

Attendance

Members of the Our Council Scrutiny Panel

Cllr Alan Bolshaw
Cllr Milkinderpal Jaspal
Cllr Susan Roberts MBE
Cllr Simon Bennett
Cllr Roger Lawrence
Cllr Bhupinder Gakhal (Chair)
Cllr Udey Singh (Vice-Chair)

In Attendance

Cllr Louise Miles – Cabinet Member Resources

Employees

Earl Piggott-Smith	Scrutiny Officer
David Pattison	Director of Governance
Charlotte Johns	Director of Strategy
Claire Nye	Director of Finance
Michelle Howell	Finance Business Partner
Julia Cleary	Scrutiny and Systems Manager
Martin Stevens	Scrutiny Officer

Part 1 – items open to the press and public

Item No. *Title*

1 **Welcome and Introductions**

Cllr Bhupinder Gakhal, Chair, welcomed everyone to the virtual meeting and advised it was being live streamed to the press and public. Cllr Gakhal advised that he was not expecting any exempt or restricted items on the agenda. A recording of the meeting would be available for viewing on the Council's website at a future date

2 **Meeting procedures to be followed**

Cllr Gakhal explained the protocol to be followed during the meeting for asking questions and reminded everyone that microphones should be muted and cameras off, unless they have been invited to speak. Earl Piggott-Smith, Scrutiny Officer, invited all attendees to introduce themselves to confirm they were present at the meeting.

Please note that the following employees were also in attendance at the meeting:

Claire Nye
Charlotte Johns
Michelle Howell

David Pattison
Martin Stevens
Julia Cleary
Cllr Louise Miles – Cabinet Member Resources was also in attendance

3 **Apologies**

Apologies were received from the following:

Cllr Payal Bedi-Chadha

Cllr Paula Brookfield – Cabinet Member Governance

4 **Declarations of interest**

There were no declarations of interest recorded.

5 **Minutes of previous meeting**

The panel members voted and approved the minutes of the meeting held on 30 September 2020, as being a correct record.

6 **Matters arising**

There were no matters arising from the minutes.

7 **Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024**

Michelle Howell, Finance Business Partner, presented the report and referred the panel to recommendations asking for comments on the draft budget and medium-term financial strategy and also the budget relevant to the remit of the panel and how that budget is aligned to the priorities of the Council. The comments will be included in a report to Scrutiny Board for their consideration after they have been approved by the Chair and Vice Chair as part of the response to the annual budget scrutiny.

The Finance Business Partner gave an overview of the Council's financial position as detailed in Section 2 of the report and advised the panel that the Council has a legal requirement to set a balanced budget and that the 2020-2021 budget was set without the use of the General Reserves.

The Budget and Medium-Term Financial Strategy (MTFS) 2020-2021 to 2023-2024 was presented to Full Council for approval on 4 March 2020. The Council was able to set a balanced budget for 2020-2021 without the use of General Reserves. However, it was projected that the Council would be faced with finding further estimated budget reductions totalling £15.5 million in 2021-2022 rising to around £20 million over the medium term to 2023-2024.

The Finance Business Partner advised the panel that the budget was prepared prior to the Covid-19 pandemic which has had a significant international, national and regional impact. The panel were advised that work has been ongoing across the Council since March 2020 to review corporate resources assumptions, growth and inflation in line with the Five-Year Financial Strategy to support the budget strategy for 2021-2022.

The Finance Business Partner advised the panel that an updated Draft Budget and Medium Term Financial Strategy was published in November 2020 and is attached as an appendix to the main report. The report includes details of the projected

financial implications of the Covid-19 pandemic and the next steps that will be taken in order to address the financial pressures faced by the Council over the medium term. The panel were reassured that the Council has a strong track record over many years of managing its finances and outlined the work being done to balance the budget and also respond to the financial impact of the pandemic.

The Finance Business Partner commented that based on current projections of the cost implications of Covid-19 in 2020-2021 there will be a £324,000 cost pressure. This figure does not take account of the impact on the second national lockdown and future Government announcements on its response to the pandemic.

The Finance Business Partner commented on the challenges going forward when considering the impact of Covid 19. The Council is assuming that Government will provide sufficient grant funding to cover the cost of Covid-19 related cost pressures. Assuming this is the case, the budget deficit is estimated to be in the region of £4.5 million in 2021-2022, rising to £19.6 million over the medium-term period. A range of options will be considered to bridge the gap needed to set a balanced budget, for example efficiency targets being allocated to directorates.

However, in the event that sufficient grant funding is not provided to meet the cost implications of Covid-19 then this would have a significant impact on the Council and require a fundamental review of services in order to identify budget production sufficient enough to set a balanced budget. The projected budget deficit in 2021-22 could rise to a minimum of £23.2 million in the event that one-off Government funding for Covid-19 cost pressures is not received. This figure could increase to £40 million over the medium-term period.

The Finance Business Partner invited Director's responsible for services within the remit of the panel to comment on the relevant sections of the budget report.

Claire Nye, Director of Finance, initially briefed the panel on the Government announcement on Spending Review 2020 announced earlier in the day, and the main headlines. Further details of the spending plans will be shared with Cllrs when available. The Council welcomed the Government commitment to provide local authorities with extra funding. Further work will be done to assess if the proposals will be sufficient as more details are expected from Government in the next few weeks.

