



CORPORATE GOVERNANCE AND AUDIT COMMITTEE

**Meeting to be held in Civic Hall, Leeds on
Tuesday, 14th December, 2010
at 2.00 pm**

MEMBERSHIP

Councillors

G Driver (Chair)	C Campbell	P Harrand	J Elliott
P Grahame	G Kirkland	W Hyde	
N Taggart	S Smith		
A Lowe			
J Lewis			
T Hanley			

Co-opted Member

Gordon Tollefson
(Chair of Standards Committee)

A G E N D A

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

Item No	Ward	Item Not Open		Page No
3			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration</p> <p>(The special circumstances shall be specified in the minutes)</p>	
4			<p>DECLARATION OF INTERESTS</p> <p>To declare any personal / prejudicial interests for the purpose of Section 81(3) if the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct.</p>	
5			<p>APOLOGIES FOR ABSENCE</p> <p>To receive any apologies for absence.</p>	
6			<p>MINUTES OF THE PREVIOUS MEETING</p> <p>To confirm as a correct record the minutes held on 15th November 2010.</p>	1 - 6
7			<p>LEEDS CITY REGION</p> <p>To receive a report of the Director of Environment and Neighbourhoods providing an overview as to how Leeds City Council inputs and affects the Employment and Skills and Housing and Regeneration agendas within the context of the Leeds City Region.</p>	7 - 20
8			<p>INFORMATION RELATING TO SIGNIFICANT LEGAL CASES</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) responding to a request on proposals for arrangements for informing relevant Members of significant legal cases involving the authority, such arrangements to include the Executive Member (Central and Corporate Services); with overall responsibility for Legal Services and the relevant Executive Member in relation to outstanding cases affecting their portfolio.</p>	21 - 22

Item No	Ward	Item Not Open		Page No
9			<p>SECURITY ARRANGEMENTS FOR PDA DEVICES</p> <p>To receive a report of the Assistant Chief Executive (Policy, Planning and Improvement) detailing the security arrangements the Council has in place for PDA devices issued by the Council.</p>	23 - 28
10			<p>REPORT ON GOVERNANCE OF THE COMPLAINTS PROCESS - 2010</p> <p>To receive a report of the Chief Customer Services Officer providing further information and clarity to the Committee as to the resourcing of the complaints function on a corporate and council wide basis and also to provide assurances that complaint performance and lessons learnt from complaints remain high on the corporate agenda.</p>	29 - 36
11			<p>PROTECTING THE PUBLIC PURSE - 2010</p> <p>To receive a report of the Director of Resources Presenting a self assessment of the authority's position against the recommended best practice in the Audit Commission's 'Protecting the public purse 2010' report and proposed actions to address areas where further work could be done to address the risk of fraud and corruption.</p>	37 - 40
12			<p>WORK PROGRAMME</p> <p>To receive a report of the Assistant Chief Executive (Corporate Governance) notifying and inviting comment from the Committee upon the work programme for the remainder of the 2010/11 municipal year.</p> <hr/> <p>PLEASE NOTE THAT A RISK MANAGEMENT BRIEFING WILL TAKE PLACE AT THE NEXT MEETING OF THE COMMITTEE AT 1PM ON 24TH JANUARY 2010 IMMEDIATELY BEFORE THE COMMENCEMENT OF BUSINESS AT 2PM.</p>	41 - 46

Agenda Item 6

Corporate Governance and Audit Committee

Monday, 15th November, 2010

PRESENT: Councillor G Driver in the Chair
Councillors P Grahame, C Campbell,
G Kirkland, A Lowe, Tollefson, P Harrand,
W Hyde, J Lewis, T Hanley and T Leadley
(as substitute for J Elliot)

Co-optee G Tollefson

Apologies Councillors S Smith and J Elliott

53 Appeals Against Refusal of Inspection of Documents

There were no appeals against the refusal of inspection of documents.

However the Committee noted correspondence in relation to a request by Councillor Illingworth for an appeal against refusal of inspection of documents which request was found to have been invalid as the document requested did not form part of the background papers to the report on Item 10 of the agenda.

54 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

55 Late Items

There were no late items submitted to the agenda for consideration.

56 Declaration of Interests

Councillor Leadley declared a personal interest in Agenda item 10 (Minute 64 refers) as a Member with involvement in the case of Technoprint Plc and Snee V Leeds City Council.

57 Apologies for Absence

Apologies were received from Councillor S Smith and Councillor J Elliot.

58 Minutes of the Previous Meeting

The minutes of the Corporate Governance and Audit Committee meeting held on 29th September 2010 be approved as a correct record.

59 Government Spending Review

The Director of Resources presented his report which provided information on the implications of the Government's spending review which was announced on 20th October 2010.

Members discussed the report and commented on the importance of the Council having good systems and controls in place to competently undertake its responsibilities in light of the cuts announced in the Government's spending review. Members raised questions with regards to the meaning of the figures mentioned in the report and the consultation that will take place with regards to the budget proposals.

Members considered the provision for the building of new social housing under the New Homes Bonus Scheme, and the grant funding that will be received by the Council for each new home built. It was confirmed that this money could be used as the Council best sees fit.

Members also voiced concerns about the future provision for Police and Fire Services in Leeds in light of the Government spending review.

RESOLVED – The Committee resolved to:

- note the contents of the report and its appendices; and
- to continue to review and monitor as appropriate the changes that take place following the Government's Spending review.

At this point in the meeting the Chair informed the Committee that item 10 on the agenda, Judicial review - Lessons Learned, would be considered as the last item on the agenda in order for a detailed discussion to take place on the item.

(Councillor J. Lewis entered the meeting during the discussion of this item at 10.15am)

60 Duplicate Creditor Payments

The Head of Internal Audit presented a report of the Director of Resources which provided assurance on the robustness of internal controls in operation to prevent duplicate payments in accordance with the terms of reference of the Committee.

Members discussed the costs of recovering duplicate payments. Concerns were raised that although nearly all the money paid out in duplicate payments

to date had been recovered, duplicate payments had been processed and authorised in the first instance.

The Committee acknowledged the work undertaken by Internal Audit in recovering duplicate payments and asked that Members of the Committee be provided with details of the Directorates in which duplicate payments had been made and the amounts.. The Head of Internal Audit confirmed that he would circulated this information

RESOLVED - The Committee resolved to note the contents of the report.

61 Review of Governance Framework for Significant Partnerships

The Head of Governance Services presented a report of the Assistant Chief Executive (Corporate Governance) which presented the Committee with the outcome of the review of the Governance Framework for Significant Partnerships in light of the abolition of the Comprehensive Area Assessment and current resource constraints. The report also informed the Committee of the subsequent amendments which have been made to the framework and the monitoring process.

Members discussed the report and sought further assurances concerning the way in which partnerships will be monitored. Members were particularly supportive of the governance arrangements of partnerships on the Council's register of Partnerships being subject to on-going 'spot checks' by Directors and by Internal Audit.

RESOLVED – The Committee resolved to;

- note the outcome of the review of the Governance Framework for Significant Partnerships, and the amendments made;
- receive the list of 34 significant partnerships currently registered; and
- receive reports by exception where spot checks of partnerships highlight concerns with governance arrangements ;

62 The Corporate Governance Statement Action Plan

The Corporate Governance Officer presented a report of the Assistant Chief Executive (Corporate Governance) which updated the Committee on the progress that has been made in implementing the Corporate Governance Statement Action Plan.

The Committee reviewed the Action Plan and agreed that efforts to complete the Improvement Activities detailed in the Action Plan should continue which in certain areas could help the Council achieve value for money.

RESOLVED - The Committee resolved to:

- note the progress made to date on the Corporate Governance Statement Action Plan; and
- receive a further update on progress in April 2011.

63 Work Programme

The Assistant Chief Executive (Corporate Governance) submitted a report notifying Members of the draft work programme for 2010/11.

The Committee resolved to note the draft work programme for the remainder of the 2010/11 municipal year.

64 Judicial Review Lessons Learned

The Assistant Chief Executive (Corporate Governance) presented her report informing the Committee of the outcome of the case Technoprint Plc and Snee V Leeds City Council, a judicial review of a planning decision. Officers reported on the decision of the Court and its implications for the Council's governance arrangements, and identified improvements which have or should be made, to current practices. As background information to this the Committee was given a chronological summary of the case by Councillor Leadley who had been involved in the case from the initial complaint against the Council.

Members discussed the report in detail commenting on the need for the Council to ensure that lessons are learned from the case, specifically in terms of decision making arrangements and the planning application process, with the aim to ensure the Council avoids litigation on technical matters in the future. Members expressed a desire for the Council to be as open and transparent as possible in its decision making and that decisions made should be open to challenge.

Members further discussed the process for informing Members of significant litigation relating to the authority. Members highlighted a need for a proportionate procedure to be introduced for relevant Members to be informed in advance, of any cases, which potentially could be damaging to the Council. As part of this discussion Members also commented on the financial cost of litigation to the Council.

