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KIRKLEES COUNCIL

OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

Tuesday 9th January 2024

Present: Councillor Elizabeth Smaje (Chair)
Councillor Bill Armer
Councillor Andrew Cooper
Councillor Jo Lawson
Councillor Shabir Pandor

59 Membership of Committee

All Members of the Committee were in attendance.

**60 Minutes of Previous Meeting
Resolved –**

That the minutes of the meeting of the Committee held on 5th December 2023 be approved as a correct record.

The Chair updated the Committee, in respect of the Kirklees Active Leisure offer for 2024/2025:

The recommendations and comments made by the Committee had been presented to Cabinet on 12th December 2023.

Cabinet had agreed to:

- (i) Approve the leisure offer for 2024/25,
- (ii) Authorise officers to:
 - continue discussions regarding the future use of Deighton Sports Arena, in order to enable options to maintain community access to the facility.
 - develop a future plan for physical activity across Dewsbury, to contain a range of long-term options,
 - undertake an assessment of the cost and feasibility of creating access to the dry-side facilities at Dewsbury Sports Centre.
 - continue to work with Kirklees Stadium Development Ltd (KSDL) to try and attract another operator for the Stadium Health and Fitness Club.
- (iii) Approve Phase 2 of the Leisure Centre Transformation Programme
- (iv) A further report being considered in 2024 regarding the property implications of the proposed changes to the leisure offer provision and its impact on individual sites.

61 Declaration of Interests

No interests were declared.

62 Admission of the Public

All items were considered in public session.

63 Deputations/Petitions

No deputations or petitions were received.

64 Public Question Time

No public questions were received.

65 Financial Management - Housing Revenue Account

Councillor Crook, Cabinet Member for Housing and Highways, set out the context to the Housing Revenue Account (HRA). The key priorities were outlined as follows;

- to improve service standards and aim for a minimum Energy Performance Certificate (EPC) grading of 'C' for all stock;
- to continue to invest in housing stock, to provide safe, efficient, dry, and secure homes that tenants could afford to live in and live well;
- to take any available opportunity to increase the housing stock, to help meet the high and increasing demand that the Council faced.

Councillor Turner, Cabinet Member for Finance and Regeneration was also present for this item.

Naz Parker, Service Director from Homes and Neighbourhoods, provided an overview as set out below:

- The HRA was a separate income and expenditure account for the Council's social housing stock.
- Income was primarily made up of rent and service charges.
- The expenditure was mainly capital, which covered maintaining and repairing council stock, and management costs.
- HRA income was separate from the Council's General Fund and the account was self-financing; it was ringfenced to expenditure that would benefit tenants.
- There were a number of new regulatory provisions, arising from the Building Safety Act 2022 and the Social Housing Act 2023, which would come into force in April 2024. Whilst the robust approach to building safety was welcomed this had put additional pressure on the HRA.

Jacqui Fieldhouse, Head of Finance - Homes and Neighbourhoods, gave a presentation which provided an update on the Month 6 position. The following points were highlighted:

- the Government formula restricted any annual increase in rent to CPI (Consumer Price Index) +1%.
- £5.5 million from the Reserve Fund would be used to address additional budget requirements for investment into building safety works.
- The overspend on the repairs and maintenance budget was associated primarily with priority work to address damp and mould.
- A summary and explanation of the current position on reserves.
- A breakdown and explanation of the variances under each service area/budget heading.

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Questions and comments were invited from Committee Members, with the following issues being covered:

- Although it was acknowledged that use of Energy Performance Certificates to measure improvement in energy performance was not perfect, it did provide a relative measure. The commitment to improve the thermal performance of the stock was positive and the achievement of a grade of C was a minimum expectation.
- A rent increase of CPI +1 % was the maximum permitted and this had been implemented this year in order to fulfil the commitment to improve the standard of living for tenants. The Council's rents remained one of the lowest in the region despite the increase.
- The aim was to provide social housing to a high standard at low rent.
- No additional funding was anticipated from the Government associated with the recently announced obligation to undertake repairs within 24 hours. This requirement had been anticipated and the Service's single point of contact had been set up to ensure that prioritisation of the vulnerable was undertaken.
- Housing management staffing had started to stabilise further to re-organisation of the relevant teams. The importance of the retention of local intelligence and knowledge was recognised, and the induction process took into account the need to ensure experience in a particular area.
- The figure of 15% of the total budget for reserves was relatively high in terms of social housing providers and was considered to be a prudent level to maintain in the case of Kirklees.
- It was acknowledged that the HRA was under significant pressure due to the investment needs. The HRA contributed significantly to the Council's General Fund costs where this was legitimate and of benefit to its tenants.
- The Income and Money Advice Team signposted to other agencies and provided assistance to tenants where possible.

