

SCRUTINY BOARD (STRATEGY AND RESOURCES)

FRIDAY, 21ST JULY, 2017

PRESENT: Councillor P Grahame in the Chair

Councillors S Bentley, A Garthwaite,
R Grahame, J McKenna, D Nagle,
E Tunnicliffe, T Wilford and R Wood

12 Chair's Opening Remarks

The Chair opened the meeting, welcomed all those present and invited all members of the Board to give a brief introduction.

The Chair also drew attention to the Council's protocol relating to third party recording of committee meetings.

13 Late Items

The following information that was not available at the time of the publication of the agenda was submitted and received as late and supplementary information, relevant to the Scrutiny Board's discussion.

- Item 7 – Draft minutes of the Executive Board meeting held on 17 July 2017 (minute 17 refers); and,
- Item 8 – Executive Board report: Grenfell Tower Update (minute 18 refers).

14 Declaration of Disclosable Pecuniary Interests

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

15 Apologies for Absence and Notification of Substitutes

The following apologies for absence and notifications of substitute members attending were received at the meeting:

- Councillor P Harrand – no substitute member in attendance;
- Councillor A Smart – no substitute member in attendance; and,
- Councillor A Sobel – Councillor R Grahame in attendance as a substitute member.

16 Minutes - 22 June 2017

The minutes of the Scrutiny Board meeting held on 22 June 2017 were agreed as an accurate record.

The Principal Scrutiny Adviser provided the following update in relation to the additional information identified and requested at the meeting (minute 8 refers):

- **The apprentice levy** – a briefing note had been provided and circulated to members of the Board.
- **Hate crime prevention** – it was noted that this particular area falls within the remit of the Scrutiny Board (Environment, Housing and Communities). As such, and to avoid duplication, a briefing note would be produced and circulated following the next meeting of Scrutiny Board (Environment, Housing and Communities) in order to reflect any specific issues identified by that Board.
- **Voter registration rates and work targeting ‘hard to reach’ groups** – it was noted that various details had been received and some further clarification sought. The details would be combined into a single briefing note, and shared with Board members in the near future.
- **Funding arrangements for Neighbourhood Networks** – an update on funding arrangements and possible options for the future had been provided and circulated to members of the Board.

There were no other matters arising identified at the meeting.

RESOLVED – That the draft minutes of the meeting held on 22 June 2017 be agreed as an accurate record.

17 Minutes of Executive Board meeting - 21 June 2017

The Scrutiny Board received, for information purposes, the draft minutes of the Executive Board meetings held on 21 June 2017 and 17 July 2017.

The Board’s attention was specifically drawn to the following extract from Executive Board resolution in relation to the Grenfell Tower Update (Executive Board minute 44 refers):

- (b) That in relation to the role of Scrutiny Boards, the following Scrutiny Boards be requested to pick up scrutiny of the relevant actions / emerging issues:-*
- (i) Scrutiny Board (Strategy and Resources) – emergency planning;*
 - (ii) Scrutiny Board (Infrastructure and investment) – private sector properties and building control;*
 - (iii) Scrutiny Board (Environment, Housing and Communities) – Council housing stock safety, resident engagement and investment decisions.*

The Board noted aspects of this would be considered as part of the discussion in relation to the Annual Corporate Risk Management Report elsewhere on the agenda (minute 18 refers).

RESOLVED – That the Executive Board minutes from the meetings held on 21 June 2017 and 17 July 2017, be noted.

18 Annual Corporate Risk Management Report

Draft minutes to be approved at the meeting
to be held on Thursday, 14th September, 2017

The Head of Governance and Scrutiny Support submitted a report that introduced the Annual Corporate Risk Management Report and Grenfell Tower Update, considered by the Executive Board at its meeting on 17 July 2017.

The following were in attendance for this item:

- Councillor James Lewis (Executive Member for Strategy and Resources); and,
- Neil Evans (Director – Strategy and Resources).

