

# **Resources and Governance Scrutiny Committee**

## **Minutes of the meeting held on 19 July 2018**

### **Present:**

Councillor Russell - in the Chair

Councillors Ahmed Ali, Andrews, Barrett, Clay, Davies, Kilpatrick, B Priest, Watson and Wheeler

Councillor Ollerhead, Executive Member for Finance and Human Resources

Councillor Rahman, Executive Member for Schools, Culture and Leisure  
(RGSC/18/41 and RGSC/18/43 only)

### **Apologies:**

Councillor Lanchbury, Moore, Rowles and A Simcock

### **RGSC/18/34 Minutes**

#### **Decision**

To approve as a correct record the minutes of the meeting held on 20 June 2018.

### **RGSC/18/35 Delivering the Our Manchester Strategy**

The Executive Member for Finance and Human Resources presented his report to the Committee and welcomed any comments or recommendations.

Some of the key points that arose from the Committee's discussions were:-

- In future reports, a consistent reference to Manchester's 'most vulnerable residents', as opposed to 'the vulnerable' or 'most vulnerable' would be welcomed, to ensure there was an emphasis on them as people;
- Confirmation was sought that as well as Social Value, Ethical Procurement would be an area that the Executive Member would also be focussing on;
- Could an update be given as to what was being done with anchor institutions to encourage that they too were delivering social value through their contracts;
- Was it possible to measure the benefit of social value in Members' wards and if so, how;
- As there was no specific targets within the report, how was the Committee to measure the Executive Member's success going forward;
- Future reports should also contain details on the progress being made with implementing HR priorities;
- Did the Executive member have an aspiration for the Council to become an accredited Living Wage employer;
- Consideration should be given to the Council's digital strategy and improving the information available to the public via the Council's website; and
- Could the Executive Member provide an assurance that it was not Council policy to enter into contracts with those who were responsible for blacklisting

and if it was not currently possible, that this was incorporated into the Council's Ethical Procurement policy.

The Executive Member gave an undertaking to ensure there was consistency in references to Manchester's our most vulnerable residents in his future reports. He acknowledged the comments made around Ethical Procurement and agreed that greater reference would be made to this area in future reports.

In terms of anchor institutions, the Committee was advised that the Executive Member had requested Officers produce a report for him on this particular topic and he agreed that the Council needed to be doing more to encourage these institutions to embed Social Value within their contracts.

The Executive Member advised that he would try and obtain information that related to how Social Value was benefitting Members' wards and share this with the Committee. He commented that the Council worked closely with CLES who produced statistical information for the city as a whole in relation to how Social Value was being delivered.

In terms of targets to be measured against, the Executive Member commented that as he was new in post, he had not wanted to set targets that were unrealistic at this stage. He advised that in future reports there would be targets that the Committee could measure his performance against. A key area he was keen on was ensuring that Manchester received the recognition it deserved for its work on delivering Social Value.

The Executive Member assured the Committee that it was not Council policy to enter into contracts with any organisation that was blacklisted or those who had been blacklisted and were not able to demonstrate that they no longer engaged in this type of activity.

The Executive Member confirmed that he aspired for the Council to become a Living Wage Employer and was looking into it.

## **Decision**

The Committee:-

- (1) Notes the report;
- (2) Requests that a future report is submitted to the Committee on the Council's policy for dealing with contractors who were or had been blacklisted; and
- (3) Requests that the Executive Member for Finance and Human Resources explore the possibility of the Council becoming an accredited Living Wage employer.

## **RGSC/18/36 HR People Strategy**

The Committee considered a report of the Deputy Chief Executive, which set out progress made in delivering the Council's Our People Strategy and the priorities for the next 12 months.

