



# **Corporate Risk Management Annual Report 17 July 2013**

## Corporate Risk Management at Leeds City Council

### Introduction

Leeds City Council provides a massive range of services to the people and city of Leeds, from social care to refuse collection, from managing local elections to processing benefits payments and from education to housing, to name but a few.

Given the importance, the diversity and the number of services we provide, it is essential that we recognise, manage and communicate the key risks that could threaten our organisation and the work that we do. Our corporate Risk Management Framework helps us do this, resulting in the escalation of the most significant risks to a corporate risk register (CRR).

The CRR and the wider Risk Management Framework provide assurance to our customers, staff and elected members that we are aware of our biggest risks and that we have taken steps, as far as we can, to manage them. This means that threats are both less likely to occur and have less of an impact if they did, while the organisation can also take informed risks to exploit new opportunities.

### Risk Management Steps

All Council risks are identified, assessed and managed using 6 steps:



These steps help us to:

- Understand the nature of the risks we face.
- Be aware of the extent of these risks.
- Identify the level of risk that we are willing to accept.
- Recognise our ability to control and reduce risk.
- Recognise where we cannot control the risk.
- Take action where we can and when it would be the best use of resources.

We recognise that sometimes, the cost and time involved in managing the risk down to nothing would not be the best use of public money and we take this into consideration when developing our risk management action plans.

### Why have a Corporate Risk Register?

The information within the CRR is unsurprising and, indeed, can already be found in the public domain in reports and papers produced by the Council or external inspectors. But having it captured in one place means that a great deal of information on our key risks is brought together in a relevant and consistent way. This consistency means we can compare the different risks on a broadly like-for-like basis and, by comparing them, we can identify which are the most significant and so which we need to focus attention and resources on. As risks are reduced, we can often downgrade them to be managed at a lower level of the organisation and so they are removed from the CRR.

## **What is a Corporate Risk?**

The Council's corporate risks can be roughly split into two types: those that could mainly affect the City and people of Leeds and others that relate more to the way we run our organisation internally. An example of the first might include a major flood in the Leeds area or a breach in our social care responsibilities towards vulnerable people. An example of a more internal risk might be a failure to reduce our staff sickness levels.

The common factor in all of the risks identified in the CRR is that they are of sufficient importance to require the attention of our most senior managers and so all corporate risks are 'owned' by one or more of our directors who are charged with managing them.

## **Types of Corporate Risk**

The Council's corporate risks stem from a variety of sources, many of which are out of our direct control: for example, global events such as the economic downturn and climate change present immediate as well as long-term challenges. Closer to home, we often have to respond quickly to changes and targets imposed by central government and we must also recognise and meet the evolving needs of our citizens, communities and our own workforce.

Particularly at a time of growing financial pressures and the need to achieve more with less staff and a smaller budget, all of these factors contribute to the Council's risks.

## **Corporate Risk Assessment & Management**

Figure 1 below illustrates the risks on the CRR in May 2013 showing their relative ratings. Risk ratings are based on a combined assessment of how likely we think the risk is to occur and what would be its impact if it did. We use a consistent scoring mechanism to carry out this evaluation so that we can be sure our risks are all rated in the same way. When we evaluate the impact of a risk we consider the range of consequences that could result. These include the effects on the local community, any cost implications and whether the risk could affect our ability to meet central government targets or carry out our statutory and legal requirements. Action plans are in place for all risks in line with their ratings: i.e. the greater the risk, the more we try to do to manage it if it is in our control and if that would be the best use of our resources.

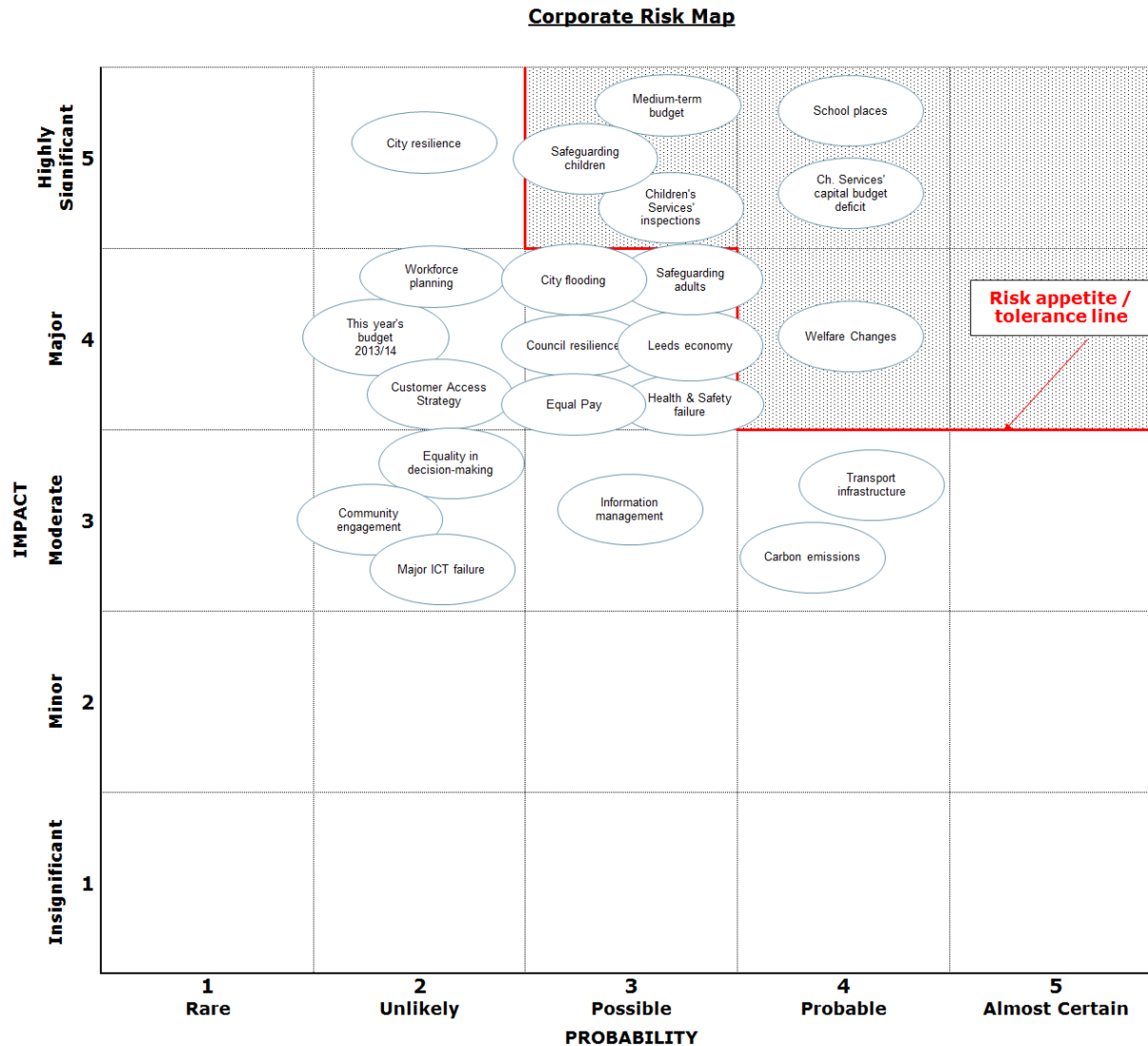
You will see in Figure 1 that there are few risks in the lower half of the map and this is because risks with relatively low impacts in comparison to our corporate risks are managed at other levels of the organisation.

The remainder of this document discusses the key risks highlighted in Figure 1 in more detail and outlines how the Council is managing them. Links to further information on each risk are provided.

## **Updating our Corporate Risk Register**

The CRR is a live document that is updated on an ongoing basis and formally reviewed each quarter. The register is continuously assessed against emerging risks and issues as identified through, for example, inspections and audits, central government changes and consultation with our customers and staff. It is also benchmarked against other organisation's corporate risk registers.

Figure 1: Leeds City Council's Corporate Risk Map at May 2013



**Project risks**

A number of the authority's most significant risks relate to its projects. Due to the high number of these projects, they cannot be shown within the main risk map and risk register. The corporate risk register is therefore supplemented by a RAG rating on all the Council's programmes and major projects, all of which have their own risk registers.

**New risks agreed May 2013**

2 new risks were agreed by CLT 21/5/13: Health & Social Care Integration and Housing Integration. The detail behind these risks, including the risk rating, is now being drawn up and so these are not yet plotted on the risk map.

## Safeguarding Children Corporate Risk Assurance

### Background

Local authorities have a legal duty to safeguard and promote the welfare of children. These duties fall within the remit of the Director of Children's Services under section 18 of the Children Act 2004. Safeguarding and promoting the welfare of children covers protecting children from maltreatment, preventing impairment of children's health or development, and ensuring that children are growing up in circumstances that are consistent with the provision of safe and effective care.

This duty places important responsibilities on local authorities: both directly through providing or commissioning safeguarding services such as children's social work, but also strategically, through their responsibility as the lead agency for promoting better joint working between all local services and communities.

As with all serious risks, it is not possible to eliminate the potential of failure entirely without massive financial and social costs. The challenge instead is to make every reasonable effort to mitigate and manage risks effectively, and, where failure occurs, to learn and improve.



### What are the risks?

The consequences of a significant failure in safeguarding is that a child or young person will be harmed, abused or will die. This tragic outcome poses significant risks to the authority, including: a very high reputational cost; possible financial costs in compensation; management and staff costs in time and possible restructures; and finally, depending on the seriousness of failure, possible intervention by OfSTED and/or government.

The causes of safeguarding failures are, sadly, well-established both locally and nationally. High profile cases such as Victoria Climbié, Peter Connelly and Khyra Ishaq all re-emphasise similar lessons and identify the same risks for children and young people. Key risks include:

- Poor quality practice by front line workers
- Failures in communication and information sharing between professionals
- Failure to identify and manage risks
- Delay and drift within and between professionals and services
- Lack of clarity of roles and responsibilities
- A failure to listen properly to the views of the child or young person

### How is the Council managing the risks?

The Council is strongly committed to improving the safeguarding of children and young people. Safeguarding is a clear priority in corporate and city strategic plans and the authority has backed this up with a high level of investment in children's safeguarding, even in the challenging budget context.

Children's services have made good progress over the last year in strengthening safeguarding in Leeds. The main successes include:

- **Turning the Curve:** Reducing the need for children and young people to be in care is one of the Council's top priorities. Over the past year the number of children in care has been reduced, safely and in a planned way, by around 100.
- **Improved performance:** Services now respond quicker to concerns about the safety and wellbeing of children. Child Protection investigations are completed more quickly, assessments are more timely and help is offered sooner.



