over budget)**  
Housing Benefit overpayment income (budget £8.4m) has reduced in line with the overall reduction in HB payments along with the average value of the overpayments. Current indications are that after making a provision for doubtful debts, there could be a shortfall of income of around £700k at the year end. In other areas expenditure variations including the cost of additional offsite processing are offset by additional grant income and staffing savings.

**Parks & Countryside (nil variance)**  
The service is projecting an overall variance at Cafe/Retail and Attractions of +£223k, which includes a projected shortfall in income at both Lotherton Hall and Tropical World. In addition there is a projected reduction in income from Golf of £80k, although other savings within the service, mainly bereavement income and income from land searches within PROW (Public Rights Of Way), are expected to offset this.

**Environmental Action:**

**Car Parking (-£258k below budget)**  
Staffing is projected to be under budget by (£173k) due to delays in ongoing recruitment. Income trends indicate an overall shortfall of £21k. Significant shortfalls in both on-street income and Bus Lane offences throughout the city are offset by additional off-street and PCN income. Other savings in expenditure are (£106k)

**Cleaner Neighbourhoods Teams (-£89k below budget)**  
The projected underspend reflects staffing savings from delayed recruitment to the new structure, partially offset by additional costs of overtime and hired sweepers.

**City Centre (-£21k below budget)**  
The projected variance is mainly due to staffing savings whilst recruitment is ongoing to fill the new structure, partially offset by the ongoing usage of overtime and costs of covering City Centre events.

**Environmental Health (-£120k below budget)**  
The projected variance is mainly due to savings from delayed recruitment (£142k). Variations in Pest control expenditure and income are projected at £56k, partially offset by other expenditure savings of £34k.

**Waste Management:**

**Refuse (+£1047k over budget)**  
Within the Refuse Service, the delay in implementing the collection route efficiency programme is forecast to result in a pressure of +£945k. Additional staffing expenditure in relation to backup and sickness cover and union support to the route collection programme is projected to be largely offset by vacancies and one-off savings within the service.

**HWSS & Infrastructure (+£70k over budget)**  
Additional net expenditure of £161k is projected, mainly in respect of HWSS overtime/sickness cover and HWSS Plant Operator training. The projected shortfall in budgeted income of £98k, due to the deferral of the introduction of inert building waste charges at Household Waste sites until February 2018, is offset by additional weighbridge income of £189k.

**Waste Strategy & Disposal (-£1,681k below budget)**  
The projected underspend includes a saving of £470k in respect of business rates savings at the Recycling and Energy Recovery Facility (RERF), net disposal savings of £583k including Household Waste Sites savings, additional RERF volumes and SORT disposal savings, £157k additional recycling income (scrap metal, textiles) and other one-off savings of £471k identified within the service.

**Community Safety (-£105k below budget)**  
The projected underspend mainly reflects staffing savings of £163k due to vacant posts within CCTV, LABST and delays in recruiting to the new Domestic Violence structure, offset by a projected shortfall in CCTV income of £38k and additional expenditure variations of £20k.

**Directorate Wide (action plan savings -£142k)**  
The directorate will continue to work towards identifying and implementing appropriate actions to balance the overall projected overspend of £142k.