Officers referred to the main points and themes within the reports, which included:-

- The delivery of the 2017/18 Apprenticeship Strategy with 200 apprentice starts, which exceeded the corporate target of 169;
- A reduction of approximately 17% in agency staff spend for 2017/18 when compared to 2016/17;
- A continued downward trend in sickness absence levels;
- A significant increase in staff engagement;
- The roll-out of About You, a strengths-based performance management framework for all staff;
- The launch of a strengthened process to support staff redeployment as part of a review of m people arrangements;
- Re-accreditation of the Excellent level of the Equalities Framework for Local Government (EFLG);
- Delivery of the £1.5m workforce savings target for 2018/19;
- Priorities for the year ahead, which included
  - maintaining a focus on optimising workforce resources;
  - embedding integrated teams across the wider health and social care partnership;
  - continuing work to refresh m people; and
  - a strong focus on organisation development (OD), to restore the internal capacity that was removed historically.

Some of the key points that arose from the Committee's discussions were:-

- There was concern as to the approach some sections were allegedly managing staff underperformance through suspension whilst investigations were conducted and that these were taking very long periods to conclude;
- Whilst it was pleasing to see that the Council had achieved re-accreditation of the Excellent level of EFLG, was it possible to provide a breakdown of ethnicity across the Council;
- Further clarity was needed on the priority to restore the internal capacity to invest in OD in order to embed the Our Manchester behaviours across the workforce;
- What was being done to address those areas of the Council that had still yet to fully embrace the new cultural direction the Council was heading in;
- It was felt that there needed to be further work undertaken to reduce the amount spent on the use of agency staff; ad
- Did the Council undertake exit interviews with staff who left and if so, what was done with this information.

The Head of HROD advised that she was not aware of any situations where staff had been suspended pending investigation into their performance and asked that if Members knew of such instances, they should advise her accordingly. She offered to provide a report to a future meeting of the Committee which looked at staff performance and the tools the Council had available to address underperformance by staff.

The Head of Organisation Development advised that in terms of an ethnicity breakdown of council employees, there was an annual publication available via the Council's website that covered this which could also be circulated to Committee Members. He also advised that at the next meeting of the HR Sub Group, the Group would be looking at the issue of equality.

The Head of HROD explained that in order to successfully deliver the Our Manchester behaviours across the workforce, it would be necessary to reinvest in OD in order to improve the processes and content of the staff development offer, drive up the skills profile of the workforce; invest in leadership and management development and develop an asset-based staff development offer. This would be contained within the current budget and involve a redesign of the service to bring in more specialists within this area.

In terms of exit interviews, the Committee was advised that these were undertaken and managed at a directorate level. It was suggested that consideration could be given as to how the information gathered could be used at a corporate level to help improve and shape future service delivery.

## **Decision**

The Committee

- (1) notes the report; and
- (2) requests a future report on underperformance and disciplinary management.

## **RGSC/18/37 Update on implementation of the General Data Protection Regulations (GDPR)**

The Committee considered a report of the City Solicitor, which set out the impact of GDPR on the Council and updated the Committee on the work done to implement GDPR including mitigating the loss of personal data.

Officers referred to the main points and themes within the reports, which included:-

- To ensure that the Council was in a position to comply with the new data protection laws, an intensive work programme led by an interdisciplinary team of officers had been carried out;
- Whilst there were areas where more work was needed to fully embed the new requirements, the Council's rating using the Information Commissioner Office's online GDPR self-assessment tool was 'overall green';
- The duty on the Council to record all data breaches and to report data breaches that were likely to result in a risk to an individual to the Information Commissioner's Office within 72 hours of becoming aware of the breach;
- The Council had built on existing practices and procedures to ensure staff were aware of the need to take care when handling personal data and what constituted a data breach;
- Awareness regarding GDPR requirements including data breaches had been raised by a variety of measures, including a 'Golden Rules' communications campaign.

