

Public Document Pack



**Service Director – Legal, Governance and
Commissioning**

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Thursday 4 April 2019

Notice of Meeting

Dear Member

Corporate Scrutiny Panel

The **Corporate Scrutiny Panel** will meet in the **Council Chamber - Town Hall, Huddersfield** at **9.00 am** on **Friday 12 April 2019**.

The items which will be discussed are described in the agenda and there are reports attached which give more details.

A handwritten signature in black ink, appearing to read 'Julie Muscroft', on a light-colored background.

Julie Muscroft

Service Director – Legal, Governance and Commissioning

Kirklees Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair/Clerk of their intentions prior to the meeting.

The Corporate Scrutiny Panel members are:-

Member

Councillor Gulfam Asif (Chair)

Councillor James Homewood

Councillor Marielle O'Neill

Councillor Hilary Richards

Councillor John Taylor

Councillor Will Simpson

Philip Chaloner (Co-Optee)

Linda Summers (Co-Optee)

Agenda

Reports or Explanatory Notes Attached

	Pages
1: Minutes of the Previous Meeting	1 - 4
<p>To approve the Minutes of the meeting of the Panel held on 29 November 2018.</p> <hr/>	
2: Interests	5 - 6
<p>The Councillors will be asked to say if there are any items on the Agenda in which they have disclosable pecuniary interests, which would prevent them from participating in any discussion of the items or participating in any vote upon the items, or any other interests.</p> <hr/>	
3: Admission of the Public	
<p>Most debates take place in public. This only changes when there is a need to consider certain issues, for instance, commercially sensitive information or details concerning an individual. You will be told at this point whether there are any items on the Agenda which are to be discussed in private.</p> <hr/>	
4: People Strategy (Staff Wellbeing)	7 - 20
<p>The Panel will receive a report which provides an update on the Health and Wellbeing strand of the Kirklees People Strategy, which was launched in November 2017, and how staff are being supported to be healthy and well in the workplace.</p> <p>Contact: Deborah Lucas, Head of People Services, Tel: 01484 221000</p> <hr/>	

5: Cabinet Member End of Year Update 21 - 28

Councillor Graham Turner, Cabinet Member for Corporate, has been invited to attend the meeting to update Members on the progress made on his priorities for the 2018/19 Municipal Year, which were initially outlined at the meeting held on 31st August 2018.

Contact: Sheila Dykes, Principal Governance & Democratic Engagement Officer. Tel: 01484 221000

6: High Level Overview of Quarter 3 Financial Monitoring Report and Other Key Financial Management Updates 29 - 62

The Panel will receive a report in respect of key highlights from the Quarter 3 Financial Monitoring Report 2018/19, as reported to Cabinet on 19th March 2019, and other key financial management updates.

Contact: Eamonn Croston, Service Director, Finance. Tel: 01484 221000

7: Procurement Update 63 - 104

The Panel will receive a further update in respect of procurement; including activities in relation to social value/ local wealth building and the implementation of the new procurement operating model.

Contact: Jane Lockwood, Head of Procurement and Commissioning. Tel: 01484 221000.

8: Review of 2018/19 Work Programme 105 - 108

The Panel will be asked to consider if there are any matters that it wishes to put forward for inclusion in the Panel's Work Programme for 2019/20.

Contact: Sheila Dykes, Principal Governance & Democratic Engagement Officer. Tel: 01484 221000

Contact Officer: Alaina McGlade

KIRKLEES COUNCIL

CORPORATE SCRUTINY PANEL

Thursday 29th November 2018

Present: Councillor Gulfam Asif (Chair)
Councillor James Homewood
Councillor Hilary Richards
Councillor John Taylor
Councillor Will Simpson

Co-optees Philip Chaloner

In attendance: Cllr Graham Turner, Portfolio Lead for Corporate
Eamonn Croston, Service Director - Finance, IT and
Transactional Services
Carl Whistlecraft, Head of Democracy

Apologies: Councillor Marielle O'Neill
Linda Summers (Co-Optee)

1 Minutes of the Previous Meeting

That the Minutes of the meeting held on 11 October 2018 be approved as a correct record.

2 Interests

No interests were declared.

3 Admission of the Public

It was agreed that all agenda items be considered in public.

4 High level overview of Quarter 2 financial monitoring reported to Cabinet on 13 November, and current budget progress

Eamonn Croston, Service Director for Finance, IT and Transactional Services, presented a report which provided a high level overview of Quarter 2 financial monitoring reported to Cabinet on 13 November, and a summary of the current budget progress.

The report outlined the key highlights from quarter 2 financial monitoring report which that the General Fund year end predicted a £4.8m overspend vs a revised budget of £290.8m. He explained this was a marginal adverse shift compared to the Quarter 1 forecast overspend of £4.4m but that he anticipated that the overall variance would start to reduce over latter part of the year.

Eamonn advised that good progress had been made against planned savings with anticipated delivery of £12.6m being made against the £16.2m planned saving

Corporate Scrutiny Panel - 29 November 2018

requirement in-year. The savings that would not be achieved included deferred timing of out of district external placements savings at £1.1m, pressures on schools transport at £1.6m and car parking at £0.3m.

It was advised that the planned overspend on high needs of £7.9m, would be offset in part by release of £5m unallocated minimum revenue provision budget in-year. The General fund reserves year end forecast was broadly in line with the budget strategy update report which showed £37m available financial resilience reserves.

Overall, Eamonn explained that the Quarter 2 forecast highlighted no surprises compared to Quarter 1 and advised that all key issues had already been picked up and fed into the budget strategy update report; other than the winter pressures funding announcement, which was new funding.

The Panel questioned how the increase in overspends and 20% of planned savings were being addressed within the budget. Eamonn explained that budgets were tight and there wasn't very much room for manoeuvre. He explained that a decision had already been made to look at the treasury management process and £9m had also been released to the base budget as part of the financial resilience flexible pot.

The Panel also questioned how the autumn budget announcement relating to business rates would impact on the budget. Eamonn explained that this related to government relief and as such, would be funded by central government.

In relation to the overspend within the Learning Service, Eamonn further expanded to advise that the increasing pressure was being considered as part of the children's plan and potential savings were being identified that would assist in closing the gap whilst not detrimentally impacting on these children.

RESOLVED -

- (1) Eamonn Croston, Service Director for Finance, IT and Transactional Services be thanked for attending the meeting;
- (2) The costs associated with children excluded from school be brought to the next meeting of the Corporate Scrutiny Panel as part of the finance update;
- (3) The Panel recommend that schemes relating to the development of the high street be developed in readiness for the distribution of the pot of money being made available by Government for "changes to local high streets".

5 Democracy Commission Update

Carl Whistlecraft, Head of Democracy presented a report which provided an outline of the progress since 19 April 2018 from an Overview and Scrutiny perspective. The report also requested the Panel to explore the ways in which further contributions could be made to the next phases of the work.

The report set out a high level summary of the work commissioned since the initial meeting of the working party in March, which included updates on the following areas:

Corporate Scrutiny Panel - 29 November 2018

- The Changing Councillor Role and How it is supported;
- Developing a Citizen Engagement Framework and Place Based Working;
- Improving Electoral Registration
- Putting Councillors at the Heart of the Organisation
- Networked Councillors – Digital Skills, Confidence and Content for Civic Good
- Regional Devolution – Supporting our Councillors and Citizens
- Opening up our Meetings
- Recommendations for External Organisations

The Panel highlighted concerns regarding the progress being made in relation to “Councillor at the Heart of the Organisation”. They outlined personal experiences in which they have not received responses from officers and explained that they did not feel officers understood the councillor role. Carl explained that the issues highlighted had been echoed across the council. As such, the working party was attempting to address the cultural approach across the council and highlighted that clear expectations being outlined from the start, officers not “gatekeeping” information and councillors being at the heart of their wards were three of the biggest challenges that the working party was up against. The Panel suggested that as part of this work, a clear set of standards relating to responsiveness when working with councillors be developed to outline clear expectations from the start.

The Panel moved on to recognise that if the council as an organisation is being requested to understand the requirements of councillors, this also should be reciprocated. To assist in understanding the role and requirements placed on an officer, the Panel advised that they would undertake “a day in the life of an officer” and feedback their experience to the Democracy Commission Working Party. Carl welcomed this and advised that members of the working party had already undertaken this role with some officers.

The Panel also highlighted their concern regarding the ability to interact with the public and the dated technology currently available. Carl advised that there was a recommendation relating to utilising the full capability of webcasting facilities but that this would incur a capital spend impact.

The Panel queried where the work with the public would fit in with the process and Carl explained that this was a key ingredient in the process and was already being undertaken. He did however advise that the dialogue with the public would increase as the working party progressed throughout the project. Carl also outlined that a pilot had been undertaken in the Golcar ward using the “Place tool” to evaluate the tools impact on increasing the dialogue with citizens and assisting citizens to be involved and active in ward based issues.

The Panel concluded by advising they were extremely encouraged by the work being undertaken with councillors, officers and citizens and requested that a further update be presented to the Panel in the new year, with a highlight of the changes that have taken place as a result of the Democracy Commissions, examples of tangible results and the outcomes of these changes, including positive stories and examples of difficulties experienced.

Corporate Scrutiny Panel - 29 November 2018

RESOLVED -

- (1) Carl Whistlecraft, Head of Democracy be thanked for attending the meeting;
- (2) A further update be presented to the Panel, outlining the target dates and deadlines set in relation to the work currently being developed to meet the recommendations of the Democracy Commission Working Party;
- (3) The future update should also include examples of changes made as a result of the work commissioned by the Democracy Commission Working Party so that the impact can be clearly interpreted;
- (4) The Panel recommend a schedule be created to outline a set of standards to be adopted by the council in relation to appropriate principles for responsiveness to councillors;
- (5) Members of the Corporate Scrutiny Panel will endeavour to undertake “a day in the life of an officer” and feedback their experiences to the Democracy Commission Working Party.

6 Work Programme for 2018/19

That the work programme and agenda plan presented for the Corporate Scrutiny Panel for 2018/19 be noted and agreed.

7 Future Meeting Dates

That the future meeting dates for the Corporate Scrutiny Panel for 2018/19 be noted.

KIRKLEES COUNCIL					
COUNCIL/CABINET/COMMITTEE MEETINGS ETC					
DECLARATION OF INTERESTS					
Corporate Scrutiny Panel					
Name of Councillor					
Item in which you have an interest	Type of interest (eg a disclosable pecuniary interest or an "Other Interest")	Does the nature of the interest require you to withdraw from the meeting while the item in which you have an interest is under consideration? [Y/N]	Brief description of your interest		

Signed: Dated:

NOTES

Disclosable Pecuniary Interests

If you have any of the following pecuniary interests, they are your disclosable pecuniary interests under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.

Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.

Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -

- under which goods or services are to be provided or works are to be executed; and
- which has not been fully discharged.

Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.

Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.

Any tenancy where (to your knowledge) - the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -

- (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
- (b) either -

the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

Name of meeting: Corporate Overview & Scrutiny Panel

Date: 12th April 2018

Title of report: People Strategy Update – Health & Wellbeing

Purpose of report

This report is for information only and provides an update on the Health & Wellbeing strand of the People Strategy.

No decision is required

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Not applicable
The Decision - Is it eligible for call in by Scrutiny?	Information only paper
Date signed off by Strategic Director & name	Rachel Spencer-Henshall, Strategic Director Corporate Strategy, Commissioning and Public Health
Is it also signed off by the Service Director for Finance IT and Transactional Services?	Not applicable
Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	Not applicable
Cabinet member portfolio	Councillor G Turner

Electoral wards affected: Not Applicable

Ward councillors consulted: Not Applicable

Public or private: Public

1. Background

- 1.1 The Kirklees People Strategy was launched in November 2017, providing a specific people 'lens' to organisational thinking around how we will work in Kirklees to realise our vision and outcomes.
- 1.2 At its initial launch, 8 work streams were established to deliver the strategy. These were:
- Workforce planning
 - Recruitment
 - Induction
 - Apprenticeships
 - Leadership & Management
 - Coaching & Mentoring
 - Performance
 - Employee Health and Wellbeing
- 1.3 Recognising the overlap between aspects of the different work streams and to ensure that they were better joined up and outcome focused, in early 2018, the work streams were refocused into three areas:
- Attraction and retention
 - Development
 - Health & Wellbeing
- 1.4 The previous report presented to the Corporate Scrutiny Panel on 11th October 2018 provided an update on progress with the 'Development' strand of the People Strategy, setting out how we are developing our workforce; this report provides an update on the 'Health & Wellbeing' strand of the strategy and how we are supporting our staff to be healthy and well in the workplace.

2.0 Health and Wellbeing

- 2.1 We know that valued employees are more motivated and have a positive impact on the productivity and effectiveness of an organisation. Providing outstanding health care is one way of demonstrating that we value our employees
- 2.2 In January 2019 Public Health England confirmed;
- 1 in 3 working age people in the UK have a health condition
 - 1 in 6 adults will have experienced a common mental health disorder in the past week
 - 1 in 10 employees in the UK have reported having a musculoskeletal condition

- 1 in 3 employees with a long term health condition have not discussed it with their employer

2.3 Moreover, there is a raft of clinical evidence to support the value of self-care and early intervention and prevention. In November 2018, the Health Secretary said that if we get prevention right, it holds the key to longer, healthier, happier lives and a sustainable, high quality and care system guaranteed for many generations to come. This is not just about keeping well physically and mentally, or preventing ill health in the future - it's about the environment around us, the lifestyle choices we make and how we manage existing health conditions, many of which cannot be currently prevented.

3.0 The Employee Health Care Unit

3.1 In 2017, the unit faced some significant challenges; it saw a number of key staff leave the business and for a period of time there was a reliance upon a bank of agency staff and nurses. At the same time, the unit moved away from being under the line management of the Public Health Service and was transferred across to sit within the new People Services structure, under the line management of the Head of People Services.

3.2 Whilst this was a challenging time for the unit, those challenges also presented opportunities for us to reshape and refocus the unit, to reflect the national context as well as the outcomes of our new People Strategy. This was an opportunity to reshape operations from a traditional, reactive Occupational Health Service to one that offers proactive opportunities for employee engagement and the delivery of innovative health solutions that are designed for the workforce of the future.

3.3 The vision for the unit therefore became one of early intervention and prevention; of staff wellbeing rather than staff absence and of taking a holistic approach to wellbeing that includes physical, mental and financial support for the workforce.

4.0 The New Approach to Wellbeing

4.1 In light of the new approach, a modernised wellbeing offer was developed for our services and schools and that offer is set out at Appendix 1. It focuses on early intervention and prevention by encouraging self-care through a range of services that employees can self-refer for.

4.2 That approach translated through to the support offered to line managers and the unit started to actively encourage managers to support employee wellbeing in the workplace, to actively provide reasonable adjustments where required and to take the appropriate actions to enable staff to remain at work, rather than focusing on absences and return to work processes. That is not to

say that these processes aren't important, however, the message was that it is critical to concentrate on keeping staff healthy and well whilst they are at work.

4.3 To promote the new approach and our new offer, the unit ran a campaign during 2018 based upon a theme of 'It's Okay not to be Okay' and an example leaflet is attached at Appendix 2.

4.4 We refer to our new approach as an 'integrated offer' as it is targeted at both employees and managers and focuses on a holist approach to wellbeing. We have now also extended the offer to support our elected Members and a wellbeing taster session was provided at a recent Council meeting.

5.0 Key Achievements and Outcomes

5.1 Over the past 12 months, reflecting our new, proactive and holistic approach to wellbeing, we have achieved some significant outputs and outcomes.

5.1.1 Sickness Absence Levels

The most significant outcome has been on sickness absence levels across the Council. In April 2018, levels were at an all-time high reaching an average of 12.3 days per annum, per employee. However, month on month throughout 2018, we saw absence levels falling steadily. As at December 2018, levels had fallen to just under 11.6 days per employee and our latest figures show that as at February 2019, that figure has reduced even further to an average of 11.1 days per annum per employee. That is the lowest level it has been at since January 2017.

Table 1 shows the downward trend in sickness absence levels.

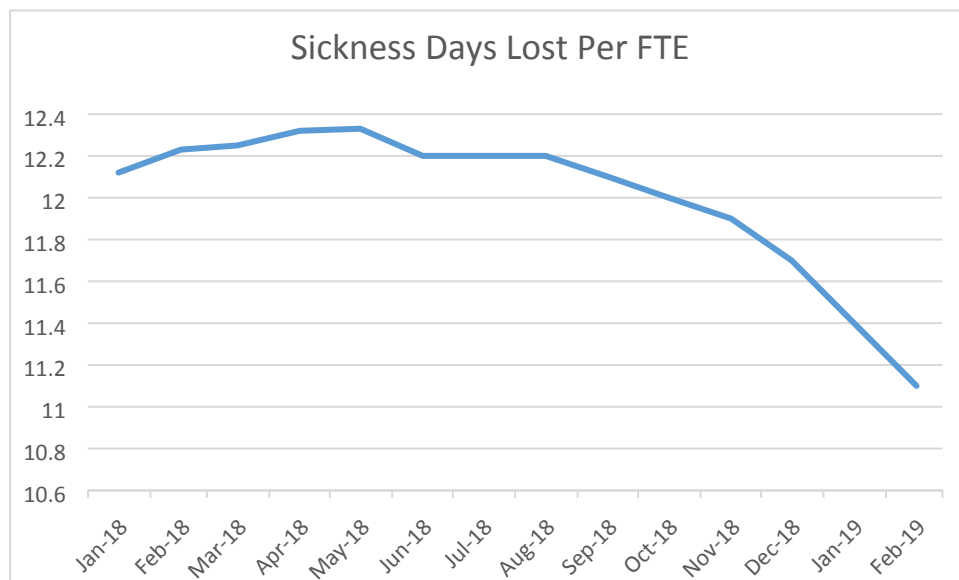


Table 2 shows the main reasons for sickness absence are mental health and musculoskeletal conditions and these are key areas targeted in our approach to wellbeing.

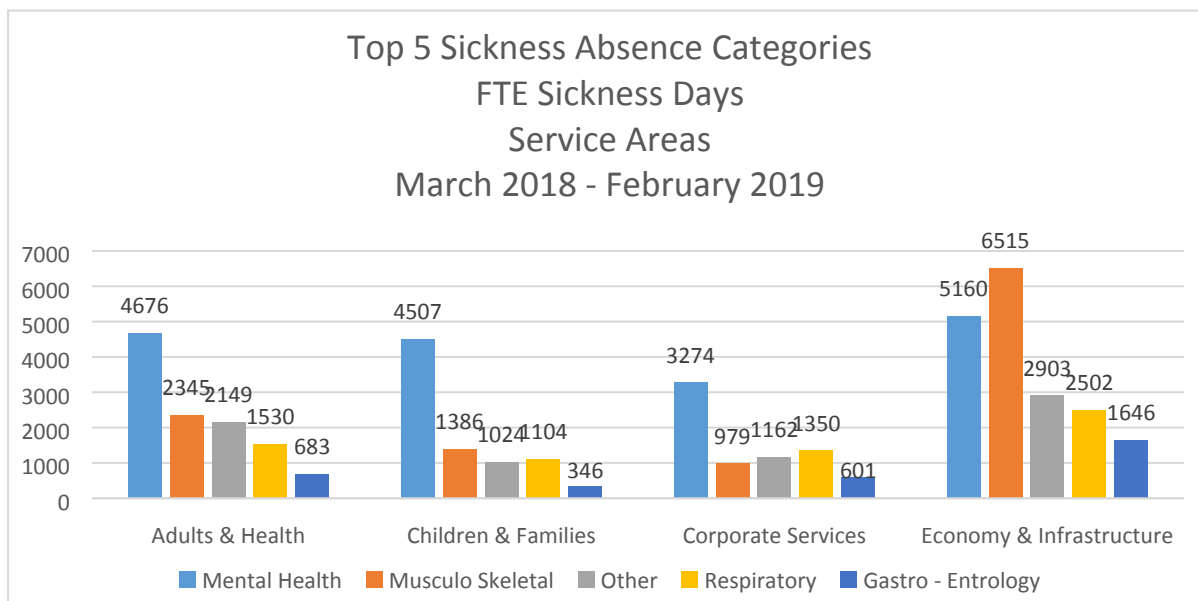


Table 3 shows the level of appointment activity that has taken place within the unit in 2018 to support the improvement in staff wellbeing and the reduction in absence levels

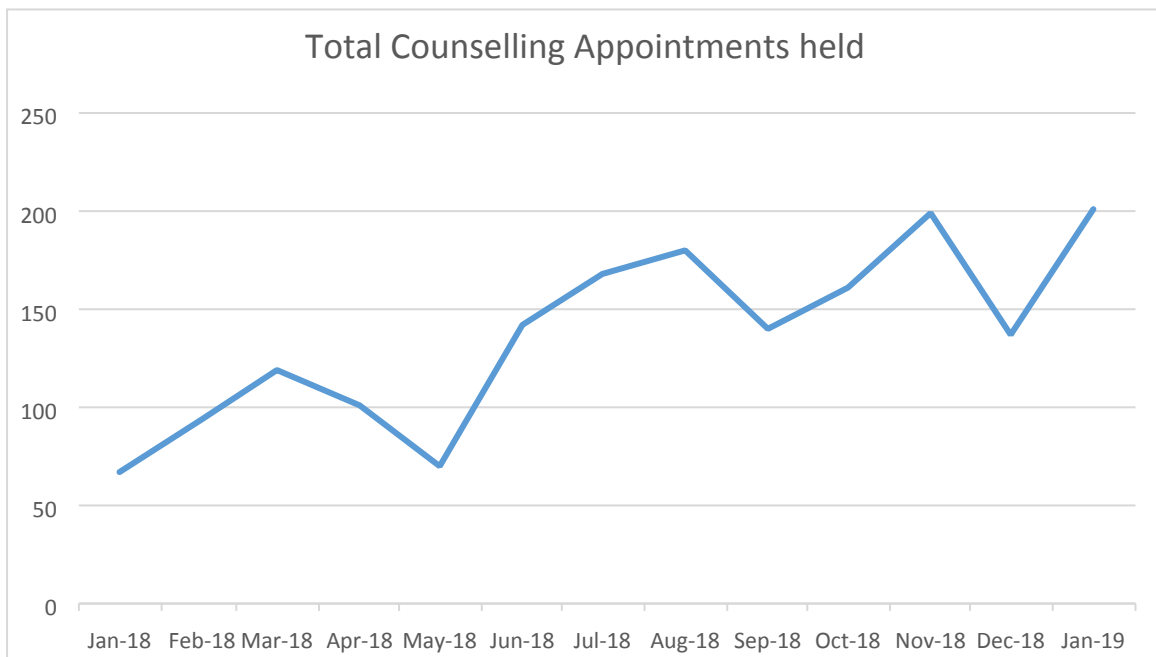
APPOINTMENT TYPE:	NUMBER OF APPOINTMENTS:
Management Referrals	1247
Counselling	1578
Physiotherapy	497
Healthy Eating Active Lifestyle advise	550
Specialist Workplace Assessment	243
Specialist Health checks	986
Vaccinations	584
*others	204
TOTAL	5889

**This includes ad hoc appointments such as alcohol testing, HGV, case conference meetings, eye sight test etc.*

5.1.2 Counselling

We know that nationally, the demand for mental health services is increasing. Our new approach encourages staff to self-refer and has meant that self-referrals for counselling services now exceed management referrals. Counselling appointments have increased significantly over the last 12 months from the lowest appointment level of 66 in January 2018 to the highest being in January 2019, where we saw 201 counselling appointments (see Table 4).