#### Budget Management - net variations against the approved budget;

##### Summary By Service

				Period 10 Projected variances											Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Communities	16,745	(11,377)	5,368	0	0	(3)	0	3					0	0	0
Customer Access	22,486	(3,269)	19,217	695	270	111	(3)	26		0			1,099	(346)	753
Elections, Licensing And Registration	4,699	(5,004)	(305)	483	325	660	1	1					1,470	(1,427)	43
Welfare And Benefits	268,070	(266,116)	1,954	(131)	3	66	(1)	(24)		0			(87)	589	502
Car Parking Services	4,895	(13,375)	(8,480)	(172)	(3)	(127)	8	15					(279)	21	(258)
Community Safety	8,106	(6,526)	1,580	(231)	15	(20)	2	(25)					(259)	154	(105)
Waste Management	40,379	(7,368)	33,011	1,401	(16)	(1,131)	(49)	(119)					86	(649)	(563)
Parks And Countryside	29,587	(23,098)	6,489	331	(63)	454	(63)	224		0			883	(883)	0
Environmental Action (City Centre)	1,999	(462)	1,537	(6)	(2)	87	(3)	22					98	(119)	(21)
Environmental Health	2,107	(565)	1,542	(142)	(7)	6	(5)	(7)					(155)	35	(120)
Cleaner Neighbourhood Teams	12,305	(4,518)	7,787	(225)	15	(113)	133	(5)					(195)	106	(89)
Directorate Action Plan				(142)									(142)		(142)
<b>Total</b>	<b>411,378</b>	<b>(341,678)</b>	<b>69,700</b>	<b>1,861</b>	<b>537</b>	<b>(10)</b>	<b>20</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,519</b>	<b>(2,519)</b>	<b>0</b>



**Key Budget Action Plans and Budget Variations:**

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>						
1.	Re-design Refuse collection rounds	Tom Smith	Net saving of £1.6m budgeted (£1.38m in the directorate, £0.25m in strategic debt budget)	Amber	(1.38)	0.95
2.	Implement charging for replacement wheeled bins	A Lingham	Implemented May 2017	Green	(0.24)	0.06
3.	Implement charging for inert building waste	A Lingham	Implemented February 2018	Green	(0.14)	0.10
4.	Environmental Action staffing savings	Helen Freeman	Restructure now agreed	Green	(0.71)	0.00
5.	Implement charging for Bulky Waste	Helen Freeman	Implemented May 2017	Green	(0.15)	0.00
6.	Car Parking - review of tariffs	Helen Freeman	includes on street, Sun/Eve, Bank Holiday and Woodhouse Lane	Green	(0.50)	0.00
7.	Undertake works for Housing Leeds, assumed to be within environmental action	All COs	Not restricted to environmental action, works may be undertaken by other services	Green	(0.30)	0.00
8.	Reduce front line horticultural staff	Sean Flesher	Service to identify posts to be held vacant	Green	(0.40)	0.00
9.	Development of visitor attractions/increase admission prices	Sean Flesher	1st phase of Tropical World complete, DCRs required for other sites	Green	(0.33)	0.00
10.	Increase Bereavement charges to eliminate subsidy	Sean Flesher	To be increased by 2% above inflation.	Green	(0.12)	0.00
11.	Stretched income target across Parks & Countryside	Sean Flesher	To be achieved across all income generating areas	Green	(0.16)	0.00
12.	Reduction in Community Safety area co-ordinators	Sam Millar	Achieved through redeployment	Green	(0.18)	0.00
13.	Generate CCTV/Security income of £2.1m	Sam Millar	Estimated £200k of unsecured income	Green	(0.20)	0.04
14.	Community Safety - secure £1.1m income from WYPCC	Sam Millar	WYPCC agreed to fund PCSOs in Leeds	Green	(1.10)	0.00
15.	Communities Teams savings	S Mahmood	Review Management & Leadership, review grants & contributions to 3rd sector	Green	(0.20)	0.00
16.	Communities Well Being	S Mahmood	Further reductions to Community Ctees	Green	(0.18)	0.00
17.	Community Centres - restrict free lets	S Mahmood	Target to restrict to 75% of present level	Green	(0.08)	0.00
18.	Contact Centre staffing savings	Lee Hemsworth	Includes channel shift savings, reducing service failure and reviewing out of hours service	Amber	(0.53)	0.16
19.	Customer Services Business Support staffing savings	Lee Hemsworth	Includes reducing helpdesk function and merging support and development functions	Green	(0.25)	0.00
20.	Libraries efficiencies	Lee Hemsworth	Savings from staffing/running costs/income	Green	(0.40)	0.00
21.	Reprovision of mobile library service	Lee Hemsworth	Subject to Executive Board report	Amber	(0.12)	0.09
22.	Welfare and Benefits - reduction in off-site processing	Andy Cameron	Introduction of e-claims	Green	(0.20)	0.07
23.	Local Welfare Support Scheme	Andy Cameron	Reduce scheme by 30%	Green	(0.30)	0.00
24.	Welfare and Benefits - additional grant income	Andy Cameron	FERIS, New Burdens. Additional £540k budgeted for in 17/18 on top of £290k in base	Green	(0.54)	(0.12)
25.	Registrars	Steve Coupe	Charging /income proposals	Green	(0.08)	0.00
<b>B. Other Significant Variations</b>						
1.	Waste Disposal Costs	Andrew Lingham	Net Budget £15.8m incl. £10.7m RERF. Projected saving incl Business Rates saving at RERF	Green		(1.61)
2.	Community Hubs	Lee Hemsworth	Staffing overspend projected - see comments above	Amber		0.58
3.	Housing Benefits	Lee Hemsworth	Projected shortfall in overpayments income	Amber		0.70
4.	All other services		All other variations	Green		(0.87)
5.	Directorate Action Plan		Actions to be identified	Amber		(0.14)