- 92% of staff with ICT access had completed the Council's Information Governance (IG) e-learning module (which took into account GDPR). Arrangements had also been made for training staff who did not have ICT access; and
- As required by GDPR the Council has appointed a Data Protection Officer (DPO)

Some of the key points that arose from the Committee's discussions were:-

- What process was in place in the event of a fine for failure to meet GDPR requirements;
- When would the Council reach full maturity of the project;
- Could anything be put in place to make the IG training compulsory for staff;
- How many reports of data breaches had there been since GDPR came into effect;
- Was the role of the DPO a full time permanent position

The Head of Governance advised that the Council was trying to minimise the risk of any fine by ensuring staff dealt with data protection appropriately and although the risk could not be completely removed, it was felt that in the main risks could be minimised by demonstrating the Council had good practices in terms of how it handled personal data. It was acknowledged that it would be preferable that all staff completed the IG training and it was possible to target those individuals who had yet to complete this. In terms of the full maturity of the project, there was still some aspects that needed completing, but it was hoped that these areas of work would be completed soon in order to ensure that good GDPR practices were embedded within directorate.

The Committee was advised that between GDPR had come into effect and 20 June 2018, there had been 39 data breaches logged. This was seen as a positive sign as it demonstrated that staff were aware of the requirements to report data breaches promptly. It was confirmed that the role of the DPO was a full time permanent position and was responsible amongst other matters for monitoring data protection compliance, making recommendations to the Council's Corporate Information Assurance Risk Group (CIARG) and Departmental Senior Information Risk Owners (DSIRO's) for actions to prevent the recurrence of specific categories of breach and to ensure lessons were learnt across the Council.

## **Decision**

The Committee notes the report

### **RGSC/18/38 ICT update**

The Committee considered a report of the Chief Information Officer, which provided an update on the steps being taken around data retention and resilience, key ICT projects and the financial position of the service.

Officers referred to the main points and themes within the reports, which included:-

- The progress made in all major projects, including:-
  - Data Centre Programme;
  - Public Services Network (PSN);
  - Assistive Technology in Adult Social Care;
  - Estates Transformation;
  - Communications Room;
  - Universal Access;
  - Networks and resilience; and
  - Capital Investment Plan
- The contract with the Council's new data centre facility provider was anticipated to start in October 2018, which would deliver the Council's first resilient data centre facilities;
- The service had lost a number of key resources recently. Feedback received had highlighted the growth and opportunities in the technology sector across Greater Manchester and higher wages on offer;
- The 2018/19 approved ICT revenue budget was £13.684m with £0.520m savings proposed;
- ICT were currently forecasting a breakeven position as at the end of May 2018, although there was an underspend on staffing costs due to vacant positions; and
- The ICT combined programme was forecasting £7.878m (of which £0.700m was unallocated and related to pipeline projects) against a total 2018/19 budget of £16.441m, which was resulting in a variance of (£8.563m).

Some of the key points that arose from the Committee's discussions were:-

- When was it anticipated that the Assistive Technology programme for Adult Social Care would be implemented and what would this technology include;
- A lot of the work within ICT was supportive of functions in other directorates. As such how were projects prioritised, governed appropriately and delivered effectively;
- Why was the Council not currently compliant with PSN
- How was the Council looking to retain staff within ICT and what offer was available to them in terms of flexible working, and how many staff currently worked part time;
- Was there any plans or consideration being given to looking at having a Municipal Broadband provider similar to arrangements in Stockholm and the Netherlands;
- How was Social Value and Ethical Procurement being delivered as part of the capital spend within ICT; and
- Was it thought that recent fines incurred by Google as reported in the national press, have any impact of its presence in the UK and if so would it have any bearing on the Council's contract with Google.

The Chief Information Officer advised that the roll out of the Assistive Technology programme was being overseen by the Director of Adult Social Care. The technology would be used to provide people with greater control over their own support plan and level of independence to enable people to live at home much longer. The production of specifications was currently underway to take proposals

out to the market to find the appropriate technology solution and third party providers. Soft market testing was also underway and a number of technology partners and social care providers had been engaged with to develop the way forward.