Table 4



We are able to manage this increase in demand by working in partnership with IAPT (Improving Access to Psychological Therapies) and Able Futures, integrating their services into our offer. These services are funded by central government and therefore absorb some of the costs associated with running our counselling services.

The Unit has recently introduced and promoted the option of a fast track counselling referral. This option is proving popular particularly in schools where key employee absence impacts significantly on outcomes for children. The schools accessing this service are charged at a cost only basis, with the aim being to support schools to keep teaching and support staff in the classroom. We know that external providers charge significantly higher rates than we charge for this type of service, by keeping this service in house we are able to control the costs to schools and we are also able to monitor the quality of the service, ensuring that it meets the customer needs.

5.1.3 Wellbeing Events and Education Initiatives

We have proactively targeted and delivered education, instruction and advice on a much wider range of issues than traditional Occupational Health care topics which tend to focus on blood pressure, weight and physical activity. In addition to the traditional topics, we have led the way by delivering on some of the more sensitive topics which affect health and wellbeing such as the menopause, forced marriage, suicide prevention and mental health.

The total number of employees who have attended a wellbeing course or event during 2018/19 is **4053** which is around a third of the workforce, including schools.

Continuing that commitment to education and advice, we have a number of forthcoming actions and events. These include:

- Delivering development days in the Refuse Service;
- Delivering a 'Taking Care of You' staff wellbeing event on 28th March at Huddersfield Town Hall;
- Establishing 164 Mental Health and Wellbeing champions within our schools;
- Piloting partnership working with Public Protection around Mental Health First Aid training

5.1.4 Workplace Health & Wellbeing Champions

We have also established and developed a team of Mental Health and Wellbeing Champions. There are 70 Champions across the Council and we will build on this model as we create our Champions in schools. The benefit that these Champions offer is that they are in touch with front line staff and promote the vision that we make every contact count. Over 80% of our workforce are Kirklees residents, so having a Champion Model enables us to capitalise on their reach as well as their knowledge of local health and wellbeing issues and this helps us to have an impact beyond the workplace.

5.1.5 Job-specific Health Improvement

We have worked closely with various services to improve some specific job related issues. For example, a trial of podiatry in manual working teams during 2018 proved extremely successful. Some of our employees may walk around 10 – 12 miles per day; a total of 59 staff took part in the trial and the trial highlighted that 70% of those staff had clinical foot problems.

The teams that benefitted from this trial included the refuse teams who prior to the trial, were not fully engaged with the Health Care Unit. On the back of this work, those hard to reach teams have now started to engage in a health care programme which aims to enhance their overall wellbeing. The cost of the trial was £22.49 per employee, which is a small investment for support that can keep these employees healthy and help them to stay in work.

As a result of the trial:

- A review of workwear/boots provided by the Council has been undertaken
- We will now undertake annual clinical foot health inspections for some specific job roles
- A more detailed assessment of the health needs of our manual workers will be undertaken, which will include body mapping for musculoskeletal assessments.

5.1.6 Partnerships

Since April 2018 the unit has developed links with the NHS to support the delivery of counselling services for Kirklees employees. IAPT (Improving Access to Psychological Therapies) now operate from the Employee Health Care unit for two days a week. IAPT are the service that local GP's refer Kirklees/ Calderdale residents to if they need to access to psychological services. This is a mutually beneficial arrangement which has meant that our unit can offer self-help Cognitive Based Therapy to our staff. This arrangement is free for our employees and the only cost incurred is the use of a room 2 days per week.

The unit has also developed a partnership with Able Futures. Able Futures is funded by the Department for Work and Pensions (DWP) to support individuals with a mental health issue to remain in work. An accredited psychotherapist from Able Futures is based at the unit 1 day a week, offering support and a wellbeing programme that is tailored to an individual's needs. Where the EHC unit offers short term therapies, Able Futures offer longer term support for a period of up to 9 months. The Able Futures arrangement ensures that staff receive continuing care to help maintain their mental health and remain in work.

In addition, the unit has developed a strong partnership with Public Health colleagues working together on initiatives such as Tackling Obesity, Clean Air, Active Travel, etc. and there has been a significant partnership approach to developing our Health & Wellbeing and Mental Health Champions. This partnership with Public Health extends to our in-house physician who is also working closely with Public Health colleagues to understand local health inequalities and consider how we can improve the way in which our employees access services and support available.

Finally, Public Health received funding from Public Health England this financial year and our partnership working with them enabled the unit to broaden its flu campaign and vaccinate employees in private care homes

5.1.7 Volunteering

There is clinical evidence to support the benefits of volunteering on health and wellbeing and the EHC unit was instrumental in driving forward the Council's revised approach to Staff Volunteering which was launched in February 2019. The previous scheme was limited in scope and impact, however the new scheme enables staff to take 2 days paid time off per annum to volunteer. This will not only benefit our communities but it will also help to improve staff morale, wellbeing and satisfaction for those who undertake volunteering activities.

If all 8000 Kirklees staff in our services take two full days of volunteering time this will equate to 120,000 employer supported volunteering hours. We will be monitoring take up and impact over the next 12 months.

5.1.8 Reputation

The improvements we have made and continue to make to our wellbeing offer are also now starting to filter out to other organisations and we have been contacted by a number of neighbouring authorities, expressing an interest in buying into the services we offer. To date, we have a contract with one of our neighbours and we have three others that we are in dialogue with. This is enhancing the reputation of Kirklees as being a leading name in supporting employee wellbeing.

6.0 Future Ambitions

6.1 Whilst much has been achieved over the past 12 months, there is more to do to ensure that the services provided are sufficiently flexible and resilient to meet the needs of our workforce; that they are of the highest quality and that they are creative and innovative, tapping into the array of intelligence and new techniques that are continuously becoming available.

6.2 Some of our plans for the future include:

6.2.1 Workplace Wellbeing Charter

We have signed up to the above charter which contains a set of quality standards that we will work towards over the next 12 months. This work will inform the rolling programme of training for our workplace health and wellbeing champions

Other pledges that the Council has committed to and which the unit will support to implement over the next 12 months include Mindful Employer, Mental Health Pledge and Disability Confident Employer

6.2.2 SEQOHS

To ensure that the unit offers a competitive and quality service, we have recently signed up to Safe Effective Quality Occupational Health Service accreditation. SEQOHS is the formal recognition that an Occupational Health

service provider has to demonstrate to show that it has the competence to deliver against the measures in the SEQOHS standards

- Business probity
- Information Governance
- People
- Facilities and Equipment
- Relationships with Purchasers Relationships with Workers

The scheme is managed by the Royal College of Physicians of London on behalf of the Faculty of Occupational Medicine and contractors are increasingly demanding this as core standard in procurement exercises. We hope that by working towards this standard we can be recognised as a Centre of Excellence for Occupational Health Care

On the back of our commitment to this standard, we have recently been successful in a tender process with the NHS to deliver bespoke services for their employees as part of a framework arrangement. This contract offers a potential income generation stream for the unit.

6.2.3 Working in Partnership with GPs

With support from our in-house Physician, we plan to reach out to local GPs to provide them with a better understanding of our Employee Health Care offer and assess how we might work in partnership with them to ensure employees are able to remain in work and can access our services. We hope that by raising awareness of our services, it may reduce the number of occasions that GPs sign staff off as unfit for work.

6.2.4 Supporting the Local Business Community

After the DWP 'Fit for Work' Scheme folded, the DWP has raised concern around the need for greater Occupational Health support for local businesses. We have recently been approached by several local businesses who are interested in accessing our services and we have been talking to the Economic Resilience Team to explore how we might take this forward with the aim of supporting employee wellbeing within Kirklees small and medium sized businesses over the coming years.

6.2.5 Supporting Health and Social Care

We are currently in dialogue with colleagues in the Adults Directorate to explore how we might offer support to reduce sickness absence and aid recruitment and retention difficulties within care homes. In particular we are looking at supporting care homes that are classed as requiring improvement. Should these care homes fail to improve, it would result in a significant and negative impact upon the local community, the services of the NHS and the Council's ability to meet statutory requirements. This piece of work is in the early stages of development.

6.2.6 Supporting our schools

We are currently working with Early Learning and Support to establish necessary interventions to meet the Wellbeing criteria in the new Ofsted framework and to gain a better understanding of teacher recruitment and retention difficulties. Kirklees is not unique in the problems it faces in education, it mirrors the national picture where Newly Qualified Teachers leave the profession in the first or second year of teaching.

6.2.7 New Services Lines

As part of the commitment to continuous improvement, the unit is also currently exploring the following enhancements to the wellbeing offer:

- An E- referral system that flags stress/anxiety cases on day 1. The best approach to getting staff back to work is to intervene at the earliest opportunity. We are therefore exploring a system that enables us to do this and to triage cases, making contact with the employee to support them, where appropriate.
- A clinical Helpline that Managers can access to discuss cases at the earliest opportunity. Traditionally there has been very little interaction between the Clinical Team and the Manager when managing health cases. Manager support and education is very important in meeting Occupational Health needs of the future
- A portal based referral system. The current IT system will not be supported by the contractor from November 2019 and we recognise that our end to end referral process is labour intensive, inefficient and presents an increased risk of data breaches. A new digital solution will therefore be procured that will achieve significant efficiencies in terms of resources and costs as well as minimising data security risks. This exercise will commence over the next couple of months.

7.0 Conclusion

7.1 The Employee Healthcare Unit has transformed and improved significantly over the past 12 months and this has had a really positive impact on the wellbeing of the workforce which is evidenced at the highest level by the improvement in sickness absence.

7.2 The unit is ambitious for the future in terms of its continuous improvement, its partnership working and its growth strategy.

7.3 The unit would welcome comments and suggestions from the Scrutiny Panel on how it might continue to improve its offer and model of delivery as we move forward.

Kirklees Employee Healthcare

Standard Service Offer

Support is triaged on clinical need and includes:

- Occupational Health Management referral. This includes sickness absence referrals and comprehensive reports, advice around reasonable adjustments and proactive support to speed up returns to work.
- Health Surveillance. This includes Hand Arm Vibration (HAV), noise assessments, etc.
- Physician advice for complex cases. This includes HAV'S tier 4 and 5 reviews, ill health retirement cases, etc. We have a Physician who, from his partnership working with the HSE, has recently developed an enhanced stress risk assessment tool for employers which we are in the process of implementing for Kirklees.
- Vaccinations - hepatitis B and Flu
- Physiotherapy including acupuncture
- Healthy Eating and Active lifestyle advice. This includes rehabilitation post physiotherapy
- Bespoke Wellbeing workshops around low mood, anxiety, sleep, mindfulness, pressure management, how to look after yourself and domestic abuse
- Alternative therapies. This includes podiatry advice in areas such as cleansing where colleagues are expected to walk 10 miles + per day
- Specialist Workplace Assessments
- A range of psychological interventions including:
 - An Employee Assistance Programme with 24/7 telephone based support. The CareFirst contract includes Citizen Advice Bureau trained personnel who specialise in financial and debt management
 - Guided self-help to manage symptoms of low mood
 - Face to Face counselling
 - Specialist EMDR (Eye Movement Desensitisation Reprocessing) for individuals / teams who are affected by traumatic situations or events

Other benefits for you & your employees

- Bespoke access to a high quality, independent service
- Reduced cost of staff absence and sickness
- A professional and rapid approach to managing sickness and absence
- Support for managers to appropriately handle employee sickness issues
- Reduce staff turnover by improving retention
- Employee Assistance Programme that includes 24 hour counselling, management support and an information service
- Support for managers to appropriately handle employee sickness in compliance with Health and Safety, Employment Law and The Equality Act
- Increased staff morale
- Help in alleviating and managing stress at work
- Significant return on investment
- An attractive organisation to work for as you can demonstrate you value your staff
- Opportunities for your staff to take responsibility for their own health and self-refer to our range of services including counselling and physiotherapy

Our Aim

To work with you to improve attendance, engagement and productivity in the workplace by promoting health and wellbeing.

Don't wait, get in touch with us today to discuss your needs. We can be contacted on:
Email: employee.healthcare@kirklees.gov.uk
Telephone: 01484 226424

Hello! Are you OK today?

Kirklees Employee Healthcare Occupational Health and Support Service



Why should you choose Kirklees Employee Healthcare?

Workplace health and wellbeing is moving up the corporate agenda. The evidence now shows there are tangible benefits in looking after your most important asset – your staff. Our health and wellbeing services will help you lower absence rates, increase productivity and improve employee engagement.

We'll work with you and provide support as you take positive proactive steps to build a healthy workplace/school.

We're experienced in working with a wide range of customers including schools of varying status, (such as maintained and Academies) together with businesses and other Local Authorities.

We know you're individual so we'll seek to understand your situation and provide a service that's flexible to meet your specific needs. Whether that's the convenience of a remote service such as the ease of digital or telephone consultations, or coming to our bespoke Occupational Health Building here at Rowan Bank, we will help you create the right solutions for you and your employees.

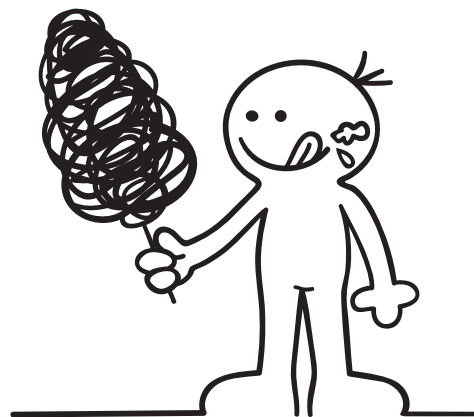
Welcome to Kirklees Employee Healthcare Service

Want to know about who we are and what we offer?

We're a team of health professionals from a variety of backgrounds providing a full range of Occupational Health and Wellbeing services to our clients at a competitive price.

- All our clinicians are appropriately qualified, are members of their relevant professional bodies and are registered with UK regulators
- As part of our team we have Occupational Health physician(s) and Occupation Health Nurses specialising in stress and mental health conditions.

"when employees feel good they deliver higher productivity, have lower sickness absence, and they stick around longer too."



We provide the following services:

- Medical referrals and provision of a comprehensive reports
- Physiotherapy and Rehabilitation services
- A range of counselling options including, face to face and a 24 hour telephone counselling and information line
- Group sessions covering a range of health topics including mental health such as Managing Pressure Positively, Sleep and Mindfulness
- Statutory Health Surveillance
- Workplace Assessments
- Vaccinations and immunisations - for specific occupational groups
- On site Mini MOTs: general health assessments and advice on mental health and wellbeing
- Pre-placement assessments
- Health promotion and education
- Training and support for staff including those you may identify as your Workplace Wellbeing Champions that support your overall wellbeing agenda

Just so you know

We are part of Kirklees Council Traded Services operating from our Occupational Health Unit based in Huddersfield. We can offer Pay as you Go (PAYG) or bespoke packages to cater for your needs.



And our Client's said...

"I just wanted to pass my thanks on to Kirklees Employee Healthcare for the fabulous session that we had on Friday. It was just wonderful and the staff have all been so positive about the experience. As wellbeing is such a 'hot topic' at the moment it was great to be able to have something delivered that was interesting, helpful and bespoke to our school staff and their needs"

Name of meeting: Corporate Scrutiny Panel

Date: Friday 12 April 2018

Title of report: Review of 2018/19 - Holding Cabinet Members to Account

Purpose of report: To brief members of the Panel on the progress made against the Cabinet priorities for the Corporate Portfolio in 2018/19.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	N/A
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	N/A
The Decision - Is it eligible for call in by Scrutiny?	N/A
<p>Date signed off by <u>Strategic Director</u> & name</p> <p>Is it also signed off by the Service Director for Finance IT and Transactional Services?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning Support?</p>	
Cabinet member portfolio	Cllr Graham Turner – Cabinet Member Corporate

Electoral wards affected: N/A

Ward councillors consulted: N/A

Public or private: Public

1. Summary

Background

- 1.1 At the meeting of the Panel held on 31st August 2018, the Cabinet Member for Corporate outlined his priorities for the forthcoming municipal year with the areas set out below being highlighted. This report provides an update in respect of those priorities and Councillor Graham Turner will be in attendance at the meeting to share the progress made over the last twelve months and to answer the Panel's questions.

(i) Developing the cultural offer/identify for the district

Deliver the first phase of the Music Development Plan which is being funded through the Business Rates Pool which will begin to build the district's reputation as a place of world class music. This first phase up until the end of March 2019 involves strategic marketing and brand development/promotion; programmes developing new skills and capacity building amongst musicians and music businesses; and audience development to reach 'left behind' groups and areas. This programme is building towards a year of music in 2023

Update:

- The programme's outputs have been agreed and the funding confirmed
- Commissions have been agreed with HCMF//, Yorkshire Women's Sound Network and the University of Huddersfield
- Posts to deliver each commission have been advertised with interviews taking place 8th to 10th April
- Faith PR has achieved a series of local, regional and national press and media coverage spotlighting a diverse range of musicians in Kirklees
- Kath Davies, Creative Economy Manager, has spoken at a number of regional and national conferences and events to promote music as a strong contributor to placemaking in Kirklees. As a result of this profile, the British Council has shown interest in the Kirklees' music plans
- A mural highlighting the diverse forms of music in Kirklees has been installed in one of the entrances to Queensgate Market
- A launch of the Year of Music 2023 takes place at the university on 11th April to garner support for the year.
- Strong partnerships have been established between music festival organisers, professional music organisations and commercial music venues with a commitment to working together to promote music, develop the sector and establish a medium sized music venue in Huddersfield

Produce long term masterplans for Bagshaw Museum, Oakwell Hall and Country Park and a new cultural centre in Huddersfield town centre and seek external investment to support their production and delivery. The aim is to develop key visitor attractions across Kirklees in the next ten years

Update:

- Funding of £216,700 has been secured from the National Lottery Heritage Fund Resilient Heritage Programme. This will fund the production of a masterplan at Bagshaw Museum; financial viability testing of an existing masterplan for Oakwell Hall; and community engagement for the new cultural centre in Huddersfield. This programme starts at Easter

Pilot the new digital promotion of museum collection highlights at Huddersfield Library. If successful, a digital museum will be created to promote the Kirklees collections globally in 2019/20 and increase access to the collections for those unable to visit

Update:

- This is not progressing as quickly as planned due to capacity and other priorities. External funding is therefore required to progress this. Museums and Galleries digital presence have improved e.g. a popular blog site about Women's Suffrage in Kirklees is enabling the community to share research and information and showcase exhibitions, collections and images.