**Communities & Environment - Forecast Variation 0.00**

**STRATEGIC & CENTRAL ACCOUNTS - 2017/18 FINANCIAL YEAR  
FINANCIAL DASHBOARD - PERIOD 10**

**Overall :**

At month 10 the strategic & central budgets are projected to underspend by £1.1m

The key variations are;

- Section 278 income - a potential £2.1m risk due to lower levels of development activity
- An underspend on debt costs of £0.6m is forecast, largely due to accrued income on a deferred developer contribution
- Savings of £0.9m on the levy contribution to the business rates pool
- Reduction in New Homes Bonus of £1.8m
- Additional £3.8m of S31 grant income for business rates reliefs, primarily £3.2m of reliefs announced after the budget was set. (This is to offset the loss of business rates income)

**Budget Management - net variations against the approved budget**

	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES										Total (under) / overspend £'000		
				Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000		Income £'000	
Strategic Accounts	(12,277)	(37,944)	(50,221)	202		(212)								(10)	2,409	2,399
Debt	20,235	(920)	19,315			275						(219)		56	(638)	(582)
Govt Grants	1,739	(22,399)	(20,660)								(949)			(949)	(1,943)	(2,892)
Joint Committees	37,100	0	37,100							54				54	(16)	38
Miscellaneous	6,243	(1,088)	5,155	(274)		(19)			(13)					(306)	274	(32)
Insurance	8,410	(9,438)	(1,028)			(1,438)		(86)					1,156	(368)	368	0
<b>Total</b>	<b>61,450</b>	<b>(71,789)</b>	<b>(10,339)</b>	<b>(72)</b>	<b>0</b>	<b>(1,394)</b>	<b>0</b>	<b>(86)</b>	<b>41</b>	<b>(949)</b>	<b>(219)</b>	<b>1,156</b>	<b>(1,523)</b>	<b>454</b>	<b>(1,069)</b>	