In terms of prioritisation of projects, it was explained that there was a significant number of layers of governance that impacted the change process that ICT went through to deliver new services, including SMT, and ICT Board and a Capital Board. There was also a number of ICT Business Partners within each directorate to ensure that the priorities of the directorate structures were replicated in what ICT delivered. The Chief Information Officer gave an undertaking to work with the Committee to ensure that there was effective scrutiny of this process in the future.

The Committee was advised that the reasons for non-full compliance with PSN was detailed in the report. It was expected that the Council would reapply for this compliance in October 2018. Reassurance was given that there was no operational risk internally as things stood.

The Chief Information Officer acknowledged that the issue of retaining staff was an area of concern and challenges did exist in maintaining staffing levels. Various methods of retention have been implemented which had included the payment of honorariums, market rate supplements and opportunities to maximise the use of the apprenticeship levy. He explained that due to the demand and transformation of this sector, it needed to be acknowledged that staff would no longer stay with a single organisation throughout their career. In terms of flexible working, apart from staff that worked on a rota basis on the service desk, all other staff were able to work flexibly. This included 10 out of 168.5 FTE staff working part time. The Committee felt that this was an area that Officers could explore further and the Chief Information Officer agreed to look at it further.

In terms of the Capital Plan, there was some work to be undertaken to look at a new corporate Wi-Fi solution and a procurement exercise would be undertaken in the next 12 months and it was hoped to open up the opportunity to engage in this with SME organisations that contributed to the Council's Social Value aspirations. This could potentially include the Council or a wholly owned company of the Council that was compliant with procurement guidelines.

It was reported that any external contract for ICT provision needed to demonstrate the highest levels of social value sign off. It was made clear in all contracts, the percentage terms a contractor must reach in delivering social value prior to the letting of a contract. The Executive Member for Finance and Human Resources commented that ICT was a very good exemplar of a Council department delivering social value.

The Executive Member for Finance and Human Resources did not feel that the fine incurred by Google would have any impact on its presence in the UK or have any detrimental impact on its contract with the Council.

## **Decision**

The Committee:-

- (1) Notes the report;
- (2) Requests that in future reports, information is provided on:-
  - the process undertaken for the prioritisation of projects for different directorates;
  - details on the original capital spend against each project and any variance, the original planned delivery date, revised delivery dates, and actual delivery date of projects;
  - the original approved budget and revised approved budget for projects;
  - the viability of a municipally owned business that could bid for various IT procurement projects; and
  - the retention strategy for ICT staff

### **RGSC/18/39 Financial support for care leavers including a Council Tax discount**

The Committee considered a report of the City Treasurer, which sought Executive approval to provide financial support to care leavers in order to assist them in managing the social and financial transition from local authority care to independent living and assist in sustaining tenancies whilst mitigating the risk of homelessness and increased transience for this vulnerable group of young people.

The Director of Customer Services and Transactions referred to the main points and themes within the reports, which included:-

- The Council's responsibility to care leavers;
- The challenges care leavers faced in managing their own finances;
- The powers available to the Council to provide financial support assistance;
- The position of support across the other Greater Manchester authorities, including the cost to date in providing this support
- The Councils position in terms of support provided including the cost to date;
- Revenue consequences associated with extending the provision of support and age range for care leavers up to their 25<sup>th</sup> birthday;
- Legal considerations in respect of legislation of looked after children and care leavers and Council Tax legislation; and
- Proposed next steps.

The Committee had been invited to comment on the report prior to its submission to the Executive on 25 July 2018.

There was unanimous support from the Committee in relation to the proposals within the report. A key point that arose from the Committees discussions was:-

- In terms of the pre-tenancy training courses that required undertaking by care leavers, could consideration be given to providing more training around managing budgets.

