

SCRUTINY BOARD (CENTRAL AND CORPORATE)

MONDAY, 7TH SEPTEMBER, 2009

PRESENT: Councillor P Grahame in the Chair

Councillors S Bentley, B Chastney,
P Ewens, M Hamilton, A Hussain,
V Kendall, J Lewis, A Parnham and
D Schofield

22 Declarations of Interest

No declarations of interest were made.

23 Apologies for Absence

Apologies for absence from the meeting were submitted on behalf of Councillors Bale, Lowe and A McKenna.

24 Minutes - 6th July 2009

RESOLVED – That the minutes of the meeting held on 6th July 2009 be confirmed as a correct record.

25 Quarter 1 Performance Report 2009/10 and Financial Health Monitoring 2009/10 - First Quarter Report

The Board agreed to consider Agenda Items 7 and 8 together because of the links between the information contained in both reports.

In attendance at the meeting and responding to Member's queries and comments were:-

- Councillor Richard Brett, Leader of the Council and Executive Member (Central and Corporate Functions).
- James Rogers, Assistant Chief Executive (Planning, Policy and Improvement)
- Doug Meeson, Chief Officer (Financial Management)
- Helen Mylan, Head of Finance (Corporate)
- Helena Phillips, Chief Officer (Resources and Strategy)
- Alex Watson, HR Manager, Corporate HR

In brief summary, the main issues discussed were:-

- **Whether the Council found itself in a different position, budget-wise, than it was 2 years ago?**

The Leader of the Council made reference to the national and international economic recession, which was having a significant impact on the Council's projected budget. Significant reductions in income were being experienced, including planning, building and land charge fees, commercial rent income, income from sporting facilities, nursery fees and car parks. At the same time, service demand was increasing, as was benefit take-up. Based on Quarter 1 projections, the Council faced an estimated budget overspend of £10.9m at the end of the 2009/10 financial year, unless measures were taken to address matters;

The Council had already embarked, as a result of the budget setting exercise, on a widespread staffing review, with a target of employing at least 450 less staff by the end of the financial year, and this work was progressing;

Additionally, when the current projected overspend was identified, Executive Members and Directors were instructed to look again at service and staffing levels, to identify even greater efficiencies which would redress the balance, and this work was also ongoing. Details of the issues and broad indications of the measures being considered by Departments were contained in the report to the Executive Board on 26th August 2009, a copy of which was before the Scrutiny Board today;

The Leader of the Council stated that he was not prepared to speculate on what further measures might be necessary in order to address the projected budget deficit. The Executive Board would consider, in due course, Director's proposals. However, the Leader gave an assurance that front line, core services vital to the welfare of Leeds citizens would not be affected;

- **Costs of looked-after children** – In response to a specific query regarding the large projected overspend (£2.1m) in respect of these costs, the Leader of the Council categorised this expenditure as one of the front-line, core services he had earlier referred to, where it was vital that the service be maintained;
- **Staffing levels** – In response to another query, an undertaking was given to supply Board Members with details of the numbers and designations of staff who had left the Council in the past 6 months. Reference was also made to a slow down in the level of so-called 'natural wastage', i.e. staff leaving of their own volition for various reasons, and perhaps this was unsurprising in the current economic climate;