## STRATEGIC & CENTRAL ACCOUNTS - 2017/18 FINANCIAL YEAR

### Key Budget Action Plans and Budget Variations:

			RAG	Budget	Forecast Variation against Budget
				£m	£m
Lead Officer			Additional Comments		
<b>A. Major Budget Issues</b>					
1.	Debt Costs and External Income	Doug Meeson		18.2	(0.6)
				Interest income to accrue on deferred developer contribution to capital expenditure, partially offset by additional £275k brokerage fees	
2.	Minimum Revenue Provision	Doug Meeson	G	1.0	0.0
				No variation is anticipated for 2017/18	
3.	New Homes Bonus	Doug Meeson	R	(13.3)	1.8
				Impact of change to NHB announced in budget	
4.	Business Rates (S31 Grants, Tariff adjustment & EZ)	Doug Meeson	G	(9.6)	(3.8)
				New S31 grants announced and £2.1m in Small Business Rates Relief after budget was set	
5.	S278 Contributions	Doug Meeson	R	(4.9)	2.1
				Projection from Capital team is £2.8m, therefore there is a risk of a £2.1m shortfall, dependent on progress in capital spend on the relevant schemes during the year.	
6.	General capitalisation target	Doug Meeson	G	(3.5)	(0.1)
				Capitalisation of eligible spend in directorate/service revenue budgets.	
7.	Schools capitalisation target	Doug Meeson	G	(3.5)	(0.3)
				Capitalisation of eligible spend in school revenue budgets.	
8.	PFI Procurement savings	Doug Meeson	G	(1.0)	0.0
				Use of £1m income from 2016/17 Street Lighting PFI negotiated settlement	
9.	Joint Committees	Doug Meeson	G	1.3	0.0
				No significant variation now anticipated.	
<b>B. Other Significant Budgets</b>					
1.	Insurance	Doug Meeson	G	(1.0)	0.0
				Potential for some savings on projected cost of insurance claims for this financial year.	
2.	Business Rates Levy	Doug Meeson	G	1.7	(0.9)
				Projections indicate a potential reduction in the levy due.	
3.	Prudential Borrowing Recharges	Doug Meeson	G	(14.7)	0.1
				Changes to some capital schemes in period 8 have impacted on prudential borrowing and the forecast is for £71k less than budget.	
4.	Earmarked Reserves	Doug Meeson	G	(2.4)	0.0
				Use of capital and other earmarked reserves.	
5.	Miscellaneous	Doug Meeson	G	5.2	0.0
				No significant variation anticipated at this stage.	
6.	Apprenticeship levy	Doug Meeson	G	0.0	0.2
				To be allocated to directorates as training credits are used.	
7.	CRCs	Doug Meeson	A	0.0	0.3
				£300k projected additional cost above budget - to be allocated to directorates	
8.	PPPU income	Doug Meeson	A	0.0	0.4
				£400k projected shortfall against PPPU HRA income	
9.	Other income	Doug Meeson	A	0.0	(0.3)
				£200k recouped from dismissed employee and £100k recovered from debtor where bad debt provision previously raised	
<b>Strategic &amp; Central Accounts - Forecast Variation</b>					<b>(1.1)</b>

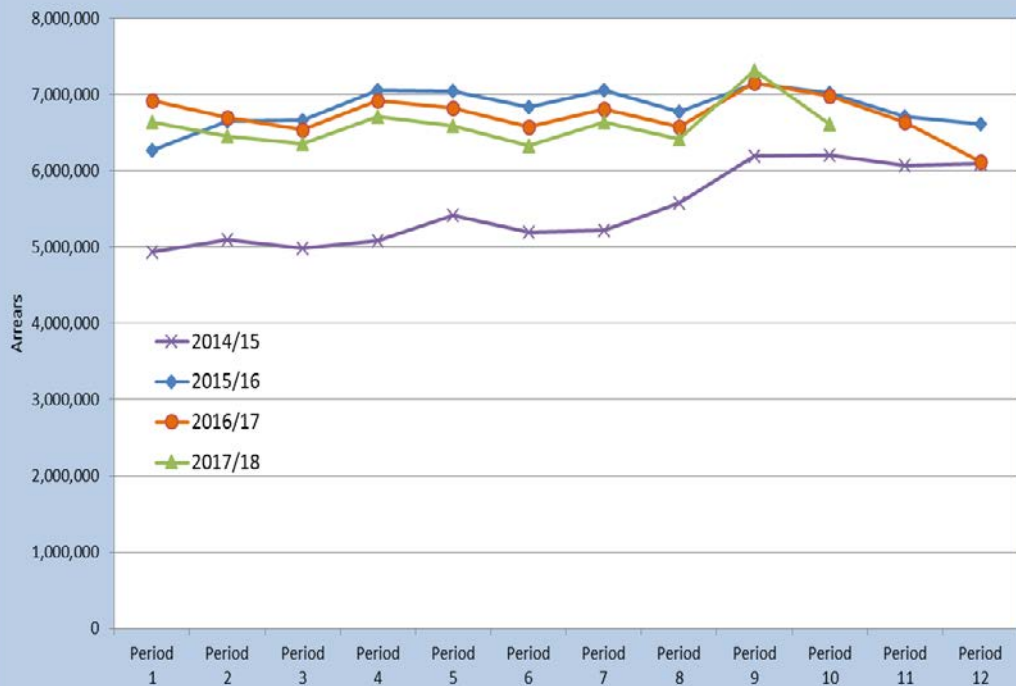
## Housing Revenue Account - Period 10 Financial Dashboard - 2017/18 Financial Year