Deliver a programme of exhibitions at Huddersfield Art Gallery in 2018/19 which promote the district and help to create a sense of place as the artists or subjects have a connection to Kirklees

Update:

- This year's programme has included exhibitions by successful local artists such as David Blackburn; a football photography exhibition with a number of images of Huddersfield Town which attracted new audiences to the gallery; exhibitions by local organisations such as the Huddersfield Art Society, West Yorkshire Print Workshop, HCMF// and Hoot Creative Arts. There has been a strong connection to Kirklees and the North to create a sense of a creative place

Work with partners to pilot a cultural offer marketing programme including targeting University of Huddersfield students and producing a new kind of information point in Queensgate Market by December 2018. The aim is to welcome students to Huddersfield and make them and other residents more aware of what is available in the district

Update:

- The Huddersfield Marketing Group has been established and is facilitated by the council. It brings together marketing officers from key cultural and educational organisations in Huddersfield to collaborate on marketing projects
- The Group worked with the Students Union to produce information for students at the beginning of the academic year
- The Group has also developed the banner project – banners across Huddersfield town centre promoting the cultural offer in the town. A programme is in place to change the banners every four months
- An information point has been established at Queensgate Market where any cultural and community groups can display promotional material. The point also includes a piano donated by the university which can be played by anyone. This is proving popular and attracting some proficient pianists who when they play, create an appealing atmosphere in the market

Deliver a promotional campaign and support programme to attract new and established creative businesses to relocate to Kirklees and retain existing businesses within the district throughout 2018/19

Update:

- The Creative Economy team has worked with Tech Nation to promote the district to creative businesses.

- 65 business engagement sessions have been delivered leading to greater resilience through improved business plans, 3 of which Kirklees creative businesses have levered £75k from Leeds City Region.
- At the end the third quarter there was a 4% increase in creative and digital business start-ups across Kirklees.

(ii) Delivering a budget that achieves the best for Kirklees people

- *July- August 2018:*
Budget Challenge Sessions with Exec Team and Service Directors to cover the Strategic Director Portfolios. These sessions are designed to highlight 2018-19 performance against resources allocated, and any emerging key issues to help inform and shape the annual budget re-refresh.
- *Early October 2018:*
Medium Term Financial Plan (MTFP) Update - report to Cabinet (2nd) and Council (10th). This will review high level funding and cost assumptions over multi-year plans; both revenue and capital. This will provide a financial planning framework and process (including budget engagement), for consideration of budget options for member consideration through the remainder of the budget process, to deliver a balance budget.
- *End Jan-mid Feb 2019:*
Annual Budget report to be approved by Cabinet (29th Jan) & Budget Council (13 Feb). This will incorporate multi-year budget plans (revenue & capital,) and the Treasury Management Strategy.

Update:

All objectives have been met.

(iii) Delivery of the access to services strategy; including a modern library service

- *Deliver a modern library service*
 - *To carry out further conversations with library Friends of Groups, stakeholders and partners to arrive at place based solutions for communities using the framework agreed at cabinet on 21st August 2018. This is to include local-level reviews of the locations and suitability of the accommodation that houses each library.*
 - *To redesign the service in a timely manner giving due thought and consideration to a comprehensive and efficient service with appropriate staffing, based on community needs and Council priorities and opportunities to reduce expenditure or secure more income.*
 - *To move to secure an external partner to provide the Home Service on behalf of the Council.*

Update:

- Conversations continue with library Friends Groups, stakeholders and partners to arrive at placed based solutions for communities using the framework agreed at cabinet in August 2018.
- Redesign of the service is developing and will be agreed and delivered in a timely manner. Income streams are being explored along with opportunities to reduce expenditure.

- The process to secure an external partner to provide the Home Service on behalf of the Council has started with invites to tender expected in the first quarter of 2019/20.
- The move of Almondbury Library is expected to be completed by late spring 2019.
- *Corporate Front Door*
 - *Building on the success of the my Kirklees account where over 90,000 accounts have been created continue improving our ‘universal front door’ by designing and implementing digitally enabled services for as many council services as possible, supported by a channel shift and take-up implementation plan. Develop and implement joined-up, technologically enabled front to back office processes to deliver improved customer service.*

Update:

- Work continues with services to identify opportunities for improving the offer. Contacts into the councils telephony service have reduced again 2018/19 customers being able to utilise other means (digitally enabled services. The my Kirklees Account now has over 90,000 accounts created. An increase of over 28% since August 2018.
- *Transform existing customer access points:*
 - *Resolve more contacts at the first point of contact (improved efficiency and cost of service)*
 - *Expedite the customer journey and signpost to 3rd parties where appropriate (Reduced demand, improved outcomes)*
 - *Provide a consistent customer experience across all channels*
 - *Focus staff resources on ‘assisted service’ whilst supporting vulnerable customers with more specialised and complex needs*
 - *Enable citizens and their representatives to self-serve online to:*
 - *Reduce demand - particularly ‘failure’ demand*
 - *Improve service efficiency and cost*
 - *Enhance convenience in terms of access - 24/7*
 - *Better manage their interactions with the Council*

Update:

- Services are working together with the customer access points (digital, telephony and face-face) to resolve more contacts at first point of contact.
- More and more services are available through the telephone contact centre and customer service centres bringing a more consistent customer experience across the channels.
- A programme of work is currently being developed to ensure all services are supported to develop their customer access in the appropriate way by focussing resources on assisted service and supporting vulnerable customers with more specialised and complex needs.
- A review of emergency services available 24/7 will be completed in 2019/20.

An extract of the relevant Minute from the meeting held on 31st August 2018 is attached at Appendix A for information.

This activity forms part of Scrutiny’s role in holding the Cabinet to account for delivery of its priorities.

2. Information required to take a decision

This report is for information only.

3. **Implications for the Council**
N/A
4. **Consultees and their opinions**
N/A
5. **Next steps**
Following consideration of the Cabinet Member's update, the Panel is asked to:
 - (1) Identify any areas of work on which it wishes to receive further information,
 - (2) Consider if there are any matters it wishes to be involved with.
 - (3) Notes any forthcoming work that will require Scrutiny's attention and therefore needs to be considered as part of the Work Programme for 2019/20.
6. **Officer recommendations and reasons**
That the Panel consider the end of year update from the Cabinet Member and identify any issues that it would wish to see put forward as part of next year's Work Programme.
7. **Cabinet portfolio holder's recommendations**
N/A
8. **Contact officer**
Sheila Dykes
Governance & Democratic Engagement Officer
sheila.dykes@kirklees.gov.uk
01484 221000
9. **Background Papers and History of Decisions**
N/A
10. **Service Director responsible**
Julie Muscroft
Service Director, Legal, Governance & Commissioning

Corporate Scrutiny Panel – 31st August 2018

6 Cabinet Member Priorities for 2018/19

Councillor Graham Turner, Corporate Cabinet Portfolio Holder presented a report which outlined Corporate priorities for 2018/19, key highlights of which are noted below:-

- The importance of the cultural offer in driving economic improvement was highlighted.
- A report in relation to the Library Service had been approved by Cabinet on 21 August 2018. A work plan and timeline had been developed and regular meetings were scheduled with the relevant parties.
- An additional £300k funded through the Business Rates Pool was being utilised to develop the district's music offer.
- Corporate Front Door – further work was ongoing to deliver improved customer service.

In response to Member questions, it was noted that:-

- The development of a museum strategy was aligned into longer term strategic work around town centre regeneration.
- Work was currently ongoing with Deloitte as to IT transformation and 'digital by design'. Member engagement, as part of this project was welcomed.
- Given Kirklees' success and experience in providing filming locations, potential income generation opportunities would be considered as part of the Commercialisation Strategy.
- Exciting plans for were in place for developing the district's reputation as a place of world class music and the current diversity of music provision across the district was recognised.
- The 'Corporate Front Door' initiative embraced technological developments, but it was acknowledged that it was important to ensure that people were not left behind and were supported as much as possible.

RESOLVED – That the update be noted with thanks to Cllr Turner, Portfolio Lead for Corporate, for attending.

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Name of meeting: Corporate Scrutiny Panel
Date: 12 April 2019
Title of report: Financial Management Update 2018-19

Purpose of report

High level overview of Quarter 3 financial monitoring reported to Cabinet on 19 March, and other key financial management updates

Key decision – is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key decision - is it in the Council's Forward Plan (key decisions and private reports)?	Key decision - Yes
The Decision - Is it eligible for “call in” by Scrutiny?	No
Date signed off by Strategic Director & name	Rachel Spencer Henshall, 22 March 2019
Is it also signed off by the Service Director for Finance	Eamonn Croston, 22 March 2019
Is it also signed off by the Service Director – Legal, Governance & Commissioning ?	N/A
Cabinet member portfolio - Corporate	Cllr Graham Turner

Electoral [wards](#) affected: All

Ward Councillors consulted: All

Public or private: Public

1. Summary

Quarter 3 Financial Monitoring

1.1 Key highlights from quarter 3 financial monitoring report (detailed report attached to this covering report for reference) are summarised below :

- i) General Fund year end revenue forecast ; £1.1m overspend v revised budget of £291.1m, equivalent to just 0.4% variance;
- ii) Positive shift compared to Quarter 2 by £3.7m;
- iii) Anticipated that year end position will there or thereabouts on line with budget;
- iv) Good progress against planned savings; anticipated delivery of £12.4m against £16.2m planned saving requirement in-year (77%) ; balance of £3.8m planned savings not achieved mainly relates to deferred timing of out of district external placements savings at £1.2m, and pressures on schools transport at £1.9m;
- v) Planned overspend on high needs at £7.9m, offset in part by release of £5m unallocated MRP budget in-year; plus further offset of £1m through extra high needs funding allocated by Government in-year as part of the 2018 Autumn Statement announcement.
- vi) Central budget forecast includes in-year re-payment of surplus Government business rates levy of £1.2m announced as part of the 2018 Autumn Statement announcement;
- vii) General fund reserves year end forecast broadly in line with annual budget report, includes projected £41.5m financial resilience reserves by year end;
- viii) Collection Fund ; in-year projection on line for Council tax and business rates position reflects a 'one-off' bad debt provision adjustment relating to historic valuation appeals;
- ix) HRA forecast surplus £1.3m against an annual budget of £91.7m; 1.4% variance; mainly reflects downward adjustment to bad debt provision requirement and anticipated scale of Universal Credit rollout not materialising;
- x) Capital Plan; £19m forecast underspend against £98.7m revised capital budget; equivalent to 19%, before assumed funding slippage (borrowing/grants). Net of budgeted slippage, budget on line with forecast. Anticipated further slippage to year end;

1.2 Overall Quarter 3 forecasts represent no surprises compared to Quarter 2 with regard to recurrent issues that have largely been picked up and fed into the annual budget plans 2019-22, approved at Budget Council on 13th February 2019.

Financial Outturn 2018-19 – key considerations

ROLLOVER

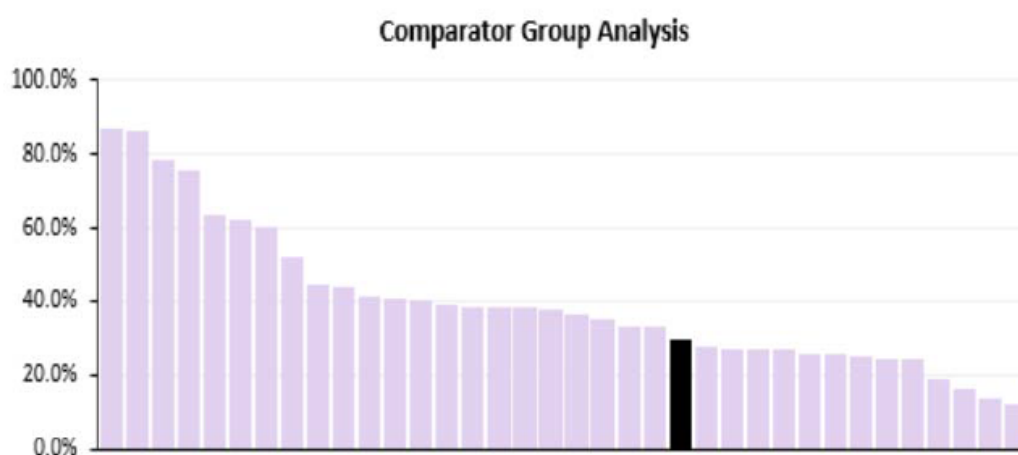
- 1.3 General Fund Revenue Rollover – Council Financial Procedure Rules state that if the Council is overspent overall, there will be no revenue rollover. Anticipated that any revenue rollover opportunities likely to be minimum.
- 1.4 HRA – this is a wholly ring-fenced account so any in-year surplus reverts to HRA reserves by default. If in surplus at year end, potential for HRA rollover bids.
- 1.5 Capital rollover – no automatic guarantee that underspend will rollover into 2019/20. Will be subject to more rigorous corporate review this year.

YEAR END RESERVES REVIEW

- 1.6 The Council's s151 Officer will continue to review reserves requirements, and report back in due course to Cabinet/Council as part of the financial outturn report on any significant further changes.
- 1.7 CIPFA's financial resilience index (Kirklees reserves comparison across the 36 metropolitan authorities), is also shown below for information. This was presented for information as part of the annual budget report.

CIPFA Resilience Index – Beta (17-18 data) – Metropolitan Authorities

Individual Analysis: *Level of Reserves*

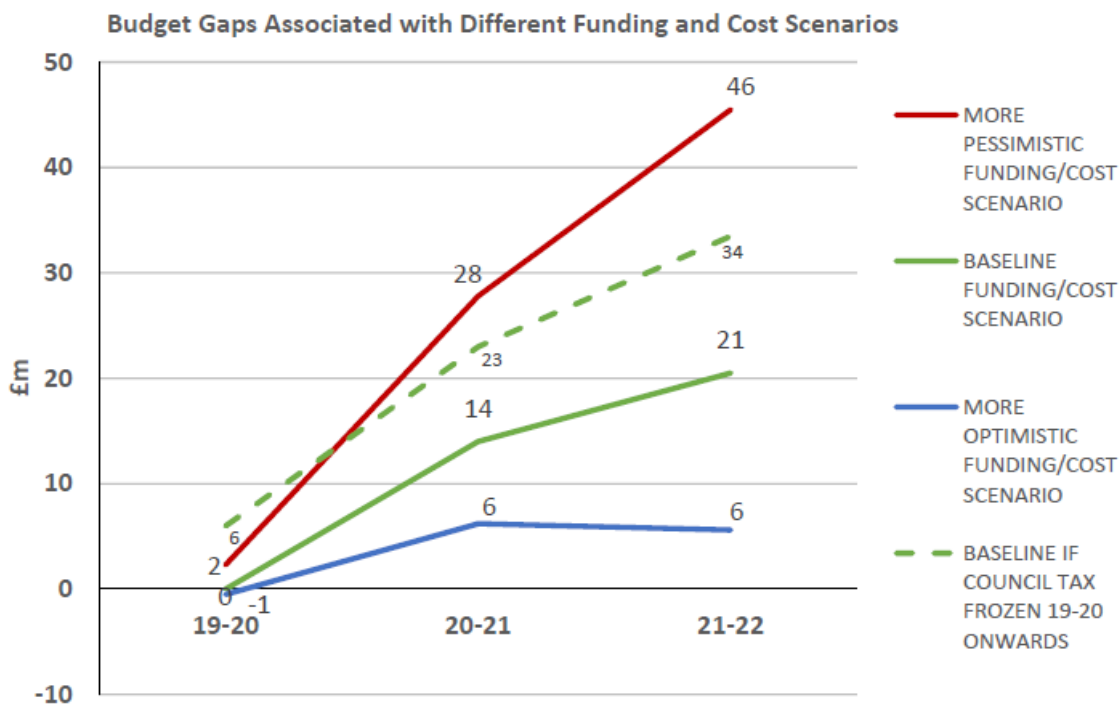


- Kirklees highlighted in black. As at 31 March 2018, Kirklees general fund revenue reserves as a % of its net annual revenue budget, was 27.8% (Schools and Public Health reserves are excluded from this analysis).

- 1.8 The current intention is for CIPFA to publish their Financial Resilience Index online at the back end of 2019, alongside a new Financial Management Code of Practice.

LOOKING FURTHER AHEAD

- 1.9 Approved budget plans 2019-22 include £10.9m planned revenue savings in 2019-20 and a further £6.2m over the following 2 years.
- 1.10 Significant capital investment intent over the next 5 years. Includes ambitious bids e.g. Housing Infrastructure Fund; £22.5m bid to support the Dewsbury Riverside Development.
- 1.11 Post-2020 national funding landscape for local government remains uncertain. Significant budget risk reflected in the sensitivity analysis included in the annual budget papers as below:



- 1.12 Fair Funding Review – feedback from the recent Government consultation suggests that 86% of the 312 respondents to the latest consultation did not agree with the Government proposal to calculate the foundation formula element of any funding re-distribution entirely on population statistics alone i.e. ignoring any element of deprivation. The impact of this proposal would suggest a skewed re-distribution of existing resources from the most deprived (especially urban) areas, to relatively more affluent authorities. This is a real area of contention with the consultation feedback across the sector.
- 1.13 Spring 2019 Chancellor’s statement suggested a 3 year Spending Review , if an EU exit deal can be agreed.

2. Information required to take a decision

- 2.1 Attached to this covering report is the Quarter 3 financial monitoring report 2018-19 presented to Cabinet on 19th March 2019. This report sets out current in-year financial monitoring forecasts across General Fund Revenue, Council revenue reserves, Housing Revenue Account, Collection Fund and Capital Plan.

3. Implications for the Council

- 3.1 Effective financial management supports the overall delivery of the following Council objectives and Priorities within available resources:
- i) Early Intervention and Prevention (EIP)
 - ii) Economic Resilience (ER)
 - iii) Improving Outcomes for Children
 - iv) Reducing demand of services

4. Consultees and their opinions

- 4.1 Quarter 3 financial monitoring report was reported to Cabinet on 19 March 2019, and the key highlights from the 29 October Autumn Budget announcement presented to Leadership Management Team (Cabinet Members and Council Strategic Directors group).

5. Next Steps

- 5.1 The Council's Chief Finance Officer (& Service Director, Finance) will present the 2018-19 financial outturn report to Cabinet /Council in June/July 2019 for consideration.

6. Officer recommendations and reasons

Scrutiny Panel are asked to note Quarter 3 financial monitoring as reported, financial outturn considerations, and consider any issues, challenges, risks or opportunities arising from these and impacts on the overall financial management of the Council; both short and longer term.

To consider areas for further exploration through the 2019-20 Scrutiny cycle.

7. Cabinet portfolio holder's recommendations

N/A

8. Contact Officer

Eamonn Croston, Service Director, Finance

eamonn.croston@kirklees.gov.uk

Sarah Hill, Finance Manager, Finance

sarahm.hill@kirklees.gov.uk

9. Background papers and History of Decisions

Annual budget report 2019-22

Government Finance Settlement 2019-20

Financial monitoring report 2018-19; Quarter 3

Autumn Budget announcement 29 October 2018

Spring Statement March 2019

10. Service Director responsible

Eamonn Croston, Service Director, Finance

eamonn.croston@kirklees.gov.uk

Name of meeting: Cabinet
Date: 19th March 2019
Title of report: Corporate Financial Monitoring Report, Quarter 3, 2018-19

Purpose of the Report

To receive information on financial monitoring for General Fund Revenue, Housing Revenue Account (HRA) and Capital Plan, as at Quarter 3 (month 10), 2018-19.

Key decision – is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key decision - is it in the Council's Forward Plan (key decisions and private reports)?	Key decision - Yes
The Decision - Is it eligible for “call in” by Scrutiny?	Yes
Date signed off by Strategic Director & name	Rachel Spencer Henshall – 6 March 2019
Is it also signed off by the Service Director for Finance?	Eamonn Croston – 7 March 2019
Is it also signed off by the Service Director – Legal, Governance & Commissioning?	Julie Muscroft – 7 March 2019
Cabinet member portfolio - Corporate	Give name of Portfolio Holders Cllr Graham Turner

Electoral wards affected: None
Ward Councillors consulted:
 None

Public or private: Public
Have you considered GDPR? Yes, N/A

1. Summary

General Fund

1.1 The Council's General Fund controllable (net) revenue budget for 2018-19 is **£291.1m**. The budget includes planned (net) revenue savings of £16.2m in 2018-19.