Resolved –

That the Service Director and the Head of Finance, Homes and Neighbourhoods be thanked for attending the meeting and providing an update in respect of the Housing Revenue Account.

66

Procurement

A report giving an update in respect of procurement was considered by the Committee.

Councillor Davies, the Cabinet Member for Corporate, provided an introduction, explaining that:

- There were huge pressures in terms of costs, relating to both large and small contracts.
- The Procurement Team played a vital role in ensuring the achievement of best value for money, maximising social value and securing quality contactors.
- The team was working to deliver the refreshed strategy and this report focused on supplier engagement, contract management, strengthening government procedures, the forthcoming procurement legislation, and procurement planning and best practice.

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Jane Lockwood, Head of Procurement, explained that, in November 2022, Cabinet had approved the new Procurement Strategy for Kirklees, which focused on five strategic themes;

- Delivering Social Value.
- Promoting Inclusive Procurement.
- Continuing to Develop the Category-Led Approach
- Striving for Innovation and Improvement in all Areas.
- Good Governance.

Since that point the team had focused upon delivery of the new strategy, alongside normal business activity, the detail of which was set out in the report. There was a detailed action plan (which had previously been shared with the Corporate Scrutiny Panel). There had also been a focus on activity in anticipation of new procurement legislation.

Questions and comments were invited from Committee Members, with the following issues being covered:

- Timescales for the process, from business case through to delivery, were dependent on the size and complexity of the contract in question. Indicative timescales for a standard procurement had been shared with services. New processes had also been introduced to assist managers in planning and governance, improving visibility and obtaining sign-off at appropriate points.
- In terms of demonstrating outcomes in respect of delivery of the five strategic themes, data would be gathered, for example in relation to the numbers of SMEs (Small to Medium Enterprises) or the social value delivered through an individual procurement.
- Although one of the stated aims of the Health Care Services Provider Selection Regime was to reduce bureaucracy a whole range of checks and balances/scrutiny and challenge would still be in place. This legislation would not have a significant impact on the Council due to the limited number of services that fell within this remit.
- Significant work had been undertaken in respect of social value and inclusivity. An award had been won by the team in 2023 for its approach to social value. Feedback had also been received which indicated that Kirklees' record in respect of how much was being delivered was strong in comparison to others. Local spend was monitored and the level had been maintained or improved year-on-year. Work was also being pursued in respect of the development of an inclusive economy, community wealth- building and a resilient approach for communities.
- Collaboration, such as with other local authorities, was explored and pursued where appropriate.
- It was noted that the market, at the current point in time, was very challenging.
- In terms of preparation for implementation of the new legislation and introduction of new Key Performance Indicators (KPIs), it was explained that contracts that were currently being let would be governed by existing legislation.
- One of the key areas of focus within the new legislation was transparency. The authority had already introduced improvements and was continuing to work on ensuring transparency.

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- A considerable amount of activity had also been undertaken/was continuing in respect of contract management; including the establishment of a Contract Assurance and Resilience Board; participation in the Commercial Continuous Assessment Framework, which had helped to provide a good baseline to assist in identifying areas for improvement; and the sharing of information and good practice with other Local Authorities and providers. It was considered that the authority was in a strong position.
- At the present time the completion of the foundation contract management training by managers was a recommendation rather than a requirement. Feedback would be sought to ascertain its benefits and used to guide the approach for the future. This was just part of an approach to establish the right kind of culture and strengthen contract management within the organisation.

Resolved –

That another report be presented to the Committee, further to the implementation of the Procurement Act 2023, to provide an update in respect of how the work is progressing and an assessment of its impact.

67 People Strategy

A report was submitted to the Committee which provided an update on the Council's People Strategy and invited feedback from Committee members.