### Summary of projected over / (under) spends (Housing Revenue Account)

Directorate	Current Budget	Projected Spend	Variance to budget	Comments	Previous period variance
	£000	£000	£000		£000
<b>Income</b>					
Rents	(215,352)	(215,023)	329	Rent lower than budget due to lower stock numbers from increased RTB sales. The void level is at 0.89% and below the 2017/18 target of 0.9%	294
Service Charges	(6,968)	(6,838)	130	MSF service charge income £46k, Community Links furniture offset by saving in supplies and services £84k.	110
Other Income	(29,408)	(29,638)	(231)	Increased fee income from projected RTB sales (£233k), KPI income (£88k), Wharfedale View catering income (£36k) (offset by an increase in internal charges), PFI Pass Through Costs (£148k). Underachieved income on budgeted capitalised salary costs £241k (offset by savings on salaries), Tenant insurance £33k (offset by savings in Supplies and Services) .	(275)
<b>Total Income</b>	<b>(251,727)</b>	<b>(251,499)</b>	<b>228</b>		<b>129</b>
<b>Expenditure</b>					
Disrepair Provision	1,000	1,896	896	Disrepair compensation and fees	503
Repairs to Dwellings	43,548	43,412	(136)	Savings on external contracts	-
Council Tax on Voids	754	754	-		-
Employees	26,314	25,292	(1,022)	Savings due to vacant posts and temporary staff secondments (£1345k). This saving is offset by Disrepair agency staff £250k, Severance costs to date £47k and other smaller variances £26k.	(833)
Premises	7,362	7,258	(104)	Utilities savings (£50k), Office savings (£54k)	(75)
Supplies & Services	4,377	3,883	(493)	Community Links furniture savings balanced by reduction in service charge income (£82k), Savings following a review of printing requirements (£141k), Bank Charges (£169k), Annual Support Grant (£20k), ICT project savings (£50k), Tenant incentive mobility scheme (£55k), Tenant Insurance (£44k), Review of other budgets (£24k), ERDMs project £32k, Tenancy Agreement review £60k	(325)
Internal Services	40,604	41,103	500	Additional Fire Safety work £321k, Additional out of hours service £65k, Savings in other internal charges (£106k), Disrepair legal locums £171k, Increased costs of RTB due to high number of sales £48k	419
Capital Programme	71,000	71,000	-		-
Unitary Charge PFI	8,860	8,449	(411)	PFI Scheme Adjustments: Unitary Charge (£360k), Insurance refund (£247k), Pass Through Costs £202k. Other adjustments (£6k).	(411)
Capital Charges	45,106	45,161	55	Interest payable to GF	44
Other Expenditure	6,976	6,939	(37)	LTF saving (£22k), Transport savings (£15k)	(27)
<b>Total Expenditure</b>	<b>255,900</b>	<b>255,148</b>	<b>(752)</b>		<b>(705)</b>
<b>Net Position</b>	<b>4,173</b>	<b>3,649</b>	<b>(524)</b>		<b>(576)</b>
Appropriation: Sinking funds	(3,139)	(2,543)	596	Unitary Charge on PFI funded by sinking fund	596
Appropriation: Reserves	(1,034)	(1,106)	(72)	Use of reserve to fund ERDMs project (£32k) and Changing the workplace (£40k)	(20)
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
Proposed New Reserves			-		-
Transfer to Capital Reserve			-		-
<b>Total Current Month</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>