- 1.2 There is a forecast overspend of £1.1m against the £291.1m revised budget at Quarter 3; equivalent to 0.4% variance against revised budget. In summary, the council is making good progress with a forecast headline delivery of £12.4m against £16.2m planned savings; equivalent to 77% forecast delivery. The balance of forecast undelivered savings of £3.8m includes continued pressures on schools transport at £1.9m and volume pressures on external residential placements plus other volume led placements within Children's at £1.2m. There are £2.7m net underspends elsewhere; details of which are included in the paragraphs further below in this report.
- 1.3 The forecast revenue outturn as at Quarter 3 is summarised by Strategic Director Portfolios in Table 1 below.

Table 1 - Overview of 2018-19 general fund forecast revenue outturn position at Quarter 3

Strategic Director Portfolios	Annual forecast			Change from Quarter 2
	Revised Budget	Forecast	Variance	
	£000	£000	£000	£000
Children & Families	76,956	82,600	5,644	(2,862)
Adults & Health	107,386	106,908	(478)	(464)
Economy & Infrastructure	39,277	40,899	1,622	(455)
Corporate Services	32,227	31,866	(361)	(121)
Central Budgets	35,250	29,902	(5,348)	49
Grand Total	291,096	292,175	1,079	(3,673)

- 1.4 It is expected that Strategic Directors continue to ensure as far as possible that management actions are taken between now and year end to manage down the remaining forecast overspend, to deliver an overall break-even position for the Council for 2018-19.

Learning – High Needs

- 1.5 There is currently a net £6.9m pressure identified within the High Needs funding block of the Dedicated Schools Grant, shown within Children and Families in Table 1 above. This includes a projected overspend figure of £3.6m in respect of placements of Kirklees children in independent and other local authority specialist provisions; compared to a £2.7m overspend in 2017-18. The average annual number of active placements in independent specialist provision has significantly increased over the last few years moving from an average of 88 active placements in 2016-17 to a forecast 2018-19 average of 121, an increase of 38%. An increase is also evident over the same period in the annual average number of children placed in other local authority specialist provision, moving from an average of 20 children in 2016-17 to a forecast average of 35 children.
- 1.6 The balance of the High Needs pressure is made up of £1.6m for support funding payments for high needs students in the local further education sector

(predominantly at Kirklees College), £1.6m additional funding commitments in the special schools sector and £1.4m in respect of top-up funding to support rising numbers of increasingly complex need children within the mainstream schools sector. These pressures of £8.2m are offset in part by £1.3m High Needs Funding as described in paragraphs 1.7 to 1.9 below.

- 1.7 The Government's new National Funding Formula (NFF) for High Needs acknowledges that Kirklees requires more funding to support high needs issues from birth through to age 25. The initial outcome of the new formula indicated a near 21% increase in funding is merited, however maximum annual increases are capped at 3%, which translates to around £0.3m in 2018-19, increasing to £1.0m per year thereafter for Kirklees.
- 1.8 The issue of high needs pupil pressures on Council budgets has been the subject of significantly increased recent national media coverage, and broader sectoral lobbying. The 2019-20 finance settlement included a supplementary national high needs funding allocation totaling £125m to offset current year high needs pressures. Government has confirmed a similar allocation in 2019-20.
- 1.9 The Council's share of this is £1.04m in each year. The 2018-19 allocation is a contributory factor to the overall shift in monitoring projections between Quarters 2 and 3.
- 1.10 In light of the high needs issues highlighted in paragraphs 1.5 to 1.9 and following Cabinet approval as part of the Quarter 1 Financial Monitoring Report £5.0m, of the £13.5m MRP overprovision has been applied in-year to part mitigate unfunded high needs pressures in-year.
- 1.11 Updated Council budget plans reflect a continuation of the underlying £8m current year high needs pressure in 2019-20 (before funding offsets) and the partial netting off from incremental Government High Needs Block Grant uplifts of £1m per annum. The additional £1.04m funding declared in the 2019-20 finance settlement, and referred to in paragraph 1.9 above, has also been added into budget plans from 2019-20 onwards.
- 1.12 In conjunction with the above, it is also anticipated that future year growth pressures can be mitigated through other emerging measures. This includes the outcome of the Kirklees-wide High Needs Strategic Review (reported to Cabinet in February 2018), with the Council currently working on the implementation of an action plan with key education partners across the district. Longer term, the recently approved capital budget plans 2019-24 include £25m to support increased District high needs specialist placement sufficiency. However, there is acknowledged to be a continued element of budget risk on high needs pressures over the medium term.

Learning and Early Support

- 1.13 There is a projected underspend of £1.0m on Early Intervention and Targeted Support. This is made up of £0.8m on employee budgets due to vacant posts, and a further £0.2m from savings on transport, supplies and services and commissioned services. It should be noted that these are one off savings and that this budget faces significant financial pressures in 2019-20; due in part to the termination of the Department for Education (DfE) Start-Up Funding grant.

Child Protection and Family Support

- 1.14 There is a pressure of £1.2m within Child Protection and Family Support relating to external residential placements. Reviews of each placement have taken place within the service and there are plans to bring some children back into Kirklees when appropriate arrangements are in place. The service has also engaged with the Clinical Commissioning Group (CCG) to ensure that health contributions are at the appropriate level. Work is underway to develop Early Intervention and Edge of Care processes which will hopefully impact on the future number of children and young people that need to be placed externally. However, this will be influenced by the availability of suitable in-house capacity and the wider development of a sufficiency strategy.
- 1.15 There is an offsetting underspend within Child protection and Family Support of £1.4m. This relates to savings from staff vacancies and turnover.

Adults and Health

- 1.16 Within Adults and Health there is a forecast underspend of £2.9m owing to a lack of capacity in the Independent Sector Home Care market to meet assessed user needs; resulting in lower spend. In turn, this is causing a significant alternate spend on residential placements and short term packages contributing to a forecast pressure in this area of £3.9m. In addition, the In-House Residential (Older People) budget has a forecast overspend of £0.5m
- 1.17 Government confirmed a national in-year (2018-19) £240m package of social care funding to ease pressure on the NHS over the winter months as part of the Autumn Budget announcement on 29 October 2018. Kirklees' share of this additional in-year funding is £1.86m. The funding must be spent on providing adult social care services, and be in addition to existing planned spending. The 2019-20 finance settlement confirmed the continuation of this funding in 2019-20.
- 1.18 As approved in the Quarter 2 Monitoring Report to Cabinet, this additional £1.86m in-year funding will be used to support four key elements of the adult social care system. This includes; increased funding for placements in residential care and new, short stay 'Choice and Recovery' beds; supporting local domiciliary care providers to adopt new ways of working and to reduce demand for domiciliary care; continuing to ensure that those with the greatest need receive domiciliary care; the introduction of a new model of intermediate care and re-ablement earlier than planned; and an increase in the capacity in both hospital based social work teams.
- 1.19 To date, £1.3m of the funding has been applied in-year to offset the net pressures highlighted in paragraphs 1.16 and 1.17 above. The balance of funding will be released subsequently targeted to the areas of anticipated additional spend highlighted above.
- 1.20 These proposals have been developed alongside the previous plans approved by Cabinet for use of the Improved Better Care Fund, Adults Social Care Grants and Leeds Business Rate Pool and form a crucial part for the wider transformation programme across health and social care.
- 1.21 There is an additional £2.8m resource set aside in reserves for Social Care Investment and Transformation. The funding is made up of £1.6m additional income from the 100% business rates pilot plus £1.2m additional Adult Social Care (ASC) grant from government. Specific resource allocation recommendations for this additional funding were approved at Cabinet on 18th August 2018 and the

reserve will be drawn down over a two year period to match actual spend. It should be noted that whilst the ASC grant must be spent fully on Adult Social Care, there are no additional specific reporting requirements in year.

Economy and Infrastructure

- 1.22 There is an overspend on schools transport of £1.9m due to volume pressures and the delayed implementation of savings rolled forwards from 2017-18. These savings are currently under review in terms of deliverability and timing. Updated budget plans include £1.4m to offset current unfunded schools transport service demand pressures; in particular impacted on by Special Educational Needs and Disability demand pressures on schools transport service.
- 1.23 Commercial Regulatory and Operational Service pressures include £0.4m relating to the loss of the West Yorkshire Driver Training Contract and with some offsetting underspends elsewhere across the service area.
- 1.24 There is an underspend of £0.9m within Economy, Regeneration and Culture, largely relating to staff vacancies and delayed start to schemes in Economic Resilience.

Corporate Services

- 1.25 Within the Office of the Chief Executive, there is a forecast underspend of £0.5m on Transformation budgets; in part freed up from the application of capital receipts flexibilities to capitalise Council corporate transformation costs in-year.

Central Budgets

- 1.26 As part of the 2019-20 provisional finance settlement, Government confirmed an unexpected "one off" business rates levy rebate to all councils in 2018-19. The Council's share of the national £180m re-distribution is £1.2m. This is factored into Central budget forecasts at Quarter 3.
- 1.27 There are also net pressures within contingency budgets of £0.9m. In the main, this is due to the Insurance Fund surplus target of £1m now being unachievable as a result of updated service and external insurance provider premia requirements.
- 1.28 Furthermore, within Central Budgets is a projected £0.4m Treasury Management underspend and a pressure of £0.4m in Joint Committees; mainly due to a higher than budgeted levy from West Yorkshire Combined Authority.
- 1.29 The MRP overprovision in 2018-19 is £13.5m. As noted in paragraph 1.10 earlier, £5m of the over-provision has been applied in-year to part offset high needs service pressures. A further £4.4m will transfer to financial resilience reserves at year end. This leaves a balance of £4.1m MRP over-provision in-year. At this stage, it is proposed to hold this as a central budget contingency, pending a potential release to the Property & Other Loans reserve at year end. The reserve was originally established in 2018-19 to reflect the requirements of a new accountancy code ('Financial Instruments' code) for local government, intended to strengthen balance sheet transparency. As part of the 2018-19 closure of accounts process, officers in conjunction with the Council's external auditors, will be reviewing whether or not the current £3m Property & Other Loans Reserve represents sufficient set aside against the potential risk of future loan default in order to meet the new code requirements.

General Fund Reserves

- 1.30 The reserves position as set out in Appendix 2 reflects the Council’s reserves strategy and approach reported and approved as part of the overall Council budget plans, at Budget Council on 13 February 2019.
- 1.31 £4.3m ‘temporary resources’ has been added to this budget in-year, reflecting planned drawdown from “one-off” earmarked reserves to fund a number of “one-off” deferred expenditure commitments/other developments. This includes £1.1m from the revenue grants reserve, £1.4m from the revenue rollover reserve (previous year approvals), £0.6m from the adverse weather reserve, £0.7m schools reserve and £0.5m other. There is also an assumed contribution to financial resilience reserves of £4.4m, released out of Central Budgets; this relates to an in-year increase in Minimum Revenue Provision (MRP) overprovision release, approved at Budget Council on 13 February 2019 (see also paragraph 1.29). This results in a net transfer to reserves of £0.1m.
- 1.32 Financial resilience reserves at 1 April 2018 were £37.1m. As a result of the further 2018-19 MRP over-payment ‘unwind’ proposal above, a further £4.4m will be added to financial resilience reserves in-year. This gives a revised Financial Resilience Reserve balance of £41.5m at 31 March 2019.
- 1.33 General fund reserves and balances are forecast to increase through 2018-19 by £2.9m; from £88.8m at the start of the year to £91.7m as at 31 March 2019. The forecast increase includes the £4.4m additional in-year MRP overpayment unwind transfer to financial resilience reserves.
- 1.34 The forecast £91.7m general fund reserves and balances at year end includes £9.2m relating to statutory schools reserves (which cannot be re-directed for non-school uses), leaving £10.0m general balances and £72.5m usable reserves. The forecast usable reserves level at 31st March 2019 is equivalent to 24.9% of the current year £291.2m (net) controllable revenue budget. Within usable reserves, £31.0m relate to earmarked reserves commitments with £41.5m financial resilience reserves; the latter set aside to provide organisational resilience against future budget and other unfunded risks. Note that the reserves position at Appendix 2, and summarised in this section, assumes that the Q3 in-year overspend projection will be brought in line with budget by year end.
- 1.35 Revenue rollover reserves includes the £1.6m for Public realm works approved at Council on 11th July 2018. There is a separate report on this Cabinet agenda outlining specific proposals for its use on place based public realm activity.
- 1.36 Earlier this year central government announced a national funding pot of £56.5m for Local Authorities to help with Brexit preparations in 2018-19 and 2019-20. Kirklees’ allocation of this funding is £210k; £105k in each year. The funding will form part of a resilience fund that the Council will use to protect our most vulnerable, and will be held in reserves in the first instance. The decision as to where to use the money will be carefully planned and decided by officers as part of the Brexit Tactical Group with recommendations decided by Cabinet in due course.

Collection Fund

- 1.37 The Collection Fund accounts separately for council tax and business rates income and payments. The position as at Quarter 3 is summarised at Table 2 below:

Table 2 – Collection Fund Summary

	Council Tax £'000	Business Rates £'000	Total £'000
(Surplus)/Deficit as at 1st April	(2,321)	(4)	(2,325)
Re-payments to/(from) General fund in 18-19	3,500	-	3,500
In Year financial performance	-	(6,925)	(6,925)
(Surplus)/Deficit at 31st March	1,179	(6,929)	(5,750)

- 1.38 Council tax in-year financial performance is in line with budget. Business Rates is projecting an in-year surplus of £6.9m; equivalent to 6.9% against planned income.
- 1.39 The business rates projected surplus reflects a review of the Council's current prudent £11.5m bad debt provision for historical appeals valuations outstanding (largely relating to the 2010 rating list). A recent officer assessment suggests that this requirement can now be revised downwards in-year. This mainly reflects the impact of many long standing appeals being either withdrawn or settled. This includes the recent withdrawal of a national appeal by Virgin Media which if successful would have cost the Council £2m in backdated rates adjustments to 2010. In addition, the number of appeals emerging with respect to the current year has not been at the level anticipated due to the embedding of a more stringent appeals system, implemented from April 2017 onwards.
- 1.40 Taking into account the opening balance and repayments to the general fund in year, the above in-year projections result in an overall forecast surplus for the collection fund of £5.8m at 31st March 2019; £1.2m deficit with respect to council tax and £6.9m surplus from business rates. The year-end forecast surplus has been factored into updated budget plans as a planned repayment to the general fund in 2019-20.

Housing Revenue Account

- 1.41 The Council's Housing Revenue Account (HRA) accounts for all Council housing related revenue expenditure and income in a separate statutory (ring-fenced) account. The forecast revenue outturn is a surplus of £1.3m against an annual turnover budget of £91.7m in 2018-19; equivalent to just 1.4%. Estimated HRA reserves at 31 March 2019, net of set asides for business risks and investment needs and a minimum working balance, is £54.1m.

Capital

- 1.42 Officers have undertaken a fundamental review of capital plan requirements over the 2018-24 period and these were reflected in the annual budget report to Council on 13 February 2019. This review included a significant re-profiling of existing plan proposals into 2019-20 and beyond, to more realistically reflect likely timescales and capacity to deliver across all years of the plan. Overall, £17.7m was re-profiled from 2018-19 into later years as part of this exercise.
- 1.43 The Council's revised capital budget for 2018-19 is £98.7m, before assumed slippage. Net of budgeted slippage, the revised budget is £79.6m. The forecast capital outturn at Quarter 3 is also £79.6m; forecast zero variance.
- 1.44 The quarter 3 position is summarized in Table 3 below, categorised by Council primary outcomes as set out in the Corporate Plan, which illustrates how the Council's

investment proposals align with the Council's ambitions for its residents. Each primary outcome is further structured between strategic priorities, baseline work programmes and one-off projects. Further details of the key highlight variances are shown in Appendix 5.

Table 3 – Forecast Capital Outturn 2018-19 at Quarter 3

By Category	Revised Budget £000	Actuals to date £000	Annual forecast £000	Variance £000
Achievement	15,057	8,640	14,528	(529)
Children	448	616	616	168
Independent	2,442	762	1,110	(1,332)
Sustainable Economy	46,112	20,339	37,084	(9,029)
Well	2,340	1,274	2,090	(250)
Clean & Green	547	0	0	(547)
Efficiency & Effectiveness	3,900	582	3,900	0
General Fund	70,846	32,213	59,328	(11,518)
Independent –Strategic Priorities	9,348	2,316	5,560	(3,788)
Independent - Baseline	18,478	6,914	14,719	(3,759)
Housing Revenue Account	27,826	9,230	20,279	(7,547)
Total Capital Plan	98,672	41,443	79,607	(19,065)
Forecast Slippage:				
Borrowing Funding*	(14,822)	-	-	14,822
Grants Funding*	(4,243)	-	-	4,243
Overall Forecast Funding Requirement	79,607	-	79,607	0

* Relates to General Fund only

- 1.45 A Cabinet report on 17th January 2017 gave approval for a programme of landlord works and to grant a lease to Kirklees college, to bring Pioneer House back in to use as a new education facility. The process of redeveloping Pioneer House (Dewsbury Learning Quarter) has been made more challenging by the fact that the original contractor went in to administration during the construction period. The Council's arms length management organisation, KNH, have stepped in to complete the works, during which time a number of complex issues have emerged, many of them structural, which have required work beyond that originally anticipated.
- 1.46 Approval is requested by Cabinet to vire £800k from the Risks & Pressures line, which is currently uncommitted, to help fund the additional scheme costs. It is also proposed to support the balance of £500k additional funding through drawdown from the existing Town Centre Action Plans budget, as the scheme is also a key part of Dewsbury town centre regeneration. The above funding proposals are reflected in the summary figures in Table 3 above, and at Appendix 5.

2019-20 Budget Proposals

- 1.47 Budget Council on 13 February 2019 approved a £33m capital investment in the Waste Strategy over 5 years; including £1m capital allocation in 2019-20. Cabinet are also asked to approve proposals for the £1m in readiness for early delivery and commencement of works in the new financial year:
- a) Short Term Recycling Options, Waste Strategy – In order to stabilise a reducing recycling rate, 5 short term recycling projects are to be implemented.

Three of the schemes will be funded by capital investment:

i) *Chargeable Garden Waste Collection Service (£535k)* - The service aims to introduce a chargeable garden waste collection service in early 2019 to boost the Council's recycling rate in the approach to national 2020 targets. The capital budget will enable purchase of brown bins and hire costs of vehicles while the service advertises the offer, with income from subscriptions covering operating costs in year 2/3 provided at least 14,000 subscriptions are achieved from Kirklees residents. Staff, vehicle hire and bins is estimated to cost £521,000. The marketing campaign will cost £14,000.

ii) *Garden Composting (£218k)* - Purchase 4,000 composting units, provide them to residents for free and collect data on their usage and effectiveness among communities.

iii) *Incentive Schemes* - Any income generated from the garden waste service in year one will be used to fund incentive schemes for residents to encourage recycling among communities.

Two further schemes will be funded from the Strategic Investment Support Reserve:

iv) *Intensive Green Bin Monitoring (£78k)* - This involves bringing in agency staff and hiring vehicles to monitor green bins across the district from April to July 2019. The aim is to help residents understand what can and cannot be placed in the green bin and remove any unwanted green bins from properties, returning them to storage.

v) *Love Food, Save More (£86k)* – Running free informative workshops (hire of workshop facilitator and provision of workshop tools, equipment, materials and food) for residents to allow them to learn new recipes aimed at the above initiatives, access food storage tips to help their food last longer, and various other learning points related to the above initiatives.

- 1.48 Approval is requested for works to facilitate the relocation of Almondbury Library to the nearby Almondbury Children's Centre site (including dementia friendly design elements). This is part of the wider 'Services Support for Vulnerable Adults' Capital Programme (which has a budget of £3m). The planned expenditure for this initial scheme is likely to be up to £100k. Provisional timing for the works being undertaken is April/May 2019. The detail around any works beyond this in relation to the 'Services Support for Vulnerable Adults' Capital Programme will be brought back to Cabinet in due course.

2 Information required to take a decision

- 2.1 The Appendices accompanying this report provide a more detailed breakdown of the Quarter 3 financial monitoring position, as follows:

- i) Appendix 1 sets out by service area, the forecast general fund revenue outturn position in 2018-19;
- ii) Appendix 2 summarises the forecast general fund reserves and balances movements in-year,

- iii) Appendix 3 summarises the forecast HRA financial position including movements in HRA reserves in-year;
- iv) Appendix 4 highlights the more significant general fund and HRA forecast variances across service areas;
- v) Appendix 5 sets out by Outcome area the forecast capital outturn position in 2018-19 and the reasons for the more significant forecast capital variances across strategic priority and baseline capital schemes.