RESOLVED - The Committee resolved to:

- note the outcome of the case Technoprint Plc and Snee V Leeds City Council, in relation to the governance issues arising;
- note that the Joint Plans Panel have considered the planning issues arising from the case, and that the Panel have initiated a review of the delegation to the Chief Planning Officer;

- note the steps proposed or already taken by the Assistant Chief Executive (Corporate Governance) to improve the governance arrangements relating to;
 - the approval of the delegation scheme relating to Council functions;
 - the provision of documents to Committees outside the 5 clear day notice period; and
- request a report on proposals for arrangements for informing relevant Members of significant legal cases involving the authority.

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Report of the Director Environment & Neighbourhoods

Corporate Governance and Audit Committee

Date: 14 December 2010

Subject: Leeds City Region

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose of this Report

1.1 This report provides an overview as to how Leeds City Council inputs and affects the Employment and Skills and Housing and Regeneration agendas within the context of the Leeds City Region.

2.0 Background Information

2.1 At its meeting held on the 12th May 2010 Governance and Audit Committee requested further details be provided on how Leeds input into and affect the housing and regeneration and employment and skills agendas within the Leeds City Region governance arrangements

3.0 Main Issues

3.1 Housing & Regeneration Agenda

3.2 The LCR / HCA Board is the vehicle of devolution of regeneration and housing investment from central government to localities; it holds responsibility for determining and managing HCA investments, delegated by the national HCA Board. In relationship terms, the LCR HCA Board is a committee of the national HCA Board.

3.3 Leeds is represented on the LCR/ HCA Board by Cllr Wakefield, Leader. The Board takes responsibility and ownership for the LCR Housing and Regeneration Investment Plan

3.4 The primary purpose of the Leeds City Region Homes and Communities Agency

(HCA) Board is:

- to work collaboratively with the HCA and other relevant bodies;
- to oversee HCA investment across the City Region
- to oversee delivery of key strategic projects in the City Region; and
- to provide a mechanism for the voluntary alignment of other related public sector resources.

3.5 The terms of reference are attached at Appendix A and the investment agreement and investment plan are both available via the Leeds City Region website (www.leedscityregion.gov.uk).

Appendix B: shows the LCR Housing & Regeneration Arrangements

3.6 The Housing Panel which comprises Members of all eleven local authorities in the city region partnership and the HCA provides advice to the City Region Leaders Board on housing and regeneration matters. Consideration could be given to extending the membership of the Panel to non-local authority bodies, to enable a broader perspective to the consideration of issues and advice.

3.7 Leeds is represented on the Housing Panel by Cllr Lewis Deputy Leader and Executive Member for Development & Regeneration.

3.8 Under the Board arrangements, the Housing Panel has a role in offering a view to the Board on housing and regeneration investment decisions, particularly from a local authority perspective. To ensure this broader Local Authority input, Housing Panel meetings are arranged prior to the LCR HCA Board meetings in order that the Panel can help brief the city region partnership's members on the Board.

3.9 An executive officer group has been established comprising senior representatives from the City Region Secretariat, partner Local Authorities, HCA, Yorkshire Forward, CLG and other relevant organizations, with a primary responsibility to inform and advise the Joint Board on City Region investment matters.

4.0 Leeds City Region Employment and Skills Board (ESB)

4.1 Leeds City Region ESB was established with responsibility for developing an adult skills and employment strategy for the City Region. The ESB is now recruited to in line with Government recommendations and has representation from private sector employers; place leaders/public sector employers and commissioners.

4.2 The terms of reference and governance for the ESB are attached at Appendix C. Further information on the work of the Board can be found on the Leeds City Region website (www.leedscityregion.gov.uk)

4.3 Under the previous government, it was intended that the ESB would realise its influence on skills was through statutory 'Section 4' powers, which would have enabled the ESB to set strategy which the Skills Funding Agency would take account of in planning adult skills provision for the city region, alongside regional and national priorities.

4.4 The process for achieving Section 4 powers was to have been an assessment by UK Commission for Employment & Skills (UKCES) on behalf of government, to test the Board's readiness for such powers. The assessment scheduled for 19 May was

postponed following the general election and the formation of the Coalition Government. Since then Business, Innovation and Skills Ministers have developed their policies on skills and further education and in late June, the Minister for Skills, John Hayes, wrote to the Chair confirming his decision not to proceed with the assessment for Section 4 Powers. The new government's approach is one of delegating freedom to providers to respond to demand from individuals and employers at the local level and this has changed the context in which ESBs will operate.

4.5 The Minister has indicated a desire to see ESB skills and employment ambitions progressed through the new policy structures of Local Enterprise Partnerships (LEPs). Leeds City Region Leaders agreed over the summer to put forward a proposal, building upon its existing partnership arrangements with additional private sector representation, including the Employment & Skills Board. A submission was made to Government on 6 September which included the ESB's priorities

4.6 The ESB's vision is for effective employer and public investment in skills that will drive growth, innovation and enterprise in the Leeds City Region. The Employment and Skills Strategy, Intelligence Driving Growth, developed by the ESB has 5 strategic aims:-

- Improve skills and boost employment in selected key sectors;
- Increase employer and individual skills investment across the City Region;
- Enable those out of work to compete in the labour market by ensuring that they have the necessary skills;
- Promote better information for learners, employers, colleges, universities and training providers to make more informed decisions; and
- Create an aspirational and innovative enterprise culture.

Work has commenced on developing the business plan to deliver the above strategy and consultation is ongoing with stakeholders.

4.7 The ESB recognises the important role that local authorities have to play in providing local leadership and shaping, supporting and delivering elements of the strategy and business plan and will want to ensure synergy between the City region and local approaches. However, established as an employer led board, there are only 5 local authority representatives. These are the elected member portfolio holders for Bradford, Calderdale and North Yorkshire and the Chief Executive Officers for Barnsley and Wakefield.

4.8 Officer input to the work of the ESB is provided through the ESB Officer Group which has representation from all 11 local authorities along with the LCR Employer Coalition, the Skills Funding Agency and Jobcentre Plus.

4.9 The current arrangements for Skills in the Council are complicated by divisions in responsibilities across 5 directorates. To overcome this, the Director of Environment and Neighbourhoods has been designated as the Corporate Leadership Team lead on Skills. The Director will progress work to develop more coherent arrangements to ensure that the needs of Leeds are appropriately identified and provision is more effectively planned and delivered at the local level and that there is effective engagement with the ESB.

5.0 Implications for Council Policy & Governance

5.1 To ensure members are effectively informed, consulted and provide an opportunity for members to influence and contribute to the Employment and Skills and Housing and Regeneration agendas within the context of the Leeds City Region, it is proposed that a report quarterly or twice yearly is delivered to Members

6.0 Legal and Resource Implications

6.1 There are no significant legal or resources implications arising from this report.

7.0 Conclusions

7.1 The report sets out the governance arrangements for ensuring effective input into the housing and regeneration and employment and skills agendas. To ensure members are effectively engaged it is proposed to strengthen the proposals through the Scrutiny Board.

8.0 Recommendations

8.1 The Corporate Governance and Audit Committee is requested to:

- Note the report and progress
- Comment on the approach taken to ensure Leeds effectively influences the LCR agendas

Attached:

Appendix A: LCR HCA Board Terms of Reference

Appendix B: LCR Housing & Regeneration Arrangements

Appendix C: LCR Employment and Skills Arrangements

Appendix D: Employment and Skills Board Terms of Reference

Background Papers

Corporate Governance and Audit Committee 12th November 2009 Leeds City Region – Governance Arrangements Report

Corporate Governance and Audit Committee 12th May 2010 Leeds City Region – Emerging Governance Structures Report

Governance arrangements for HCA / Leeds City Region Joint Housing and Regeneration Board
ESB Terms of Reference }

Minutes of ESB on 11 June and 17 September } All available on the Leeds City Region website <http://www.leedscityregion.gov.uk>

LCR Employment and Skills Strategy }

Appendix A: LCR HCA Board Terms of Reference

LEEDS CITY REGION HCA BOARD – Terms of Reference

1 Constitution and Membership

- 1.1 The Leeds City Region HCA Housing & Regeneration Board [herein after referred to as the Leeds City Region HCA Board] shall be established by the HCA, in liaison with the Leeds City Region Leaders Board, and shall comprise the following members:

Chair – A local authority Leader from Leeds City Region

Vice Chair – a Board Member of the HCA

HCA – the Regional Director or his nominee

LCR Local Authorities – 3 Members nominated by the Leeds City Region Leaders Board

RDA – one senior representative of Yorkshire Forward

- 1.2 The City Region Lead local authority Chief Executive for Housing and Regeneration and the associated City Region Secretariat lead officer shall attend, but not be members of, the Leeds City Region HCA Board.
- 1.3 Nominated representatives of CLG and the Government Office may attend as observers.
- 1.4 The HCA Board may, on the advice of the Chair and Vice Chair of the Leeds City Region HCA Board, appoint independent members, in an advisory capacity.
- 1.5 Appointment of non-HCA members to the Leeds City Region HCA Board is subject to the approval of the Secretary of State.
- 1.6 HCA Board Standing Order 13 (Standing Orders to Apply to Committees) shall apply to the Leeds City Region HCA Board, with the exception of arrangements for voting and quorum, which are set out in these terms of reference. A summary of all applicable Standing Orders is available separately for persons appointed.