- **Investing in safeguarding:** The Council has provided additional funding to children's services. This has allowed over £1 million of investment in preventative services and the recruitment of additional social work staff. This funding has been supplemented by the Directorate making savings in other areas, in particular saving £7 million in external placements.
- **Restructured social work and safeguarding services:** Social work and safeguarding services have been successfully restructured in one of the largest ever restructures in the Council. This has created dedicated leadership and teams for early help and social care fieldwork. These new teams have a sharper focus and better local links to services through clusters.
- **Integrated Safeguarding Unit:** Alongside the reshaping of front line services, the restructure created a stronger and more independent service that supports and reviews safeguarding and child protection. The Unit has ensured child protection processes are responding more quickly and are managed more robustly.
- **Targeted Services and Cluster Working:** A further element of the restructure has been the establishment of the new Targeted Services teams, with dedicated Targeted Services Leaders and Cluster Managers in place across all areas of the city to improve family support and joint working at a local level.
- **Additional staff and expertise:** Investment has allowed the recruitment of additional social workers, specialist staff and has attracted successful senior leaders and managers from other authorities.
- **Duty and Advice Team:** The Duty and Advice Team's role has been extended and developed over the past year. This team now provides a comprehensive central point for referrals and contacts for Social Work services. This arrangement has significantly improved the speed, consistency and quality of responses to concerns about children's safety and wellbeing. This Leeds model has been praised by external researchers.
- **Early Start:** Health Visitors and Children's Centres are now integrated, with better links to local social work teams. This is improving early identification and help for mothers and infants.
- **Family Group Conferencing:** Leeds has worked with national experts to develop and expand the use of Family Group Conferencing, which has been shown to work to let families find solutions that safely avoid social work intervention and care proceedings.
- **Preventative Services:** The Council has invested in robust, evidence-based services that have been shown nationally and internationally to make a positive difference for children and families. This has funded expansion in Family Group Conferencing, Multi-Systemic Therapy, Family Nurse Partnership and Family Intervention Service.
- **Voice of the Child:** In line with the Leeds Child Friendly City initiative, there has been intensive work to better engage and involve children, young people and families in safeguarding and finding solutions. This work was praised by the recent assessment by LILAC (Leading Improvements for Looked After Children), a national organisation led by care-experienced young people.
- **Improvements to Assessments:** Leeds has worked with Dr. Mark Peel to refine and simplify the Common Assessment Framework, to improve the way agencies work together to assess need and provide early help. Social Work services are working with Professors Stein and Biehal from York University to undertake similar work to improve social work assessments.
- **Investment in ESCR:** The Council has funded and procured a new IT system to support better recording in social work and to help free up the time of front line practitioners. The system is due to go live in October.

- **Local Safeguarding Children Board:** The LSCB has strengthened its work with the Council and partners, further developing support and challenge through more rigorous multi-agency audits and shared improvement planning.

### What more do we need to do?

The Council and Children’s Trust Board have developed and agreed a clear plan to continue to improve safeguarding. The Plan, ‘Supporting children and families, strengthening social care’ was considered by the Executive Board in March. The main objectives and actions are summarised in the table below:

Objective	Main actions
Strengthening the voice and influence of children and young people	Implement new processes for engaging children in their review. Strengthen complaints process. Pilot new advocacy arrangements for Children in Need. Improve joint working with the Children in Care Council. Strengthen the role of corporate parents.
Improve provision for Children Looked After	Implement the Residential Review to improve Council children’s homes. Continue to improve recruitment of foster carers and adoptive families. Agree corporate offer for carers. Promote new models of kinship care.
Strengthen the role of families	Increase capacity of Family Group Conferencing service. Ensure all staff have completed Restorative Training.
Develop social work practice	Ensure all social workers have high quality appraisals. Implement a leadership development programme. Expand and enhance staff development opportunities, including work with local universities. Implement new career structure for social workers. Strengthen joint working with leading researchers to inform improved practice.
Improve communication and engagement across social care	Develop new approaches for engaging staff in leading change and informing service development. Support regional campaigns to promote children’s social work. Set up new arrangements for two way communication between managers and front line staff.
Improve ICT and the estate for social work and families	Implement the replacement for ESCR. Improve office accommodation for staff through relocation and/or refurbishment. Support use of new mobile ICT e.g. tablets, smartphones
Develop peer support and challenge	Work with outstanding Local Authorities to improve practice in referrals, complex needs and looked after services. Work with the national and international experts on Family Group Conferencing and Restorative Practice.
Strengthen quality assurance and performance management	Review and improve performance reporting, audit and quality assurance arrangements in social work. Develop new approaches for engaging children and young people in reviewing progress. Improve joint audits through working with the LSCB.
Strengthen early help and preventative services	Commission extended services for early help including Family Group Conferencing, Multi-Systemic Therapy, Family Intervention Services etc. Strengthen cluster working through promotion of best practice, audit and shared processes. Continue to develop Early Start services.

### Further information

Please click [here](#) for the Leeds Safeguarding Children Board’s website.

Please click [here](#) for the 13/3/13 Executive Board report, ‘Update on Children’s Services’ Obsessions – Reducing the need for children to be looked after (Help children to live in safe and supportive families)’

## Safeguarding Adults Corporate Risk Assurance

### Background

National guidance is in place to require each local authority Director of Adult Social Services to lead on partnership arrangements to oversee the protection of adults at risk of harm from abuse or neglect and the investigation of such allegations.

### What are the risks?

The range of risks that could impact on the City and on the Council relate to the reputational, legal and financial risk to the Council if the process is not followed fairly and thoroughly.

The impact on the Council would be a direct result of harm experienced by an individual adult at risk. This could range from an individual being mildly upset by how they are spoken to or treated, to very serious harm and/or ultimately death of one or more individuals due to neglect or violent abuse.

In each local authority area the Director of Adult Social Services (DASS) has a statutory role to ensure partnership arrangements are in place to manage safeguarding adults. In Leeds, as in most areas, this is managed through a Safeguarding Adults Board (SAB).

The safeguarding duty that the Council has for its vulnerable adults includes both the protection of adults at risk, and the investigation of allegations of abuse and neglect, in partnership with other statutory Leeds SAB members, including, particularly, the police in the case of criminal abuse or neglect, and in many cases, NHS, Housing and Community Safety partners.

Reputational risk could materialise when individuals at risk or their families are not identified and suffer harm or are dissatisfied with either the protection or the thoroughness of the investigation. At the other end of the spectrum, people or organisations alleged to have caused harm can challenge the fairness and the thoroughness of the process.

Parties in both situations can make complaints, which can result in associated press coverage, ombudsman enquiries and even judicial review. Where a Council employee is the person alleged to have caused harm, the way its services are run can come into question. The implementation of Council HR policies can also be questioned. The potential consequence is the real risk of resources required to support the Council through legal action, and the cost of compensation to individuals who have been unfairly dealt with.

### How is the Council managing the risks?

#### Safeguarding Adults Board

The Leeds Safeguarding Adults Board was constituted in its current form in 2009, with a robust memorandum of understanding, which has been kept under review each year. An independent chair was employed in October 2010, with the DASS reviewing the contract each year. The Board produces an annual report of its activity, which is presented annually to the Council's executive members in July.



The Board has 6 sub-groups to oversee:

- Policy and procedure development
- Performance and quality assurance
- Training and workforce development
- Serious case reviews and professional practice
- Communications and community engagement
- Oversight of Mental Capacity Act (2005) requirements

The chairs of the six sub-groups meet prior to each SAB meeting to ensure effective communication and governance of the Leeds SAB Business Plan. The Board's work is supported by a partnership



support unit (hosted in Adult Social Care), specialist staff with relevant expertise, a safeguarding adults advice line, clear training, and robust policy and procedures, in both the partnership and the single agency domain.

The DASS is actively involved in the running of the Board, with scheduled, agenda'd meetings with the Head of Safeguarding Adults on a quarterly basis. The DASS and the executive member for Adult Social Care also have a programme of planned meetings with the independent chair of the Safeguarding Adults Board, and receive the papers for all Board meetings. This meeting structure enables both the DASS and the executive member to keep well-versed in the business of the Board.

In addition to this, when there are risks of publicity around individual cases, or as a result of a commissioned service having a poor regulatory inspection, briefings are prepared for senior managers and members, and press statements are proactively drafted in case the Council is asked for information about these matters. These briefings are produced through the Adult Social Care Risk Management Process.

When safeguarding adults' serious case reviews are undertaken by the SAB, the DASS has a personal involvement in signing off the Overview Reports, along with the independent chair of the Board and the chair of the Serious Case Review and Professional Practice Sub-group prior to them being presented to the Leeds SAB for approval. In addition the DASS has a role in deciding whether or not the Overview Report should be published. A senior lawyer from Leeds City Council Legal Services provides legal advice for the Leeds SAB in relation to the content of Overview Reports.

The Council's contribution to the Board membership includes senior officers from Adult Social Care, Housing, Community Safety, Legal Services and Children's Services. There is close working across a number of strategic partnerships, specifically including the Health and Wellbeing Board and the Safer Leeds Executive. As part of keeping adults at risk of harm from abuse or neglect and their carers safe, there is a clear overlap with services to support victims of disability hate crime, antisocial behaviour, and domestic violence.

Where individuals are unhappy with an investigation or the resulting protection arrangements, they can appeal under the Safeguarding Adults Contesting Decisions procedure, and have the case re-investigated or the case conference re-run.

## **Risk Management**

Developments across safeguarding adults, including the adoption of West Yorkshire-wide policies and procedures, have ensured that a robust control environment is in place. A complementary quality assurance system exists to assure compliance with that environment. Central to this is identifying risks to service users, carers, staff and others at an early stage and managing those risks rather than relying on remedial action after an abusive event. Adult Social Care undertake and co-ordinate most of the safeguarding investigations in Leeds. There are ten specialist Safeguarding and Risk Managers (SRMs) who lead the operational staff in this work. They are highly experienced social workers with a specialisation in safeguarding and risk who are located within teams. They operate across all areas of Adult Social Care, linking with the full range of appropriate partner agencies. The SRMs' work has included support, mentoring and advice on risk management and safeguarding to front line staff and, along with staff from the Adult Social Care Performance and Quality Assurance team, direct work around legal responsibilities, case recording and the clarifying of responsibilities and accountability under duty of care, recording and managing risk. This all contributes to continued improvements in safeguarding adults work in Leeds.

In commissioned provider services - such as residential, nursing or home care - staff work very closely with the SRMs and partners to form a multi-agency safeguarding quality assurance and monitoring process. The commissioning team has developed excellent relationships with a range of organisations from Environmental Health, Infection Control, Medication Governance team, Health and Safety Executive and others to provide specialist advice and support to providers when required. The commissioning team can, and does, suspend admissions to services in cases where this is deemed necessary due to an identified risk of harm, maintaining such suspension until improvements have been fully evidenced. A similar process is applied to the Council's in-house provision, with Principal Service Managers, SRMs and colleagues from partner agencies working closely together. The Adult Social Care Performance and Quality Assurance team are developing an independent

quality and risk audit process which will provide independent assurance, in addition to the current management audits against the quality assurance framework in place for in-house provision, which enables management to monitor closely any issues around safeguarding and risk. A further check is against information required by CQC (the Care Quality Commission) which is monitored by the Performance and Quality Assurance team receiving all notifications sent by in-house services to CQC, including safeguarding, and identifying and bringing to the attention of managers and the accountable individuals any concerns.

To ensure robust high quality risk management in protection plans, we have placed risk centrally within the safeguarding process, promoting a positive approach to risk rather than risk avoidance. A number of specific tools have been developed based on this approach balancing risk against the benefit to promoting service user outcomes by using innovative and minimally restrictive mitigation strategies. This approach is embedded in the Risk Assessment and Management Tool (RAMT) that has found favour with a range of partners including Health. This has led to the RAMT being further developed into a multi-agency process that is now being used by any safeguarding board partners outside the council.