3. Implications for the Council

3.1 The report provides summary information on current and forecast financial performance against annual Council revenue and capital budgets, as at Quarter 3, 2018-19. These budgets support the overall delivery of the following Council objectives and Priorities within available resources:

- i) Early Intervention and Prevention (EIP)
- ii) Economic Resilience (ER)
- iii) Improving Outcomes for Children
- iv) Reducing demand of services

3.2 Working with People

3.3 Working with Partners

3.4 Place Based working

3.5 Improving Outcomes for Children

3.6 Financial, Legal & Other Implications

- 3.6.1 The Council continues to face significant financial challenges and must ensure it can achieve a sustainable balanced budget over the medium term and beyond.
- 3.6.2 Current approved budget plans include a planned (net) saving requirement of £16.2m in 2018-19. Quarter 3 monitoring forecasts indicate the delivery in year of £12.4m net savings compared to planned savings; equivalent to 77% against target savings. There are also offsetting net forecasted underspends of £2.7m elsewhere; resulting in a total £1.1m projected overspend.
- 3.6.3 The offsetting £2.7m underspend includes £1.4m in Child Protection and Family Support and £1.0m in Learning and Early Support spend, mainly due to increased savings from staff vacancies and turnover. There is also a projected £0.9m underspend in Economy, Regeneration and Culture, relating to both staff vacancies and the delayed start to schemes in Economic Resilience and £0.5m savings within transformation due to an underspend against budgets set aside for investment. These are offset by a £0.9m pressure in contingencies due to the unachievable insurance fund surplus target, and other net pressures of £0.2m.
- 3.6.4 As noted at paragraph 1.10, it is proposed that £5.0m of the MRP (Minimum Revenue Provision) revision will be used to part offset the forecast high needs pressure at Quarter 3. High Needs pressures and actions relating to the strategic review were factored into the 2019-22 Annual Budget Report and it is noted that the service will consider any options for reducing costs through the remainder of the

year.

- 3.6.5 Building on the work of the Transformation Business Partner the Council is continuing to ensure robust financial governance, programme management, monitoring and review across a range of key activities. This includes deferred savings rolled forwards from 2017-18.
- 3.6.6 The overall projected overspend is in the region of £3.7m lower than at Quarter 2. £2.2m of this movement is related to the two additional income streams for 2018-19 announced in the 2019-20 finance settlement; £1.0m High Needs funding allocation and £1.2m redistributed Business Rates Levy (paragraphs 1.9 and 1.26 respectively). Other changes include net forecast spend reductions as outlined in paragraph 3.6.3 above.
- 3.6.7 It is expected that strategic directors ensure as far as possible that management actions are taken between now and year end to manage down the remaining net overspend position to a nearer overall break-even position.
- 3.6.8 The financial resilience reserve is forecast at £41.5m at year end. The purpose of this reserve is in part to mitigate against budget and other unfunded risks included in the corporate risk register. Because it is “one-off” in nature, it is short-term funding only and it is not a sustainable resource available to offset ongoing budget pressures. The recent 2019-22 Annual Budget Report set out proposals within the Council’s reserves strategy to build and maintain financial resilience reserve levels in view of the uncertainty surrounding the national funding landscape post 2019-20.
- 3.6.9 The Collection Fund financial performance reflected at Quarter 3 suggests that £5.8m can be re-paid to the general fund in 2019-20. This was reflected in the 2019-22 Annual Budget Report to Cabinet and Council.
- 3.6.10 Council treasury management financing cost requirements (new borrowing) already factor in assumed slippage in borrowing requirement of £14.8m in 2018-19 against the approved capital plan. The impact of the forecast capital outturn position on current year treasury management revenue budget forecasts is anticipated to be marginal.
- 3.6.11 It is similarly marginal on the affordability prudential indicator (annual debt costs as a proportion of net revenue income stream), which is currently 7.9%.
- 3.6.12 As set out earlier in paragraph 1.29, officers will undertake a further review of reserves as part of the closure of accounts process, and reflect any further changes as appropriate, and which will be subsequently reported to Cabinet and Council early Summer 2019 as part of the 2018-19 financial outturn & rollover report.

4. Consultees and their opinions

This report has been prepared by the Service Director Finance, in consultation with the Executive Team.

5. Next Steps

To present this report to Cabinet as part of the Quarterly financial monitoring reporting cycle.

6. Cabinet portfolio holders recommendations

The portfolio holder notes the good progress being made in managing the in-year savings programme although recognising the continuing underlying financial challenges facing the Council.

7. Officer recommendations and reasons

Having read this report and the accompanying Appendices, Cabinet are asked to:

- 7.1 note the Quarter 3 forecast £1.1m revenue monitoring overspend;
- 7.2 note the expectation that Strategic Directors work to identify opportunities for spending plans to be collectively brought back in line within the Council's overall budget by year end;
- 7.3 note the additional in-year funding allocations for High Needs and Levy rebate announced as part of the 2019-20 Finance Settlement (paragraph 3.6.6) and also the Brexit funding allocation (paragraph 1.36);
- 7.4 note the forecast planned use of general fund earmarked reserves in-year, and note the forecast year end position at £91.7m;
- 7.5 note the anticipated overall forecast year end surplus of £5.8m on the Collection Fund;
- 7.6 note the Quarter 3 forecast HRA surplus at £1.3m and forecast reserves position at year end of £54.1m;
- 7.7 note the Quarter 3 forecast capital monitoring position, net of budgeted slippage, on line with budget;
- 7.8 approve the virement of £800k uncommitted capital budget from Risks & Pressures to support the Pioneer House scheme;
- 7.9 approve the £500k commitment from the existing Town Centre Action Plan budget to contribute to the Pioneer House project;
- 7.10 note the proposed drawdown from the Strategic Investment Support reserve, for the proposed waste management revenue developments;
- 7.11 approve the Garden waste containers and vehicles scheme (£1m) from the 2019-20 Council approved Capital Plan, to enable early rollout from April 2019; and
- 7.12 approve the request for works to facilitate the relocation of Almondbury Library.

8. Contact Officer

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9. Background papers and History of Decisions

Annual budget report 2019-22
Budget Strategy Update Report 2019-22
Annual budget report 2018-20
Annual outturn and rollover report 2017-18

- 10. Service Director responsible**
Eamonn Croston, Service Director Finance.
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Appendix 1

Corporate Revenue Budget Monitoring 2018/19 – Month 10									
	Year To Date			Annual					
Strategic Director portfolio responsibilities	Controllable Budget (Net)	Actuals	Variance	Controllable Budget (Net)	Planned use of reserves	Revised Budget	Forecast	Variance	Change in Variance from Q2
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£000
Child Protection & Family Support	50,781	50,624	(157)	58,016	283	58,299	58,144	(155)	(626)
Learning & Early Support & Schools	30,865	26,639	(4,226)	17,049	1,608	18,657	24,456	5,799	(2,056)
Sub Total (Children & Families)	81,646	77,263	(4,383)	75,065	1,891	76,956	82,600	5,644	(2,682)
Adults Social Care Operation	55,555	43,201	(12,354)	43,372	-	43,372	42,090	(1,282)	474
Policy, Intelligence & Public Health	593	(329)	(922)	3,733	898	4,631	4,152	(479)	(466)
Commissioning, Quality and Performance	54,667	53,328	(1,339)	52,415		52,415	54,696	2,281	(45)
Service Integration	5,905	4,768	(1,137)	6,968		6,968	5,970	(998)	(427)
Sub Total (Adults & Health)	116,720	100,968	(15,752)	106,488	898	107,386	106,908	(478)	(464)
Economy, Regeneration & Culture	6,835	5,978	(857)	8,118	(176)	7,942	7,085	(857)	(729)
Commercial, Regulatory & Operational Services	23,773	25,755	1,982	30,840	495	31,335	33,814	2,479	274
Sub Total (Economy & Infrastructure)	30,608	31,733	1,125	38,958	319	39,277	40,899	1,622	(455)
Finance & Transactional Services	70,970	71,479	509	19,427	464	19,891	20,062	171	281
Governance & Commissioning	1,987	2,209	222	2,137	-	2,137	2,358	221	124
Corporate Services (OCE)	7,684	7,431	(253)	9,494	705	10,199	9,446	(753)	(526)
Sub Total (Corporate Services)	80,641	81,119	478	31,058	1,169	32,227	31,866	(361)	(121)
Central	34,357	34,357	-	39,658	(4,408)	35,250	29,902	(5,348)	49
General Fund Total	343,972	325,440	(18,532)	291,227	(131)	291,096	292,175	1,079	(3,673)

	General Fund Earmarked Reserves						
	As at 1st April 2018	Reserves Review 2018/19 Annual Budget Report	Revised Balance	Planned drawdown in-year	Planned contribution in-year	Unplanned use of Reserves (forecast overspend)	Forecasted Reserves Position as at 31st March 2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Statutory (School Reserves)	(9,827)	-	(9,827)	661	-	-	(9,166)
Earmarked							
Financial Resilience Reserves	(37,146)		(37,146)	-	(4,400)		(41,546)
Earmarked (Other)							
Workforce Restructure	(5,091)	5,091	0	-	-		0
Transformation	(4,944)	4,944	0	-	-	-	0
Rollover	(3,437)		(3,437)	1,437	-	-	(2,000)
Revenue Grants (various)	(10,615)	703	(9,912)	1,068	-		(8,844)
Trouble Families Grant	(1,924)		(1,924)	-	-	-	(1,924)
Prepayment Reserve (PFI)	(3,055)	3,055	(0)	-	-	-	(0)
Insurance	(1,900)		(1,900)	-	-	-	(1,900)
Other	(2,905)		(2,905)	465	-	-	(2,440)
Ward Based Activity	(706)		(706)	39	-		(667)
Social Care Reserve	-	(2,800)	(2,800)		-		(2,800)
Property and Other Loans		(3,000)	(3,000)				(3,000)
Adverse Weather		(4,000)	(4,000)	600			(3,400)
Strategic Investment Support		(4,000)	(4,000)				(4,000)
Total – Earmarked Other	(34,577)	(7)	(34,584)	3,609	-	-	(30,975)
Sub-total Earmarked Reserves	(71,723)	(4,407)	(71,730)	3,609	(4,400)	-	(72,521)
General Balances	(7,233)	(2,793)	(10,026)			-	(10,026)
Grand Total	(88,783)	(7,200)	(91,583)	4,270	(4,400)	-	(91,713)
Total usable reserves (excluding schools)	(78,956)	(7,200)	(81,756)	3,609	(4,400)	-	(82,547)

HOUSING REVENUE ACCOUNT 2018/19 - MONTH 10

	Year to			Annual			Variance from previous quarter	Change in Variance From Q2
	Date							
	Controllable Budget (Net)	Actuals	Variance	Revised Budget	Forecast	Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Repairs & Maintenance	20,901	19,251	(1,650)	22,800	22,836	36	(12)	48
Housing Management	28,878	27,763	(1,115)	34,344	33,625	(719)	(564)	(155)
Other Expenditure	17,137	16,977	(160)	28,290	27,090	(1,200)	(911)	(289)
Total Expenditure	66,916	63,991	(2,925)	85,434	83,551	(1,883)	(1,487)	(396)
Rent & Other Income	(74,772)	(72,442)	2,330	(91,747)	(91,171)	576	592	(16)
Revenue Contribution to Capital Funding	0	0	0	6,313	6,313	0	0	0
Planned transfer to HRA Reserves	0	0	0	0	0	0	0	0
Total	(7,856)	(8,451)	(595)	0	(1,307)	(1,307)	(895)	(412)

HRA RESERVES

	Balance at 31 March 2018	Approved Movement in Reserves	Balance at 31 March 2019
	£'000	£'000	£'000
Set aside for business risks	(4,000)		(4,000)
Forecast in Year Surplus/Deficit		(1,307)	(1,307)
Set aside to meet investment needs (as per HRA Business Plan)	(54,858)	7,538	(47,320)
Working balance	(1,500)		(1,500)
Total	(60,358)	6,231	(54,127)

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
External Residential Placements	% of Children placed outside Kirklees	6,134	720	750	Overspending on volume led External Residential placements. Under review as part of wider Sufficiency strategy.
Various	Accelerated Progression/Turnover Savings	18,032	(1,124)	(1,399)	Slippage savings to date on substantive vacant posts /Turnover.
Various	Net volume placement savings/pressures linked to Outturn 17/18	18,828	258	431	Pressure on volume led placements including External / Internal Fostering, Leaving Care Supported Accommodation, Special Guardianship, Child Arrangement, Adoption Orders.

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
High Needs	Independent Schools Fees	2,513	3,035	3,600	Service pressure on placement costs
High Needs	FE High Needs	800	713	1,600	Payments to Kirklees College
High Needs	Schools High Needs Top-Up funding	20,600	2,744	1,400	Top up funding to Schools
High Needs	Special Schools			1,600	Additional Funding Commitments in the Special Schools sector.
High Needs	Less anticipated increase to High Needs DSG Funding			(300)	
High Needs				(1,044)	Supplementary High Needs funding allocation
Early Intervention & Targeted Support		13,066	(918)	(1,037)	£0.8m vacant posts. £0.2m transport, supplies & services & commissioned services.

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Self-Directed Support - OP	Reduced spend on independent sector home care & Apply proportional spend on direct payments & Review taskforce.	2,598	(3,328)	(1,081)	Lack of capacity in the independent Sector Home Care market is resulting in lower spend, but offset by alternate spend on placements/short term packages and direct payments.
Self-Directed Support - PD	Reduced spend on independent sector home care & Apply proportional spend on direct payments	7,813	(951)	(728)	Lack of capacity in the Independent Sector Home Care market is resulting in lower spend.
Independent Sector – OP	Reduction of OP Placements	17,392	(1,125)	769	Lack of capacity in the Independent Sector Home Care market is resulting in alternate spend on placements/short-term packages. Nursing costs are higher than anticipated.

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Supporting People		2,880	848	512	Mental health housing related support - £500k pressure funded from 2019/20.
Self-Directed Support - LD	Apply proportional spend on direct payments	14,277	(2,143)	(1,228)	Lower activity and costs on LD Direct Payments than anticipated.
Independent Sector Residential. & Nursing- LD	Reduction of LD Placements	15,941	(821)	2,070	Higher residential activity and higher nursing costs than anticipated.
Independent Sector Residential. & Nursing- MH	Reduction of MH Placements	4,054	1,166	1,028	Higher residential costs than anticipated.

Key Highlights – Commercial, Regulatory & Operational Services

Appendix 4 (continued)

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Schools Transport	Combined Authority working	2,554	1,402	1,898	Timing of transport policy review and demand from Special Educational Needs.
Driver Training		(502)	369	369	Kirklees no longer have the contract to deliver the driver training courses on behalf of West Yorkshire Police.
Schools FM - Catering		(2,173)	(385)	(385)	Improved efficiencies of Relief staff and delayed rise in food costs.
Car Parking		(3,257)	409	409	Local economic factors continue to impact on Parking Services ability to deliver target budget income.
Waste Services		17,849	(416)	(416)	Decrease in tonnage diverted to landfill and release of provision following industrial action.

Key Highlights – Economy, Regeneration & Culture

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Economic Resilience		2,555	(886)	(886)	Staff Vacancies & delayed start to schemes.

Key Highlights – Corporate Services (OCE)

Appendix 4 (continued)

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Transformation				(500)	£0.75m transformation fund set aside for investment, no longer required in full

Key Highlights – Central Budgets

Activity Level	Progress Against Planned Savings	Annual Budget £'000	Variance to Date £'000	Variance for the year £'000	Comments
Treasury Management	Planned overprovision of MRP			(5,000)	£5m MRP overprovision released at this stage to offset High Needs pressure. Remaining £4.1m to Financial Resilience reserves as planned.
Treasury Management	Review of Treasury Management budget requirement			(400)	Requirement for short term borrowing has reduced due to greater than expected slippage in Capital plan and greater levels of internal borrowing due to reserves position.
General Contingencies				(1,248)	Surplus in 18/19 Levy account.
General Contingencies				900	£0.9m net pressures in contingencies budgets. Includes £1m insurance fund surplus not achievable.
Joint Committees				400	West Yorkshire Combined Authority levy higher than budgeted.

Corporate Capital Budget Monitoring 2018/19 – Month 9

Appendix 5

	Revised Budget £'000	Actuals to Date £'000	Forecast £'000	Variance £'000	Variance %
<u>General Fund</u>					
Achievement	15,057	8,640	14,528	(529)	(4)
Children	448	616	616	168	38
Independent	2,442	762	1,110	(1,332)	(55)
Sustainable Economy	46,112	20,339	37,084	(9,028)	(20)
Well	2,340	1,274	2,090	(250)	(11)
Clean and Green	547	0	0	(547)	(100)
Efficiency & Effectiveness	3,900	582	3,900	0	0
GENERAL FUND TOTAL	70,846	32,213	59,328	(11,518)	(16)
<u>Housing Revenue Account</u>					
Strategic Priorities	9,348	2,316	5,560	(3,788)	(41)
Baseline	18,478	6,914	14,719	(3,759)	(20)
HOUSING REVENUE TOTAL	27,826	9,230	20,279	(7,547)	(27)
CAPITAL PLAN TOTAL	98,672	41,443	79,607	(19,065)	(19)

Capital Monitoring Key Highlights – Independent

Appendix 5 (continued)

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
One Off Projects			
Information Technology (Digital)	942	(942)	Capitalisation of costs for Digital resources requirement have not yet come to fruition. The budget is recommended to be re-profiled forward into the next financial year before year end.
Information Technology	1,150	(300)	Underspend on budget set aside for potential one-off costs in relation to upgrade of IT systems to ensure GDPR compliance has not yet come to fruition, our major business system suppliers have not made substantial changes to date. The budget is recommended to be re-profiled into the next financial year before year end.
Independent Total	2,092	(1,242)	

Capital Monitoring Key Highlights – Sustainable Economy

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
Strategic Priorities			
Town Centre Action Plans	2,255	(1,620)	Progress on work has been delayed due to the Town Centre Christmas standstill, waiting for work to be completed by CityFibre to avoid having to redo work already done by ourselves and coordinating work with WYCA/City Connect and the Town Centre master plan.
Loans – Development Finance	1,100	(900)	The HD One scheme start date for the John Smith's Stadium site, has been put back and not due on site until May 2019. The Council is providing a secured loan facility to Kirklees Stadium Development Ltd (KSDL) which would allow KSDL to take a majority equity stake in the complex.

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
Baseline			
Highways	14,759	(2,038)	Design resource issues in both the Structures Team and the Road Safety Team has seen programme delivery slip by £1.2m into 2019-20. There is an ongoing programme of repairs to Huddersfield Town Centre Car Parks where an element of slippage has meant re-profiling £220k into 2019-20 and works to Castlegate, Huddersfield have slipped to 2019-20 due to the need to co-ordinate with gas utility works. The Unadopted Road programme has been delayed to allow priority work to go ahead.
Corporate Landlord Asset Investment	4,671	(1,429)	Some works are still uncommitted at this stage of the financial year and an element of risk remains to deal with any emergency additions to the programme. Approximately 5% of the construction value is held as retention on the majority of schemes and will not be spent in this financial year but needed to rollover as contractually committed funding.
Baseline Priorities Total	19,430	(3,467)	

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
One Off Projects			
Highways – Local Community Roads	2,711	(1,171)	Additional works are underway but the full spend of this additional grant cannot be achieved this financial year. The budget is recommended to be re-profiled forward into the next financial year before year end.
Leeds City Region Revolving Fund	1,632	(632)	£1m is expected to be drawn down against the Kirklees contribution towards the Leeds City Region Revolving Fund loan by the end of the financial year. The balance will be rolled forward into next year.
Housing Private	601	(460)	The underspend is represented by budgets held for Section 106 works of £169k, Capital Allowances of £153k and Large Housing sites of £143k where costs were anticipated but have slipped into next financial year.
One Off Projects Total	4,944	(2,263)	
Sustainable Economy Total	28,905	(7,949)	

Activity Level	Annual Budget £'000	Variance for the year £'000	Comments
HRA Strategic Priorities			
Housing Growth	4,320	(1,200)	Housing growth reports underspend to date of £972k with an anticipated underspend of £1,200k – we continue to ramp up purchases to achieve the target of 63 in-year. We are in discussion with 3H York to consider the possible purchase of 9 units at Scholes. YE forecast in Mid Feb.
Remodelling / High Rise	2,000	(1,750)	£250k works to be delivered this financial year. The balance of funding to be rolled over to fund refurbishment/remodeling and potential redevelopment of the site dependent on cabinet approvals.
HRA Strategic Priorities Total	6,320	(2,950)	
HRA Baseline			
Estate Improvements	1,988	(1,644)	Environmental works will be undertaken Wain Court and Farehill Flats in-year, aiming to commit funds to the remaining 10no 6 storey blocks to enable roll over
Housing Capital Plan (Neighbourhood Investment)	10,889	(1,171)	Dale lane will not be complete by end of march with an estimated completion of May 19. Kirklees wide boiler/heating replacement schemes expected to slip into the next financial year. Roll over applications will be made accordingly.
Compliance	2,200	(1,014)	Fire door programmes expect to deliver 1000 units in addition to compartmentation improvements, Sprinkler installations will roll over to 2019/20
HRA Baseline Total	15,077	(3,829)	
HRA TOTAL	21,397	(6,779)	

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Name of meeting: Corporate Scrutiny Panel
Date: 12th April 2019
Title of report: Procurement Update

Purpose of report

To provide members of the Corporate Scrutiny Panel with an update on the Transformation Procurement Project. The report is for information and comment.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	Not applicable
The Decision - Is it eligible for call in by Scrutiny?	Not applicable
Date signed off by <u>Strategic Director</u> & name	Julie Muscroft
Is it also signed off by the Service Director (Finance)?	Not applicable
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Yes
Cabinet member portfolio	Cllr Graham Turner

Electoral wards affected: N/A

Ward councillors consulted: N/A

Public or private: Public

(Have you considered GDPR?)