2 Functions and Responsibilities

- 2.1 The Leeds City Region HCA Board will oversee the delivery of agreed city region strategic projects and programmes, determined through the City Region HCA Single Conversation and set out in the Housing and Regeneration Investment Plan and other associated strategies, having regard to relevant national policies and directives. It will oversee and direct the distribution of HCA investments across the city region, within the scheme of delegation set by the HCA Board.
- 2.2 The Leeds City Region HCA Board shall have the same delegated authority to approve proposals for housing and regeneration schemes in Leeds City Region as are given to the Investment Committee for proposals for the rest of England, except that,
- (a) nationwide programmes shall be considered by the Investment Committee but the Leeds City Region HCA Board will be consulted on, and may consider and make recommendations on the implications for the City Region of national policies and investment proposals, as appropriate.

- (b) where there are cross-boundary proposals these may be considered by both the Investment Committee and the Leeds City Region HCA Board in parallel, and in liaison with appropriate sub-regional bodies, and subsequently will be considered by the HCA Board if appropriate.

2.3 In particular, the Leeds City Region HCA Board shall:

- (a) provide advice to the HCA Board and City Region Leaders Board on levels of housing and regeneration investment needed to deliver strategic priorities in the city region;
- (b) prepare, monitor and review the City Region Housing Investment Plan, providing advice to the City Region Leaders Board and the HCA Board on city region housing and regeneration policy and investment priorities;
- (c) provide an input into the preparation, monitoring and review of the City Region Housing and Regeneration Strategy and Investment Framework;
- (d) oversee the distribution of HCA investments across the city region;
- (e) prepare the City Region Investment Plan setting out the city region's programme for housing and regeneration, and oversee its delivery based on regular monitoring information and analysis;
- (f) consider and approve, or refuse, project and programme proposals for housing and regeneration in the city region, within the scope of delegation set by the HCA Board for the time being, subject to consideration of any advice from officials arising from full appraisal of proposals within the city region Partnership/HCA;
- (g) consider and, on approval, recommend to the HCA Board, programme and project proposals for housing and regeneration in the city region, where these are above the limits of delegation set by the HCA Board for the time being;
- (h) oversee the delivery of the HCA's programmes in Leeds City Region based on regular monitoring information;
- (i) provide a mechanism for voluntary alignment and co-ordination of the activities of public sector investors in housing and regeneration in the City Region;
- (j) liaise with relevant national, regional and local bodies and city region Panels / Boards as necessary
- (k) develop and agree appropriate delivery models for housing supply, improvement of existing stock and regeneration to meet housing requirements in the City Region.

3 Quorum

3.1 No business shall be transacted at a meeting of the Leeds City Region HCA Board unless at least four members are present including at least one Member of the HCA.

4 Voting

4.1 The Leeds City Region HCA Board shall operate on a consensus model, wherever possible without voting.

- 4.2 Where consensus is not achieved, a matter shall be carried by a majority of votes of the members present at the meeting, subject to 4.4 below.
- 4.3 In the case of an equality of votes, the Chair shall have a second or casting vote, subject to 4.4 below.
- 4.4 In exceptional circumstances, on any decision taken by the Leeds City Region HCA Board relating to HCA investments, the HCA representatives, or, in the absence of either, their nominee shall have the right to refer the decision to the HCA Board for determination. Where such a referral occurs the matter shall not be decided until it is determined by the HCA Board.
- 4.5 Where the Board seeks to recommend a course of action or decision on the voluntary alignment of other related public sector investments, decisions on such alignments would remain the responsibility of the respective funding body.

5 Other issues

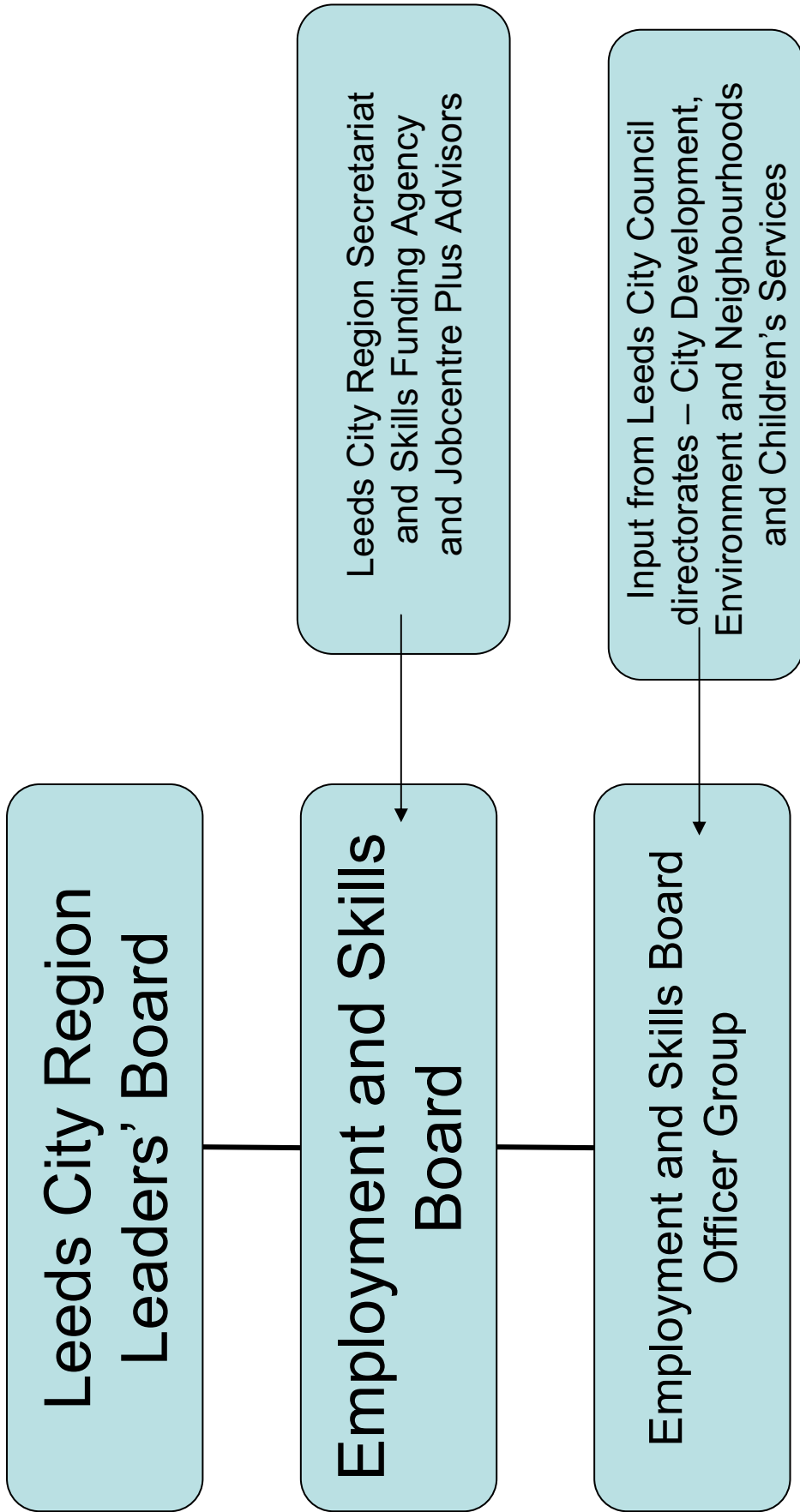
- 5.1 The secretariat will be provided jointly by the city region secretariat and HCA.
- 5.2 The Board shall meet quarterly. Additional meetings may be called as necessary in accordance with Standing Order 5.1.

6 Amendment

- 6.1 Any of the above terms of reference may be altered and amended from time to time by express resolution of the HCA Board, in liaison with the City Region Leaders Board, of which notice shall have been given in the meeting notice at which they are proposed. Any such proposal shall be subject to consultation with the Leeds City Region HCA Board.

LEEDS CITY REGION

EMPLOYMENT AND SKILLS



Leeds City Region Employment and Skills Board Terms of Reference

Statement of purpose

To bring together employers of key sectors, along with Local Authorities and commissioners of employment and skills provision, to give collective local leadership to setting the strategic priorities for public sector investment in adult skills and employability programmes that drive the economic growth of the City Region and raises the demand for skills.