## Compliance & Assurance



Just as important as the control environment is assuring compliance with that environment. The safeguarding unit itself provides an assurance function for serious abuse and institutional abuse through its role in independently chairing case conference meetings. Less serious safeguarding investigations are quality assured by the SRMs to ensure a robust investigation has taken place and the lessons learned.

Safeguarding Case Conference meetings are chaired by Independent Safeguarding and Risk Managers (ISRMs) employed directly by the Board. The Case Conference meeting reviews the conduct and quality of the investigation and the quality of any required protection plan, and all stakeholders are invited to attend including the adult at risk and, where appropriate, the person or organisation alleged to have caused harm to attend. This ensures that the principles of natural justice are adhered to when the Case Conference meeting collectively agrees, on the balance of probabilities, whether the allegations are substantiated, not substantiated or inconclusive. The non-operational role of the ISRMs provides an independent assurance on the process. Each case conference meeting gives rise to recommendations to protect and prevent reoccurrence, the implementation of which is monitored by the Adult Social Care SRMs to ensure completion of the action plans.

A Safeguarding Quality Assurance Framework has been implemented by the Leeds SAB and the Performance and Quality Assurance sub-group provides regular reports of the performance of safeguarding adults work across the partnership. This framework provides a consistent set of standards, including risk management, by which the quality of a safeguarding investigation can be consistently judged. Part of this process is to seek customer evaluation of the process as they experience it.

In addition to this, a number of other audits of safeguarding have been undertaken looking, for example, at referrals screened out of safeguarding, and at decisions not to investigate. These audits are also reported to the Leeds SAB by the Performance and Quality Assurance Sub-group. The Adult Social Care Independent File Audit process this year will examine a sample of case files, including a significant proportion that feature safeguarding and risk management. This is an annual audit, which has evidenced a sustained and consistent improvement in the quality of safeguarding. This work is further supported by the developments in the case management system ESCR that allows detailed reporting and tracking around safeguarding, looking at individuals as well as across organisations and allowing easier and faster audits of all aspects of a case, not just safeguarding, to provide assurance, identify areas of concern and target action as required. The ASC Directorate Management Team receives monthly performance reports of safeguarding adults' activity. The Board also receives regular performance reports and monitors its progress using a balanced scorecard approach.

## Policy

Across the Council, the corporate Safeguarding Policy and Procedures, which cover both adults and children, require each Directorate to have lead officers who are trained in the recognition of both adult and child safeguarding, and in where to go to report it. These lead officers have also received 'train the trainer' training to ensure that they can train others in their directorate or service. The Council's corporate Safeguarding Policy and Procedures are currently under review to ensure they are up to date and the training is due to be rolled out again to ensure those who need it understand their role and responsibilities

## What more do we need to do?

The review of the Council corporate safeguarding programme needs to be completed and the new sustainable policy, procedures, lead officer network, training and commissioning approach needs to be re-launched and the procedures and training embedded.

Safeguarding Adults work across the city must take account of implications of:

- The changes to the benefits system brought about by the introduction of the Welfare Reform Act 2012, which may well have implications for the numbers and type of allegations of abuse that the partnership receives.
- The changes in the NHS that have emanated from the Health and Social Care Act 2012. These have implications for partnership working in safeguarding, and will take time to be understood across the City.
- The changes anticipated from the Care Bill listed in the Queen's Speech in May 2013. This will place safeguarding adults work and safeguarding adults' boards on a statutory footing.

## Further information

All procedures and forms can be seen on the Leeds SAB website:

[www.leedssafeguardingadults.org.uk](http://www.leedssafeguardingadults.org.uk)

The Safeguarding Adults Partnership Support Unit can be contacted for information or advice on 0113-224-3511.

For further information, please contact Hilary Paxton, Head of Safeguarding Adults on 07545-604175, or by council email ([hilary.paxton@leeds.gov.uk](mailto:hilary.paxton@leeds.gov.uk)).

## School Places Corporate Risk Assurance 2013

### Background

Leeds City Council has a statutory duty to ensure sufficiency of school places for all the children in its area of statutory school age.

During the 1990s there was a significant decline in the birth rate, nationally and locally. By 2001 there were falling numbers in Leeds primary schools and a growing number of surplus places across the primary sector.

From 2001 onwards, the number of births in Leeds started to increase. This trend is a national issue but is more pronounced in Leeds than in some other parts of the region and across the country; although a number of other authorities also face significant pressures. From just over 7,500 births in 2001 we have now had around 10,000 or more births in the last three academic years and expect similar for 2012/13. Between 2011/12 and 2015/16, overall pupil numbers in maintained nursery and state-funded primary schools nationally are projected to increase by 9%. Leeds is projecting an 18% increase in the total primary population over the same period.



The increase in the 0-5 population means that there is an increase in the demand for primary school places as these children reach school age. This has been addressed through expansions to existing schools from 2009 onwards, with new proposals developed each year in line with where the predicted demand will be, as the pressure for Reception places is not spread evenly across the city.

The changes to the primary age population are projected to impact on secondary place provision in some areas of the city by 2013/14 and this pressure is projected to be felt city-wide by 2017. Those areas that are currently experiencing the greatest pressure in primary provision are most likely to have the greatest pressure for places in secondary provision.

Since the first risk assurance report was produced in spring 2012, the issue of the potential shortage of school places across the country has gained increased national prominence, with substantial media attention focused on this issue. The council has also increased the range of its work to manage this risk, including allocating increased chief officer capacity to leading this work, the establishment of a Cross-Party Basic Need Steering Group chaired by the lead executive member for Children's Services, Councillor Judith Blake, and a Cross-Directorate Basic Need Operational Programme Board.

### What are the risks?

The risk is that the council is not able to secure sufficient school places for every child in the city that wants one, and so is in breach of its statutory duty. The factors that could cause this risk to materialise are:

- There is no certainty that proposals to create additional schools places will be approved. If proposed expansions to existing schools, changes to the age ranges of existing schools, or proposals to hold a competition to create a new school are not acceptable to communities or to elected members (for example because of concerns over implications for traffic, highways, green space, or the potential impact on the sustainability of nearby schools) this can result in proposals being declined by Executive Board.
- A lack of physical options for expanding existing schools or identifying potential sites for new schools in areas of need.
- A lack of capital funding to be able to implement proposals for creating additional places. Basic Need proposals have been funded through education capital programme funding, with additional support provided from central government, in acknowledgement of the particular school place pressure in Leeds. In the existing financial climate, it will become increasingly difficult for local authorities to secure increased capital for school place expansion. Any capital

budget deficit will impact not only on our ability to meet the need for school places, but also on delivering other capital projects, such as the maintenance of the school estate.

- A conflict with developing national policy on changes to school governance. As increasing numbers of schools convert to become academies, or become sponsored academies, the maintained school estate is reduced, and correspondingly the council's scope for adapting this estate to population pressures is reduced. This does not prevent the local authority working with academies to commission school places, as local authorities still have overall responsibility for ensuring that there are sufficient spaces to meet demand locally, but the decision-maker with regard to requests to expand pupil numbers at an academy is the Secretary of State, rather than Leeds City Council.
- New housing developments will add additional pressure to both the primary and secondary phases. The Leeds Development Framework (2004 – 2026) detailed a figure of 86,440 total new houses required. Where there is no existing capacity, housing developers are asked to contribute through section 106 agreements.

The consequences of the risk materialising would be:

- The council would be in breach of its statutory responsibility to secure sufficient school places.
- Children could be expected to attend a non-local school where capacity exists. It is preferable to avoid this outcome since it means more of our youngest children travelling greater distances, and it does not take full account of parental preference. Additionally, there would be cost implications of making transport available for more children to travel to school to access reception classes, and increasing the distance a child needs to travel to school risks creating possible non-attendance issues.

## How is the Council managing the risks?

The basic need programme represents the council's response to the demographic pressures in primary school provision. Through this programme an additional 915 reception places have been created since 2009.

There are a number of controls that the council has taken to manage the risk of being unable to meet demand for school places. These can be broadly grouped under the following headings: making good use of projection data, using this to bring forward proposals for additional places in time to meet anticipated demand, and securing appropriate capital.

In recognition of how critical managing this risk is, Children's Services have realigned the portfolios of members of the directorate's leadership team to enable a chief officer to focus exclusively on basic need.

### Use of population projection data

Estimating population change has become more difficult because of complex patterns of international and national migration. These factors are especially important in large and diverse areas such as Leeds, which include significant student populations. Population changes below city-wide level (e.g. area, ward, and cluster) are especially difficult to analyse and predict with certainty.

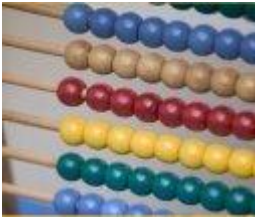
However the council is confident that the current school place planning methodology compares well with best practice nationally, as supported by the findings of a scrutiny review in 2009.

Children's Services obtains data three times a year from NHS Leeds detailing all children aged 0-5 on their central "One" database. Children's Services also obtains under-5s data from NHS Wakefield which is de-duplicated and added to the main Leeds file. We receive limited information, but it does include the NHS number, address, ethnicity, cohort, and term of birth. The data we receive feeds the primary projection system and drives our primary, and ultimately secondary, place planning.



Pupil projections are updated in the spring with school census data replacing the projected numbers for the current year and updating the projections for future years based on new and current information.

### **Bring forward proposals for additional places in time to meet demand**



The council uses projection data for each primary planning area to identify where there is likely to be increased demand in coming years. This work takes place at the earliest possible opportunity. For example, current work on proposals for increasing provision for the 2014/15 academic year began in autumn 2012.

The council engages with schools and their governors over potential expansion proposals and assesses the feasibility of sites for expansion and remodelling.

The statutory process for school expansions involves first a public consultation, and then a statutory notice, both of which allow for representations to be made from stakeholders. Ward members in all wards city wide are formally consulted at a public consultation stage, both individually, and through area committee meetings to ensure awareness of all proposals city wide and improved understanding of the impact of proposals in adjoining areas. The use of the Family Hub website was successfully piloted for consultations that took place in autumn 2011, and awareness was promoted through various community groups.

Given the significantly increased numbers of births in the city, our ability to expand existing schools is likely to become increasingly constrained. A need for new schools is likely to arise in parts of the city. New schools are in the process of being planned in the Harehills planning area and in the Beeston and Holbeck planning area.

Current legislation requires that where a need for a new school is identified, the authority should seek an academy provider in the first instance. Should this not be possible, a competition may then be held with the consent of the Secretary of State. The local authority is the provider of last resort should no other providers be found. The local authority maintains open communication with the Department for Education (DfE) about current free school applications and engages potential education providers to ensure that sufficient, good places are available in the areas of the city facing the greatest pressure.

### **Secure the maximum amount of capital available to fund the creation of additional places**

The council has been engaged with central government to negotiate increased funding since the scale of the basic need demand first became apparent in 2009. This is dependent on national resources and the demand pressures that exist in other local authorities, which are known to be significant. In recent years funding has been confirmed for a year at a time which is not ideal in terms of developing long term plans. However, the DfE has recognised this difficulty and successful negotiations saw the local authority receive a basic need allocation of £36m for 2013-2015. This figure is the 4<sup>th</sup> highest allocation outside of London and reflects the scale of the pressures facing Leeds.