## Housing Revenue Account - Period 10 Financial Dashboard - 2017/18 Financial Year

Comparison of Current Tenant Arrears by Financial Year



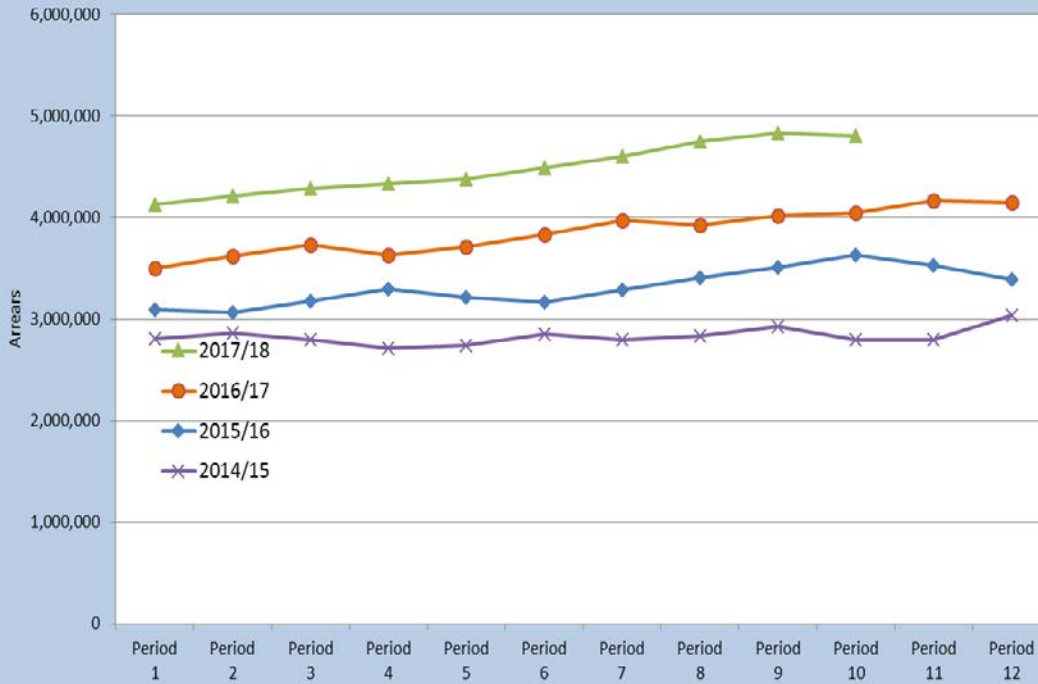
Change in Stock	Budget	Projection
Right to Buy sales*	350	530
New Build (PFI)	0	0
New Build (Council House Growth)	(101)	(101)
<b>Total</b>	<b>249</b>	<b>429</b>

\* actual sales as at the end of Period 9: 394

Right to Buy Receipts	2016/17 Actual	2017/18 Projection
Total Value of sales (£000s)	25,983	27,258
Average Selling Price per unit (£000s)	50.4	51.4
Number of Sales*	516	530
Number of Live Applications	1,165	1,340

## Housing Revenue Account - Period 10 Financial Dashboard - 2017/18 Financial Year

Comparison of Former Tenant Arrears by Financial Year



Arrears	2016/17	2017/18	Variance
	£000	£000	£000
<b>Dwelling rents &amp; charges</b>	<b>2017/18 Week 39</b>		
Dwelling Rents (HMA1 Figure)	6,401	6,005	(396)
Non dwelling rents/charges (garages/Court costs)	584	611	27
Total Current Tenants	6,985	6,616	
Former Tenants	4,046	4,802	756
	11,031	11,418	387
<b>Under occupation</b>	<b>2017/18 Week 39</b>		
Volume of Accounts	4,655	4,242	(413)
Volume in Arrears	2,155	2,025	(130)
% in Arrears	46.3%	47.7%	1.4%
Value of Arrears	576	519	(57)
<b>Collection Rates</b>	<b>2017/18 Week 39</b>		
Dwelling rents	97.43%	96.55%	-0.9%
Target	97.50%	97.75%	
Variance to Target	-0.07%	-1.20%	