The Employment and Skills Board will seek to act as the designated body to set strategy for skills in Leeds City Region as per Section 24 (A) of the Learning and Skills Act 2000, with the addition of devolved commissioning responsibilities as set out in “Raising Expectations and Increasing Support: Reforming Welfare for the Future” (White Paper, Department for Work and Pensions, 2008). It will seek to influence and ensure coherence with 14-19 strategies and policies.

Remit and responsibilities

The Employment and Skills Board will:

- Promote a shared understanding of skills and employment demand in the City Region economy, now and in the future, the related challenges and opportunities, and share this with partners as appropriate.
- Formulate, publish and programme manage an overarching Strategy for employment and adult skills in the City Region, which is co-produced by employers, adds value to local work and skills plans and Employment and Skills Boards and is aligned with the proposed Regional Skills Strategy and Integrated Regional Strategy.
- Set priorities for employment and skills provision which respond to existing and future needs of the Leeds City Region economy and City Region work streams.
- Inform the development of priorities for other work streams of the City Region, including Transport, Innovation and Housing.
- Provide challenge and transparency to the commissioning of skills and employability programmes in the City Region.
- Seek to influence and ensure coherence with 14-19 strategies and policies for the future workforce needs of the City Region.
- Review the Employment and Skills Strategy and publish an Annual Report setting out distance travelled and the future challenges and opportunities for the Board.
- ensure the widest possible consultation with employers across the City Region and promote best practice in recruitment, retention and staff development.
- Make recommendations to the City Region Leaders Board, the Regional Minister, the appropriate Secretaries of State, Yorkshire Forward the Regional Development Agency, the Skills Funding Agency, Jobcentre Plus and other relevant bodies and organisations on issues related to its responsibilities.

Key Outcomes

- Improved employment, skills, progression and productivity outcomes for the City Region.

Key Outputs

- Long range (5 year) Employment and Skills Strategy

- An Annual Report setting out progress on implementation

Performance framework

The ESB will consider appropriate measures for Performance Management, with any proposed framework having due regard to: Multi Area Agreement indicators; Local Area Agreement indicators and Regional targets (such as RES/Regional Skills Strategy).

Leeds City Region Employment and Skills Board Operating Principles

Membership

Membership of the ESB shall have tripartite representation covering:

- 6-9 private sector employers to ensure coverage of the key economic sectors driving growth in the City Region and 1 non-LA public sector employer representative,
- 5 Local Authority Representatives – as representatives of ‘place’ and as key City Region employers;
- Non-voting commissioning partners, to consist of 1 representative each from the Skills Funding Agency, Jobcentre Plus, Yorkshire Forward.

The ESB retains the right to co-opt other non-voting partners (such as Young People’s Learning Agency) to the Board when the agenda is relevant.

Membership will be of senior level (Chief Executive, Leader or Senior Management level) with executive decision making responsibility and the ability to represent their geographic area and/or sector.

Membership of the Board will be for three years, reviewed annually.

All members of the ESB will be expected to adhere to the codes of conduct identified by the seven principles of standards in public life established by the Nolan Committee.

(<http://www.archive.official-documents.co.uk/document/parliament/nolan/seven.htm>)

Chair/Deputy Chair

The Employment and Skills Board will be chaired by a publicly recruited employer. Details of this process will be publicised via the city region website. The Chair of the ESB will be appointed for a period of up to three years, subject to formal review after two years.

The nomination to Chair will require endorsement from the City Region Leaders Board.

The Deputy Chair will be selected by the ESB through a nomination and voting process.

Changes to Structure

The ESB may identify the need to develop relevant task and finish groups to pursue specific issues. These task groups will report directly to the ESB and be chaired by an identified member of the ESB.

The Board must agree all changes to its structure, although the Chair is delegated to make temporary changes if deemed necessary.

All membership changes must meet with the criteria set out in the 'Membership' section.

Resignations

Any member that resigns their seat on the Board will be replaced by an equivalent (i.e. an employer who resigns would be replaced by an employer) through an appropriate process.

Individuals who no longer meet the basic eligibility requirements of their position will be expected to resign from the Board.

Meetings

The Board will formally convene four times a year. Special meetings may be called with the agreement of the Chair. Where possible, members should be given a minimum of seven days notice.

Meetings will have an emphasis on open and constructive debate. Members are encouraged to contribute their views and will be given a reasonable opportunity to be heard. All comments should relate to issues and not to individuals.

Meetings will be closed to the press and public (to allow full and open debate between partners), however the Chair may invite observers to attend if appropriate.

The Chair conducts all meetings, or if they are absent the Deputy Chair does this. If neither the Chair nor Deputy Chair is present then the members will agree a Chair for that meeting.

Papers will be circulated to members not less than five working days before the publicised date of the meeting. Minutes will be uploaded to the Leeds City Region website no less than one month after the publicised date of the meeting.

Standing agenda items for meetings will include a declaration of interest for members. Any member declaring an interest in an agenda item will be expected to leave the meeting for the duration of that item.

Any declaration of interest will be recorded in the minutes of the meeting.

Attendance

Members are encouraged to attend each meeting. A schedule of meetings will be issued yearly.

If a member is unable to attend a meeting they are encouraged to send a named alternative or to submit their views to be tabled. Provision will be made to appoint named alternates with appropriate executive decision making authority.

If a member has a continued reason for absence for 2 or more meetings then (with the prior agreement of the Chair) a designated 'interim replacement' can be appointed.

If a member does not attend for three meetings in a row then the Chair can review the situation. This could result in the Chair inviting the nominating body to consider whether its representative should be changed.

Ad-hoc substitutions will not normally be accepted at the Board. The Chair may permit it, in the interests of inclusivity, should a matter of major strategic importance to the Board be on the agenda.

Voting and Quorum

Collegiate decision making will be encouraged as the norm. Where a specific issue requires a vote, the Chair shall not be entitled to a second or casting vote and any tied resolution will therefore, be deemed to be defeated. The resolution however, may be deferred for further discussion at another meeting.

Voting is conducted by a show of hands by eligible members - and a simple majority carries the vote. Any member who has declared an interest in an item will not be eligible to vote.

There is no right of veto by any partner and once a decision is made then all members shall be bound by it.

The quorum for meetings should be at least comprised of 50% of the public sector and 50% of private sector members (or their named alternates).

If a meeting is not 'quorate' then members may continue to discuss items but cannot take decisions (unless there is an urgent matter which can then be covered by the urgent decisions arrangement outlined below).

Members of the Employment and Skills Board who declare an interest and/or leave a meeting shall not form part of the quorum.

Urgent decisions

If an urgent decision is required which cannot wait until the next meeting then a written resolution will be circulated to all board members or a special meeting may be convened.

If neither of the above are practical then the Chair may take a decision – in discussion and agreement with the Deputy Chair and at least one other board member. The decision must be reported at the next scheduled meeting.

Local accountability lines

The ESB will be the designated holder of devolved "Section 4" powers, a service level agreement with Jobcentre Plus and be responsible for developing and delivering an employment and skills strategy for the city region.

The Leaders Board will endorse the Employment and Skills Strategy.

The ESB will be responsible for developing and maintaining strong links to local and regional scrutiny arrangements to ensure transparency, alignment and value added.

Board review

Membership of the Board will be for up to three years, with a 'light touch' review conducted annually by the chair, at least two other members of the Board and the secretariat. Board members may choose to remain on the board or step down at this stage.

This will also be used to review the structure and functions of the Board to ensure that it remains fit for purpose.

Support and secretariat arrangements

Arrangements will be established within the LCR secretariat to support the Employment and Skills Board and the overall City Region Employment and Skills agenda and to ensure linkages to City Region governance arrangements, for example: Leaders Board; Chief Executives; Business Leadership Group; and the Thematic Panels.

A support group of city region officers will provide policy support to the Board and promote links with local and regional arrangements.

Any task and finish groups established to progress individual technical work streams (such as performance management or funding) or support the strategic focus of the ESB, will be supported by the Secretariat.



Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 14 December 2010

Subject: Information relating to significant legal cases

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1. PURPOSE OF REPORT

- 1.1 At its meeting on 15 November 2010 the Committee requested a report on proposals for arrangements for informing relevant Members of significant legal cases involving the authority.

2. BACKGROUND

- 2.1 At its meeting on 15 November 2010 the Committee received a Report headed 'Judicial Review – lessons learned'. That report informed members about the outcome of the case Technoprint Plc and Snee v Leeds City Council, ("Technoprint") a judicial review of a decision to grant planning permission.
- 2.2 The Committee, when considering the report, expressed concern about the arrangements in place for bringing to the attention of appropriate members detail of legal cases, which are, or might be, of sufficiently high-profile for those members to have knowledge of some detail of the case and its potential impact upon the Council. It was accepted by officers that the Technoprint case certainly became such a high-profile case and at the time that it did the relevant Executive Member was not aware of its potential significance.