In addition to the basic need allocation the government announced that £982m of funding would be made available in the form of the Targeted Basic Need Programme to increase school places nationwide. The local authority submitted a total of 11 bids for a wide range of provision before the April 30<sup>th</sup> deadline and expects to receive news of whether those bids were successful in June 2013.

The council's Children's Services and City Development directorates have engaged and meet on a continual basis to identify and appraise suitable available council sites in the planning areas required.

The council undertakes to secure funding from housing developers as a contribution towards the impact this is likely to have on the demand for school places. Developers need to pay contributions towards education requirements (termed 'Section 106 contributions') if their development is for 50 or more family dwellings and if there is no spare capacity in the local area. Contributions are based on average "yields" from developments of 0.25 primary-aged children per family dwelling and 0.1 secondary-aged children per dwelling.

## What more do we need to do?

Each year we will continue to update population predictions and use this information to seek out opportunities for creating additional places in the areas of need.

- **Primary:** Each year we bring forward proposals to increase the supply of primary school places in line with predicted demand, to ensure that every child can be offered a reasonable school place.
- **Secondary:** We will map out the predicted demand for secondary places based on the current birth rates. We will add to this the anticipated need arising from the housing core strategy by working with colleagues in planning. This will create a model of the city for 2020 that will be used as the planning tool for bringing forward proposals for the expansion of the secondary estate. There will be further work with corporate colleagues to assess how this demand can be met.

## Further information

All reports that seek permission to consult about the creation of new school places, reports on the subsequent outcomes of those consultations, and design and cost reports basic need projects are publicly available as Executive Board reports.

Please use the following link to access them:

<http://democracy.leeds.gov.uk/mgCommitteeDetails.aspx?ID=102>

The Department for Education produces statistical first releases on national pupil projections for all local authorities in England. The most recent release can be found by clicking [here](#).

## Welfare Changes Corporate Risk Assurance

### Background

A number of welfare changes came into effect from April 2013 with more planned during 2013 and beyond. The main changes in April 2013 involved the implementation of a local scheme of Council Tax Support and changes to Housing Benefit rules for social sector tenants who are deemed to be occupying properties too large for their family size.



In Leeds, these changes resulted in around 35,000 households receiving less Council Tax Support for 2013/14 than in previous years and around 7000 Housing Arms-Length Management Organisation (ALMO) tenants also receiving less Housing benefit than before. A further 2000 Housing Association tenants are also affected by the social sector size criteria rules.

In July 2013, the Benefit Cap scheme will be rolled out nationally. This will see the total amount a family can receive in benefit payments restricted to £500 a week and will affect around 400 families in Leeds. The Benefit Cap is to be applied by local councils who will be required to reduce Housing Benefit entitlement down until the £500 cap is reached.

The Government also intends to start the national roll out of Universal Credit in October 2013. Universal Credit will bring a number of working age benefits into a single benefit payment. The benefits that will be replaced by Universal Credit are: Housing Benefit, Income Support, income-based Jobseekers Allowance, income-based Employment Support Allowance and Tax Credits. Universal Credit will normally be paid monthly in arrears and will see the housing costs element paid directly to tenants. Universal Credit is intended to be an online service and tenants will be required to make claims via the internet

There are also changes to Disability Living Allowance (DLA) which will see DLA replaced by Personal Independence Payments. The changes will apply only to new claims from June 2013 with the majority of existing DLA cases being assessed for Personal Independence Payments from October 2015.

### What are the risks?

There are a number of risks arising from the welfare changes:

- Financial pressures on the council budget and/or reserves arising from unexpected or unexplained demand for Council Tax Support;
- An adverse impact on collection rates as a result of non-payment;
- An adverse impact on rent collection rates as a result of tenants affected by the social sector size criteria failing to make the extra payments;
- An adverse impact on rent collection rates as a result of tenants transferring to Universal Credit failing to pay their rent regularly or failing to make an online claim in a timely manner;
- Increased demand on the Housing Options service as a result of people falling into rent arrears or mortgage payment arrears.

### How is the Council managing the risks?

#### Rent arrears

A Discretionary Housing Payment scheme has been agreed that provides financial support to those families least able to make alternative arrangements to deal with the effects of the social sector size criteria changes. The priority groups for support are:

- Disabled tenants living in significantly adapted properties
- Foster carers

- Tenants needing additional rooms to accommodate child access arrangements
- Pregnant women being housed or rehoused into appropriately sized accommodation
- Tenants approaching pension age

Spend on Discretionary Housing Payments is being closely monitored and the scheme will be reviewed and adjustments considered where this is appropriate

The rent arrears recovery process has been reviewed and agreed at Executive Board in relation to tenants affected by the social sector size criteria and will see a focus on maximising tenants' incomes and reducing debt. Additional resources have been put in place to support this activity. The impact of the social sector size criteria is being closely monitored on a regular basis including the impact on rent arrears.

### **Council Tax collection**

The risk of increased Council Tax arrears has been reflected in the council's budget with a reduced in-year collection rate set for 2013/14 of 95.5%. Additional specific recovery activity is now built into the process for recovery of Council Tax from customers affected by the Council Tax Support changes with the changes aimed at encouraging more people to contact the Council to make arrangements to pay and avoid costly court action. Additional resources have been put in place to support this activity. The impact of the changes to Council Tax Support schemes will be monitored on a regular basis.

### **Financial pressures arising from unexpected or unplanned demand on Council Tax Support**

The spend in Council Tax Support is monitored on a regular basis and any issues arising will quickly be reported. The Benefit Service has arrangements in place to ensure that claims are appropriate and accurate and that subsequent changes in circumstances which result in reduced or no entitlement are identified and processed. The scheme design will also be reviewed in readiness for 14/15 and future years and this will give the opportunity to address any design issues to adjust annual spend.

### **Universal Credit and other welfare changes**

A detailed cross-sector action plan has been developed to oversee the migration to Universal Credit with a strong focus on supporting tenants to get online and to set up arrangements to make regular rent payments. In conjunction with the DWP (Department for Work & Pensions), a Payment Exceptions process will operate that will see housing costs paid directly to landlords where tenants are in arrears or are in need of additional support.

The rollout of Universal Credit is expected to run until 2017 and processes will be put in place to ensure that existing Housing Benefit customers are supported to make a successful migration to Universal Credit in order to minimise the risk of rent arrears. The action plan is overseen by the officer-led Welfare Reform Strategy Board that oversaw the implementation of the April 2103 welfare changes.

A casework team has been put in place to manage the implementation of the Benefit Cap in Leeds. The team involves officers from Children's Services, Families First, Housing Options, Jobcentre Plus, ALMOs and Benefits Services developing recommendations for the families most seriously affected by the Cap.

### **What more do we need to do?**

Further work is needed on developing a Local Support Services Framework with Jobcentre Plus for the delivery of face to face services to support Universal Credit. The launch of Universal Credit has been scaled down for the initial Pathfinder which started in April 2013 and further information is expected in the summer on the national rollout programme,

### **Further information**

The Government issued a Local Support Services Framework document which set out the scope of the services to be provided by local councils and partners. Click [here](#) for the Government's Local Support Services Framework.

## Leeds Economy Corporate Risk Assurance

### Background

Leeds has transformed itself in the last 20 years. It is the second biggest local authority area in England, home to 750,000 people and has a working population of 500,000. In the last decade it created more jobs than any English city outside London and it employs more people in the knowledge economy than anywhere except the capital. Leeds is now at the heart of the largest city region and it is an international destination. It has plenty to be proud of, but look around and the potential for further progress is clear. Leeds lost nearly 30,000 jobs in the recession and has regained only 5,000 since.

### What are the risks?

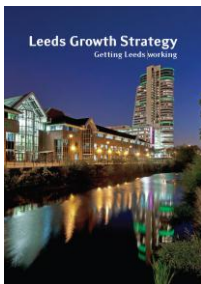
The main economic risks come from the global and national economy. The nation is currently recovering from a double-dip recession with only slow growth expected over the next few years. Private sector job creation will be slow and this is coupled with public sector cuts that reduce the level of jobs in the sector and the services that can be provided. This reduces the ability of the public sector to manage the risks or stimulate the local economy as a counter cyclical measure as it might have done in the past.



The recent government announcement of the local retention of business rates offers a significant opportunity because a growing economy will become the generator of income to invest in infrastructure and help pay to strengthen and sustain local services. However, this change may also have a significant impact on the authority's funding: a depressed economy, with any reductions to the business-base, will produce lower income for the authority, further impacting on its ability to stimulate the local economy.

### How is the Council managing the risks?

#### Leeds Growth Strategy



The state of the economy is assessed regularly and reported through the Leeds Economy Handbook, Bulletin and various employment reports. This intelligence regarding the economy is widely used to inform the Council's work and feeds into, for example, the annual State of the City Report and supports the city's Growth Strategy. Leeds' vision is to become the best city in the UK by 2030. It will be fair, open and welcoming with an economy that is both prosperous and sustainable and all our communities will be successful. A successful economy is central to the delivery of this vision. The Leeds Growth Strategy outlines how we plan to deliver growth and get Leeds working to its fullest capacity.

We are just as concerned with making sure that growth translates into real benefits for people, improving their quality of life whatever their age and background. As such, the Strategy also reflects some of the social and cultural aspects of growth and recognises the substantial contribution to be made by the third sector to the health and vitality of the economy.

#### Partnership working

Close working with partners, the business community and third sector is an essential factor in seeking to maximise the potential benefits from a collaborative and mutually supportive approach. The Sustainable Economy and Culture Partnership has established itself as a facilitator of this partnership, working with Leeds and Partners. Leeds and Partners is the strategic organisation responsible for attracting inward investment, supporting trade, promoting tourism, and raising the profile of the city. Through Leeds and Partners the new proposition for the city 'One Voice' has been launched and co-ordinated the city's presence at successful events such as MIPIM. MIPIM plays an



important role in demonstrating the strength of the city region's offer on an international stage and allows engagement directly with a significant number of private sector investors. One of the key issues identified last year by the SECB was the lack of a clear marketing strategy. A new Chief Executive is now in place at Leeds and Partners and this work has been carried out at pace.

The Sustainable Economy & Culture Board (SECB) has endorsed the new Economic Growth Strategy, which focuses on key sectors (Health and Medical, Financial and Business Services, Low Carbon Manufacturing, Digital and Creative, Retail, Housing and Construction, Social Enterprise and the Third Sector) for Leeds in terms of both existing jobs and new job opportunities. Lead partners have been identified on the Board to co-ordinate work on Health and Low Carbon; it is recognised that progress will depend on a sharpening of focus on a small number of key priorities.

## Leeds City Region - City Deal

The Leeds City Region Partnership has secured a ground-breaking deal which will allow the 11 local authorities that make up the City Region to have a much bigger say in decisions on investment and skills. They will be able to take decisions more quickly in line with local priorities and co-ordinate funds directly. The City Deal features a number of initiatives to support growth, including:

- The creation of the country's first apprenticeship academy in Leeds;
- A £1bn local fund for investment in public transport and highways;
- A further £400m fund to modernise infrastructure across the region; and
- Initiatives to increase overseas trade and inward investment activity.



For more information on the City Deal, please see the Leeds City Region website.

