

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 12TH OCTOBER, 2020

PRESENT: Councillor H Hayden in the Chair

Councillors G Almass, P Carlill,
D Chapman, S Firth, D Jenkins,
J McKenna, M Midgley, M Robinson and
S Seary

40 Nomination of Chair

The Principal Scrutiny Adviser informed Members that the Chair of the Board, Cllr Harland had sent her apologies as she was unwell. Therefore, he was seeking nomination to the Chair.

Cllr Hayden was nominated to the Chair with the agreement of all Board Members.

RESOLVED – That Cllr Hayden be formally elected to the Chair.

CHAIRS OPENING COMMENTS

The Chair thanked her Board Members for their support, and welcomed all to the Strategy and Resources Scrutiny Board meeting.

41 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

42 Exempt Information - Possible Exclusion of the Press and Public

There were no exempt items.

43 Late Items

There were no late items of business.

44 Declaration of Disclosable Pecuniary Interests

There were no declarations of disclosable pecuniary interests.

45 Apologies for Absence and Notification of Substitutes

Apologies were received from Cllr Harland.

46 Minutes - 7 September 2020

RESOLVED – That the minutes of the meeting held on 7th September 2020 be approved as a correct record.

47 Matters arising

In relation to minute 34 Matters arising – In relation to an item from a previous meeting in regard to Welcome to Yorkshire. It was noted that since the last meeting there had been more information in relation to a grant not being approved from Wakefield City Council. Members were concerned that there seemed to have been conflicting information and were seeking to ensure that full clarity would be given to the Board at its meeting in November including a full budget position and finances.

Also under Minute 34 Matters arising - Cllr Harland as Chair of Scrutiny Board, Strategy and Resources and Cllr Hayden as Chair of Scrutiny Board, Adults, Health and Active Lifestyles, had sent a joint letter to the Secretary of State in relation to long term funding of social care. It was agreed that the letter should be provided as part of the minutes to the November meeting. It was noted that no reply had been received.

48 Capital Programme Review, Revenue Budget Update 2021/22 and Budget Savings Proposals

The report of the Head of Democratic Services provided Board Members with an update on the budget position for 2021/22 and consider both the Revenue Budget Update and Savings Proposals and Capital Programme Review reports approved by Executive Board on 24 September 2020.

In attendance for this item were:

- Cllr James Lewis – Deputy Leader of Council and Executive Member for Resources;
- Victoria Bradshaw – Chief Officer Financial Services;
- Neil Evans – Director of Resources and Housing;
- Cluny Macpherson – Chief Officer Culture and Sport

Members were informed of the following points;

- At its July meeting the Strategy and Resources Scrutiny Board considered the initial impact of Covid-19 on the Council's budget position both in terms of the current year and the projected impact on financial year 2021/22. Since that time Executive Board considered a further budget update and savings proposals for 2021/22 at its meeting on 24 September 2020;
- The budget gap for 2020/21 stands at £118.8m of which £59.7m is due to pressures identified prior to the impact of COVID-19 with the balance of £59.1m resulting from the ongoing financial impact of COVID-19;
- £32.3m had been identified through the Financial Challenge Programme of which £24.2m related to Business as Usual and £8.2m related to Service Review measures. In respect of the Board's remit the

Resources and Housing Directorate (in which the majority of the services covered by the Board's remit sit) had identified £5.01m of Business as Usual savings and £6.33m that related to service reviews that would require further consultation;

- The Scrutiny Board's working group held a meeting on 25th September 2020, the outcomes of this meeting and a further planned working group on 19th November will inform the council's decision-making in relation to the Budget for 2021/22. Comments and recommendations made by the Scrutiny Board (Strategy and Resources) during this consultation process will be captured within a composite report from Scrutiny to be submitted as part of the Provisional Budget report to the Executive Board in December.
- It was noted that in addition to the savings proposals considered by Executive Board in September more savings proposals would be brought to the Executive Board meetings in October and November. There was a need to save around £80m for 2021-2022. The Directorate would be looking at areas such as asset disposal and back office savings. This would require delivering services differently and would also see a reduction in staff. It was noted that there had been interest in the Early Leavers Scheme which had seen about 1,000 people indicating that they would wish to go. Consideration of ELI submissions is currently ongoing and it was thought that staff reductions in this Directorate could be delivered through voluntary means. Although, there was the potential that in some service areas this may not be possible. Discussions with Trade Unions were currently ongoing;
- The last Medium Term Financial Strategy had been agreed in July 2019, it had been recognised that there were dwindling resources. There had been a reset on the financial strategy due to Covid-19 which has had an impact on the budget, not just in this year but will do so into future years.