3.0 OPTIONS

- 3.1 A Council the size of Leeds will, at any one time been involved in a number of matters that are, or are likely to become the subject of legal action. The management of such cases is the responsibility of the relevant Director who will effectively act as the 'client'. Legal advice and support is available as required by the Director.

- 3.2 Arrangements for informing Executive Members of significant legal cases will usually take the form of a briefing provided directly by the relevant Director or one of their senior colleagues. Those briefings provide an ideal opportunity for the Executive Member to be informed of any threatened or actual court cases about which it is considered the Executive Member ought to be aware .
- 3.3 Where legal services receive formal instructions in respect of cases, which they consider to be 'high-risk', they are monitored on a monthly basis.

4.0 PROPOSED ARRANGEMENTS

- 4.1 The Chief Officer (Legal Licensing and Registration) will put in place arrangements whereby each Director (or his or her nominee) receives a copy of the list of cases which the service have recorded as being 'high-risk. '
- 4.2 The definition of 'high-risk' which it is proposed is adopted for this purpose is one where; **on receipt of instructions** and as the case progresses the outcome could be an award against the Council in excess of £250,000 or there could be significant reputational damage to the Council, and such an outcome is likely.
- 4.3 Further to this there are cases that could be deemed as high risk at the **conclusion** of the case because the outcome is likely to result in significant reputational damage to the Council or a complaint has been made, or is likely to be made, concerning the handling of the case.
- 4.2 The Chief Officer (Legal Licensing and Registration) will also send a copy of the list of "high risk" cases to the Monitoring Officer (Assistant Chief Executive (Corporate Governance)) for the Monitoring Officer to appraise the Executive Member (Central and Corporate) of ongoing matters.

5.0 RECOMMENDATIONS

- 5.1 Members to consider and comment upon the proposals outlined in Section 4.

Background Papers

15 November 2010 report to the Corporate Governance and Audit Committee - 'Judicial Review – lessons learned'



Report of the Assistant Chief Executive (Policy, Planning and Improvement)

Corporate Governance and Audit Committee

Date: 14th December 2010

Subject: Security Arrangements for PDA Devices

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

Breaches of information security and losses of data, both nationally and at a local level, have focused public authorities to become more accountable for security failures or for the contravention of procedures which lead to the loss or disclosure of sensitive information.

Leeds City Council has recognised the need to protect its information assets from both accidental and malicious loss or damage. Information security is taken very seriously by the Council and this is evidenced by the ongoing work to improve the security of its information.

This report focuses on the technical security arrangements that have been put in place for PDA (Personal Digital Assistant) devices issued by the Council; but also highlights work being undertaken to introduce supporting policy and procedures relating to people and process. This report aims to provide assurances that information contained on PDA devices is secure should the user of such a device lose it or have it stolen.

1.0 Purpose Of This Report

- 1.1 After considering a report about information security on 29th September 2010, Members of the Corporate Governance and Audit Committee requested a further report detailing the security arrangements the Council has in place for PDA devices issued by the Council. The content of this report provides Members of the Committee with this information.

2.0 Background Information

- 2.1 Leeds City Council has recognised the need to protect its information assets from both accidental and malicious loss or damage. Information security is taken very seriously by the Council and this is evidenced by the ongoing work to improve the security of our information as outlined in this report.
- 2.2 This report provides Members of the Committee with details and assurances about the security arrangements in place for PDA devices issued by the Council.

3.0 Main Issues

- 3.1 Personal Digital Assistants (PDA's) are approved at a departmental level and are only issued by ICT services on receipt of a valid finance code and payroll number (so we know who has the device). The Council has an approved contract with preferred supplier Damovo for the supply of PDA's. The network services are in turn provided by O2. There are approximately 800 devices currently in use across the Council, all of which are based on the Microsoft Windows Mobile Operating System.
- 3.2 PDA's pose a potential security risk to the Council in that due to their small size they are easy to lose, however large amounts of information can be stored on them. The Council recognises the business benefits such devices bring, but also recognises the need to mitigate against the loss or theft of such devices. The Council has implemented security protection both from a technical and policy (people and process) perspective and this report highlights the work undertaken to this extent.
- 3.3 Information is transmitted to and from PDA devices from a dedicated O2 Access Point Name (APN) located on the Council's network. This means that information between the Council network and the PDA device remains encrypted across the mobile network and cannot be intercepted.
- 3.4 Information held on the PDA is encrypted using the Microsoft encryption inherent in Microsoft Exchange 2007, and since the device has to attach to the Microsoft Exchange system in order to synchronise the Microsoft Outlook functions of email, calendar, contacts and notes - the encryption policy can be enforced. This encryption also extends to any removable memory cards (MicroSD) rendering these unreadable from other devices. There are also additional controls available within the Microsoft 2010 suite of products (and other products) and these are currently being evaluated for the future. This may well enable personal PDA devices (non-Council) to be rendered sufficiently safe to use at some point. Other Local Authorities are already using personal PDA's to access Council e-mail services etc.
- 3.5 Security arrangements for the PDA's are further enhanced as Corporate ICT Services are able to remove information from any device lost or stolen - even with the device in 'stand-by' mode. Furthermore, if a PDA is lost or stolen, it can be permanently disabled. This will occur after the device has been effectively wiped of its MS Outlook based data. All device numbers are recorded centrally and are used

to inform Damovo who are able to disable the device and render it unworkable. This can only be done if the loss or theft is reported and it is critical that Corporate ICT Services are informed of all such incidents so that they can take the appropriate remedial action. It is the responsibility of users to inform the Corporate ICT Helpline if a device is lost or has been stolen so that it can be disabled. To this extent, a process for reporting such incidents is being established as part of the Information Incident Management policy. To put this all into perspective, there have been six devices disabled in the last 6 months either because they were stolen or mislaid. In two instances, the devices were subsequently recovered.

- 3.6 When issued to users, all PDA devices are supplied with a PIN lock, which is a four digit code unique to each device. This four digit PIN is selected by the user on first receipt of the PDA and is used to unlock the device prior to repeated use. This is done in the presence of the ICT onsite support team and forms part of the configuration process. Furthermore, should the PIN be entered incorrectly eight times, the PDA will lock and it will need to be returned to Corporate ICT Services to be rebuilt. The ICT onsite support team will also issue general guidance on the sensible use of the device e.g. choosing a sensible and safe PIN number.
- 3.7 PDA devices can access internet services, but access is filtered to reduce the likelihood of people accessing inappropriate sites. If required, internet usage can be monitored at the device level, however, the Council does not monitor the usage of such devices or monitor connections as a matter of course.
- 3.8 Whilst the technical arrangements put in place to protect and secure the information stored to PDA's are necessary, these need to be backed up by appropriate policy and supported with relevant processes and guidance. To this extent, the following policies are in various stages of development and will support the security arrangements put in place for PDA devices:
- Removable Media and Mobile Computing - establishes the principles and working practices that are to be adopted by all users in order for information to be safely stored and transferred on removable media - including laptops and PDA's. This policy is drafted and is on the final round of consultation within the Council and will be approved by 30th November 2010;
 - Acceptable Use Policy - protect all information assets owned and used by the Council from the risks posed by inappropriate use, including virus attacks, compromise to network security and services, disclosure of information as well as legal and regulatory issues. Furthermore, this policy will be supported by a number of guidance notes, one of which will include instruction notes to PDA users about how to change PIN's, use sensible PIN number combinations and keep the device physically secure. This policy is drafted and is currently going through consultation with officers and the trades unions. It will be approved by 31st March 2011;
 - Information Incident Management Policy - to ensure that the Council reacts appropriately to any actual or suspected security incidents relating to information systems and information. This will be supported by a corporate procedure to report the loss or theft of information or equipment storing information. This policy is drafted and is currently going through consultation with officers and will be approved by 31st January 2011.
- 3.9 The development of these policies forms part of the Information Governance Project. The aim of the Information Governance project is to ensure all Information Governance policies are developed and embedded across the Council through an

effective communications, engagement and training plan. Corporate ICT Services are contributing to the development of these policies in order to ensure that they support the implementation of security systems and related technologies. All policies are being developed as part of the Council's Information Governance Framework and as such will be signed-off by the Assistant Chief Executive (Planning, Policy & Improvement) under a Delegated Decision Notice.

- 3.10 Discussions with the Members' Development Officer are taking place in December 2010 about identifying the most affective and appropriate way of ensuring Members are involved with the consultation process for the information governance polices that are likely to have an impact on them.

4.0 Implications For Council Policy And Governance

- 4.1 The technical arrangements for securing PDA devices needs to be supported by relevant information governance policies which effect people, process and decision making. These policies are outlined in paragraph 3.7 of this report and form part of a series of policies developed for the Information Security module of the Information Governance Framework. The Information Governance Framework was approved by the Executive Board in November 2008.

- 4.2 All Information Governance policies and procedures will follow a consultation process to obtain support and approval and this includes the Council's Information Governance Management Board (IGMB), Resources and Performance Board and the Corporate Governance Board.