Councillor Davies, the relevant Cabinet Member, provided an introduction. Rachel Spencer-Henshall, Strategic Director for Corporate Strategy, Commissioning and Public Health was also present.

The Head of People Services, Shauna Coyle, presented the report highlighting the following points:

- The People Strategy was now well established within the Council.
- Delivery of the strategy was currently within Phase 2 and this was planned to continue until 31st March 2025.
- The structure of Phase 3 was under consideration and consultation was being undertaken with stakeholders.
- The four desired outcomes, as set out below, would remain the same for Phase 3 of the programme;
 - Highly Skilled, Flexible and Engaged People;
 - Effective and Compassionate Leadership;
 - An Inclusive Employer of Choice;
 - Healthy and Well People.
- The projects undertaken within Phase 2 had included, digital upskilling of the workforce, performance management and appraisal, stress prevention and management, improving data for decision-making, and a focus on improving policies and the employee handbook. Highlights of the work delivered under each of the four outcomes were given, including:
 - Investment in 135 apprenticeships, which included 55 new employees and 80 upskilled/existing employees.
 - The soft launch of a new performance management and appraisal framework focussed on four key areas: Wellbeing, Reflections, Contributions and Development.

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- Project Search and the positive impact on the employees and the wider organisation.
- The growing strength of the employee networks and their contribution to the work of the Council.
- Achieving the Society of Occupational Medicine Outstanding Occupational Health Initiative Award for the work undertaken in developing a pathway for staff with neurodiversity.
- The benefits of the work carried out in relation to stress prevention.
- Scoping work was underway in respect of Phase 3 of the programme and an outline of the initial views on what this might include.

Questions and comments were invited from Committee Members, with the following issues being covered:

- The framework in place to encourage and facilitate effective appraisals was welcomed.
- The levels of sickness absence were collated on a monthly basis and the Committee regularly received a summary of this, alongside a number of other demand and capacity indicators. The numbers citing stress as a reason for absence was monitored within those figures.
- It was acknowledged that it might be easier for appraisals to be undertaken for office-based staff but work was undertaken with other services to ensure that opportunities to have those conversations were available. The new model assisted with this.
- The current position in terms of the recruitment freeze had encouraged the succession planning approach.
- It would be helpful to have route maps to illustrate the benefits and encourage succession planning.
- Where trends and patterns were identified in particular service areas the Occupational Health Team could assist in providing an independent interface between staff and management and through offering advice and support.
- Agency staff were utilised for a range of reasons; and this was usually the correct approach from the standpoint of affordability. Examples might be where certain skills could not be supplied in the required timescale, to meet a short-term demand or for a particular time-limited project or funding stream. The use of agency staff was reviewed on a regular basis.
- In response to a query about the adoption of the four-day working week by another local authority, it was explained that, from the perspective of the organisation's people, it was believed that an effective and attractive flexible working policy was already in place, and this was a good method of serving the diverse needs of the range of staff.
- Proposals for different working patterns would never be discounted without consideration but the authority would have to have due regard to the continued need for flexibility and that workloads were manageable within any new structure.

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- It was important that people remained connected to the organisation and colleagues and did not feel isolated if working from home. Teams were encouraged to hold in-person meetings and there were a number of suitable spaces within accommodation across the district. There was a need for managers to be vigilant to members of staff who may be struggling. Relevant support was available for management with regular briefings and sharing of best practice. There was also a need to ensure that people did stop working at the right point when working from home.
- In terms of the visibility of Cabinet around the strategy and decision-making in relation to staff; it was acknowledged that this was very important at all levels across the organisation. It was essential that the Cabinet's objectives and what it was seeking to achieve were clearly explained and appreciation of staff was communicated. Cabinet members needed to be open to discussion both with staff and trades unions. This was a good point and would be taken back for consideration.

Resolved –

That the points raised by the Committee be taken into account in the future delivery of the People Strategy.

68 Lead Members' Updates

The Lead Members for the Children's and Health & Adult Social Care Scrutiny Panels provided an update for the Committee on the work being undertaken by their Panels.

69 Work Programme 2023-24

The latest version of the Committee's Work Programme for 2023/24 was considered.