Check ([Link to Report Template Guidance – please read before writing your report](#))

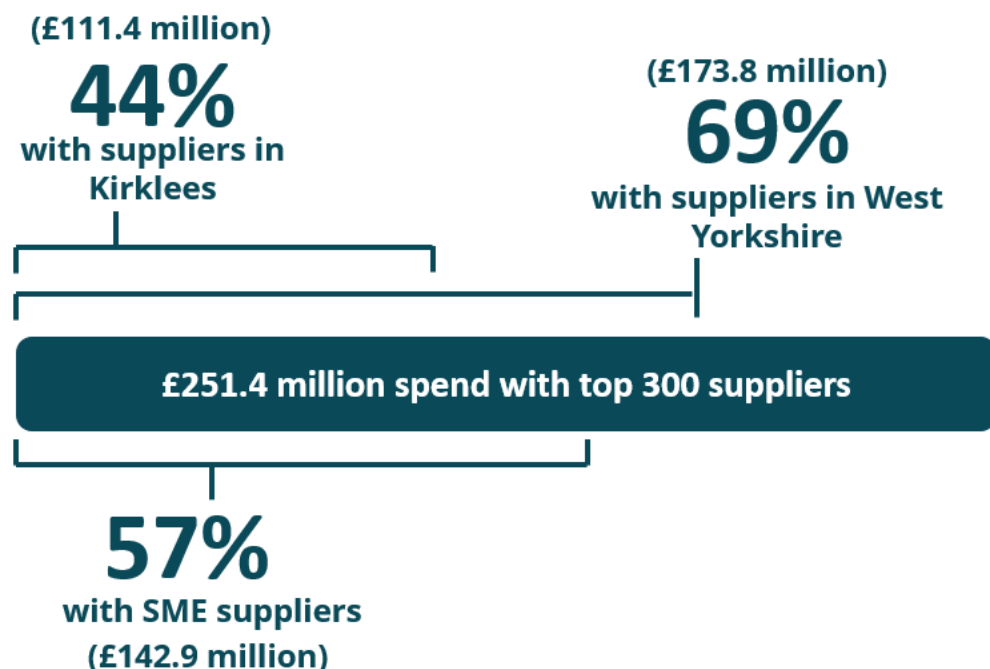
1. Summary

1.2 This paper provides a general update to the previous paper presented to Corporate Scrutiny Panel in August 2018 on the procurement transformation project and progress made to date.

1.3 **Social Value/Local Wealth Building**, update on activities;

- A final report has been published and subsequently promoted via a joint press release between Centre for Local Economic Strategies (CLES) and Kirklees Council (Appendix A); <https://cles.org.uk/press-releases/kirklees-council-steps-up-the-pace-on-local-wealth-building/>
- An update was received at Economy and Neighbourhoods Scrutiny Panel in January 2019
- An officer cross-departmental Social Value group has been formed and begun to consider the potential scope of work involved in implementing the report's recommendations.

Headline findings from Kirklees Council procurement analysis;



Method of Supply chain analysis as follows;

Kirklees Council supplied CLES with a list of the top 300 suppliers (by value of the contract) for financial year 2017/18. CLES analysed this procurement spend and particularly the extent to which spend is with organisations in three key geographical areas of focus;

- Kirklees – levels of spend within the Kirklees Council boundary;
- West Yorkshire – levels of spend within West Yorkshire, including the local authority boundaries of Bradford, Calderdale, Kirklees, Leeds, and Kirklees;
- Yorkshire and the Humber – levels of spend within the region.
- CLES utilised the spend with the top 300 suppliers for several reasons:
- The majority of spend (over 70%) is with this group;
- This a widely adopted scale of analysis, and will allow for comparisons to be made with other studies

1.4 **CLES Recommendations and next steps for Social Value (linked to procurement)**

- Recommendation 1 – create capacity to drive the local wealth building agenda
- Recommendation 2 – Procurement and spend; truly embed social value. To do this CLES recommend:
 - Review the Council Procurement Policy to ensure that social value is positioned as a key component. To provide clarity the Council should also develop:
 - A Social Value Framework (ideally organisation wide, rather than for the procurement department) to clearly articulate the social value priorities of Kirklees Council, and setting targets against all measures within the framework.
 - The other option here is that the anchor network (see Recommendation 6) develop a common framework – in this case the priorities of the framework should be decided by all partners;
 - The importance of social value must be backed up by clearly communicating the priorities of the framework to suppliers and partners and making it part of the decision-making process in tenders (including a weighting – which can be flexible depending on the nature of the contract);
 - Tracking suppliers' progress against social value pledges and targets by making it a condition of contract for them to complete a survey;
 - Further interrogating the perception of the supply chain, and the wider Kirklees business base around the ease of trading with the Council and how they can be best supported to deliver social value.
- Recommendation 3 – repeat the analyses to track progress
- Recommendation 4 – engage suppliers in areas of deprivation
- Recommendation 5 – further interrogate the findings of the influenceable spend workshop
- Recommendation 6 – establish an anchor network for Kirklees
- Recommendation 7 – support the VCSE sector to play a more active role

1.5 **Procurement measures**

The Council spends approx. £300m each year across both revenue and capital and it's the Council's responsibility to use this money in the best way possible to achieve its objectives. Accurate reporting of savings and added value will be increasingly beneficial as the Council continues plans to meet savings targets, in addition there is a requirement to demonstrate the significant part that can be played by procurement in supporting the delivery of services. Before a procurement starts, time taken to plan, research and analyse will add significant value to identify solutions that better meet the Council's needs.

Any savings recorded in the procurement measures remain as cash reductions within Directorate budgets to avoid double counting with the focus of procurement being utilised as an enabler across the Council.

Progress relating to the transformation tracker was discussed at the procurement scrutiny briefing in March 2019. Current projected 'savings' indicate achievement of £7.95m savings by April 2019. It was noted that this tracker was designed solely for the transformation activity that was undertaken with Deloitte and that the 'savings' were not solely attributable to procurement activities (particularly in respect of Temporary staff) and whilst for the purpose of the contract with Deloitte the benefits tracker will continue to be populated and monitored it was discussed that the focus had now turned to developing a new suite of procurement measures that complement our new ways of working.

The template (Appendix B) is a suite of internal measures and will be an iterative process. The template aims to give more transparency around how measures have been captured. The measures will be fully implemented in financial year 2019/20.

The measures focus on a range of qualitative and quantitative data covering the following areas;

1.6 Benefits

- Identifying financial savings using a clear rationale to indicate the type of savings (e.g. Price reduction, demand management)
- Added Value benefits; Demonstrating the added value/non cashable benefits achieved that link directly to the councils outcomes

1.7 Category Management

- Establishing category plans
- Risks; Proactively capturing, raising, managing, mitigating category specific risks and feeding information through to the corporate risk monitoring process
- Market trends; maximising the use of data and intelligence in order the category strategies add value by bringing knowledge of; market expertise, cost and price factors, supply chain pressures and options for models of delivery.
- Strategic Relationship Management; Identifying the top 10 high risk/high value suppliers in each category with a view to leveraging value from the relationship and creating value beyond the contract.
- Highlighting the benefits of category led approach through case studies

1.8 Compliance & Process Efficiency

- Predominantly quantitative measures to capture volumes (e.g. number of procurements, number of contracts held on the contracts register, number of suppliers, number of aborted procurements, number of legal challenges etc.)

1.9 Procurement staff

- Capturing skills and culture of the procurement team

1.10 Stakeholder and supplier experience

- Capturing a sense of how easy it is to bid for contracts and work with the team alongside providing opportunities to feedback and apply any lessons learnt

1.11 Supplier engagement

- Capturing the level and impact of proactive supplier engagement

1.12 Social Value

- Capturing the percentage of local spend at a Kirklees, West Yorkshire and Yorkshire & Humber level
- Capturing the percentage of spend with SMEs
- Evidencing the impact / benefits gained from the inclusion of social value criteria in procurement of goods, works and services.

There remains some challenges and interdependencies around the quality of our spend data and reporting mechanisms. Procurement are working with colleagues in the Intelligence Hub and HD-One to address this (and recruitment will be underway shortly for a procurement analyst).

1.13 A live example of the operating model in practice below for Workwear & Personal Protective Equipment (PPE);

Kirklees offers a large product range to its staff with an open catalogue policy. Arco, the incumbent supplier have indicated that in direct comparison to another key local government account holder that Kirklees offer significantly more in product range. The devolved nature of the contract has seen many stock management methods and differing levels of record keeping in relation to products given out. Lack of visibility of a contract manager has meant many differing approaches and no one consistent message being delivered throughout the existing contract to the supplier.

Work undertaken to date;

- Undertaken full data analysis of all items ordered (e.g. 17 different types of fleeces)
- Identified key stakeholders and engaged to understand business needs in future
- Undertaken soft market testing (electronic & bidders event- 60 organisations interested)
- Discussed challenges, opportunities and received feedback to shape specification
- Agreed with stakeholders to Job Profile workwear - rationalising and standardising where possible, appropriate to job role
- Anticipating 10% saving over the life of the contract (through procurement & contract management)
- Tender specification developed (workwear and PPE is currently out to tender)

Proposed added value within the new contract;

- Proposed contract will open up the tender to further competition in this highly competitive market going away from national framework (limited market).
- Proposed 4+2+2 contract will give us time for supplier relations to mature and should see further added value.
- The new contract will ensure control and standardised management methods through better IT functions on offer in the market (web based platforms)
- Core items, job profiles, and standardisation (where possible) will bring down product lines significantly and aid control throughout the council.
- Profiled roles and products to suit jobs undertaken (right kit for right jobs).
- Greater management functionality for; orders, delivery tracking, guarantees / warranty tracking / product lifecycle tracking.
- Business intelligence/Infographics/analytics will enable quick decisions and ease of use.
- Consolidated invoicing; reduced number of invoices will cut back office costs (less invoice processing).
- A contract manager has been identified for this role going forwards which should give an extra added value in terms of driving through compliance / discounts and contract performance and a greater relationship with the supplier.

Some further examples of demonstrating the impact of good procurement practice are highlighted below and in Appendix C

Provision of Mobile Voice and Data Connectivity

Aggregated procurement via Crown Commercial Services utilising the power of national aggregation to achieve value for money for the Councils provision of mobile voice and data connectivity for a two year period. Generating a 65% saving over the

2 year contact. Achieving lower fixed charges for mobile voice and increasing the monthly data bundle size to underpin the council's mobile and agile working plan delivered by IT.

Supply of Telecare Equipment Framework

Framework is a collaboration between Leeds, Kirklees, Hartlepool and Middleborough Councils (Leeds is the lead authority). Framework is renewed on an annual basis. Economies of scale were achieved as a result of this collaboration, with an estimated annual cost reduction of 20%.

Example of feedback received from suppliers

Early monitoring from 18 suppliers indicates on a scale of 1 to 10 in how easy it is to undertake business with the Council indicates an overall feedback score of 9.

Supplier feedback is reviewed by commissioners, contract managers and procurement staff to capture any lessons learnt pertinent to a particular procurement exercise, some example feedback below;

“Overall, all documents provided were very well presented and were efficient to use in terms of layout and completion.”

“Timing of the tenders coincided with quarterly contract monitoring requirements, which accumulated pressure on services.”

“The portal used was easy to follow and submitting the tender was straight forward.

Communication from Kirklees has been very frequent and helpful”

“From the supplier perspective, the YORtender web site is poorly designed and not at all intuitive”

1.14 Implementing the new procurement operating model

A number of recruitment activities have taken place, with staff formally joining and/or starting new roles in in September 2018, November 2018 and January 2019. There are still a number of vacancies to be filled and some procurement career progression paths to be developed.

Strategic Category Managers are in place for most of the categories and are taking ownership of their categories of spend. Category plans are being developed for the new financial year 2019/20. These are strategic working documents that will reflect high level procurement priorities, plans, challenges and opportunities that will be routinely reviewed, discussed and progress monitored at leadership meetings.

1.15 Brexit

Procurement are part of the Councils EU exit tactical working group and continue to share updates and preparedness at a local, regional and national level.

If the UK leaves the EU without a deal, the public procurement regulations will remain broadly unchanged. The regulations will, however, be amended to ensure that they remain operable and functional on exit. The key difference for contracting authorities will be the need to send notices to a new UK e-notification service instead of the EU Publications Office.

1.16 Procurement Scrutiny session March 2019

An interactive session took place on 1st March with Corporate Scrutiny Panel, Cabinet Portfolio Holder and colleagues from Procurement and Legal Services. The session covered an overview of progress to date with implementing a category led approach, an introduction to procurement, a number of recent case studies and a discussion around key challenges. (Appendix C)

1. **Information required to take a decision**
Report for information purposes only.
2. **Implications for the Council**
 - 3.1 **Working with People**
The work of the team in implementing our new approach to procurement is rooted in working with people and partners.
 - 3.2 **Working with Partners**
The work of the team in implementing our new approach to procurement is rooted in working with people and partners.
 - 3.3 **Place Based Working**
N/A
 - 3.4 **Improving outcomes for children**
Any improved outcomes for children will be recorded in the procurement measures.
 - 3.5 **Other (eg Legal/Financial or Human Resources)**
N/A
4. **Consultees and their opinions**
N/A
5. **Next steps and timelines**
To fully implement the internal procurement performance measures for the new financial year and to progress the work in relation to the social value recommendations.
6. **Officer recommendations and reasons**
That Scrutiny Panel members considers the information provided and determines if any further information or action is required. Feedback is particularly welcomed in relation to the social value recommendations and procurement measures.
7. **Cabinet portfolio holder's recommendations**
Not applicable
8. **Contact officer**
Jane Lockwood, Head of Procurement and Commissioning Support – Legal, Governance and Commissioning
Telephone: 01484 221000 Email: janea.lockwood@kirklees.gov.uk

David Bundy, Corporate Policy Officer
Telephone; 01484 221000 Email; david.bundy@kirklees.gov.uk
9. **Background Papers and History of Decisions**
Corporate Scrutiny Panel, 31st August 2018; Transformation Procurement Project Economy and Neighbourhoods Scrutiny Panel 17th January 2019
10. **Service Director responsible**
Julie Muscroft, Service Director – Legal, Governance and Commissioning, First Floor (Executive Suite), Civic Centre 3, Huddersfield
Telephone: 01484 221000 Email: julie.muscroft@kirklees.gov.uk

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Centre for Local
Economic Strategies

November 2018

LOCAL WEALTH BUILDING IN KIRKLEES: PHASE 1

Summary report prepared by

Centre for Local Economic Strategies

Presented to

Kirklees Council

INTRODUCTION

This report for Kirklees council marks the beginning of its journey to develop a more inclusive economy and growth through a new approach to economic development, 'local wealth building'. In so doing, the Council joins a progressive movement of local authorities using this approach from Barcelona and Bologna to Preston and Salford.

The mobilisation of a local wealth building approach requires political buy-in and leadership at the highest level. The Cabinet's commitment to this progressive programme of work is therefore an important first step. In phase one of this work, the Centre for Local Economic Strategies (CLES) has focussed on understanding more about the procurement spend of Kirklees Council, and the behaviour of their supply chain. This strand of the work aims to embed an approach that sits at the heart of Kirklees Council's corporate priorities and brings greater benefit for Kirklees in local economic, social and environmental terms. The report also provides an overview of broader local wealth building activity amongst other anchor institutions in the borough. The recommendations contained within this report will clearly articulate what needs to happen next to make the achievement of an inclusive economy a reality in Kirklees.

Why this work is important

It is now increasingly obvious that that our current growth model is failing. Last year, OECD data showed that the UK is the only developed economy in which wages fell while the economy was actually growing, albeit meagrely.¹ The UK is an economy where one in eight workers live in poverty,² and where 1.3 million people (including children) rely on food banks.³

Fuelling this inequality is the fact that the fruits of growth are too readily extracted by the already wealthy few, rather than increasing incomes for the majority. The problem is not just a lack of wealth but where this wealth goes, who owns it and who benefits from it. At a local level, the prevailing model of economic development has failed to engage with these questions of wealth distribution, focusing instead on generating contributions to GDP.

In Kirklees, where parts of the district are in the top 10% most deprived areas in the country, the council has committed to boosting and improving social and economic opportunity to create an inclusive economy. In order to achieve these aims, however, radical change is needed through the implementation of a local wealth building approach.

What is an inclusive economy?

An inclusive economy is an economy which is focussed on social goals, social justice, environmental sustainability and prosperity for all. It contrasts to inclusive growth which aims to improve living standards and share the benefits of increased prosperity more evenly across social groups. From an inclusive growth perspective, inclusion is about what happens socially to growth after we have growth. Whilst helpful, however, this aim is limited, and limiting, given the scale of the social issues and economic challenges facing our society.

By contrast, an inclusive economy offers a more voracious conceptual frame to the social benefits that flow from, or feed into, economic activity. In essence, an inclusive economy is a functioning economy which is intrinsically married to social goals, social justice, environmental sustainability and prosperity for all. This is not inclusion after the fact of growth, or inclusion which fits within a liberal market frame. Instead inclusive economy seeks to develop inclusion with or without growth, whilst seeking to address the fundamental social flaws of market liberalism. Inclusive economy is not merely about the poor social effects of economic growth outcomes, it is about addressing the causes which are created by the market liberal approach to growth. This agenda is aligned to a belief in heterodox economics and new forms of economic democracy and urban development such as new municipalism,⁴ an alternative characterised by the current wave of progressive policy and practice, emerging across Europe and beyond. This new wave is driven by a need for resilience, and a much deeper concern for place action on economic and social justice.

Consequently, this approach prompts local government to take a more 'activist' position: stepping into the market to enable, mediate and cajole other actors as a means of maximising local community and commercial benefit. Fundamentally this relates to building local wealth, securing social outcomes and new models of

¹ <https://www.ft.com/content/83e7e87e-fe64-11e6-96f8-3700c5664d30>

² <https://www.jrf.org.uk/press/uk-poverty-2017-country-reaches-turning-point>

³ <https://www.independent.co.uk/news/uk/home-news/food-banks-uk-how-many-people-adults-poverty-a8386811.html>

⁴ <https://cles.org.uk/blog/local-government-the-commons-the-time-has-come/>

ownership. Above all, this is about the principle of economic gains, which occur through the actual functioning of the economy, not just via 'after-the-fact' benefits or through the redistribution of any growth. Work by CLES with Local Municipalities (i.e. Barcelona, Oldham, Preston and Birmingham) and similar work of organisations such as The Democracy Collaborative in the USA, is reflective of this new wave.

What is local wealth building?

As a fundamental driver of this new approach, local wealth building aims to reorganise and control the local economy so that wealth is not extracted but broadly held and generative, with local roots, so that income is recirculated, communities are put first and people are provided with opportunity, dignity and well-being. Through local wealth building we are seeing a democratic, social and economic movement, which seeks to provide resilience where there is risk and local economic security where there is precarity.

Local Wealth Building has a particular focus on the activities of anchor institutions. Anchor institutions are large established organisations, rooted in local communities, which can improve local economic and social wellbeing through the use of their spend, employment practices, and use of land and assets.

At the heart of the Local Wealth Building approach, then, are four strategies for harnessing existing resources to enable local economies to grow and develop from within.

- 1) Procurement - Progressive procurement can develop dense local supply chain of local enterprises, SMEs, employee owned businesses, social enterprises, cooperatives and other forms of community ownership. This type of procurement is locally enriching because these types of businesses are more likely to support local employment and have greater propensity to retain wealth and surplus locally.
- 2) Employment - Often the biggest employers in a place, the approach that Anchors take to employment can have a defining effect on the employment prospects and incomes of local people. Recruitment from lower income areas, commitment to paying the living wage and building progression routes for workers are all examples of the actions Anchors can take to stimulate the local economy and bring social improvements to local communities.
- 3) Land and Assets - Anchors are often major land holders and can support equitable land development (through establishment of Community Land Trusts) and development of under-utilised assets for community use. In terms of financial investments, directing pension funds to local investment priorities can bring transformative capital to locally rooted enterprises.
- 4) Democratic Ownership of the Local Economy - At the heart of Local Wealth Building is the principle that wealth is broadly held. Cooperatives, mutually owned businesses, SMEs, municipally owned companies and local banks enable the wealth generated in a community to stay in that locality and play a vital role in counteracting the extraction of wealth.