Introducing the information, the Executive Member outlined the purpose of the report was to outline the Councils approach to identifying significant corporate risks for inclusion on the corporate risk register. The report outlined the following areas of risk:

- Safeguarding children
- Safeguarding adults
- Health and safety
- City resilience
- Council resilience
- Financial management (both the risk to the in-year budget and longer-term financial sustainability)
- Information safeguarding
- Major cyber incident

It was highlighted that, with the exception of (a) Safeguarding children and (b) Safeguarding adults, all other areas of identified corporate risk fell within the remit of the Scrutiny Board (Strategy and Resources) and may also be worthy of detailed consideration.

In terms of city resilience, the Executive Member made reference to the City response to Storm Eva.

Specific reference was also made to recent incidents which had and continued to attract high levels of public concern and national responses, including the Grenfell Tower incident; the terror events at Manchester Arena; and recent cyber security incidents. The Board's attention was also drawn to the Grenfell Tower Update report presented to the Executive Board at its meeting on 17 July 2017.

The Scrutiny Board discussed the identified risks, assurance and assurance framework in detail. Some specific issues highlighted and discussed in detail included:

- IT system upgrades due to cyber security vulnerabilities and testing arrangements.
- Physical security of off-site system back-up facilities.
- Data security training for officers and members and the appointment of a data protection officer.

- Building security, with specific reference to the Civic Hall, security levels (including staff awareness) and escorting/ supervision of visitors.
- Building evacuation procedures and testing.
- Approaches for identifying, assessing and including risks associated with 'Brexit'.
- The grading / assessment of risks – including clarification around the anticipated duration of disputation arising from specific risks.
- Specific details in relation to the 78 services identified as the most critical.
- Collaboration with other authorities through the West Yorkshire Resilience Forum.
- Dealing with violence and aggressive behaviour, including specific targeting through social media.

The Scrutiny Board also gave specific consideration to the Grenfell Tower Update report presented to the Executive Board at its meeting on 17 July 2017. Some of the specific points raised and discussed included:

- The Council's positive approach in responding to the issues arising from the Grenfell Tower incident, including stakeholder involvement and responding to community concerns.
- The devastating impact of the Grenfell Tower incident being caused by catastrophic building failure.
- The role of the Fire Authority in issuing Fire Certificates for buildings and powers to force building closure.
- The potential impact of and challenge to the 'stay put policy' in place at Grenfell Tower.
- The annual incidence of fires affecting Council high-rise properties being between 12 and 20.
- The potential risks associated with full building evacuation in an emergency situation.
- The potential for new national guidelines following the outcome of the Grenfell Public Inquiry.

RESOLVED –

- (a) That, as part of the ongoing prioritisation of the post-Grenfell work, the Executive Board's request for the Scrutiny Board (Strategy and Resources) to scrutinise relevant actions and emerging issues in relation to emergency planning, be agreed.
- (b) That the information presented in the reports and discussed at the meeting, be noted.
- (c) That further consideration of matter identified by the Scrutiny Board be considered as part of the Board's ongoing work schedule.

19 Best Council Plan Annual Performance (2016/17) and Performance reporting

The Head of Governance and Scrutiny Support submitted a report that introduced the Best Council Plan Annual Performance (2016/17) report

considered by the Executive Board at its meeting on 17 July 2017, alongside other proposed future performance monitoring arrangements within the Scrutiny Board's terms of reference.

The following were in attendance for this item:

- Councillor James Lewis (Executive Member for Strategy and Resources); and,
- Neil Evans (Director – Strategy and Resources).

The Director of Strategy and Resources introduced the report detailing the Best Council Plan 2016/17 annual performance report.

It was outlined that due to changes to previous national performance reporting regimes, producing comparative performance data was more challenging than in the past. However, work was being undertaken with the UK Core Cities (Birmingham, Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield) in order to provide comparative information.

The Board considered the information and welcomed the details presented. The Board also noted the ongoing work to provide comparative performance information.

Making specific reference to 'hosting world class events', members of the Board reflected on the large number of local festivals and cultural events delivered across the City, and suggested this area could be further strengthened to better reflect the number, variety and diversity of events across Leeds. The Director of Strategy and Resources agreed to review the section in light of the comments made.