## **Decision**

The Committee:-

- (1) Notes the report;
- (2) Requests that Officers take into consideration the request around additional training in managing budgets; and
- (3) Endorses the recommendations to the Executive as follows:-

That the Council supports the proposal set out in the proposed AGMA protocol and the following changes are made and agreed to Manchester City Council policies.

For any bills or charges relating to the 2018/19 financial year, the Council will award a Council Tax discount to care leavers of up to 100% of the Council Tax that is due, subject to the following points:

- The discount will apply until the care leaver reaches their 25<sup>th</sup> birthday;
- If the care leaver is joint and severally liable or becomes a member of a household where an exemption or discount is in place, such as a Single Person Discount or Student Exemption, the presence of the care leaver should be ignored so that the exemption/discount is not affected;
- Care leavers up to their 25<sup>th</sup> birthday are included as a specific vulnerable group in the Council's discretionary financial support policies including the Welfare Provision Scheme, the Discretionary Council Tax Support Scheme and the Discretionary Housing Payment scheme;
- For the purposes of this report, a care leaver is defined as an individual whom any Council has Corporate Parent responsibilities for. The care leaver should be resident in the Manchester area and have been in the care of a local authority (looked after) for at least 13 weeks since the age of 14 and who was in care on their 16<sup>th</sup> birthday;
- This decision is effective from the beginning of the 2018/19 financial year and, as such, any awards would be backdated to 1 April 2018 where appropriate. Care leavers who become responsible for Council Tax after this date will be granted the discount from the date of occupation; and
- The Council has discretion to backdate the care leavers discount to April 2017 and this discretion is delegated to the Director of Customer Services and Transactions or their nominated representative. Each request will be considered on its own merits.

## **RGSC/18/40 Overview Report**

The Committee considered a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

## **Decision**

The Committee notes the report.

## **RGSC/18/41 National Speedway Stadium update (Part A)**

The Committee considered a report of the Strategic Director (Development), which provided update in relation to the National Speedway Stadium at Belle Vue Sports Village following the report to the Resources and Governance Committee dated 21 June 2018.

The Strategic Director (Development) referred to the main points and themes within the reports, which included:-

- A chronology of the events leading to the Eastlands Trust ('the Trust') being instructed by the Council to operate the National Speedway Stadium in November 2016 and Belle Vue Speedway 2017 Ltd ('BVSL') entering into a lease agreement with the Council in 2017;
- Clarification of the relationship between the Council with Eastlands Trust and BVSL;
- The current and future position of BVSL;
- The future proposal for the speedway sport nationally;
- Clarification about the Council's proposed financial support to enable the establishment of a speedway academy at Belle Vue; and
- Clarification of the proposed investment into the National Speedway Stadium by the Council.

Some of the key points that arose from the Committee's discussions were:-

- With the information now provided, there was support for the proposals to provide financial support to enable the establishment of a speedway academy at Belle Vue;
- It was hoped that the investment in the stadium would result in a similar effect as the investment that had been made in the Manchester Velodrome for the 2002 Commonwealth Games;
- It was good to see that a range of non-speedway activities and usage had been proposed for increased income opportunities at the stadium; and
- There was a reassurance that the new operator arrangements would be in line with the rest of the leisure estate, where all potential losses were fully underwritten by the operator and not the Council.

### **Decision**

The Committee notes the report.

## **RGSC/18/42 Exclusion of Press and Public**

A recommendation was made that the public be excluded during consideration of the next item of business.

### **Decision**

To exclude the public during consideration of the following item which involved consideration of exempt information relating to the financial or business affairs of

particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **RGSC/18/43 National Speedway Stadium update (Part B)**

The Committee considered a report of the Strategic Director (Development), which provided additional information that was requested by the Committee including the Business Plan, provided by Belle Vue Speedway 2017 Ltd.

The Committee asked questions to which the Strategic Director (Development) and the Executive Member for Schools, Culture and Leisure responded.

### **Decision**

The Committee notes the report.