- In response to queries regarding performance indicators **BP-30** and **BP-31** - the number of major projects not receiving independent project assurance – it was reported that this was a relatively new Council Business Plan indicator and work was ongoing to ensure that all projects would be contacted during Quarter 2 to arrange independent project assurance or to complete an initial 'health-check' review;
- **Asset management** – The significant levels of income from asset sales which the Council had enjoyed in recent years had been adversely affected by the economic downturn, but assets valued at £250,000 or less continued to attract interest. An assurance was given that the markets were constantly monitored to ensure that the Council was not under-selling its assets. One effect of the reduction in capital receipts was that the Council had to borrow more to fund its programme and, of course, there were costs attached to borrowing;
- The strides being taken by the Council in reducing its **CO₂ emissions** was acknowledged (NI-185), as was the significant increase in performance under local indicator BSC-8, the **percentage of undisputed invoices being paid by the Council within 30 days of receipt**;
- An undertaking was given to supply Board Members with further information in respect of Business Plan indicator BP-05c, and the work being done with **ALMOs regarding rent collection levels** and the impact of the current recession on those levels;
- Business Plan indicator NI179 - **percentage of cash releasing efficiency savings made (cumulative over 3 years)**. This was measured six-monthly, so no figures were available for Quarter 1. However, all Directorates were required to keep a record of these, and the target of £28.759m included nearly £12m that should be generated from the capital programme, but this was a very difficult area in which to measure such gains ;
- An undertaking was given to supply Board Members with 'before' and 'after' figures in respect of **under-16 and over-60 swimmers** using Council facilities, i.e. the numbers of users and the income generated before the national Government directive regarding free swimming sessions, and the number of participants now in those two categories;
- in response to a query regarding the possible financial effects of the industrial action involving **Council refuse collectors and street cleaners**, the Leader of the Council stated that it was too early to gauge;

RESOLVED –

- a) That the Leader of the Council and the officers be thanked for their attendance and for their responses to Member's queries and comments.
- b) That, subject to the requests for further information, the reports be received and noted.

(NB. Councillor Hamilton joined the meeting at 10.22 am, during this item.)

26 Work Programme, Executive Board Minutes and Forward Plan of Key Decisions

The Head of Scrutiny and Member Development submitted the Board's work programme, updated to reflect decisions taken at previous meetings, together with a relevant extract from the Council's Forward Plan of Key Decisions for the period 1st September 2009 to 31st December 2009, and a copy of the minutes of the Executive Board meeting held on 22nd July 2009.

The Head of Scrutiny and Member Development reported the receipt of a request from local community groups for scrutiny in respect of the **enforcement of byelaws associated with the use of Woodhouse Moor**. This was currently the subject of correspondence with Legal Services and, dependent on the outcome, might have to be referred to the October Board meeting. The request, although related, would not prevent the Council proceeding with the proposed provision of a designated barbeque area on Woodhouse Moor.

Reference was also made to the need to schedule a **Corporate Call Centre** performance update report, once the Individual Voice Recognition system was installed and operating.

A request was also made for an item on a future agenda regarding a possible review of **corporate report writing guidelines**.

RESOLVED – That, subject to the above comments and any other changes necessary as a result of today's meeting, the Board's work programme be approved.

27 Scrutiny Inquiry - Consultant Engagement

Further to Minute Number 10, 8th June 2009, the Board considered a report submitted by the Head of Scrutiny and Member Development by way of background information to the Board's Inquiry on the Council's use of consultants.

David Bierne, Resources Department, attended the meeting and responded to Member's queries and comments.

In brief summary, the main points of discussion were:-

- A request for further information at a future session regarding the level and type of use of external consultants by Leeds City Council compared to authorities of a similar size and nature.
- The existence, or not, of an in-house set of guidance notes for officers regarding the use of consultants and whether other authorities had such protocols.
- Whether different Council Departments had different attitudes and practices with regard to the engagement of consultants and, if so, why?
- Whether the Council ever did any post-project analysis to assess the effectiveness or otherwise of the employment of consultants.
- Establishing the difference between routine professional advice and the use of consultants.
- Whether the use/exchange of staff/information between authorities might be a viable alternative to the use of external consultants.
- A request for the provision of a 'league table' of consultants used by Leeds City Council, based on the number and value of contracts awarded.

RESOLVED – That, subject to the above comments, the report be received and noted.

28 Dates and Times of Future Meetings

Monday, 5th October 2009
 Monday, 2nd November 2009
 Monday, 7th December 2009
 Monday, 11th January 2010*
 Monday, 1st February 2010
 Monday, 1st March 2010
 Monday, 29th March 2010

All at 10.00 am (Pre-Meeting 9.30 am), except *11th January (2.00 pm, Pre-Meeting at 1.30 pm)