5.0 Legal And Resource Implications

- 5.1 Sufficient capacity is identified within Directorates to be able to act and respond to an information security incident and to follow the procedures outlined in the Information Incident Management Policy.
- 5.2 In order for the Council to comply with its obligations under the Data Protection Act, it must deploy technologies, processes and guidance to ensure the security of personal information. The developments that have already taken place and the actions that are currently being undertaken will ensure the Council identifies and mitigates against current and emerging threats and helps prevent security breaches occurring.

6.0 Conclusions

- 6.1 Mobile devices pose a potential risk to the security of the Council's information. This report outlines the measures being undertaken by the Council to improve security to removable media, and specifically PDA devices, in respect of technical deployment and policy (people and process) implementation.
- 6.2 Corporate ICT Services have put into place the necessary technical arrangements for securing information held on PDA devices by deploying encryption and pin lock codes to PDA devices and ensuring there is a mechanism in place to disable devices should it become necessary. These measures are complemented by the implementation of policies aimed at embedding the processes and guidance across the Council required to improve our information security; such as the reporting of information security incidents and the acceptable use of information and ICT.

7.0 Recommendations

- 7.1 Corporate Governance and Audit Committee are asked to consider the contents of this report and the assurances provided about the security arrangements in place for PDA devices issued by the Council.

Background Documents Used

Information obtained from Corporate ICT Services

Draft Information Incident Reporting Policy

Draft Removable Media and Mobile Computing Policy

Draft Acceptable Use Policy

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Originator: Wendy Allinson

Tel: 26 60037

Report of the Chief Customer Services Officer

Corporate Governance & Audit Committee

Date: 14th December 2010

Subject: Report on Governance of the Complaints Process - 2010

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. This report provides information and clarity to the Committee as to the current resourcing of the complaints function on a corporate and council wide basis and also provides assurances that complaint performance and lessons learnt from complaints remain high on the corporate agenda – **See 1.1.**
2. With regards to council wide complaints management, within each directorates and ALMO's is a named officer who has the responsibility for overseeing the complaint management for their services. This officer is given the role title of Directorate Customer Relations Officer (DCRO) – **See 3.4**
3. The DCRO's play a leading role in ensuring that lessons are learnt from complaints at all stages of the process (stages 1, 2 & Ombudsman cases) and are taken forward and incorporated into daily working practices – **See 3.10.**
4. Every quarter the Corporate Customer Relations Manager presents a report to the Customer Strategy Board detailing performance across the council with regards to compliments, complaints and Ombudsman cases. Full details of what is reported on can be found at **3.27** in this report.
5. In light of the current and ongoing financial constraints, the Assistant Chief Executive, Policy, Planning & Improvement charged the Corporate Customer Relations Manager with carrying out a review of how complaints are currently being dealt with to ensure that the process is both customer focused and cost effective – **See 3.41.**

1.0 Purpose Of This Report

- 1.1 This report was requested to provide further information and clarity to the Committee as to the resourcing of the complaints function on a corporate and council wide basis and also to provide assurances that complaint performance and lessons learnt from complaints remain high on the corporate agenda.

2.0 Background Information

- 2.1 On 29th July 2010 the Committee received a report from the Chief Officer of Customer Services on the Ombudsman's' Annual Letter for 2009/10 and the council's performance on Ombudsman cases received for the period 1st April 2009 to 31st March 2010.
- 2.2 The Committee asked for a further report detailing information on the resourcing of the complaints function corporately and council wide, the costs of dealing with complaints and what arrangements are in place for ensuring that lessons are learnt from complaints

3.0 Main Issues

3.1 Resourcing of the complaint function

- 3.2 There are two officers employed by the council to oversee the corporate complaints function. The Corporate Customer Relations Manager (CCRM) and the Ombudsman Liaison Officer (OLO). The CCRM has overall ownership of Leeds City Council's Corporate Compliments and Complaints Policy, with responsibility for overseeing and monitoring the implementation of the compliments and complaints procedure council wide. The CCRM also has management responsibilities within Customer Services for 4 of their support teams (Training, IT Systems Development, Customer Relations & Administration).
- 3.3 Based within the Customer Relations Team in Customer Services is the Ombudsman Liaison Officer (OLO) whose corporate role is to monitor and overseeing all Ombudsman cases for the council, ensuring quality responses are provided within relevant timescales and maintaining good working relations with the Ombudsman, her Investigators and service managers within the council. The OLO also supports the Data Protection and Freedom of Information function within Customer Services. There is no admin support for either of these roles.
- 3.4 With regards to council wide complaints management, within each directorates and ALMO's is at least one named officer who has the responsibility for overseeing the complaint management for their services. This officer is given the role title of Directorate Customer Relations Officer (DCRO).
- 3.5 All DCRO's regularly report to the Corporate Customer Relations Manager (CCRM) with regards to complaints performance, lessons learnt from complaints and best practice from their directorates / ALMO's. The majority of these officers are employed in other full time roles and do the customer relations related work as a part of their daily duties – each one to a different degree.

3.6 The table below gives details of the estimated proportion of time spent by each DCRO on carrying out their customer relations duties.

3.7 Q - How much of your working day is spent on customer relations duties:-

Adult Services	Children's Services & Ed Leeds	City Dev	Early Years	E&N Environ.	E&N N/hoods	PP&I & Corp Gov	Resources	AVH	BITMO	ENEHL	WNWHL
100%	100%	10/20%	15%	70%	35%	100%	15%	85%	5%	40%	80%

3.8 A meeting is held every six weeks and all DCRO's from the directorates and ALMO's are invited to attend. The CCRM chairs the meeting and uses it to disseminate good practice and discuss performance issues, if required.

3.9 One of the benefits of having the DCRO's based in the directorates / ALMO's is that they usually have "the ear" of the relevant Chief Officer(s), ensuring that complaint performance stays high on their agenda – performance not just being the number of days to acknowledge and respond to complaints but also the quality of the response at resolving the issue first time, most of the time. As reported previously to the committee, last year the council received 7946 stage 1 complaints and only 529 progressed to stage 2.

3.10 The DCRO's in the directorates / ALMO's also play a leading role in ensuring that lessons are learnt from complaints at all stages of the process (stages 1, 2 & Ombudsman cases) and are taken forward and incorporated into daily working practices. This is done by reporting on a regular basis to their own Management Teams the types of complaints they receive and their outcomes.

3.11 These reports ensure that lessons are learnt and where relevant changes in processes are made to ensure that the same issues do not continue to occur. This in itself is not only customer focused but cost effective, reducing errors in processes and like for like complaints.

3.12 It is difficult to put a number on exactly how many officers are involved in investigating complaints throughout the council but it is reasonable to say that most officers of managerial grade (Principal Officer and above) as well as any junior officers with service specialist knowledge are called upon as part of their daily duties to be complaint investigators, therefore involving a significant number of our officers across the council on an ad hoc, as required basis.

3.13 The cost of dealing with and resolving a complaint.

3.14 It is not possible to put a definitive figure on how much it costs to process a complaint as it depends on a number of factors:-

3.15 The first one being the amount of time needed to investigate the issue(s) raised along with the grade of the officer(s) carrying out the initial investigation.

- 3.16 For example, an initial complaints may be dealt with and responded to by a junior officer who has the relevant knowledge and can provide a full response and resolution within half an hour – the cost will be only a few £'s – whereas another complaint may have to be dealt with by a service manager with input from a number of other officers and may take a couple of weeks to pull together all the information required and respond to – the cost of this in staffing time alone could run into the £100's.
- 3.17 If the complaint then progresses to stage 2, the costs increase as more officers of higher grades become involved and the second investigation may take longer.
- 3.18 Finally, if the complaint progresses to the Ombudsman the cost escalate even further as all officers previously involved at stages 1 & 2 may be involved again and now the relevant Chief Officer, the council's Ombudsman Liaison Officer and the Corporate Customer Relations Manager are also involved. There is also the potential that if the Ombudsman finds against the council, a Local Settlement payment may be incurred – thus increasing the costs even further.
- 3.19 Last Year a total of 44 of the 168 Ombudsman cases received by the council were found as Local Settlements with a financial outlay of £16,575.35 in total.
- 3.20 The table below shows how year on year the number of complaints being investigated by the Local Government Ombudsman has been decreasing along with the % of cases where fault was found against the council and the monetary settlements. A large part of this success is down to proactive work taking place within services by complaints staff to ensure that the correct outcomes are reached earlier in the process for more customers.

3.21 Number of complaints and Local Settlements Paid Out.

Year	Number of Stage 1 Complaints Received	Number Ombudsman Cases	Number Where Fault Was Found	Percentage	Amount Paid Out
2006/07	7299	242	86 cases	35%	£35,471.00
2007/08	6466	183	68 cases	33%	£42,000.00
2008/09	7632	170	65 cases	32%	£67,866.75
2009/10	7496	168	44 cases	25%	£16,575.35

- 3.22 As shown earlier in this report in 3.7, most officers who manage and maintain the complaints functions within the Directorates and the ALMO's do not do the function full time so detailed below is *estimated* costings as to how much the management of the complain function across the council costs at this time. The figures quoted include on costs.