What does the report tell us and what should Kirklees do next?

The initial phase of work in Kirklees has, as noted above, focused on procurement as well as providing an overview of broader local wealth building activity amongst other anchor institutions in the borough.

The headlines from CLES's research here are encouraging.

- ❑ 44% of Council spend with its top 300 suppliers (by value) is with Kirklees based suppliers, which amounts to £111 million. Of this £111 million:
 - 35% of this is spent within the 20% most deprived communities.
- ❑ 57% of spend is with small to medium sized enterprises (SMEs).
- ❑ 69% of Council spend with its top 300 suppliers (by value) is with suppliers in West Yorkshire (including Kirklees).
- ❑ There are also many encouraging signs of local wealth building activity amongst the wider group of anchors:
 - Some are already strong on local procurement and using their land and assets to benefit the community.
 - All of the wider anchors we spoke to are promoting social value through progressive employment practices.

However, with a local wealth building focus, far more wealth and surplus could be retained locally in Kirklees. Starting from a similar position, Manchester City Council increased their local spend by around 20% over a 5 year period which was estimated to have created 6,000 more jobs in Manchester. In a similar timescale, and by focusing on spend across all of its anchors, Preston has managed to inject an additional £70 million back into its local economy and raise itself out of the bottom 20% of the index of multiple deprivation.

These are concrete examples of what can be achieved through a local wealth building approach and Kirklees now has the opportunity to do the same. To show the huge potential that this agenda has for the Kirklees economy, take the scenario that Kirklees Council increases the proportion of local spend with the top 300 suppliers by 10% from the CLES baseline (an increase from 44% to 54%). We can estimate that this would represent an additional £102 million being invested in the Kirklees economy by the end of 2021/22.⁵

The following recommendations provide a clear plan for the Council to take the lead on creating an inclusive economy and growth in Kirklees.

Recommendation 1 – create capacity to drive the local wealth building agenda

To ensure that the local wealth building approach is embedded as a key corporate priority in the Council, we recommend that a cross departmental working group is formed to bring together commissioning managers from across the organisation with Category Managers. This group would be charged with coordinating and driving forward local wealth building across the four threads of activity: procurement, workforce, land property and assets, and the democratic ownership of the local economy. In addition, it is recommended that local wealth building be included as a standing item on SMT agendas to ensure it remains a priority.

Our other recommendations are structured around the four pillars of Local Wealth Building:

Procurement and spend

Recommendation 2 – Truly embed social value

Our review of procurement activity has created an evidence base and a starting point for Kirklees Council. However, the next stage is to embed social value as a core consideration in any commissioning and procurement. To do this we recommend:

- Review the Council Procurement Policy to ensure that social value is positioned as a key component. To provide clarity the Council should also develop:
 - A Social Value Framework (ideally organisation wide, rather than for the procurement department) to clearly articulate the social value priorities of Kirklees Council, and setting targets against all measures within the framework. The other option here is that the anchor network (see Recommendation 6) develop a common framework – in this case the priorities of the framework should be decided by all partners;
- The importance of social value must be backed up by clearly communicating the priorities of the framework to suppliers and partners and making it part of the decision-making process in tenders (including a weighting – which can be flexible depending on the nature of the contract);
- Tracking suppliers' progress against social value pledges and targets by making it a condition of contract for them to complete a survey;
- Further interrogating the perception of the supply chain, and the wider Kirklees business base around the ease of trading with the Council and how they can be best supported to deliver social value.

Recommendation 3 – repeat the analyses to track progress

The spend analysis contained in the full report is intended to provide a baseline for the impact of Kirklees Council procurement and employee wage spend. It is recommended that the Council repeat these analyses on an annual basis to track progress against the 44% spend with Kirklees suppliers, 69% of spend with West Yorkshire (including Kirklees) suppliers, and 57% spend with SMEs. In addition, the next analysis should

⁵ Spend with Kirklees based organisations in 16/17 was £111,487,463 (44.3% of total spend with the top 300 suppliers), if the proportion of total spend with Kirklees suppliers was 54.3% at the same level of total spend, this is an increase in local spend of £24,293,124. From CLES' survey of suppliers it was found that responding suppliers re-spent 20p in every £1 of Council contract value on Kirklees based employees and suppliers of their own. Applying this ratio to the uplift equates to an additional £4,858,625. Adding these two figures together equals £29,151,749.

To generate the figure of £102 million, we have multiplied the £29,151,749 by 3.5 (for the full financial years 2019/20, 2020/21 and 2021/22 and the remaining 6 months of financial year 2018/19). This scenario assumes spend with the top 300 suppliers remains at £251.4 million per year until 2021/22.

broaden the scope of the supplier survey to include all the measures in the social value framework from Recommendation 2, and may consider alternative geographies such as the Leeds City Region.

Recommendation 4 – engage suppliers in areas of deprivation

The spend analysis has shown that Kirklees Council have 58 suppliers (with which there was a spend of £39.5 million in 2017/18) that have a presence in areas within the 20% most deprived nationally. Businesses in these areas need to be supported to offer opportunities to local people and deliver social value locally. Economic development officers responsible for business support should convene a workshop with local businesses to explore the barriers and enablers here and devise an action plan.

Recommendation 5 – further interrogate the findings of the influenceable spend workshop

Our gap analysis workshop has produced a list of 13 contracts where there is potential for alternative providers to deliver the good or service in question and some contracts where further research is required by the procurement team. These should be interrogated in more detail by procurement officers who should then make a recommendation to the cross departmental working group (see Recommendation 1) as to where activity should be focused. This exercise can, and should be, revisited on a semi-regular basis; for instance, whenever analysis is undertaken of the Council's supply chain.

Oversight and sponsorship of this work should then be provided by the working group. In addition, it is clear from our work that certain sectors warrant particular investigation such as Adult Social Care. Our engagement with the VCS suggests highlights a strong desire to work with the council here to play a more expansive role. The establishment of a co-commissioning network (Recommendation 9) is therefore needed.

Diversification and Democratic ownership of the economy

Recommendation 6 – establish an anchor network for Kirklees

The Council should take the lead on establishing a permanent (and externally facilitated) anchor network that should meet a minimum of four times a year. The network should comprise representatives from anchor institutions who perform a leadership role and, as such, are responsible for driving forward change. The first meeting should focus on spend, procurement and commissioning, to share learning around best practice that is already being carried out in Kirklees. Subsequent meetings should focus on: developing closer links with the VCSE sector (See recommendation 9 below); the regeneration of Huddersfield town centre (see recommendation 12); enabling best employment practice, such as the payment of the living wage and recruitment of hard-to-reach groups; and linking anchor activity to business citizenship. Having a network leading actions around anchor's priorities may lead to advancing new forms of ownership that are naturally more inclusive, as a result of individuals having a stake in the governance (i.e. municipal enterprises, Co-ops etc).

Recommendation 7 – support the VCSE sector to play a more active role

The potential social value that can be delivered by the VCSE sector is significant in terms of maximising opportunities for integrated care and joint-working, tackling health inequalities, targeting hard-to-reach groups and creating a community resource which is resilient and sustainable. It is precisely this thought that underlies the Joint review of partnerships and investment in voluntary, community and social enterprise organisations in the health and care sector, published in 2016.⁶ Our engagement with the Third Sector Leader groups suggests that the local VCSE sector is well organised, well connected and is eager to be more involved in the delivery of health and social care contracts.

As such there is the potential to increase and expand the VCSE sector's contribution and integrate it more fully into that of the public sector. By formalising the relationship between the public and VCSE sectors, new ways to collaborate, learn from each other and work at scale across Kirklees could be explored. In order to facilitate this action, we recommend the establishment of a co-commissioning framework. This framework will put co-production at the heart of commissioning, involving the VCSE in the earliest stage of needs analysis, review, planning and service development, putting strong resilient and inclusive communities at the heart of the future health and care system.

Comprising VCSE, local authority and CCG representatives the framework will endeavour to:

- ❑ Build the capacity of the VCSE sector, to help organisations gear-up to deliver Council and CCG commissioning intentions;
- ❑ Recognise the importance of infrastructure and volunteering to the VCSE sector and where appropriate provide support to continue its development;

⁶ <https://vcsreview.org.uk/>

- ❑ Support the VCSE sector by providing longer term funding (where possible);
- ❑ Support the sustainable development of voluntary organisations by signposting and facilitating access to external and non-public sector sources of funding;
- ❑ Ensure prompt payment of small grants and contracts;
- ❑ Explore joint commissioning across Council, CCG and other public sector organisations to deliver priorities for the borough. (There should be a dedicated anchor network meeting devoted to this task);
- ❑ Allocate funding, contracts and other resources against clear, relevant and consistent criteria
- ❑ Ensure that procurement and contracting processes are transparent, fair and proportionate, to encourage the broadest range of providers, including consortia building where appropriate
- ❑ Accept the principle of full cost recovery, in funding VCSE organisations, to help them meet the true cost of providing services;
- ❑ Design monitoring and performance management systems that are appropriate and meet the needs of the VCSE.

Employment

Recommendation 8 – carry out a review of Kirklees Council employment practices

Anchor institutions are the biggest employers in the borough. The approach taken to employment has a defining effect on the employment prospects and incomes of local people. Our survey of employees has shown that the 224 respondents re-spent £1,726,208 in the Kirklees economy, equivalent to 35p in every £1 they received in net salary from Kirklees Council. In order to deepen the focus of the employment pillar of local wealth building there are several activities that the Council can focus on here:

- ❑ Task the cross departmental working group (see Recommendation 1) with developing ideas around how Council employees can be encouraged to spend more money locally;
- ❑ Map the home postcodes of Council employees to investigate the extent to which the staff reflect the community they serve;
- ❑ Review who applies for positions at the Council and amend the process to ensure it is inclusive;
- ❑ Review the quality of employment at the Council, including wage, terms and conditions, and the working culture;
- ❑ Present this evidence to the anchor institution network (see Recommendation 6) and support them to develop progressive employment and recruitment practice.

Land and assets

Recommendation 9 – conduct an audit of Council assets

We note the Cabinet's aspiration to stop charging VCSE organisations for using council assets. As such, the Council should follow the example set by other anchors in the borough who regularly let community groups and charities use their assets for free. This is one example of how assets can be better deployed. Another may be an investigation into the scope for taking a municipal stake in land and property as part of the West Yorkshire Pension Fund. A wider review of all Council assets would identify these additional opportunities.

Recommendation 10 – Use business rates relief to enable business growth

Making towns like Huddersfield, Dewsbury, and Batley vibrant places to live and work will surely be a key objective in the Council's new economic strategy, due to be published later this year. It was also a theme that was picked up on by the Third Sector Leaders. The council should look at business rate relief beyond its current activity, which provides rate relief on properties worth less than 15k per annum. It should also look to work collaboratively with the University of Huddersfield, whose investment fund has in the past helped the establishment of local enterprise. Refocusing the use of the fund on new businesses which will contribute to the regeneration of the town centre - particularly community businesses and social enterprise - would have a significant impact.

Theme	Ref.	Measure	Latest	Target	Type	Frequency	KPI Reporter	Notes
Benefits	1	Financial savings delivery by type (cashable)		Baseline	Quantitative metric	Quarterly and annual	Category Manager	All procurement team members to update for each procurement activity. Use the separate tracker to capture & detail each instance of savings delivery, indicating type of saving whether price reduction, demand management etc. There needs to be a clear record and rationale for the saving metric documented.
	2	Added value benefits (non cashable) linked to Councils outcomes		2 per Strategic category per year	Case Studies	Quarterly and annual	Category Manager	All procurement team members to update for each procurement activity. Capture case studies demonstrating the added value/non cashable benefits achieved through the commissioning and procurement cycle that directly link to the councils shared outcomes
Category Management	3	Category Plan		Strategic category plan in place	Quantitative metric	Annual	Category Manager	Category plan established and refreshed annually (minimum) ensuring key stakeholders have been engaged throughout and key priorities have been agreed with appropriate local indicators to measure progress. Category strategies will support and complement service and commissioning plans.
	4	Visibility and management of key risks and issues		Input to quarterly risk reporting	Qualitative	Quarterly	Category Manager	Proactively capturing, raising, managing, mitigating and accepting key risks by type for each category
	5	Production of market trend intelligence to inform category strategy		Baseline	Quantitative & qualitative metric	Annual	Procurement Analyst	Maximise the use of data and intelligence in order that category strategies add value by bringing knowledge and understanding of an area of spend; including market expertise, cost and price factors, supply chain pressures and options for models of delivery.
	6	Strategic Relationship Management (SRM) in place for Top 10 strategic suppliers per category				Future metric to be developed during 2020 (once baseline data and transparency improved and category plans in place)	Category Manager	Identifying high risk/high value suppliers. Embedding an approach to SRM that goes beyond the management of individual contracts and looks at all aspects of an organisation's interaction and relationship with a third party provider & leveraging value from the relationship & creating value beyond the contract
	7	Benefits of category management		Annual review	Case Studies or report	Annual commencing financial year 19/20	Category Manager	Linked to category priorities demonstrating the value of a commissioning approach and embedding a category management approach
Compliance	8	Contracts transparency		Annual audit / self assessment	Quantitative metric	Annual	Senior Procurement Officer	Undertake a sample check of contracts ensuring compliance with Transparency Regulations and CPRs
	9	Number of staff trained by procurement		Baseline	Quantitative metric	Quarterly and annual	Senior Specialist	Training events run by procurement to improve understanding and knowledge e.g. Guide to Contract Procedure Rules (CPRs), Procurement Portal (Yortender), Evaluation Panel Training etc.
Process Efficiency	10	Number of procurements handled through the procurement team		Baseline	Quantitative metric	Quarterly and annual	Senior Specialist	Monitor throughput / activity levels for all procurement activities
	11	Commissioning / Procurement cycle time (breakdown in to stages, e.g. initial contract, preparation of spec, market engagement, advert, award....?) Difficult but think it will be worthwhile to monitor		Baseline	Quantitative metric	Quarterly and annual	Senior Specialist	This metric is more about understanding where pressures are, how efficient the cycle is, what if any improvements can be made. This needs to be benchmarked against indicative timescales that procurement indicate for activities (EU/below EU)
	12	Number of aborted procurements		Baseline	Quantitative metric	Annual	Senior Specialist	Need more visibility around number of aborted procurements, the reasons, and where applicable how we take forward any lessons learnt
	13	Number of Legal Challenges		Baseline	Quantitative metric	Annual	Procurement Officer	Visibility of any legal challenges to procurement process and lessons learnt
	14	Top 5 items purchased through Purchase Cards			Qualitative metric	Quarterly and annual	Senior Procurement Officer	Top 5 items purchased by value and/or volume - Ad hoc proactive checks to ensure appropriate use of purchase card expenditure - identifying areas of opportunity and improvement
	15	Top 5 reasons for exemptions		Baseline	Qualitative metric	annual	Senior Specialist	Most common reasons for exemptions to the Council's CPR's
	16	Number of contracts held in the contracts register		Baseline	Quantitative metric	Quarterly and annual	Senior Specialist	Use contracts register to capture number of live contracts, monitor expired contracts
	17	Number of suppliers		Baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Transparency around number of suppliers and linking to pareto analysis
	18	£ Third Party Spend recognised by procurement		Baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Using spend reports from finance systems, monitor total third party spend by across the council and per category (excl. VAT, taxes & grants)
Procurement Staff	19	% Spend under contract		Baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Monitor % of total third party spend accounted for by contracts register
	20	% Chartered Institute of Procurement & Supply (CIPS) qualified (or working towards qualification or development plan)		CIPS equivalent or training	Quantitative metric	Annual	Head of Procurement	Provide staff with the tools and knowledge to carry out their roles effectively. Promote and support professional training opportunities including CIPS
	21	Continuous Professional Development		Training for or qualified in CIPs or equivalent	Quantitative metric	Annual	Head of Procurement	Number of CPD sessions and topics, including lessons learnt from best practice
	22	Appraisals		100% mandatory CPD completed	Quantitative metric	Annual	Head of Procurement	Timely and quality appraisals for all staff
	23	Procurement team feedback		100% completion	Soundbites	annual (and 1:1s)	Head of Procurement	Capture key feedback on a periodic basis about the culture of the team and what its like to work here
Stakeholder experience	24	% Customer satisfaction rating		baseline	Quantitative metric	Per procurement; quarterly and annual	Business Support	Survey to all customers/services for each procurement activity - Question 1: How would you rate your experience (1-10) Produce quarterly average % rating
	25	Customer feedback		Qualitative	Soundbites	Per procurement; quarterly and annual	Business Support	Gather key qualitative feedback from customers as part of survey above. Collate and review each quarter and by category
	26	Annual survey of key stakeholders		Qualitative	Soundbites		Head of Procurement	Qualitative feedback from key stakeholders focused around the value of category management in helping to achieve outcomes and collaborative working
Supplier Experience	27	Percentage bidder experience rating	#REF!	Baseline	Quantitative metric	Per procurement; quarterly and annual	Business Support	Survey to all bidders for each procurement (pre-award) - Question 1: How would you rate your experience (1-10) Produce quarterly average % rating
	28	Supplier feedback	#REF!	Qualitative	Feedback	Per procurement; quarterly and annual	Business Support	Capture any other feedback comments from bidders on positives and ideas for improvement. Review per procurement and collate quarterly
Supplier Engagement	29	Number of supplier and market engagement sessions	#REF!	Baseline	Quantitative metric	Quarterly and annual	Category Manager	Capture the level of engagement across the council and per category relating to procurement engagement activities (This would include meet the buyer sessions, market engagement etc.)
	30	Supplier engagement case studies	#REF!	2 per Strategic category per year	Case Studies	Annual	Category Manager	Capturing the impact that good, timely supplier engagement can have through case studies (e.g. true dialogue, understanding potential barriers and challenges, change in specification or approach due to market feedback)
Social Value	31	% of Local Spend - Kirklees	#REF!	baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Based on a specific methodology
	32	% of Local Spend West Yorkshire		baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Based on a specific methodology
	33	% of Local Spend Yorkshire & Humber		baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	Based on a specific methodology
	34	% of spend with SMEs		baseline	Quantitative metric	Quarterly and annual	Procurement Analyst	The Council increases its spend with local suppliers, SMEs and VCSE across all categories through taking proactive action to identify, engage, lot contracts, simplify procurement process and reduce potential barriers wherever possible (relates to items 31-34)
	35	Social Value case studies	#REF!	2 per Strategic category per year	Case studies	Annual	Category Manager	Seek to gain maximum value from procurement (& contract management) through inclusion of social value criteria for goods, works and services



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Introduction

Capturing the added value that procurement can bring. Please note this is not an exhaustive list. All saving activities are to be captured along with a clear record and rationale of how the figure has been derived.