RESOLVED –

- (a) That the details presented in the Best Council Plan Annual Performance report (2016/17) be noted.
- (b) That in finalising the Best Council Plan Annual Performance report (2016/17), the Director of Strategy take account of the Board's specific comments highlighted at the meeting.

20 Financial Health Monitoring

The Head of Governance and Scrutiny Support submitted a report that introduced the following financial reports considered by the Executive Board at its meeting on 17 July 2017:

- Medium Term Financial Strategy (2018/19 to 2020/21); and,
- Financial Health Monitoring 2017/18 – Quarter 1.

The following were in attendance for this item:

- Councillor James Lewis (Executive Member for Strategy and Resources);

- Neil Evans (Director – Strategy and Resources); and,
- Doug Meeson (Chief Officer - Financial Services)

The Executive Member and Chief Officer gave introduced the information presented to the Scrutiny Board.

In relation to the Medium Term Financial Strategy, specific reference was made to the proposed 100% retention of Business Rates by local authorities no longer being a government priority. The Scrutiny Board discussed a number of other matters, including:

- The level of assumptions within the Medium Term Financial Strategy (2018/19 – 2020/21).
- The confirmed Revenue Support Grant forming part of the 4-year settlement until 2019/20, but the level being uncertain thereafter.
- Revenue funding stream changes – including the proportion of the core grant (Revenue Support Grant) versus more specific targeted funding.
- The Council’s approach to purchasing investment property / assets being to develop rental income streams but also to promote and support economic growth.

In relation to the Financial Monitoring report, the highlighted and discussed a number of matters, including:

- Significant concerns in relation to Business Rates and the uncertainties in relation to the level and outcome of appeals.
- Continued concerns in relation to the Children’s Services budget and current overspend.
- Specific concerns in relation to the deficit within the ‘High Needs Block’ element of the Children’s Services overall budget.
- The level of borrowing from the schools budget.

In response to the concerns raised around the Children’s Services budget, the Director of Strategy and Resources assured the Board of the ongoing work with the Director of Children’s Services, which included monthly meetings. There was an intention of completing a reassessment of the Children’s Services budget by Autumn 2017.

RESOLVED –

- (a) To note the information presented and discussed at the meeting – in particular the assurances provided in relation to the Children’s Services budget area.
- (b) That further consideration of the matters associated with Business Rates be included in the Scrutiny Board’s work schedule.

21 Work Schedule

The Head of Governance and Scrutiny Support submitted a report setting out the main issues highlighted and discussed at the Board’s previous meeting in

June 2017 and introducing the Board's proposed 2017/18 work schedule for consideration.

The Principal Scrutiny Adviser introduced the report and outlined the areas within the work programme.

Reflecting on the Board's earlier discussion around performance reports, the Board discussed grouping the identified service areas together; to ensure monitoring of each area occurred more than once during the remainder of the municipal year.

In relation to the Board's consideration of Business Rates, the Principal Scrutiny Adviser advised the attendance of a suitable representative from the Valuation Office at a future Board meeting would be sought and progressed. It was also reported that consideration could be given to Board members attending and observing proceedings at a Business Rates Appeal meeting.

The Principal Scrutiny Adviser also made reference to the Board's earlier discussion around Corporate Risk Management and suggested a brief statement could be drafted on the Board's behalf, for future consideration and agreement.

RESOLVED –

- (a) That the outline work schedule presented at the meeting be agreed, subject to the inclusion of the performance monitoring arrangements identified at the meeting, and the routine timetabling discussions with the Chair of the Scrutiny Board.
- (b) That, in relation to the work area around Business Rates, the attendance of a suitable representative from the Valuation Office at a future Board meeting be progressed and further consideration be given to Board members attending and observing proceedings at a Business Rates Appeal meeting.
- (c) That, in relation to the Boards consideration of the Annual Corporate Risk Management Report, a brief statement be drafted by the Principal Scrutiny Adviser on the Board's behalf, for consideration and agreement at a future meeting.

22 Date and Time of Next Meeting

Friday, 14 September 2017 at 10:30am (pre-meeting at 10:00am).

At the conclusion of the discussion, the Chair thanked Board members for their attendance and contributions; and closed the meeting.

The meeting closed at 12:15pm.