3.23 Estimated staffing cost for managing the complaints function (see sec 3.7 above for %'s applied)

Area	No of Officers	Estimated cost per annum £ K
Corporate	2	61.6
Directorates	7	206.0
ALMO's	4	72.8
Estimated Total		340.4

3.24 Reporting on complaints performance & lessons learnt.

3.25 The Corporate Customer Relations Manager is a member of the Customer Strategy Board which meets every six weeks. The remit of the board is to play a key role in the business transformation of the council, particularly in driving forward the business priorities of customer involvement, choice and satisfaction and putting the customer first.

3.26 The Assistant Chief Executive, Policy, Planning & Improvement, chairs the meetings and provides a direct link to the Corporate Leadership Team (CLT). The Board consists of senior customer champions from each directorate and it is their remit to feedback on all agenda items to their Management Teams.

3.27 Every quarter the CCRM presents a report to the board detailing performance across the council with regards to compliments, complaints and Ombudsman cases. The report details the following:-

- *Performance against the corporate standard of a response to a stage 1 complaint within 15 working days (or 20 working days for Adult & Children's Social Care).*
- *Information on holding responses issues.*
- *The number of stage 1 complaints received within each directorate / ALMO*
- *The number of stage 1 complaints responded to within 10 working days within each directorate / ALMO*
- *The number of stage 2 complaints received within each directorate / ALMO*
- *The number of stage 2 complaints responded to within 15 working days within each directorate / ALMO*
- *The number of compliments received within each directorate / ALMO.*
- *The number of Ombudsman cases received within each directorate / ALMO.*
- *The number and type of Ombudsman decisions received within the reporting period.*
- *The average response time taken to provide responses to the Ombudsman by each Directorate / ALMO.*

- *Details of all cases where a Local Settlement was the outcome along with details of what lessons were learnt and what changes made due to these.*

3.28 Each Local Settlement case has its own write up showing details of the service involved, a brief synopsis of the actual issue raised by the customer, details of the settlement and finally what lessons were learnt from the complaints and what actions have been taken by the service to ensure that the issue will not occur again.

3.29 A review of the complaints process.

3.30 In light of the current and ongoing financial constraints, the Assistant Chief Executive, Policy, Planning & Improvement charged the Corporate Customer Relations Manager with carrying out a review of how complaints are currently being dealt with to ensure that the process is both customer focused and cost effective.

3.31 The initial part of the review identified that from a cost perspective the resourcing levels on complaint management is already at minimum levels as most areas are already doing this role on a part time basis.

3.32 However, an area that has been identified as key to maintaining customer focus and improving cost effectiveness is the actual investigation of the issue and the response to the customer.

3.33 The review will aim to encourage services and in particular the Investigators to carry out more verbal interaction with the customer from the earliest stage – i.e. from receipt of the complaint right up to resolution. By doing this, more clarity as to what the actual issues are should be obtained and also quicker and more relevant resolutions agreed.

3.34 To take this forward a project mandate has been written to provide clarity as to what the Corporate Customer Relations Manager is looking to achieve council wide. The mandate will be presented to the Customer Strategy Board to gain sign up and agreement from all areas of the council.

3.35 It is envisaged that this change in focus from mainly written responses only to more interaction with the customer throughout the process will pay dividends in improving the customer experience and resolving more issues first time – thus benefiting the customer and saving officer time.

4.0 Implications For Council Policy And Governance

4.1 The content of this report hold no issues for Council Policy or Governance however there are potential implications for the council if we do not continue to learn lessons and implement changes to processes / procedures where relevant, following the receipt and investigation of all complaints and Ombudsman cases.

5.0 Legal And Resource Implications

5.1 This report is not considered to have any specific legal or resource implications, although individual LGO complaints may have both legal and financial implications, e.g. local settlements. Any Local Settlements made are met from the relevant Directorate / ALMO budget. Officer may feel that personal contact may take longer initially but it should reduce the length of time taken on resolving complaints in the long run.

6.0 Conclusions

- 6.1 The report shows good performance monitoring taking place and overall performance in all areas is high. It does however also highlights the need for officers to strive to resolve customer complaints at an early stage in the process by more personal contact – this will not just benefit the customer but should also reduce the financial impact on council services.

7.0 Recommendations

- 7.1 The Committee is asked to note the content of this report and acknowledge the ongoing improvements in performance and good feedback on the same from the Local Government Ombudsman.

Background Documents Used

LGO Annual Letter Report – 2009/10 – Presented to the Corporate Governance & Audit Committee Thursday 29th July 2010 – Author – W Allinson

Quarterly Reports to Customer Strategy Board – Author – W Allinson

Improving Complaint Investigations & Outcomes – Project Mandate – Author - W Allinson

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Originator: Vicki Clegg
Tel: ext. 74221

Report of the Director of Resources

Corporate Governance and Audit Committee

Date: 14th December 2010

Subject: Protecting the Public Purse 2010

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose Of This Report

- 1.1 To present to the Corporate Governance and Audit Committee a self assessment of the authority's position against the recommended best practice in the Audit Commission's 'Protecting the Public Purse 2010' report and proposed actions to address areas where further work could be done to address the risk of fraud and corruption.

2.0 Background Information

- 2.1 'Protecting the Public Purse' is an annual Audit Commission report that was published on 27th October 2010. The report primarily detailed the findings from their 2009/10 fraud and corruption survey that was completed by more than 450 public sector organisations to measure the extent of fraud and corruption against local government and tax payers, and identify emerging fraud risks and best practice for addressing it.
- 2.2 The 2010 Protecting the Public Purse report states that although detected fraud losses are low compared with total council spending nationally there were 119,000 individual fraud cases reported to them in 2009/10, which resulted in losses of £135 million.
- 2.3 The 2009 Audit Commission report stated that a conservative estimate of 0.5% of spending is lost to fraud each year by every Local Authority, such is our vulnerability to fraud from so many sources. If this figure is accurate it would equate to £4.72 million a year for Leeds City Council, based on the total expenditure budget approved by the Council for 2010/11.

- 2.4 Leeds City Council reported a total of 3,285 cases of referred fraud valued at £2,265,906 in the Fraud and Corruption Survey 2009/10. It should however be noted that a value was not included for 1,580 of these cases, amounting to 48% of the total, as the value was either not assessed or recorded by the responsible section, or the Audit Commission was to provide their own valuation. If the value of fraud loss was consistent the extrapolated total value of fraud identified would be £4.37 million for 2009/10.
- 2.5 Emphasis is placed in the Protecting the Public Purse report on the importance of a zero tolerance policy towards fraud and doing more to deter it, partnership working (including sharing information and intelligence), and ensuring legal action is taken to recover fraud losses. It is vital the authority is proactive in this area to prevent the loss of resources to fraudsters, however the support of those charged with governance and ensuring the fraud risk is managed is essential.
- 3.0 Main Issues**
- 3.1 Fraud diverts resources away from those who need them and must be tackled effectively to reduce losses at a time when budgets need to be reduced but service levels are expected to be maintained.
- 3.2 It sets out findings in three main sections as follows:
- The first section (Chapter 3) updates the reader on the progress made by authorities in response to the three key fraud risks identified in the 2009 Protecting the Public Purse report, namely housing tenancy, council tax single person discount and recruitment fraud.
- Leeds City Council is mentioned as an example of good practice in this section by carrying out tenancy audits and encouraging whistle-blowing by the public as a means of identifying suspected tenancy frauds. This resulted in the recovery of 20 properties in the year (page 18 paragraph 26).*
- The second section of the report (Chapter 4) states that further work is necessary to address the fraud risk in significant areas of expenditure such as personal budgets for Adult Social Care, Housing Benefit and Council Tax Benefit payments and procurement.
 - The third major section (Chapter 5) details best practice in managing the risk of fraud, including the need for top management to be committed to fighting it after adopting a zero tolerance approach and the need for counter fraud teams to be able to demonstrate their effectiveness, consider joined up working with other councils and agencies and utilise specialist resources where necessary.
- 3.3 Also mentioned in the main body of the report are other areas which are susceptible to fraud namely payroll and expenses, insurance, recruitment and Blue Badge fraud and cases of where an abuse of position has occurred.
- 3.4 Internal Audit has carried out a self assessment of the arrangements currently in place at Leeds City Council against the recommendations made in Protecting the Public Purse 2010 and developed an action plan to manage our response to the report. Coordinated action needs to be taken to address the areas identified as national fraud risks, for example:

- Checking claims for non single person discount (SPD)council tax discounts are not fraudulent, and improve our recording of the value and classification of potential SPD fraud cases to enable us to assess fraud losses in this area more effectively.
- Ensuring recruitment practices for all staff are secure, follow good practice and work efficiently.
- Ensuring appropriate action is taken to safeguard clients and address the risk of the misuse of personal budgets allocated by Adult Social Care.
- Ensuring effective action is taken where social housing is allocated to those who are not eligible for it, targeting the profits of tenancy and sub-letting fraud and prosecuting cases.
- Raising awareness of fraud risks with all stakeholders.
- Ensuring procurement controls are working as intended.