Ref	Type of Saving	Description	Guidance for reporting and recording savings and added value
1	Direct Price Based Savings	Baseline for reporting price based savings	For new contracts that replace pre-existing contracts - the savings should be versus previous price paid at the end of the previous contract(s) period.
			For new contracts / procurements that haven't taken place before (eg ad hoc requirements) the benchmark would be the average price of top 5 acceptable compliant highest ranked bids (or all the bidders if less than 5)
			For collaborative agreements where there is no pre-existing collaborative agreement to benchmark against and appropriate base line would be agreed with the Head of Procurement
			Active price management; by applying awareness of price trends (e.g. labour and/or market indices) to either achieve net savings, or costs avoidance to minimise or eliminate increased costs
2	Demand Management	Is applicable where internal demand & consumption can be influenced to reduce costs	A saving should not be claimed where a service is reduced in a way that has a negative impact on services the public receives or reduces quality below a level that is genuinely required.
			For any saving to be claimed in this area, it must be demonstrated that; - The same business requirements and appropriate quality standards are still being met; or; - Any reduction of service is of low priority activity and that this reduction has been explicitly reported and approved within normal business activity / governance arrangements
			Examples of demand management; - Management consultancy; challenging the need & making better use of lower cost alternatives - Travel; making better use of technology and lower cost options - Office equipment; rigorously manage supply to meet needs taking into account reducing numbers of users.
3	Make v Buy / Outsourcing	Savings made by the transfer of a service to / from external suppliers	Savings are made in this area by the transfer of a service to / from external suppliers. The same business requirements and quality standards are still met. Savings figure needs to be agreed/ratified with contract manager and/or service area
4	Cost Removal	Savings generated by using an alternative solution that resulted in no purchase being made	Savings are made in this area by using an alternative solution that resulted in no purchase being made (eg. Reciprocity, sponsorship)
5	Added Value	Additional benefit generated through a contract	Savings in this area may include services that previously were direct costs to the council and are now included in the price of a contract (for example; production of management information, undertaking additional tasks and duties that have been historically performed by the council, leveraging supplier relationships to deliver more) Savings need to be ratified with the contract manager and/or service area.
6	Risk Reduction	Reduced costs through risk based approach	Savings in this area may include changes to terms and conditions, payment terms, such as staged payments or retentions will result in a reduction in both cost and risk. Likely to be a one-off saving and not be extended over the life of the contract
7	Payment terms based savings	Savings relating to different payment strategies	Savings in this area may include; Early payment discount or introduction of a more efficient contract payment mechanism. Saving would need to be agreed / ratified with HD-One and contract manager

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We're
Kirklees

Corporate Scrutiny Panel

1st March 2019

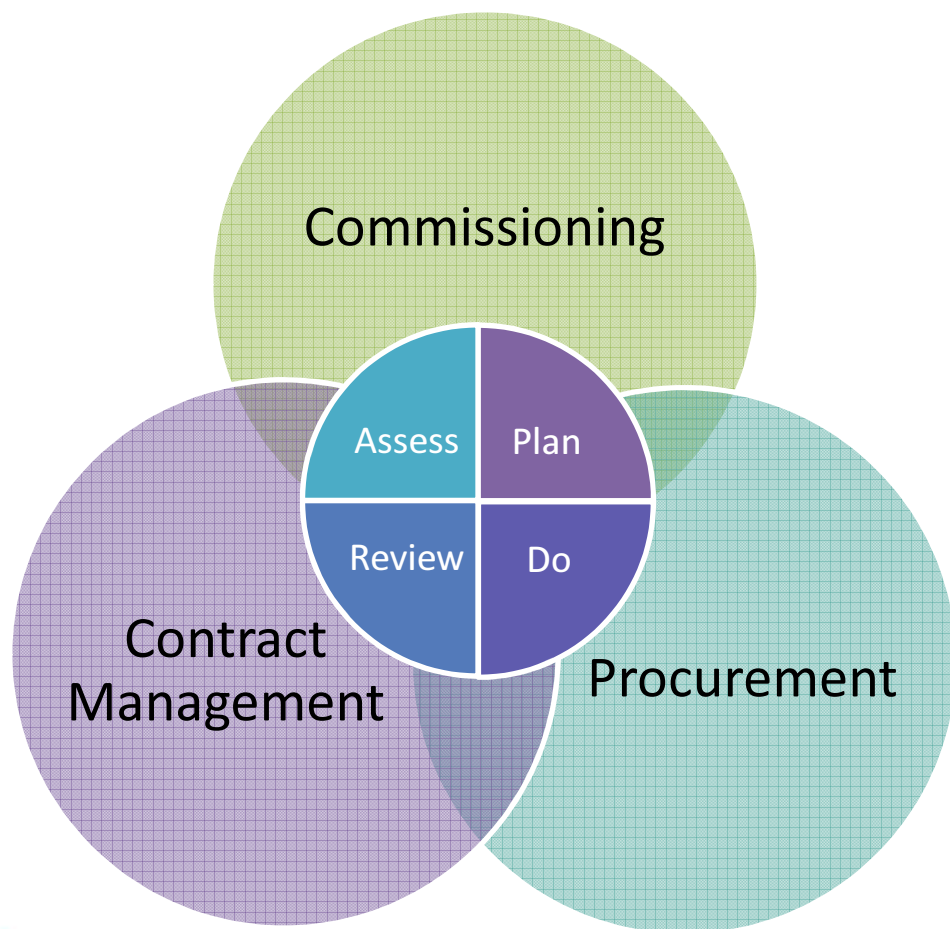


Agenda

- Introduction
- Category Management
- Introduction to Procurement
- Checks and balances
- Examples and key challenges
- Q&A
- Focus of next scrutiny session



Connections



Commissioning

- **What do we want?**
- Led by the service
- Engaging users

Procurement

- **How do we get it?**
- Led by Procurement
- Engaging Suppliers

Contract Management

- **Are we still getting what we asked for?**
- Led by Service
- Managing the Supplier

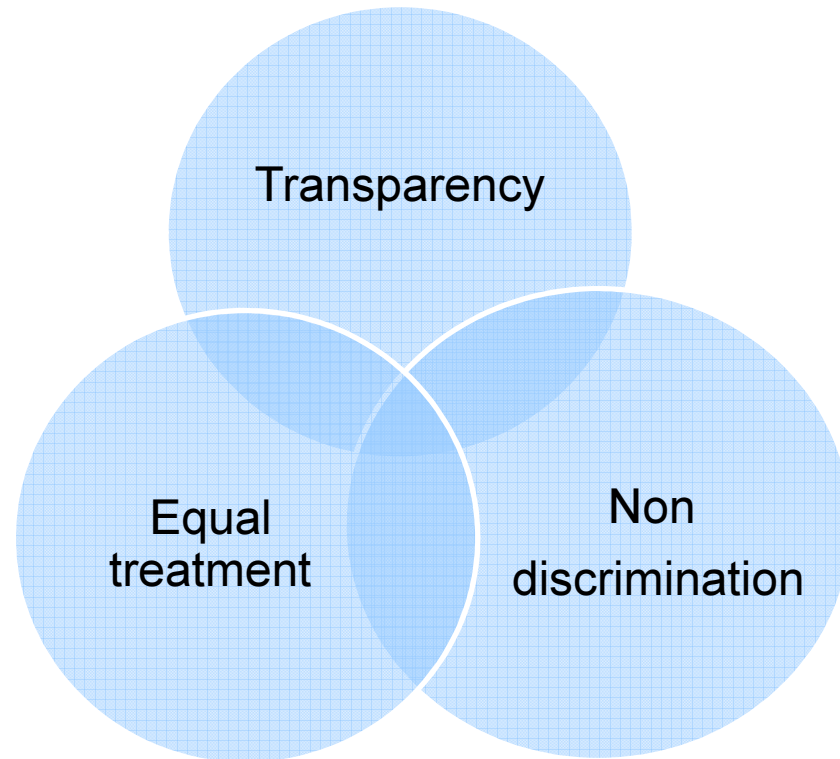


What is a procurement

“Process of acquiring goods, works and services from third parties...”

Aim to achieve best value for money...

Procurement (Treaty) principles



Future Procurement – Critical success factors

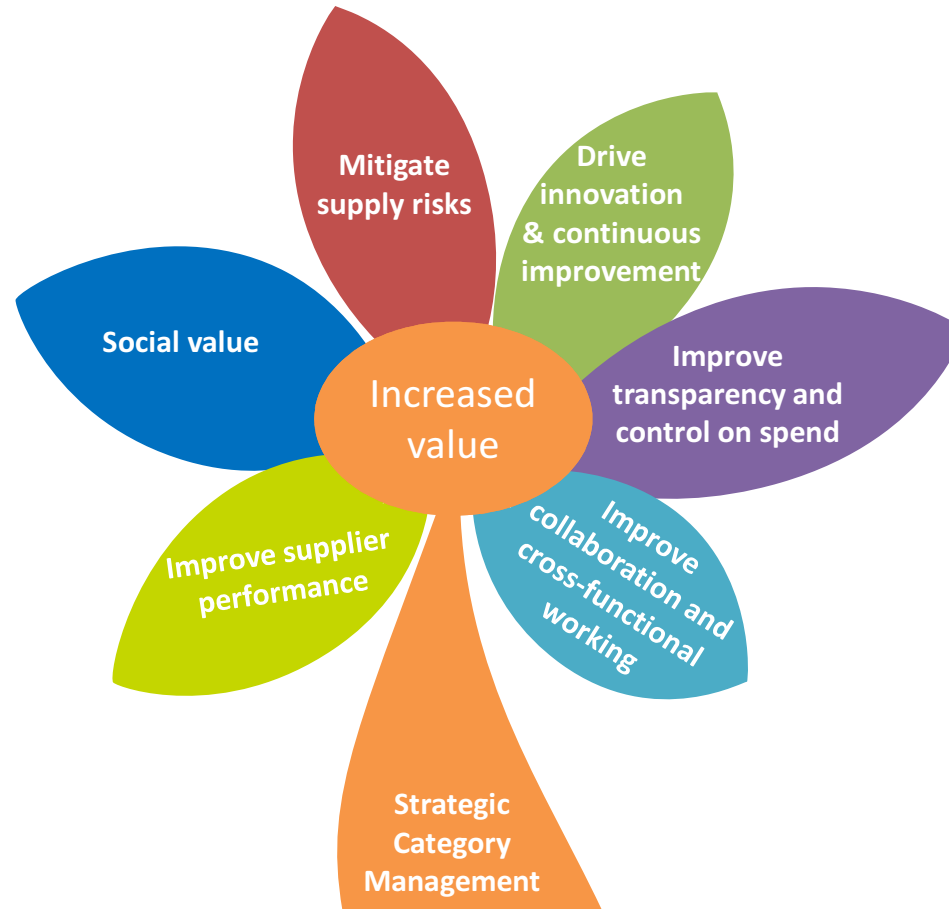
The ultimate aim of the future Procurement Operating Model is to harness the Council’s overall buying power to deliver efficient, safe, sustainable and best value services for tax payers

1	Authority to procure and new governance	<ul style="list-style-type: none"> Ensure that new governance is set up to sign off requested new procurements and “check and challenge” Council-wide procurement activity
2	Refresh and standardise process and policy	<ul style="list-style-type: none"> Develop and implement refreshed, commonly understand procurement policies and procedures to be adopted by all involved in procurement activity across the Council
3	Clarity on roles and responsibilities	<ul style="list-style-type: none"> Define and communicate scope of roles between commissioning, procurement, transactional processing and contract management. Ensure that Council teams understand who to contact and when in relation to procurement queries
4	Communications and change	<ul style="list-style-type: none"> Work with Council teams to increase awareness and embedding of new ways of working for procurement; manage the change effectively to ensure take-up
5	Data visibility and analytics	<ul style="list-style-type: none"> Define the specific information and reporting requirements for procurement; identify analytics inputs / skills required and maintain up to date comprehensive records Council-wide to inform procurement decision-making
6	Council-wide contracts register and risk management	<ul style="list-style-type: none"> Allocate resource to undertake full data gathering review of Council contracts and contractual commitments; develop Council-wide up to date contracts repository and process to ensure it remains up to date
7	Council-wide supplier relationship management	<ul style="list-style-type: none"> Develop robust view of Council-wide supplier relationships and implement strategic approach to managing different groups of suppliers
8	Business partnering between commissioning and procurement	<ul style="list-style-type: none"> Develop strong relationships between service-based commissioners and procurement technical specialists
9	Forward-looking, more strategic view	<ul style="list-style-type: none"> Utilise strengthened data visibility to develop more-proactive, forward-looking view of procurement activity and pipeline
10	Training and development	<ul style="list-style-type: none"> Review and address training and development needs to support new ways of working



Benefits of strategic category management

A structured category management approach can not only help you **generate higher value**, but also...



Progress to date

- **Market Engagement**; significant increase in activity with suppliers
- **Social Value**,
 - Local Spend; 16/17 = 28% 17/18 = 44%
 - Focus of social value in contracts, e.g. Furniture procurement 12%
 - On going project work with Policy Team & CLES
- **Developing pipeline opportunities**
- **Expanding & developing relationships**
- **Regional category groups**



Deloitte tracker v Procurement measures

- Deloitte tracker specifically for that contract
- £6.5 mil 'savings' by March 2020 – mostly attributable to Temporary Staff
- Introduced procurement measures to record;

Benefits	Category Management
Compliance	Process Efficiency
Staff	Stakeholder Experience
Supplier Experience	Supplier Engagement
Social Value	



We're
Kirklees

Introduction to Procurement



The Rules & Regulations

Internal

- Contract Procedure Rules
- Financial Procedure Rules
- Social Value Act
- Transparency Code



External

- EU Public Contacts Regulation and Competition Law
- UK National Law
- Case Law

Implications

- Fines
- Reputation
- Delays
- Re-run processes



Contract Procedure Rules

Goods, Works & Services

Goods/Services

- Agency Staff
- Books and Publications
- Building Materials
- Catering Equipment and Provisions
- CCTV Equipment
- Cleaning Materials
- Confidential Waste
- Consultancy Services
- Workwear & PPE Clothing
- Facilities Management
- Food
- Furniture
- Training
- Highways Materials
- Hotel Accommodation and Conferencing
- Insurance Services
- IT Hardware & Software
- Leisure Equipment
- Office Consumables
- Paper
- Pest Control Services
- Photocopiers & Multi-Functional Devices
- Print
- Street Furniture
- Recruitment Services
- Security Services
- Social Care
- Telecommunications
- Traffic Signalling Equipment
- Vehicles and Plant Hire
- Waste Management
- Window Cleaning
- Utilities & Energy
- Catering
- Residential
- Mental Health Services
- Fostering
- Fuel
- Passenger Transport

Works

- Building (Capital Works)
- Building Renovation/Maintenance
- Housing Repairs (roofing, plumbing, glazing, electrical)
- Highways/Road Maintenance



Contract Procedure Rules

Estimated Value of Contract	Different procurement options available, depending on the value and nature of the contract
Below £200	Any procurement means (advertising is not necessary)
Between £200 and £20,000 (Goods & Services) Works from £200 to £100,000	Any reasonable means to select the Supply is permitted. Reasons to justify the decision taken must be recorded.
£20,000 to £99,999	Min. 3 quotes (advertising on Yortender & Contracts Finder)
£100,000 up to EU Threshold or £180,000	Min. 4 quotes (advertising on Yortender & Contracts Finder)
Above EU Threshold	Min. 5 quotes (advertising on OJEU, Contracts Finder and Yortender)



EU Financial Thresholds

- Light Touch Regime social and other specific services; £615,278
- Supplies and Services; £181,302
- Works; £4,551,413



Procedures

- Open (Reg 27)
- Restricted (Reg 28)
- Light Touch Regime (Reg 76)
- Competitive Procedure with Negotiation (Reg 29)
- Competitive Dialogue (Reg 30)
- Innovation Partnership (Reg 31)
- Negotiated with prior publication (Reg 32)



Questions

- How many quotes should you try to obtain for a lorry that costs £45,000?
- Would the answer be different if you wanted 2 each year for the next 3 years?
- A care placement costs £2,500 per week; which rules apply? What questions might you need to ask?



Answers

How many quotes should you try to obtain for a lorry that costs £45,000 & which rules apply?

- **3 (or more) Council Contract Procurement Rules only**

Would the answer be different if you wanted 2 each year for the next 3 years?

- **2 per year x 3 years x £45k= £270K EU Proc't Rules apply**

A care placement costs £2,500 per week; which rules apply?

- **Is this an individual placement? How long will the placement last? Is it short term? CPR s apply. EU rules may apply (eg 2 placements, likely to last 3 years each= £780k)**



Contract Procedure Rules Checks & Balances

- Aggregation
- Abnormally Low Tenders
- Audits
- Pre market engagement
- Conflicts of Interest
- Opening of tenders
- Questions
- Business Case
- Evaluation
- Specialist Advice
- Benchmarking
- Local suppliers
- Transparency
- Procurement Portal
- Supplier feedback
- Data (eg Review of contract spend)
- Proportionate



Market Engagement

- Approach to market engagement
- 6 market engagement events Jan/Feb 19
- Pipeline
- Honest dialogue regarding barriers
- Supporting suppliers to be digitally ready
- Innovation, social value, business drivers and shared outcomes.
- Using feedback from the market to refine our approach and specification



Aggregation example

Mobile Voice & Data Procurement

- Early engagement with IT & Procurement
- IT experts produced technical spec
- Procurement assessed best route to market
- National aggregation (min. & max. savings indicated prior to decision to join aggregation)
- Check & challenge from Councillor
- Outcome; 65% (£474K) saving over 2 year contract, further added value around increased shared data bundle 2.5TB / month



Collaboration examples

- Yorkshire Alliance (Surfacing, Urban Traffic Control, Plant & Vehicle)
- West Yorkshire Combined Authority (Consultancy)
- YorHub (Construction)
- White Rose Frameworks
- Yorkshire & Humber; Postage & Printing



Collaboration case study

Supply of Telecare Equipment Procurement

- Extension to previous contract to allow sufficient time to procure
- Proactively looked for & secured collaborative opportunity (4 authorities)
- Moved from 4 year framework to rolling 1 year contracts *(to allow new suppliers & technologies)*
- Outcome; Generated £74K (20%) annual saving
- Added value; Service identified additional operational benefits through sharing practice



Workwear & PPE case study

Workwear and PPE (previous/current)

- Kirklees offers a large product range to its staff with an open catalogue policy
- Lots of inconsistency across the council; no standardised items for particular job profiles
- Open catalogue = lack of control
- Limited contract and supplier management

Work to date

- Undertaken full data analysis of items ordered (e.g. 17 different types of fleeces)
- Identified key stakeholders and engaged to understand business needs in future
- Undertaken soft market testing (electronic & bidders event- 60 organisations interested)
- Discussed challenges, opportunities and received feedback to shape specification
- Agreed with stakeholders to Job Profile workwear - rationalising and standardising where possible, appropriate to job role
- Anticipating 10% saving over the life of the contract (procurement & contract management)



Key Challenges

- Data
- Contract Visibility
- Reactive to Proactive
- Brexit
- Contract Management
- Value for money





Q&A

Focus for the next scrutiny session

Thank you



Corporate Scrutiny Panel

Agenda Plan 2018/19

Date of Meeting	Issues for Consideration	Officer Contact
<p>Tuesday 3rd July 2018</p> <p>2pm – 5pm</p> <p>Council Chamber, HTH</p>	<p align="center">Public Items:</p> <p align="center">Corporate Plan (2pm)</p> <p align="center">Approach to Scrutiny–Prioritising & Planning (2.25pm)</p> <p align="center">Dates of future meetings</p> <p align="center">Informal Meeting</p> <p align="center">Council Finances Training (2.30pm)</p> <p align="center">Move back to formal meeting</p> <p align="center">Establish Work Programme (4.30pm)</p> <ul style="list-style-type: none"> - <i>Discuss remit of Libraries Review informal mtg</i> - <i>Develop a financial monitoring work programme</i> 	<p align="center">Rachel Spencer-Henshall</p> <p align="center">Alaina McGlade</p> <p align="center">Eamonn Croston</p> <p align="center">Alaina McGlade/ Rachel Spencer-Henshall/ Eamonn Croston</p>
<p>Thursday 2nd August 2018</p> <p>9.30am – 11am</p> <p>Council Chamber, HTH</p> <p>INFORMAL MEETING</p>	<p align="center">Informal Items:</p> <p align="center">Libraries Review</p>	<p align="center">Carol Stump</p>
<p>Friday 31st August 2018</p> <p>10am – 12pm</p>	<p align="center">Public Items:</p> <p align="center">Financial Monitoring</p>	<p align="center">Eamonn Croston</p>

Council Chamber, HTH	Transformation Programme - Procurement Work Programme/ Agenda Plan	Jane Lockwood/ David Bundy
Monday 24th September 2018 11am – 12.30pm Meeting Room 3, HTH INFORMAL MEETING	Informal Items: Libraries Review	Carol Stump
Thursday 11th October 2018 9am – 11am Council Chamber, HTH	Public Items: Further review of MTFP – headline assumptions / financial resilience / budget risk People Strategy (Staff Development) Work Programme / Agenda Plan	Eamonn Croston Deborah Lucas
Thursday 29th November 2018 9.30am – 11.30am Council Chamber, HTH	Public Items: Democracy Commission Financial Management Update – current monitoring/ budget update Work Programme / Agenda Plan	Carl Whistlecraft/ Cllr Scott Eamonn Croston
Friday 1st March 2019 Workshop	Introduction to Procurement Workshop	Jane Lockwood/ Julie Muscroft

<p>9.00 – 10.30</p> <p>Meeting Room 1</p>		
<p>Friday 12th April 2019</p> <p>9am – 11am</p> <p>Council Chamber, HTH</p>	<p>Public Items:</p> <p>People Strategy (Staff Wellbeing)</p> <p>Cabinet Member End of Year Update</p> <p>End of year summary /start of next year monitoring plan; include link to corporate plans and service plans & budgets</p> <p>Procurement</p> <p>Work Programme</p>	<p>Deborah Lucas</p> <p>Cllr Graham Turner</p> <p>Eamonn Croston</p> <p>Jane Lockwood/ Julie Muscroft</p>
<p>June/July 2019</p>	<p>LGA Commercialisation Training</p> <ul style="list-style-type: none"> - An overview of what commercialisation is - Potential impacts of getting it wrong - Examples of good practice from elsewhere - How can Scrutiny be involved 	<p>LGA/ CFPS</p>

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