## Housing Revenue Account - Period 10 Financial Dashboard - 2017/18 Financial Year

Projected Financial Position on Reserves	Reserves b/f	Use of Reserves	Contribution to Reserves	Closing reserves
	£000	£000	£000	£000
<b>HRA General Reserve</b>	<b>(6,631)</b>	<b>100</b>	<b>0</b>	<b>(6,531)</b>
<b>Earmarked Reserves</b>				
Environmental Works	(1,668)	1,668		0
Insurance - large claims	(137)			(137)
Welfare Change	(1,782)	564		(1,218)
Housing Advisory Panels	(699)	459		(240)
Sheltered Housing (Committed in capital programme)	(3,238)			(3,238)
Holdsworth Place - land purchase	(64)			(64)
Early Leavers' Initiative	(408)			(408)
Changing the Workplace	(353)	40		(313)
eFiles Box-It Project	(262)	262		(0)
	<b>(8,610)</b>	<b>2,993</b>	<b>0</b>	<b>(5,617)</b>
<b>PFI Reserves</b>				
Swarcliffe PFI Sinking Fund	(10,343)	2,929	0	(7,414)
LLBH&H PFI Sinking Fund	(2,515)	0	(386)	(2,901)
<b>Capital Reserve</b>				
MRR (General)	(14,960)	59,093	(71,000)	(26,867)
MRR (New Build)	(12,540)	8,340	0	(4,200)
MRR (HRA RCCOs)	(3,003)			(3,003)
	<b>(30,502)</b>	<b>67,433</b>	<b>(71,000)</b>	<b>(34,069)</b>
<b>Total</b>	<b>(58,601)</b>	<b>73,455</b>	<b>(71,386)</b>	<b>(56,532)</b>

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**Report of Head of Governance and Scrutiny Support**

**Report to Scrutiny Board (Strategy and Resources)**

**Date: 22 March 2018**

**Subject: Work Schedule – March 2018**

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

**1 Purpose of this report**

1.1 The purpose of this report is to consider the Scrutiny Board’s work schedule for the remainder of the current municipal year.

**2 Main issues**

2.1 At its initial meeting in June 2017, the Scrutiny Board discussed a range of matters for possible inclusion within the overall work schedule for 2017/18. The areas discussed included a range of matters which were then used to help formulate an outline work schedule.

2.2 The latest iteration of the work schedule is attached as Appendix 1 for consideration and agreement of the Scrutiny Board – subject to any identified and agreed amendments.

Developing the work schedule

2.3 The work schedule should not be considered to be a fixed and rigid schedule, it should be recognised as something that can be adapted and changed to reflect any new and emerging issues throughout the year; and also reflect any timetable issues that might occur from time to time.

2.4 However, when considering any developments and/or modifications to the work schedule, effort should be undertaken to:

- Avoid unnecessary duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue.

- Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
- Avoid pure “information items” except where that information is being received as part of a policy/scrutiny review
- Seek advice about available resources and relevant timings taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place
- Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year

2.5 In addition, in order to deliver the work schedule, the Board may need to take a flexible approach and undertaken activities outside the formal schedule of meetings – such as working groups and site visits, where deemed appropriate. This flexible approach may also require additional formal meetings of the Scrutiny Board.

#### Developments since the previous Scrutiny Board meeting

##### Service area performance

2.6 The work schedule reflects the Board’s discussion about monitoring specific service areas. Any updated proposals will be reported to the Scrutiny Board.

##### Business Rates Inquiry

2.7 At the beginning of the municipal year, the Scrutiny Board identified ‘Business Rates’ as a specific inquiry topic. The Scrutiny Board has considered a range of information to date.

2.8 As part of the inquiry, members of the Scrutiny Board to attended and observed a Valuation Tribunal Hearing on 12 December 2017.

2.9 On 22 January 2018, the Scrutiny Board met with representatives of the Valuation Office Agency (VOA), in order to better understand the role of the VOA and consider any associated matters relevant to the collection of Business Rates.

