

## **SCRUTINY BOARD (CENTRAL AND CORPORATE)**

**MONDAY, 10TH JANUARY, 2011**

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

Councillors S Bentley, D Blackburn,  
B Chastney, M Hamilton, A Lowe,  
N Taggart, J Hardy, K Groves and R Wood

### **53 Declarations of Interest**

There were no declarations of interest.

### **54 Apologies for Absence and Notification of Substitutes**

Apologies for absence were submitted on behalf of Councillor J L Carter.

### **55 Minutes - 6 December 2010**

**RESOLVED** – That the minutes of the meeting held on 6 December 2010, be confirmed as a correct record.

### **56 Initial Budget Proposals**

The report of the Head of Scrutiny and Member Development informed the Board that in accordance with the Council's Budget and Policy Framework, the Director of Resources was required to submit a report to Scrutiny Board which set out the Executive's initial budget proposals for 2011/12. A report on the initial budget proposals was considered at the Executive Board Meeting on 15 December 2010 where it was agreed for these proposals to be submitted to scrutiny for review and consideration. A copy of the Executive Board report was appended to the agenda.

The Chair welcomed the following to the meeting:

- Councillor Keith Wakefield, Leader of the Council and Executive Member – Central and Corporate
- Alan Gay – Director of Resources
- Doug Meeson – Chief Officer (Financial Management)

In response to Members comments and questions, the following issues were discussed:

- The role of Scrutiny – this was helpful and any suggestions to the budget planning process would be welcomed.
- The need to protect frontline services.
- Reserve levels – the last few budgets had been set with minimum reserve levels of £12 million which was considered to be low. It was recognised that due to increasing risks and pressures on the budget

that reserve levels needed to be raised and these currently stood at £16 million.

- School reserves.
- Risk assessments on the budget were carried out every year and this formed part of setting the reserve levels.
- At least £20 million of savings would be made following the take up of the Early Leavers Initiative.
- There was a target to reduce Senior Management costs by 20% and there would be a review of management structures.
- The Government Grant offer for Council's to freeze Council Tax. This would be equivalent to a 2.5% rise in Council Tax.
- Capital Spending.
- Analysis of public consultation – main issues highlighted included protection of children, community safety, services for the elderly and jobs and skills. Only a small response had been made and it was felt that any future consultation should be simplified.
- Staffing costs – savings made due to the Early Leavers initiative would be permanent savings due to restructures and deletion of posts.
- Discussion with Trade Unions on other employment issues.

The Chair thanked those present for this item.

**RESOLVED** - That the report and discussion be noted.

(Councillors Hamilton and Taggart joined the meeting at 10.20 a.m. and 10.25 a.m. respectively).

## **57 ICT**

The report of the Head of Scrutiny and Member Development made reference to the discussion with the Chief Executive at the Board's October 2010 meeting where the issue of ICT provision and systems was raised. Discussion included how 'fit for purpose' current provision was and the need to invest in ICT to ensure a robust and reliable ICT service and it was agreed to invite the Chief Officer (ICT) to a future meeting to discuss these issues.

The Chair welcomed Dylan Roberts, Chief Officer (ICT) to the meeting.

In response to the query as to whether ICT provision in the Council was fit for purpose, it was split into the following three areas:

- Infrastructure – this included all physical assets such as servers, the telephone system and software that was used on a day to day basis. Overall the ICT infrastructure was felt to be appropriate although there were some components that were reaching the end of their lifespan. The use of ICT had grown significantly in recent years whilst funding to keep systems up to date had been decreased. Approval had been given during the previous financial year for an essential infrastructure

programme and this would ensure that at least minimum requirements would be met.

- Business Applications – these were the different software packages used all across the Council. The industry standard for these kind of packages was usually for a life of around 5 to 6 years but many packages in use were over 10 years old. If a business application was still suitable then it was not always upgraded where an updated version was available but there had been instances of packages becoming unfit for purpose.
- ICT Services – resources and staffing. It was reported that 40% of services were commissioned externally and special commercial expertise had been brought in which had resulted in savings. Since 2007 the number of full time equivalent staff had fallen from 370 to 286.

In response to Members' comments and questions, the following issues were discussed:

- Concern that Members of the public and constituents could not contact Elected Members or access website services during periods that the website was down – reference was made to recent problems with the uninterruptible power supply. It was reported that two new supplies would be bought which would provide back up and allow for expansion.
- Provision of ICT support for Elected Members.
- Replacement of the internet and intranet – this would include improved content management and search facilities.
- ICT costs – independent reviews of costs showed that Leeds, with 1.22% of operational costs spent on ICT, compared favourably to other core cities.
- Consideration of regional ICT provision across Local Authorities for potential cost effectiveness.
- Commissioned ICT Services – it was agreed to supply the Board with a full list of commissioned services.