## Projects & Initiatives



A small range of transformational projects have been established and supported to help bolster the Leeds economy. Among these are Trinity Leeds (the largest shopping development on site in Europe) and the Arena developments, both of which have been recently completed with the creation of in excess of 3,000 jobs. Significantly, the opening of Trinity will move Leeds from 7<sup>th</sup> in

2012 to 4<sup>th</sup> in the CACI UK retail rankings. The SECB is keen to ensure that the City benefits fully from all the transformational projects: for example a Leeds Arena Quarter master-plan is in place, with associated developments progressing and a new hotel now open as a result of the development. Work is progressing to enhance the city's retail offer with the Victoria Gate and Kirkgate Market projects. The Large Casino license (the 2<sup>nd</sup> largest in the country) will also be awarded in early summer 2013.

Another transformational project, the Aire Valley Enterprise Zone (EZ), was established on April 1<sup>st</sup> 2012 providing businesses with relaxed planning conditions, business rates relief and super-fast broadband to encourage business growth and investment in the area. To help facilitate development, funding to bring part of the EZ into production has been agreed by the Council; however, some schemes within the AV have not progressed as quickly as anticipated due to the prevailing difficult economic conditions.

Alongside these projects and the sector growth work, considerable work has also been carried out to maximise the economic benefits and, where possible, link local residents to jobs.

Working with partners and developers is clearly key to supporting economic growth, and the South Leeds Investment Partnership (SLIP) is a good example of this. It is an initiative involving significant commercial property owners in the South Leeds area, working with the Council to attract investment and support regeneration. This runs alongside work to deliver a City Centre Park to the South of the city. The ambition of the city has been shown in the successful Tour De France Grand Depart 2014 bid which will have a significant economic impact over the next year.

The importance of good communications to businesses is recognised, and Leeds and Bradford successfully became two of the first super connected cities in the UK receiving Government funding of up to £15 million to support improved digital connectivity across the two cities. This will include

improved wireless coverage (both Wi-Fi and 4g mobile) within both city centres and along key transport corridors between both cities.

Similarly, an integrated transport system has been identified as a priority for the economic development of the city by the SECB and its partners, echoing the emphasis put on transport requirements during the Vision for Leeds 2011-2013 consultation. Major transport infrastructure projects include the Leeds Station South Entrance, construction of which is anticipated to commence in summer 2013, with opening scheduled in late 2014, and the rail growth package. Work to deliver the NGT transport system is also continuing. The HS2 proposals will transform connections to the capital and the rest of the country in the longer term; this sits alongside the new British Airways flights from Leeds Bradford Airport to Heathrow.

Considerable success has been achieved in terms of apprenticeships. The total number of apprenticeship starts for the full academic year from August 2011 to July 2012 was 7310, a 4% increase on the previous year. 908 apprentices have participated in the Council's apprentice programme to date, which puts us at the forefront of local authority apprenticeship programmes nationally. Employment Leeds has supported 99 local businesses from April 2012 to February 2013 to create and recruit 177 apprentices in the city. The Leeds Apprenticeship Training Agency (ATA) was launched 29 November 2012 with more than 40 businesses in attendance. The ATA will provide support to micro, small and medium sized businesses to take on apprentices. Support has also been forthcoming from the government for the apprentice scheme through the City Deal.

### **What more do we need to do?**

We shall continue to work with partners to identify and maximise the wider benefits that are offered by the major transformational projects which are either already in progress or which will come on stream in the course of the next few years.

Due to the wide and diverse nature of the work of the SEC Partnership, a Performance Steering Group has been established to review detail performance against the stated priorities and then report key issues, risks or opportunities that it feels need to be brought to the Board's attention. This process needs to become fully embedded into the Board's forward work programme.

An updated economic assessment will be carried out shortly and this will feed into an updated growth strategy.

### **Further information**

Further information is available at [www.leeds.gov.uk/economy](http://www.leeds.gov.uk/economy)

Please click [here](#) for the Leeds City Region website

Please click [here](#) for the Leeds and Partners website

## City Resilience Corporate Risk Assurance

### Background

The purpose of this report is to provide assurances linked with managing the risk of significant disruption to Leeds as a city. Work is undertaken at a West Yorkshire and Leeds level to identify, assess, prevent, prepare, respond and recover from emergencies and disruptions captured under this corporate risk. A multitude of risks and threats are identified on the West Yorkshire Community Risk Register (WYCRR), all of which could impact upon the city. A range of response capabilities, such as evacuation or shelter, are identified to manage these risks.

This corporate risk does not focus on the physical risks that may manifest, in the form of floods or industrial accidents, but more on the risk that our arrangements to manage and respond to these as a city prove inadequate.

Risk control work locally mirrors the National Security Strategy: seeking to ensure a secure and resilient Leeds, protecting our people, economy, infrastructure, territory and way of life from all major risks that could affect us directly.

### What are the risks?

The risk of significant disruption in Leeds is a combination of two primary elements: the causative event and the way in which Leeds as a city responds to this event. The Council has both a statutory duty and a community leadership role to ensure that the city collectively does all it can to enhance its resilience and manage its vulnerabilities. The public has an expectation that we do all we can as a part of our civic duties.



A city-wide response to significant disruption may prove inadequate due to:

- Lack of resources / contribution from partners and the Council to resilience activity
- Preparedness and mitigation measures prove ineffective
- Poor training and understanding of emergency roles by partner agencies and the Council
- Conflicting, delayed or ineffective response mechanisms
- Failure to monitor hazards or threats and manage the risks through treatment and control across the long, medium and short term.
- Failure to manage or account for vulnerabilities in the population or city infrastructure
- Poor strategic leadership, command, control and communication

The risks to the city mapped within the WYCRR detail the various categories of risk such as industrial accidents or severe weather. In total there are 79 distinct risks captured on this register. Risks are assessed on their likelihood over a five-year period and focus upon their impact upon Health, Social, Economic and Environment categories.

The highest rated risks for 2013 include:

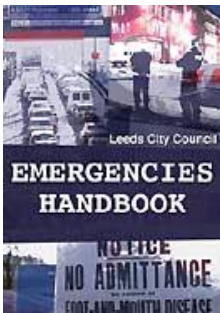
- Pandemic Influenza
- Low temperatures & heavy snow
- Flooding (all types)
- Storms & Gales
- Heatwave
- Industrial Action
- Industrial Accident with toxic release
- Water / water pollution incident
- Telecoms failure
- Electricity failure
- Disruption to oil and gas

Matching the above risks are threats including attacks on crowded places, attacks on critical infrastructure, attacks on transport and cyber-attack. At present risks do not take account of existing controls for the purpose of assessing the impact. This means that although we have a set of 'top risks' rated as high or very high, our controls to manage down the impact may in fact be good. This ensures that we consider properly the reasonable worst-case scenario. Likelihood is determined by both local physical conditions and consideration of the highest possible local likelihood to be found nationally.

A risk in the city may not always come from one of those rated as highest. There are many high impact low likelihood risks such as reservoir failure. We have also seen that even minor disruption can be inconvenient and frustrating to the city. Traffic and travel disruption, short-term power and telecommunications loss, coupled with perceived inaction, by relevant agencies can all contribute towards a community's outrage or anxiety.

Horizon scanning ensures that work on areas such as Tour de France or other major events, fuel crisis, industrial action, protest and disorder are built upon sound foundations and draw upon our city-wide plans and capabilities.

## How is the Council managing the risks?



As highlighted, disruption is an impact caused by both the nature of the hazard/threat and the way in which we respond or interact with it as a city. The assurance will therefore focus on what we are doing with partners to manage all risks collectively and shaping the wider city response.

Under the legislative duties of the Civil Contingencies Act we have identified and assessed all risks fully using technical 'leads' from the relevant profession and monitor these quarterly for any change.

Identified and assessed risks are channelled into work programmes undertaken by the Council and partner agencies. This occurs locally through the Leeds Resilience Group, chaired by Leeds City Council, and also on a West Yorkshire, regional or national basis depending on the most effective means of managing the risk.

Ways of preventing the risk from occurring are considered and, if feasible, implemented, which requires influence in negotiating on a range of subject matters through Council services such as Flood Risk Management on flood defence schemes, or in designing out vulnerabilities in new building design.

In all instances where the risk cannot be mitigated through prevention the focus shifts to preparation which includes the development of plans, training and response arrangements aimed at professional partners, businesses and the public in general. This helps reduce the impact of risks that we cannot simply avoid or remove altogether.

A focus on top risks on the register and the development of response capabilities that benefit many risks is the strategy adopted across partner organisations. An additional work area looks at vulnerability and enhancing the resilience of the city to disruption. This includes business continuity<sup>1</sup> and education work with businesses, those who live in at risk areas or school children and society's most vulnerable.

The impacts of risks are captured in the risk assessments undertaken locally by statutory Category 1 ("core") & Category 2 ("co-operating") responders. There is a range of tools that help us ensure that the correct plans are developed and in place across the city and these are monitored through self-assessment and peer review in addition to learning from actual incidents.

Partnerships with a role to play include:

- West Yorkshire Resilience Forum, sub-groups and associated work programmes / reports
- Leeds Counter Terrorist Strategy (CONTEST) Group
- Leeds Resilience Group work programme implementation
- Leeds City Council groups and associated work programmes / objectives

<sup>1</sup> Please see the risk assurance report on Business Continuity below.

The Council plays a lead role in city resilience. In order to fulfil this role the Council has a strong commitment to building resilience in the following ways:

- A corporately agreed Emergencies Policy and Business Continuity Management Policy and accountability structure.
- Developing response-based equipment and utilisation of Council assets.
- Strong governance arrangements across all identified capabilities and for a range of specific thematic areas referred to above.
- Annual work programmes at a national, sub-regional, local and internal level.
- A range of joint emergency plans maintained and validated through exercising.
- Mechanisms in place to meet statutory duties and demonstrate compliance.
- Training and education for city responders and related stakeholders.

### What more do we need to do?

Capacity within public sector organisations to resource an emergency response remains good; however, adaptation in the way we prepare for and respond to emergencies across Leeds has been essential. Within Leeds City Council a particular priority for 2012-13 has been to account for significant changes to NHS organisations and to incorporate public health resilience as a new set of responsibilities. This provides an overall and consolidated resilience function for the new duties adopted by the Council. Ensuring we maintain the knowledge, experience or skills in managing disruptive events is critical.

In 2012 a project was initiated to better understand the impacts of 'essential service' failure on Leeds and our perceived resilience in sectors such as health, energy and communications. A series of national and regional multi-agency thematic workshops have been completed by the Council to look at these essential services and our critical infrastructure. Next steps are to implement the learning from these events and develop or influence the subsequent work within each sector. The Council and its partners have a better understanding of the relationship between what it is that makes Leeds a resilient city, where our vulnerabilities lie and what we can do to enhance our resilience.

Our communities are essential to the success of the city in resisting or bouncing back from disruption. Our use of warning and informing tools such as Twitter @LeedsEmergency and the free-to-use SMS system for all businesses in the city (Leeds Alert) has helped target and prepare the population more widely. The Council is now looking at new opportunities to develop such systems to benefit even more citizens as just one approach to community and corporate resilience. An example of this is a targeted alert group for a particular area of Leeds prone to infrastructure disruption due to wide area flooding or low temperatures and heavy snow.