3.5 We have already introduced many key areas of best practice detailed in the report, for example:

- Our zero tolerance stance on fraud and corruption, the use of an appropriate approach, counter-fraud strategies, policies and plans and allocation of dedicated counter fraud resources.
- Review of the Council's arrangements against the best practice detailed within CIPFA's 'Managing the Risk of Fraud'.
- Work undertaken to address council tax single person discount (SPD) fraud.
- Action being taken to address housing tenancy fraud.
- Participation in the National Fraud Initiative (NFI) data matching exercise
- Partnership working with the Department for Work and Pensions (DWP) on benefit fraud investigations.

4.0 Implications For Council Policy And Governance

4.1 It is vital the council has a clear strategy on combating Fraud and Corruption, that is endorsed at the most senior level to demonstrate we are committed to preventing losses of resources at a time when every penny counts. This strategy should spearhead a coordinated approach to tackling fraud led by an effective counter fraud team, adequately supported by specialist resources who have clear targets and desired outcomes reporting regularly to those charged with governance.

5.0 Legal And Resource Implications

5.1 The legal implications of increased partnership working, in particular regarding the sharing of data to identify fraud and corruption, will have to be considered.

6.0 Conclusions

- 6.1 Following the review undertaken against the Protecting the Public Purse 2010 report Internal Audit give a good assurance opinion on the overall arrangements in place to manage the risks of fraud. Further work is needed across the organisation to ensure we demonstrate our compliance with best practice and an action plan has subsequently been developed to set out further proactive work in this area.
- 6.2 It should be noted that serious fraud could occur anywhere within the control environment of the council whether that be internally or through partner organisations. The risk of a significant fraud occurring is an ongoing risk to the Council, included in our corporate risk register as LCC29 (Fraud).

7.0 Recommendations

- 7.1 The Corporate Governance and Audit Committee is asked to note the assurance provided by Internal Audit regarding our arrangements to meet the best practice detailed in Protecting the Public Purse 2010, and support our continued efforts to develop the anti- fraud culture at the authority.

Background Documents

Audit Commission Report – Protecting the Public Purse 2010



Originator: Phil Garnett

Tel: 51632

Report of the Assistant Chief Executive (Corporate Governance)

Corporate Governance and Audit Committee

Date: 14 December 2010

Subject: Work Programme 2010/11

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose Of This Report

1.1 The purpose of this report is to notify members of the Committee of the draft work programme for the current municipal year. The draft work programme is attached at Appendix 1 to this report.

2.0 Background Information

2.1 The work programme provides information about future items for the Corporate Governance and Audit Committee agenda, when items will be presented and the which officer will be responsible for the item.

3.0 Main Issues

3.1 The draft work programme for 2010/11 is attached at Appendix 1.

3.3 Members are requested to consider whether they wish to add any items to the work programme.

4.0 Implications for Council Policy And Governance

4.1 There are no implications for Council Policy and Governance.

5.0 Legal And Resource Implications

5.1 There are no legal or resource implications

6.0 Recommendations

- 6.1 Members are asked to note the draft work programme and advise officers of any additional items they wish to add.

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
24th January 2011 – 10am		
Half Year Internal Audit Report 2009/10	To receive a report detailing the work of the Internal Audit Section to date.	Head of Internal Audit Neil Hunter
Quarterly Report on Use of RIPA	To receive a quarterly report regarding the use of RIPA (Regulation of Investigatory Powers Act 2000). (The Committee receives quarterly update reports on the use of RIPA under the Council's RIPA Policy)	Head of Property, Finance and Technology Mark Turnbull
Leeds Initiative Partnership and City Planning Framework	To receive a report detailing the proposed changes to the Leeds Initiative Partnership and the City Planning Framework.	Assistant Chief Executive (Planning, Policy and Improvement) James Rogers
14th February 2011 – 2p.m.		
Corporate Performance Management	To receive a report detailing the wider corporate performance management governance adopted by the authority, that enables early warning of possible severe failure, rather than relying on inspection from external bodies. (Report requested at the meeting held on 17 th March 2010 following discussion of the Ofsted and care Quality Commission Inspection of safeguarding and looked after Children's Services in Leeds)	Assistant Chief Executive (Planning, Performance and Improvement) James Rogers
Compliance with Contract Procedure Rules	To receive a report informing the Committee of the Control arrangements in place to ensure compliance with Contract Procedure Rules across Directorates, particularly whether they are fit for purpose, how the arrangements are communicated and what the issues and risks are in terms of the arrangements being embedded. (requested by the Committee at its meeting held on 29 th September 2010 during discussion of the annual Governance Statement)	Chief Procurement Officer Wayne Baxter

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
KPMG report on certification of Grants 2009/10	To receive a report updating the Committee on work undertaken by KPMG in relation to Grants and Returns. (Annual report prepared by KPMG)	Chief Officer Financial Management Doug Meeson
21st March 2011 – 10a.m.		
Value for Money Arrangements	To receive a report regarding the Council's arrangements in relation to achieving Value for Money. (Report to be brought to the Committee to gain assurance that value for money is being achieved across the Council)	Director of Resources Alan Gay
Information Security Annual Report	To receive a report on the Council's Information Security arrangements.	Chief Officer (Business Transformation) Lee Hemsworth
18th April 2011 – 10a.m.		
Annual Audit and Inspection Letter	To receive a report presenting the Annual Audit and Inspection Letter 2010/11.	Chief Officer (Audit and Risk) Tim Pouncey
Consultation on External Audit and Inspection Plan 2011/12	To receive a report consulting Members on the content of the External Audit and Inspection Plan 2011/12.	Chief Officer (Audit and Risk) Tim Pouncey
Corporate Governance Statement Action Plan	To receive a report detailing progress made against actions in the Corporate Governance Statement Action Plan.	Head of Governance Services Andy Hodson
11th May 2011 – 10a.m.		

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
Annual Report on Community Engagement	To receive a report presenting the annual report on Community Engagement.	Assistant Chief Executive (Planning, Policy and Improvement) James Rogers
Planning Decisions Process	To receive a report to gain assurance of the process by which planning decisions are taken by the Council. (This report was requested at the meeting held on 12 th May 2010 during discussions on the process by which planning decisions are taken by the Council)	Chief Planning Officer Phil Crabtree
June - 2011		
Corporate Governance and Audit Committee Annual Report 2010/11	To receive a report presenting the draft Corporate Governance and Audit Committee Annual Report 2010/11.	Head of Governance Services Andy Hodson
July - 2011		
Annual Monitoring of Key and Major Decisions	To receive a report presenting the outcome of the monitoring process relating to Key and Major decisions. (The annual report to the Committee to gain assurance that Key and Major decisions are being made in line with procedure)	Head of Governance Services Andy Hodson
Annual Report on Risk Management	To receive a report regarding the Council's risk management arrangements.	Chief Officer (Audit and Risk) Tim Pouncey
Un-scheduled items for 2010/11		

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE
WORK PROGRAMME 2010/11**

ITEM	DESCRIPTION	RESPONSIBLE OFFICER
Standards Committee current position	To receive a report updating the Committee on developments in the Standards Regime. (This report was requested by the Chair of the Committee and the Assistant Chief Executive Corporate Governance to clarify the latest position in relation to the Standards regime on 26 th July 2010)	Head of Governance Services Andy Hodson
ALMO Annual Assurance Report	To receive the Annual Assurance report from Strategic Landlord based on the assurances received from the ALMOs. (To be brought to the Committee in June 2011)	Strategic Landlord John Statham
KPMG Interim report on the Statement of Accounts	To receive a report providing assurance to the Committee on the Statement of Accounts. (Proposed to be brought to Committee in June 2011)	Chief Officer (Financial Management) Doug Meeson
KPMG report on Financial Statements Audit Plan	To receive a report updating the Committee on the Financial Statement expanding on the Audit Plan Letter. (Proposed to be brought to Committee in June 2011)	Chief Officer (Financial Management) Doug Meeson
Impact of Disbanding the Audit Commission	To receive a report on the impact of disbanding the Audit Commission, on how the assurance framework is assessed and reported to the Committee. (requested by the Committee at its meeting held on 26 th September 2010 during discussion on the disbanding of the Audit Commission)	Chief Officer (Audit and Risk) Tim Pouncey
6 Monthly Update Report on risk Management	To receive a report updating members on the Council's risk management arrangements. (This report is part of the Committee's annual work programme)	Chief Officer (Audit and Risk) Tim Pouncey