#### **RESOLVED –**

- (1) That report and discussion be noted.
- (2) That the Board receive a further report on ICT Strategy.

#### **58 Impact of Housing Benefit Changes in Leeds**

The report of the Director of Resources provided details of the Housing Benefit changes announced in the Emergency Budget on 22 June 2010 and the Comprehensive Spending Review on October 2010 and set out the likely implication of these changes in Leeds as well as detailing the actions being undertaken within the Benefits Service both to ensure that people were aware of the changes and where possible to mitigate the impact of the changes.

The Chair welcomed Steve Carey, Chief Revenues and Benefits Officer to the meeting.

It was reported that significant changes would be made to housing benefits over the next four years and these were set out in the report on a year by year basis. Further issues highlighted included the following:

- Changes to the Local Housing Allowance (LHA) and reduction in LHA rates which affected private sector housing. Caps would be introduced to LHA rates which did not affect anyone in Leeds other than those who were in properties with 5 bedrooms or more. Any changes to current recipients of the allowance would be deferred for 9 months but would be immediate to new claimants.
- Excess benefit of up to £15 per week would no longer be able to be kept by those who rented properties at a lower rate than that of the LHA.
- Changes to increase the direct payments to private landlords.

In response to Members comments and questions, the following issues were discussed:

- In response to a question of what discussions had taken place with the ALMOs regarding the proposed changes, it was reported that the April 2011 changes were almost exclusively concerned with the private sector. Where applicable, tenants and landlords had been written to.
- Concern regarding the impact on BEM families and the need to carry out an equality impact assessment.
- Concern regarding the impact on the families who would be affected by the changes and the increased demand for social housing.
- Proposed shared room rates. These were not due till 2012, if at all, and would not affect disabled people or those with children.

#### **RESOLVED –**

- (1) That the report be noted
- (2) That a further report on Housing Benefits be brought to the Board.

#### **59 Void Property Process**

The report of the Head of Scrutiny and Member Development made reference to a Members request for scrutiny on the Council's treatment of sites that were surplus to requirements. This had been previously raised at a meeting of the North West Inner Area Committee and at the last meeting of the Scrutiny Board (Central and Corporate) when it had been agreed to request a report on the void property process.

An appendix to the report from the Acting Chief Officer – Property Management outlined the current void management process for properties declared surplus to operational requirements. Void properties were managed by Corporate Property Management prior to re-allocation or disposal by Property Services, City Development. A further appendix detailed void properties currently managed by CPM.

The Chair welcomed Anne Chambers, Acting Chief Officer – Corporate Property Management and Councillor J Illingworth, North West Area Committee to the meeting.

In response to Members comments and questions, the following issues were discussed:

- Concern regarding the length of time that some properties remained void and then fell into a state of disrepair. It was reported that CPM had only been established 3 years ago and part of their remit was to try and reduce the timescale that properties remained void. CPM only managed properties when they became empty and tried to get notice prior to vacancies in order to explore possibilities for re-use.
- Other responsibilities for CPM included security of void properties and ensuring any rates and bills were paid.
- CPM had a budget of £480k for void properties.
- Short term lets – these could be arranged through Property Services.
- Disposal and sale of void properties – this was carried out by Property Services.

**RESOLVED –**

- (1) That the report be noted
- (2) That a further report be submitted to the Board regarding the role of Property Services in relation to void properties.

**60 Work Programme**

The report of the Head of Scrutiny and Member Development outlined the Board's Work Programme and also included recent Executive Board minutes and a copy of the Council's Forward Plan of Key Decisions.

Proposed amendments to the Work Programme were discussed following the earlier reports considered and further reports requested on the ICT Strategy, Housing Benefit and Void Properties. Members were also reminded of the Value for Money training that would be provided in due course.

**RESOLVED –**

- (1) That the work programme be amended accordingly.
- (2) That the Forward Plan and Executive Board minutes be noted.

**61 Date and Time of Next Meeting**

Monday, 7 February 2011 at 10.00 a.m. (Pre-meeting for all Board Members at 9.30 a.m.)

**The meeting concluded at 12.40 p.m.**

Minutes approved at the meeting  
held on Monday, 24th January, 2011