### Further information

The documents and initiatives referenced above can be found on [www.leeds.gov.uk/prepared](http://www.leeds.gov.uk/prepared)



## City Flooding Corporate Risk Assurance

### Background

In 2010 the Environment Agency (EA) approved a comprehensive Flood Alleviation Scheme (FAS) for Leeds which provided a defence against a 1 in 200 year flood costing £188m. However, in January 2011, the Council and the EA were informed by Defra that the comprehensive scheme would be subject to the new “payments for outcomes” funding assessment model. This prioritises residential flood protection schemes ahead of schemes that protect businesses and distributes the “flood defence grant in aid” accordingly.

For Leeds, because of the predominance of businesses on the waterfront, this means the potential central government grant is relatively low, requiring the shortfall to be made up from significant external funding, estimated at £120m compared to the original £30m anticipated. This made the Comprehensive Scheme unaffordable in the foreseeable future.

The latest proposal is for a Flood Alleviation Scheme for the City Centre, which would look to provide a 1 in 75 year protection from river flooding. The cost of this scheme is around £45m. The Council has committed £10m and the shortfall will be provided through external funding streams.

### What are the risks?



The Leeds district is at risk of flooding from a complex set of multiple sources including: large ‘main rivers’ (Rivers Aire, Wharfe and Calder); small ‘main rivers’ (the Wyke, Wortley, Farnley Wood, Meanwood, Cock, Oulton and Collingham Becks); ordinary watercourses; public sewers; private sewers; highway gullies and culverts; surface water run-off from fields and open spaces as well as reservoirs and lakes with embankments. In 2000, the city centre was only centimetres away from flooding with further near misses in 2004, June 2007 and January 2008. It has been estimated by the EA that over 4,500 residential and commercial properties are at risk and approximately £450m of direct damage would be caused by a major flood from the River Aire in Leeds.

There are several factors that contribute to this risk with significant heavy rain being the most obvious, but also climate change, planning decisions and lack of funding for identified maintenance and capital schemes.

The consequences can be devastating for communities, budgets and also the reputation of the Council and the City. Impacts include:

- Loss of life or injury due to deep flooding or out-of-channel flood flows; personal distress; temporary homelessness; loss of belongings.
- Damage to and contamination of domestic and business properties on a large-scale, including Council buildings, with possibility of long-term property blight and consequent damage to the City Region’s major business economy.
- Damage to vital infrastructure, including roads, rail, power, communications and water.
- Loss of confidence in the City’s ability to cope resulting in a decline in inward investment.
- Inability to fund capital improvement works promptly results in an increased cost over time.
- Adverse publicity and loss of confidence in the City’s ability to deal with flooding.

### How is the Council managing the risks?

#### **Partnership working**

The Council has developed a co-ordinated approach to managing flood risk by bringing together services with a role in this and by working closely with partner agencies so that there is a consistent approach to the treatment of flood risk. A dedicated Flood Risk Management (FRM) team provides

the knowledge and skills to lead on flood risk management in Leeds. The team develops and implements initiatives to improve engagement with internal and external partners and has drafted the Leeds Flood Risk Management Strategy which sets out the overall plan for dealing with Flood Risk. The FRM team involves local communities in decision making, improves cooperation between Risk Management Authorities and plans for emergency response and recovery, and sources external funding. The team also undertakes regular and proactive maintenance on significantly critical ordinary watercourses within the local authority area.

### ***Flooding Plans***

In major flood incidents, the priorities of the Council and its partners are:

- To provide material and technical support to the emergency services and EA in their immediate responses;
- To provide welfare support for people evacuated or stranded in homes; and
- To co-ordinate a recovery process to help smooth a return to normality.

To enable this to happen in an effective manner, the Council has developed a number of emergency plans for flooding. There is a generic Flooding Plan suitable for all types of flooding, but other plans have been developed with partners to address specific, known flood risks such as the River Aire in Central Leeds, and the River Wharfe at Otley.

The Council is working increasingly with community groups to develop local flooding plans which can be implemented quickly by local residents to address flooding when it happens rather than after emergency responders arrive. For further information, please refer to the wider risk assurance provided on 'City Resilience' above.

### ***Developments***

Leeds requires all new developments to have a flood risk assessment which demonstrates that the development will be safe for its lifetime without increasing flood risk elsewhere, and where possible will reduce it overall.

### ***Flood Alleviation***

The Director of City Development submitted a report to Executive Board in February 2012 providing an update on the progress of proposals to provide flood defences for the city. In response to this, Executive Board acknowledged that the original comprehensive flood defence scheme would not be funded and in light of that gave approval for an alternative approach. The alternative approach aims to achieve a 1 in 75 year Standard of Protection for the City Centre area from Leeds Station to Knostrop Weir by the end of 2016. To mitigate against any adverse impact on flood risk further downstream, prior works in the form of low level embankments are proposed at Woodlesford to provide a 1 in 200 year Standard of Protection.

The new 1 in 75 year flood event protection scheme would:

- Remove the existing weirs at Crown Point in the city centre and at Knostrop Cut and install moveable weirs that can be lowered when the river is high, causing the water level to drop.
- Construct landscape defences such as low embankments, terracing and riverside walls; at low points along the riverbank.
- Remove Knostrop Cut to merge the Canal and River Aire which will create additional flood water storage and help to lower water levels in flood conditions.
- Provide flood defences along a length of Hol Beck located on Water Lane.

Planning permission for the movable weirs has been granted and a planning application for the remaining works is due to be submitted in June 2013. A Leeds Flood Alleviation Scheme Team has been assembled and appointed with the task of ensuring that the scheme is progressed with a view to commencing on site later in 2013/14 with completion in 2016.

## What more do we need to do?

Leeds' MPs have committed to continue liaising proactively with Defra and the Environment Agency in order to support the Council in its ambition to progress a flood defence project for the city by providing minimum match funding, seconding technical staff and sharing all relevant technical information.

Under the Flood and Water Management Act 2010 (FWMA2010), as a Lead Local Flood Authority Leeds City Council will need to create a Sustainable Drainage Approval Body (SAB). This will be responsible for approving and, in many cases, adopting the surface water drainage infrastructure for all new developments. The creation of a SAB will require substantial additional funding and resources. At present, this part of the FWMA has not been implemented by Government.

## Further information

Flood Risk Manager – Pete Davis (0113 2451525)

Flood Alleviation Scheme Project Manager – Oliver Priestley (0113 2475387)

Please click [here](#) to go to the Environment Agency website

Please click [here](#) to go to the Leeds Flood Alleviation Scheme website

Please click [here](#) to view the 10 February 2012 Executive Board report and minutes (Item 196, 'Leeds (River Aire) Flood Alleviation Scheme')

## Financial Management Corporate Risk Assurance

### Background

The Council has had to prepare its annual budget within the limits set by the Government's deficit reduction plans, but for 2013/14 the Government has also made major changes to the funding arrangements for local authorities, moving from a system that balanced needs and resources to one where funding will become increasingly dependent upon the capacity to achieve housing and business rates growth. At the same time, the national council tax benefit scheme is being replaced by a system which gives greater local discretion but for which Government funding is reduced by 10%.<sup>2</sup>

From April 2013 the Council will take on the local leadership role for Public Health and will be responsible for delivering the Government's ambition to help people to live longer, healthier and more fulfilled lives and to improve the health of the most vulnerable fastest.

Since 2010, Leeds has made savings of £145 million, and the 2013/14 budget assumes further savings of £55 million. This has not been easy to achieve and in order to protect essential services we have had to make above inflation increases in our fees and charges, introduce new charges for some services and cut back on some other services.



Sound financial planning and management are crucial to any organisation although the current financial challenges facing the Council undoubtedly make it even more critical that these arrangements are fit for purpose.

### What are the risks?

Although councils have a legal duty to set a balanced budget (taking account of any use of reserves, they cannot budget for a deficit position), there are clearly strong organisational reasons for ensuring that we have in place sound arrangements for financial planning and management. The budget, as well as a means of controlling spending to the available resources, is also a financial expression of the Council's policies and priorities. Whilst this can simply be seen as an annual exercise, there is a recognition that this needs to be set within a context of a medium-term financial strategy. This is all the more critical given the financial challenges that we are facing.

The financial year 2013/14 is the third year of the Government's 2010 Spending Review and the reduction in government funding for 2013/14 again presents a significant financial challenge to the Council.

The latest forecast from the Office for Budget Responsibility (OBR) suggests that the deficit in the public finances will not now be eliminated by the end of the current Parliament as originally planned and there will need to be further real term reductions in public sector spending to 2018.

The challenge for the Council is to reshape its services within a significantly reduced funding envelope, and at the same time to deliver positive outcomes across a range of services. In order to deliver the Council's services within the expected future funding envelope, the Council has identified a number of budget plus workstreams which the Council will prioritise over the next 12-18 months to be approached as a coherent programme to be delivered at pace. The workstreams include:

- Reducing and making better use of the Council's assets
- Maximising the potential for income generation through charging and trading
- Looking at the way the Council is organised including consideration of alternative delivery models
- Implementing a business improvement programme
- Improving the approach to locality working

<sup>2</sup> Please refer to the corporate risk assurance on Welfare Changes below for more detail.

- Reducing the cost of looked after children through improved early intervention and prevention
- Progressing the better lives programme in Adult Social Care
- Implementing significant changes to the management of waste
- Working with others to drive economic growth in the city and deliver increases in business rates and new homes bonus
- Continuing to focus on the values and staff and member development

Using the Best City ambitions and the future of local government propositions, a Best Council Blueprint for 2013/14-2016/17 has been developed to deliver these ambitions.

Failure to adequately plan, both long term and annually and to manage the budget in year carries a number of specific risks:

- Not able to set a legal budget by the due date
- Budget does not reflect Council priorities
- Budget does not adequately resource pressures and increases in demand
- Budget includes savings which are not deliverable
- Unplanned or panic measures in year to deliver savings
- Council falls into negative reserves or reserves eaten into impacting upon future years' budgets
- Section 151 officer (Director of Resources) exercises statutory powers and restricts or stops all spending.
- Need for an excessive increase in the Council Tax with the potential for capping/referendum.
- The Council's reputation damaged
- Audit certificate contains damaging comments and Increased audit and government inspections
- Staff morale suffers if seen to be working in a bad budget climate.

### How is the Council managing the risks?

Managing the Council's budget is not just a role for finance staff, but nevertheless, the duties of the Council's Section 151 officer are crucial in how we are managing these risks. These duties include:

- To report to Council on the robustness of the estimates and the adequacy of financial reserves
- Certifying that the accounts are a true and fair view of the Council's financial position
- Ensuring that the Council's financial systems accurately record the financial transactions; enable the prevention and detection of inaccuracies and fraud and ensure risk is appropriately managed.

The role and responsibilities of the statutory finance officer manifest themselves operationally through the financial cycle which covers:

- Budget preparation and setting.
- In-year budget monitoring.
- Closure of accounts and reporting.

However, it does need to be appreciated that financial management within the Council, both corporately and within directorates, is delivered by colleagues who are managerially responsible to the Director of Resources. Many of the senior colleagues within the financial management services are professionally qualified with many years of experience, and are themselves personally and professionally responsible for their actions and advice. This is reinforced through an appraisal scheme which incorporates the identification of key skills for finance staff, programmes of continuing professional development and peer review forums to ensure integrity as to the accounts and budget monitoring processes. Moreover, our service planning helps to ensure that there is a continual review of our processes and the ways in which we can improve our services and the financial management of the Council.