2.10 The Scrutiny Board also considered details of the recently announced Leeds City Region 100% Business Rates Retention Pool pilot, which is likely to form part of the Board inquiry report. The Board requested a summary of the Business Rates Pool Committee as part of this part of the inquiry, details of which are presented elsewhere on the agenda.

2.11 After the meeting, and subject to any additional information identified by the Scrutiny Board, it is proposed that a draft report/ statement from the Board will be drafted and circulated for comment and agreement.

##### Apprenticeships Levy

2.12 At the Scrutiny Board meeting in October 2017, members of the Scrutiny Board agreed that arrangements should be made for a working group meeting in early 2018 to review progress against the identified ‘inquiry points’ set out in the apprenticeship levy paper.

- 2.13 At its previous meeting in December 2017, the Scrutiny Board agreed to arrange a working group meeting once the outcome of the Council's bid to the Education and Skills Funding Agency to become an Employer Provider is known.
- 2.14 Specific details remain to be finalised and any further developments will be reported at the meeting. This may be an issue to be re-considered in the new municipal year (2018/19).

*Impact of the failure of Carillion*

- 2.15 At its meeting in January 2018, the Board agreed to consider the impact and implications for the Council arising from the recent collapse of Carillion. Specific details were presented and considered by the Board at its meeting in February 2018.

*Outcome of discussions at the Scrutiny Board meeting*

- 2.16 Details of any specific outcomes from the meeting may need to be considered and reflected in an updated work schedule, including any longer-term consideration of future budget developments or proposals.

**3. Recommendations**

- 3.1 Members are asked to consider the matters outlined in this report and agree (or amend) the overall work schedule (as presented at Appendix 1) as the basis for the Board's work for the remainder of 2017/18.

**4. Background papers<sup>1</sup>**

- 4.1 None used

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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## Scrutiny Board (Strategy and Resources) Work Schedule for 2017/2018 Municipal Year

December	January	February
<b>Meeting Agenda for 21/12/17 2017 at 10.30 am.</b>	<b>Meeting Agenda for 18/01/18 at 10.30 am.</b>	<b>Meeting Agenda for 22/02/18 at 10.30 am.</b>
Service Performance: Effective Procurement (PM)	Service Performance: Human Resources - Employee Health and Wellbeing (PM)	Financial Health Monitoring (PSR)
Service Performance: Human Resources - Can Do Culture (PM)	Business Rates Inquiry Update (PSR)	Service Performance: Electoral, Registrars and Licensing (PM)
Financial Health Monitoring (PSR)		Service Performance: Human Resources – Staff Survey / Appraisals (PM)
2018/19 Initial Budget Proposals (PDS)		Carillion – Impact and Implications for the Council (DB)
Best Council Plan Refresh for 2018/19-2020/21 – Initial Proposals (PDS)		
<b>Working Group Meetings</b>		
	Business Rates Inquiry: Valuation Office Agency (22 January 2018 at 12:00 noon)	
<b>Site Visits</b>		
Business Rates Inquiry: Valuation Tribunal Hearing (12 December 2017)		

**Scrutiny Work Items Key:**

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

Scrutiny Board (Strategy and Resources) Work Schedule for 2017/2018 Municipal Year

March	April	Potential issues to be carried forward
<b>Meeting Agenda for 12/03/18 at 10.30 am</b>	<b>No Scrutiny Board meeting currently scheduled.</b>	<b>No Scrutiny Board meeting currently scheduled.</b>
External Placements in Children’s Services Equalities: Equality Impact Priorities refresh (PSR) Service Performance: Human Resources – Workforce Development (PM) Service Performance: Civic Enterprise Leeds (PM) Service Performance: Digital & Information Service (PM) Business Rates Inquiry Update (PSR) Financial Health Monitoring (PSR)		People’s Services Commissioning – 6-monthly update report (PM)  Business Rates Inquiry – response to any SB report/ recommendations (RT)  Apprentice Levy – follow-up the outcome of the Council’s bid to the Education and Skills Funding Agency to become an Employer Provider (PSR)
<b>Working Group Meetings</b>		
<b>Site Visits</b>		

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**Scrutiny Work Items Key:**

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response