In response to questions from Members, the Board was informed of the following:

- The reduction of 528 posts would be through a number of options including Early Leavers Initiative, of which there had been 1,000 expressions of interest, removal of vacant posts and the possibility of redundancies. However, those who were made redundant would go into the Talent Pool and matched to those who wished to leave to where the vacancies needed filling;
- Staff workloads would change and this would be done through changes to processes and the use of technology;
- The Leeds Building Services contract had been extended to make savings and offer tenants value for money. Leeds Building Services would be looking to absorb the work previously undertaken by Mears in the South of the City. There may be a need to take on staff in this area of work due to different skills set required for specific jobs;
- Council staff had shown that they are an adaptable workforce, and it was hoped that those who faced redundancy would take up roles elsewhere in the Council;

- Responding to a question about the possibility of negative interest rates the board were informed that the Council currently has a fixed rate for its loans and therefore would not necessarily be affected by negative interest rates brought in by the Bank of England. However, short term borrowing would provide reductions which could be reflected in the Medium Term Financial Strategy, this had not been factored in but the possibility of negative interest rate would be monitored.

RESOLVED – To note the content of the report.

49 Scrutiny Inquiry into the reduction of energy consumption in Council buildings – formal response to recommendations

The report of the Head of Democratic Services presented a formal response to the recommendations arising from last year's Scrutiny Inquiry into the reduction of energy consumption in Council buildings, this was set out at Appendix 1.

In attendance for this item were:

- Cllr James Lewis – Deputy Leader of Council and Executive Member for Resources
- Neil Evans – Director of Resources and Housing
- Polly Cook – Chief Officer, Sustainable Energy and Air Quality
- Mark Mills – Head of Asset Management

The Board had undertaken an Inquiry during October and November 2019 in accordance with the agreed terms of reference. A report summarising the conclusions and recommendations of the Scrutiny Board was then agreed on 18th November 2019, this was appended to the submitted report.

Members were advised of the following:

- Recommendation 1- The Council is now able to separate out data for its electrical consumption in all our buildings. Data is also collected for the electrical charging points. Investment in more electrical heating would require monitoring to assess any impact, and this would be on a site by site basis;
- Recommendation 2 –The Council currently has 700 operational buildings with 200 of these classed as key operational buildings. The Council has a wide range of buildings some of which are heritage buildings. It was recognised that some of the historic buildings may not have scope to be used in the future. Asset Management Strategy is currently being updated and a report will be presented to Executive Board later in the year;
- Recommendation 3 – The Asset Management Strategy will consider the carbon footprint, asset reduction, spread of buildings and how they are used. The Strategy would also consider how we are currently working with more people working from home and also travel demands. It was noted that services may be required to work differently and this would be through digital means in the future;

- Recommendation 4 –To look at the carbon footprint comparing people working from home, compared to their commute into work. The standard Housing Database was used to see how energy usage changes for someone working from home between 9 hours and 16 hours a day. It was recognised that some people may not put their heating on whilst at home which would make savings better, but the calculations had been based on someone heating their home for 16 hours. The staff travel survey had been used to look at where people travelled into work from, including distance and mode of transport. It was noted that even in winter there would be a 1kg saving per day of CO2 and in summer 1.72kg of savings. It was concluded that heating the home more often was better than the travel emissions that would have been caused by regular commuting. It was also realised that there are different factors which could affect this and in the current situation there may be more than one person working from home therefore, sharing carbon and saving on two lots of commute;

Recommendation 5 – In early summer the Council was made aware of a fund of one billion pounds from Central Government, which is being provided through SALIX but as a grant not an interest free loan. This is based on the carbonisation of heating buildings not just Council buildings but any public sector buildings. It was noted that linked to the work already being undertaken such as the District Heating System there would be an opportunity to pull in more funding to maximise what we are able to do for the Council's estate in the future.