**Budget Preparation and Setting** - The process of compiling the revenue budget starts soon after the budget setting of the previous year and runs through to the approval of the budget by the Council and includes:

- An early assessment of available funding and key pressures which is subject to a number of iterations with assumptions being reviewed regularly.
- Preparation and input of detailed estimates into the budget module of the Council's Financial Management System (FMS) in Autumn, involving budget holders reviewing their spending requirements in conjunction with directorate based finance staff and in accordance with the corporately determined guidelines and timescales.
- The development of options to balance available resources through close engagement of senior officers and Executive Board portfolio members at appropriate points in the process.
- Review of budget proposals by finance staff, CLT (Corporate Leadership Team – the Council's senior management team) and Executive Board (the principal decision-making body of the Council) members.
- Consultation with the public and other stakeholders.
- Agreement of initial budget proposals by Executive Board and submission to scrutiny.
- With limited resources, it is inevitable that elements of the budget will depend upon actions which have yet to happen, or upon assumptions that in reality may vary from those assumed at budget setting. As such, an important element of the budget process is the development and maintenance of a budget risk register which attempts to identify and assess the risks built into the budget estimates. The budget risk register not only assists in assessing the robustness of the estimates but also acts as a means of assessing the adequacy of reserves in that it provides an assessment of what may go wrong in year.

In terms of the Capital budget a five year programme is prepared. The programme is constrained by the same funding reductions as the revenue programme as ultimately where schemes are funded from borrowing, this needs to be repaid from revenue. The level and type of borrowing is determined before the start of the year and a limit set in accordance with CIPFA's (Chartered Institute of Public Finance & Accountancy) Prudential Code. Any in-year revisions need to be approved by Council. Within this framework it is imperative that only priority schemes are progressed and the programme is categorised into five investment objectives which are:

1. Improving our assets
2. Investing in major infrastructure
3. Supporting service provision
4. Investing in new technology
5. Supporting the Leeds economy

**In-Year Budget Monitoring** – Revenue budget monitoring is a continuous process which operates at a variety of levels throughout the Council. Although directors are ultimately responsible for the delivery of their directorate budget, operationally these responsibilities are devolved down to around 600 budget holders within the Council. Every budget has a named budget holder who is responsible for managing and monitoring income and expenditure against the approved budget.



Financial Monitoring within the Council is facilitated by the Council's Financial Management Systems. On a monthly basis budget holders review their spend to date against the approved estimates and against profiled estimates and project their year-end position. There are also instances where spending is controlled on systems other than the Council's FMS, for example community care payments. In these instances, procedures are in place to ensure that information held in these systems is regularly reconciled to FMS. Ensuring the integrity of the accounts is as important to our budget monitoring processes as it is to the accounts, and this is a key role of the Integrity Forum which includes senior finance staff and is chaired by the Chief Officer – Financial Management.

Financial monitoring is undertaken and operates on a hierarchical basis, whereby the monthly projections of budget holders are aggregated upwards to be reviewed by Chief Officers and Directors. The projections for each directorate are submitted to the Director of Resources and are

reviewed and challenged by the Finance Performance Group. The projections are then reported monthly to the Executive Board and quarterly to Scrutiny. As well as being accurate, monitoring also needs to be timely, and as such monthly reporting is operated according to a strict timetable.

In line with the Council's value of Spending Money Wisely, it is critical that where projected overspends are identified that action is taken to bring spending back into line with the approved estimates or to identify other sources of funding such as areas of under spend. In year, any decision to amend budgets is undertaken within the virement rules agreed annually by full Council as part of the budget setting process.

In terms of the Capital programme, this is closely monitored and quarterly updates presented to Executive Board. In order to ensure that schemes meet council priorities and are value for money the following processes are in place:



- New schemes will only take place following approval to a full business case and required resources have been identified.
- Promotion of best practice in capital planning and estimates to ensure that they are realistic.
- The use of unsupported borrowing is based on individual business cases and the source of revenue resources to meet the borrowing costs is clearly set out.

The revenue budget risk register is reviewed on a quarterly basis, and any very high or new risks are reported as part of the report to the Executive Board. In addition to specific directorate risks, there are two new risks for 2013/14 which need to be understood and closely monitored.

1. The introduction from April 2013 of a scheme of Council Tax discounts does raise additional risks as to collection. Overall, the assumed collection rate for Council Tax has been reduced from 99.2% to 99%<sup>3</sup> to reflect this additional risk, but there is still the potential for further losses. However, it should be noted that should there be a higher level of loss than assumed, that this would materialise with the collection fund, and as such would not impact upon the current year's budget.
2. Under the new business rates retention scheme, the Council's local share of business rates is exposed to risks from both collection and reductions in rateable values. The scheme does provide for a safety net, whereby any losses in excess of 7.5% against an authority's business rates baseline would be met centrally. However, this would still mean the Council bearing losses, against our baseline, in excess of £10m. This risk is further heightened, as under the scheme, the Council shares its proportion of any losses in respect to rating appeals which may be backdated to prior to the 1<sup>st</sup> April 2013. Although in setting the 2013/14 budget, an assumption has been included as to potential scale of losses due to backdated appeals, this is still considered to be a significant risk. However, as in the case of Council Tax, any losses greater than those assumed in setting the budget will materialise through a collection fund and will not impact in the current year.

One of the main risks in developing and managing the capital programme is that there are insufficient resources available to fund the programme. A number of measures are in place to ensure that this risk can be managed effectively:

- Monthly updates of capital receipt forecasts prepared, using a risk-based approach, by the Director of City Development;
- Monthly monitoring of overall capital expenditure and resources forecasts alongside actual contractual commitments;
- Quarterly monitoring of the council's VAT partial exemption position to ensure that full eligibility to VAT reclaimed can be maintained;

<sup>3</sup> The in-year collection rate target for 13/14 is 95.5%. 99% is what we call the 'fullness of time' figure: i.e. how much we anticipate eventually collecting, but this won't be known for some time.

- Ensuring written confirmation of external funding is received prior to contractual commitments being entered into;
- Provision of a contingency within the capital programme to deal with unforeseen circumstances;
- Compliance with both financial regulations and contract procedure rules to ensure the Council's position is protected.

**Closure of Accounts** - Getting our accounts produced on time and without audit qualification is important to ensure that we can properly account for the resources we have used during the year and that we understand the Council's financial standing. The Chief Officer Financial Management oversees the closedown process and the Director of Resources reviews both the accounts themselves and the processes used to compile them, before certifying signing them as a true and fair view. Alongside the budget monitoring process, significant accounting decisions are referred to the external auditors (KPMG) for review by their technical accounting team to ensure compliance with applicable accounting standards. KPMG are also consulted on such decisions to ensure they are agreed by all parties before a major financial decision is made.

**Audit and Inspection** - The Council's external auditors provide members with independent assurance that, in their opinion, the accounts do reflect a true and fair view of the Council's financial position and that they comply with proper accounting practice and that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Internal audit also undertake a number of reviews of our financial planning and monitoring arrangements.

### **What more do we need to do?**

Whilst the precise scale of future reductions in government funding beyond 2014/15 is not at this time known, all indications are that it will be significant and continue for longer than originally anticipated back in 2010. The current and future financial climate represents a significant risk to the Council's priorities and ambitions, and whilst we have been able to successfully respond to the challenge to date, it is recognised that we do need to continue to develop our approach to medium-term financial planning beyond just identifying likely budget gaps to encompass a greater recognition of priorities and areas for disinvestment. This work is already underway through our budget plus approach to medium-term financial planning, but given the scale of the challenge, it is clear that it will need to be subject to regular review as to progress, and to ensure that it remains dynamic whilst aligned to our priorities.

### **Further information**

Doug Meeson – Chief Officer Financial Management

## Council Resilience Corporate Risk Assurance 2013

### Background

This report provides assurances relating to managing the risk of disruption to Council services.

The Civil Contingencies Act 2004 made it a statutory duty for all councils to have in place arrangements to be able to deliver critical aspects of their day to day functions in the event of an emergency, if the impact on the community is to be kept to a minimum. To help Leeds City Council achieve and maintain compliance with the statutory duty, a centrally managed Business Continuity Management (BCM) Programme was set up. This uses a structured approach with support provided to directorates to develop Business Continuity Plans (BCPs) and associated arrangements. The BCM Programme is based on the good practice guidance contained within the British Standard BS 25999.

### What are the risks?

The purpose of Business Continuity Management (BCM) is to improve the Council's resilience of its most critical services in the event of an emergency or disruption. Effective implementation of BCM supports managers and officers in being able to maintain a level of service and/or recover services within an agreed timescale in the event of disruption.

Risks or threats to Council services can come from a wide range of sources. For example: severe weather, industrial action, 'flu pandemic, flooding, fire, utility failure, ICT outage, supply chain failure etc. However, regardless of the source, the impact will generally be on people, premises, ICT and suppliers.

By focussing on the impact, the *consequences* of the disruption on critical services can be assessed and plans prepared to document what needs to be done to protect the service before a disruptive incident occurs.



The BCM Programme in Leeds centres on our most critical services, of which a total of 67 services have been identified. Criticality is assessed on recovery timescales and the impact on human welfare, the environment, security, financial, legal and reputation should the service suffer disruption or interruption.

Each directorate has a number of services assessed as being most critical. Examples of critical services include: Adult Social Care Community Support Services, Adult Social Care Assessment & Care Management, Child Health & Disability Teams, Children's Homes, Looked after Children's Teams, Emergency Duty Team, Highways Maintenance – including Winter Gritting, the Contact Centre, Passenger Transport, Meals at Home, CCTV and Leeds Watch.

### How is the Council managing the risks?

The BCM Programme supports managers and officers with development of Business Continuity Plans (BCPs) for the most critical services.

Implementing BCM comprises of two stages:

1. Completion of a Business Impact Analysis (BIA) to identify the key 'business as usual requirements' and the threats or risks that might disrupt the service. Key requirements include staff, buildings, ICT, suppliers and other service specific requirements such as transport, plant, machinery and data.
2. The second stage is development of a Business Continuity Plan (BCP). Development of the BCP is informed by the BIA and contains the continuity arrangements in the event of loss of staff, buildings, ICT, suppliers and other service-specific requirements.

The BCP documents the responses that are likely to be needed as and when a disruption occurs, so that managers and officers can be confident that they can maintain the service through the disruption without unacceptable delay or interruption.

The corporate risk on Council Resilience has 3 distinct areas of risk:

1. The first relates to the whole BCM programme and the risk that our arrangements to improve Council resilience prove inadequate.
2. The second specifically relates to industrial action because of its potential to cause widespread disruption across the city.
3. The third specifically relates to ICT due to the high dependency of all Council services on the ICT infrastructure.

For each of these areas, the current and emerging risks are analysed and consideration given both to the existing controls in place and what, if any, further actions need to be taken. These are detailed below.

## 1. Business Continuity Management

- **Top Level Support and Directorate Engagement:** There is support from the elected member Corporate Governance & Audit Committee and Corporate Leadership Team (the Council's senior management team) in progressing BCM across the organisation. Continued top-level support will be essential in building, promoting and embedding a BCM culture so that it becomes part of the Council's core values and effective management.