Responding to questions from Members the Board was provided with the following information:

- Not all Council buildings have re-opened after lockdown. Those that have are Covid secure and are operating at around 20-50 percent capacity. Access and egress of building is through a booking and signing in system. Buildings which remain closed include Enterprise House and St Georges House. It was noted that Enterprise House is leased and that discussions were currently ongoing with the landlord;
- On school accessing the SALIX funding, it would not be re-payable due to the grant structure and discussions were therefore ongoing with schools to access the funding especially those which require new boilers;
- The transport network is currently run by private operators, but it was noted that there is sufficient money to keep services going;
- Trade waste is now collected in-house and is not collected on a pattern basis, bins are only emptied when required;
- It was recognised that working from home required a reliable connection to Wi-Fi. Members were advised that the Council had been working to improve connectivity in a number of areas of the city and there were a number of touchdown desks available for use;
- Feedback from the staff survey showed that of the 8,000 staff working from home 10-15% were struggling to work from home, whilst 80% said that they were happy to work from home half of the time. The reasons given for wanting to work half-time in a building was to see people and have the collaboration of working with

colleagues. With this in mind it was the view that in future, buildings may require more meeting and collaboration spaces;

- In relation to historic buildings in the Councils estate, Members were advised that work was continuing to address the use of buildings such as Pudsey Town Hall and Rothwell Council Offices. There were a number of considerations including access, maintenance and local sensitivity around such buildings. There had been a commitment from City Development to work with local ward members on finding a solution for such buildings;
- It was noted that the book value of all properties that the Council own would be checked prior to going for sale, this would also inform which type of sale the property would be sold in. It was noted that there would be a reserve put on those that go to auction.

In light of recent issues with White Rose Energy and Robin Hood Energy, it was suggested that staff who had previously used these suppliers be encouraged to look at other providers to ensure that they were getting best value for money. The Board agreed to discuss this at a future meeting.

RESOLVED – To note the content of the report.

50 Scrutiny review of the management and financial implications of void properties in Council ownership - recommendation tracking update

The report of the Head of Democratic Services set out the progress made in responding to the recommendations arising from the previous Scrutiny review of the management and financial implications of void properties in Council ownership.

In attendance for this item were:

- Cllr James Lewis – Deputy Leader of Council and Executive Member for Resources
- Neil Evans – Director of Resources and Housing
- Mark Mills – Head of Asset Management

The Board decided to consider the management and financial implications of void properties in Council ownership. A working group meeting, took place on 29th October 2018. A formal Statement setting out the Scrutiny Board's conclusions and recommendations was then agreed in February 2019. In July 2019, the Scrutiny Board received a formal response to the recommendations arising from this review.

The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. This standard set of criteria was presented in the form of a flow chart at Appendix 1.

Details of progress against each recommendation were set out within the table at Appendix 2.

Member's discussions included:

- Establishment of Asset Management Plans to aid future estate planning;
- Service reviews to assess service and building changes;
- Reduction of period between properties becoming vacant and being put on the market;
- Strategic Development Group process to consider marketing and disposal of vacant properties;
- Ward Member engagement in discussions around void properties especially those that are locally sensitive.

RESOLVED – To accept Recommendations 1 and 2 as met and that the Board would continue to monitor Recommendation 3.

51 Work Schedule 2020/21

The report of the Head of Democratic Services requested Members consideration on the Scrutiny Board's work schedule for the municipal year 2020/21.

The Principal Scrutiny Adviser informed the Board that the meeting would look to address the additional details that Board Members had requested on Welcome to Yorkshire including an audit analysis and concerns in regard to the decisions making process. It was suggested that a witness be invited to the meeting.

The November meeting would also consider:

- A report on ways of working and the impact on staff; and
- A report on Council Tax and Business Rates Recovery.

Members were advised of a working group to discuss the budget in November. A date would be confirmed for this as quickly as possible

RESOLVED – To note the content of the report.

52 Date and Time of Next Meeting

The date and time of the next meeting of Scrutiny Board (Strategy and Resources) will be Monday, 16 November 2020 at 10.30 am (Pre-meeting for all Board Members at 10.00 am).

The meeting concluded at 12:08