At directorate level, manager engagement is inconsistent. There are pockets of good engagement where the need for greater resilience of a service is recognised and implementation of BCM arrangements is rapidly progressed. There are also services where, despite an enthusiastic start, engagement tails off when completion of the BCP is handed-over from the BCM Programme to managers for completion. There is a minority of services where there is no response from managers whatsoever. Chasing progress where engagement is not forthcoming can be time-consuming.

Creating and embedding a BCM culture throughout the Council has proven challenging, with a level of resistance in places that was not anticipated given the offer of support to services. However, on-going top-level support that promotes awareness of BCM and its importance will encourage greater manager engagement and sustained progress towards a more resilient organisation.

- **Development of Business Continuity Plans & Arrangements:** Of the 67 services assessed as being most critical, 35 have BCPs in place. A further 22 services are currently progressing towards developing Plans with just 10 services making no progress to date.

The current priority of the BCM Programme is to ensure that *all* 67 services assessed as being most critical have BCPs developed and implemented.

Critical services without BCPs in place or with plans either currently in development or unmaintained could expose some of the Council's most critical service areas to resilience issues in the event of a disruptive incident occurring.

- **BCM Toolkit:** The BCM Toolkit of templates and guidance is now published on the Council's 'InSite' Intranet for staff to use. This includes templates and guidance for the completion of BIAs and development of BCPs. Use of the templates will help managers to identify where there are interdependencies with other internal services and external suppliers or commissioned services.

Also included are the Core Responder Planning Assumptions: these contain the general response that can be provided to internal services by Human Resources, ICT Services and Facilities Management in the event of disruption.



- **Management Review and Exercising:** There are 18 BCPs that require management review, including some plans that have not been reviewed for several years. A management review is a desk top review of the plan by the managers responsible for the service to ensure the plan's continuing suitability, adequacy and effectiveness; changes should be made as required. This is a relatively quick exercise to complete and should be conducted annually.



Exercising and testing of plans is the responsibility of the managers responsible for the service. Exercising is essential to developing teamwork, competence, confidence and knowledge, all of which are vital at the time of a disruptive incident.

Where exercising and testing is to be completed, it is essential that plans are up to date. The priority therefore is to ensure that all plans are subject to management review prior to exercising and testing.

- **Supply Chain Resilience:** Many Council services have a key dependency on external suppliers or commissioned services. A failure or disruption with the supply chain could impact many of the Council's most critical services. The reference to supplier BCM in the Conditions of Contract and Contract Procedure Rules are high level and so, to support this, a document has been drafted providing additional good practice guidance to managers in seeking BCM assurances from potential suppliers. Following review by the Procurement Unit, this guidance will be published on the Council's Intranet site.
- **Schools Financial Value Standard:** The Schools Financial Value Standard (Question 23) requires all local authority maintained schools to have considered business continuity and disaster recovery arrangements. To support Head Teachers and School Managers with considering BCM arrangements a school specific BIA/BCP template is being developed.  
A training event for Head Teachers is also being planned by the Council's Emergency Planning Unit. This will primarily focus on schools' emergency and crisis management arrangements but will include a BCM inject.
- **Transfer of Public Health and Implications for BCM:** The transfer of Public Health duties to Local Government control in April 2013 includes a level of BCM advice and guidance. Liaison with colleagues in Public Health is on-going to clarify BCM responsibilities going forward.
- **Advice to Business and Voluntary Organisations:** Under the requirements of the Civil Contingencies Act 2004, local authorities are required to provide BCM advice and guidance to business and voluntary organisations. The Council continues to host Business Continuity Network Events twice a year, inviting representatives from businesses and organisations in the Leeds area to attend and hear presentations from BCM practitioners as well as providing the opportunity to network.  
Links are maintained with other sectors such as the Police, Fire & Rescue, NHS and the Environment Agency etc. through attendance at Local Resilience Forums (multi-agency partnerships).

## 2. HR Industrial Action

The development of a documented procedure for a LCC multi-discipline response to industrial action remains work in progress. The draft procedure is with HR for review and revision prior to capturing the input from members of the Industrial Action Core Strategic Group which includes: Health & Safety, Emergency Planning, ICT Services, Facilities Management, Communications and the Contact Centre.

## 3. ICT Services

The Council's increasing dependence on the ICT Services infrastructure and the potential impact of an ICT outage on LCC's most critical services requires effective BCM and Disaster Recovery arrangements. A focus on maintaining critical services during an ICT outage is essential with service

delivery usually maintained during a short- to medium-term ICT interruption through the development of manual workarounds or other alternative solutions.

The BCM Programme continues to encourage greater collaboration between critical services developing and maintaining BCM arrangements and ICT Services. ICT Services have recently completed reviews and a revision to all 6 of their BCP's covering key services/disciplines. The ICT Management Team has proposed that a programme of testing is to be initiated on all 6 BCPs from July 2013.

## What more do we need to do?

### Complete the 1<sup>st</sup> Tranche of the BCM Programme

The 1<sup>st</sup> tranche of the BCM Programme focussed on the Council's most critical services: i.e. those services that require an 'immediate' recovery from between 0 to 24 hours of a disruption occurring. This provided a starting point for the roll-out of the BCM Programme.

The *current* priority of the BCM Programme is to ensure that *all* services assessed as being most critical have Plans developed and implemented. Once this has been achieved, the focus will then be on encouraging the completion of management reviews and supporting managers with the exercising and testing of BCPs.

### Initiate the 2<sup>nd</sup> Tranche of the BCM Programme

The 2<sup>nd</sup> tranche of the BCM Programme needs to focus on those services that are assessed as being 'urgent': i.e. those services that require recovery from between 24 hours and 1 week from a disruption occurring. These services were identified as part of the original criticality assessment completed in 2011, though validation by the appropriate management teams will be sought to re-confirm the 'urgent' status.

The continued roll-out of the BCM Programme and development and implementation of BCM arrangements for LCC's most critical services will build greater resilience for the Council in the event of disruption whilst providing assurances to members, senior managers, wider staff and other stakeholders on how the risk is being managed.

## Further information

A BCM Toolkit has been developed and can be accessed by Council staff using the following link: <http://insite.leeds.gov.uk/toolkits/Pages/Business-continuity.aspx>

Please click [here](#) to go to the Business Continuity Institute's website.

## Health & Safety Corporate Risk Assurance

### Background

This report provides assurances relating to the risk of a health and safety failure resulting in death, injury and legal challenge.

Leeds City Council has many responsibilities in terms of health and safety:

1. As a duty holder with large numbers of employees;
2. As a regulator through environmental health; and
3. As a large scale procurer of goods and services which can influence safety through the supply chain.

The main duty of any employer can be summarised as providing: safe systems of work; safe plant, equipment and substances; safe workplaces; risk assessments and training/instruction/supervision.

### What are the risks?

- That a serious incident occurs causing death or injury to employees or clients arising out of the many council functions. Examples could include school trips, social services activities or construction projects.
- Lengthy investigations by the Police and other enforcing authorities such as the Health & Safety Executive (HSE) or West Yorkshire Fire and Rescue Service (WYF&RS) may require suspension of functions and/or buildings during this period.
- Repercussions where Leeds City Council is deemed at fault may be unlimited fines, adverse publicity, public enquiry or possible negligence manslaughter charges. These could be brought against individual officers or elected members and involve custodial sentences or could entail corporate manslaughter charges being brought against a Council leadership board.
- Civil claims for compensation can also be brought against the organisation by employees or members of the public injured due to the Council's work activities.



### How is the Council managing the risks?

Health and safety is about saving lives, not stopping people living. The Council therefore supports the Health and Safety Executive's (HSE) campaign for sensible risk management, where it is based upon practical steps to protect people from real harm and suffering – not bureaucracy.

Health and safety management in the council is based on an approach advocated by the HSE. This is realised through a series of health and safety performance standards, jointly agreed with the trade unions.

The Chief Executive is ultimately accountable for the health and safety of employees and service users of Leeds City Council. To assist him to undertake this role he has nominated the Director of Resources as the CLT (Corporate Leadership Team – the Council's senior management team) member with responsibility for apprising him of health and safety performance. In turn, the Director of Resources is supported by a team of professionally qualified Health and Safety Advisers and Occupational Health Practitioners, led by the Head of Health and Safety.

In addition to these specific roles, the Council's Health and Safety Policy details individual accountabilities for every level of employee. The Leader of the Council, Councillor Wakefield, also has a responsibility to ensure that decisions taken by elected members do not compromise the health and safety of staff or service users.

Co-operation and consultation with the workforce on health and safety matters is extremely positive. There are Directorate/Service level Health and Safety Committees and a Corporate Health and Safety Committee.

A 4 year Health & Safety Vision has been agreed to improve the way health and safety is managed within the Council and CLT annually agrees the top 10 health and safety priorities.

A fire safety concordat was signed with West Yorkshire Fire and Rescue Service (WYF&RS) in March 2011 with a 3 year plan on how LCC will improve fire safety across all services and this has led to considerable progress. Regular meetings take place with WYF&RS to ensure we are meeting our objectives. Since this agreement was reached, no Enforcement Notices have been received by the Council. The concordat has also incorporated schools and the housing Arms Length Management Organisations (ALMOs).

An Internal Audit was conducted during 2012 looking at Corporate Health & Safety Central Controls. This showed that improvements had been made since the previous 2008 audit with assessments of 'good' given for the control environment and 'acceptable' for compliance.

Working groups for asbestos and construction/contractor management have been set up to improve these areas across the authority and good progress is being made.

During the past 12 months the council has had two Improvement Notices served on it by the Health and Safety Executive. These notices were as a result of an HSE clampdown on construction sites in Leeds and were related to fire precautions on the Middleton Leisure Centre site and health surveillance of joiners. The Notice relating to fire precautions has been fully complied with to the satisfaction of the HSE. An action plan has been drawn up and steps taken to ensure all relevant staff have the necessary health surveillance and so comply with that Notice.

The authority was also prosecuted following a Council-maintained rotten flagpole falling onto a young child. A number of steps have now been put in place to prevent a recurrence to the satisfaction of the HSE. These included: all war memorials were re-surveyed within 6 weeks, including the peripheral areas to ensure there were no problems at other sites; more detailed inspection arrangements were put in place, including prioritising and closing out identified works; and management and staff training was undertaken. The inspection regime now in place draws upon best practice laid out by English Heritage.

The HSE has been involved in various other investigations but have been assured that we have been able to deal with these particular issues internally without the need for formal action. In particular the HSE concluded its long-running audit of waste collection services. Formal notices are held on public records and can also affect some services like Commercial Services when competing for contracts as these need to be declared at the contract tender stages.

The Council continues to invest in health and safety training, with 3000 places being taken up every year.

### **What more do we need to do?**

The top ten priorities for health and safety in 2013/13 are:

- construction safety
- transport safety
- fire safety
- mental health in the workplace
- musculo-skeletal injuries
- violence and aggression
- health surveillance
- waste collection
- roles, responsibilities and competence
- improving health and wellbeing in the workplace

**Further information** can be obtained from Chris Ingham, Head of Health and Safety, on (0113) 22 43220.