The Director of Finance commented on the Finance and Corporate Budgets that she is responsible for, and described work done to ensure budgets are managed well by introducing changes to systems that deliver both savings and more efficient services that benefit residents and businesses. The service has invested in changes to achieve efficiency savings into developing new systems and working practices which has helped to reduce budget expenditure and improve outcomes.

Charlotte Johns, Director of Strategy, commented on how the work of her directorate contributes to the delivery of the outcomes referred to by the Director of Finance. Investment in ICT and technology and the use of data and has helped to drive efficiencies across the whole council, to deliver better outcomes and value for local people. The Director of Strategy outlined how work to link performance data and financial reporting is key, and this continues to be a focus of work going forward.

David Pattison, Director of Governance, advised the panel that his responsibilities include Legal and Governance and that the focus of the service was looking to see how to do things differently to achieve the desired outcomes for the City. The service is finding ways to make sure that it can help deliver those outcomes and aspirations. He gave examples of this such as agendas on enforcing car cruising injunctions and also taking legal action against businesses who have not complied with Covid-19 restriction rules. The Director of Governance commented on progress in recruiting apprentices in Legal Services which is part of a policy of growing people in the Council and supporting them to progress their career.

Councillor Louise Miles, Cabinet Member for Resources, commented that a further update on the implications of the spending announcement by the Chancellor can be brought to a future meeting of the panel if that would be helpful.

Resolved:

The panel agreed to note the report.

8 **Harnessing the power of digital for the future and agile working (report to follow)**

Councillor Miles, Cabinet Member for Resources, introduced the presentation and gave a definition the term 'agile working'. The presentation will give more details about agile working in the Council in the future.

The Cabinet Member advised the panel the Civic Centre is the Council's headquarters where the majority of Council employees are based and will continue to be based. The working environment has changed as result of pandemic restrictions and it is expected that home working will be part of future flexible and agile work plans for immediate future. The Cabinet Member commented on the challenges of home working under lockdown conditions and explained that the Council has developed new working practices in the past few months in response the challenges presented by the pandemic.

Charlotte Johns, Director of Strategy, commented on the key questions that she would like the panel members to consider during the presentation. The overall context of the presentation was to brief the panel about the work being done to harness the power of digital connectivity for the Council in the broadest sense.

The Director of Strategy presentation covered two main areas, lessons learnt from the use of agile working and harnessing the power of digital in the government mandated lockdown and then looking longer-term on how the Council should take forward the use of agile working and technology to inform its policies going forward. The Director of Strategy listed three areas of work, citizens and businesses, employee and the environment with specific examples of agile working and the use of digital technology during the pandemic.

The Director of Strategy commented on the work done to ensure a rapid mobilisation of agile working. The Council had done preparation in advance of the formal lockdown to deliver mobile working technology. A number of test days were used make sure the organisation was ready for the change to home working. In addition, there was a rapid rollout of new systems such as Microsoft Teams to support home

working. At the start of the 2020 it was reported that 300 people were using Microsoft Teams, that figure has now increased to over 3,700 people. ICT has collaborated with employees and Councillors to help develop these systems.

The Director of Strategy commented on work done to make sure that people had the right devices and equipment to enable them to work from home, while also recognising the difficulties faced by some employees during the lockdown. The Director of Strategy commented that using new developments in technology has enabled the Council to quickly introduce the Stay Safe Be Kind telephone service to ensure that vulnerable residents were supported during the first national lockdown.

The Director of Strategy reassured the panel that the safety and security of the Council's ICT systems is a priority and the work done has led to the award of Cyber Essentials plus certification. The award gives external accreditation and assurance about the security and resilience of current ICT systems. The service is continuing to roll out key infrastructure changes such as the 5G network which will connect 170 public sector premises in the City and work on this continued during the lockdown.

The Director of Strategy commented on key ICT systems such as the Eclipse. The system has been now live and working well in bringing together a number of key systems and data sets to make sure that children social care workers have timely information when needed. The Director of Strategy commented on other changes to key ICT systems which have enabled the continued delivery of Council services to the public during the lockdown and other restrictions.

The Director of Strategy commented on the extensive engagement work done with members of the Citizen Panel and the feedback highlighted the need for flexibility in how the Council respond and deliver services going forward; while recognising concerns about the level of digital exclusion across some areas of the City. The feedback from the employee Life in Lockdown survey had 1270 respondents, which is the highest response rate than any other previous employee survey. The survey findings were important in helping to understand how lockdown restrictions has impacted on the lives of employees that responded.

The panel discussed the benefits and challenges presented by employees working in agile way and remotely. The panel expressed concern that current remote working has limited the opportunity for people to talk informally to either develop ideas to solve problems or share ideas. The panel wanted to look at ideas for capturing and sharing such knowledge. The panel also highlighted the importance of team working in physical locations where possible and considered that a balance needs to be found that will allow people to work in a building.

The Director of Strategy agreed with the view of importance of finding a balance. The issue was highlighted in the response from employees in Life in Lockdown survey about the issue of flexibility during lockdown. There is a desire to take the best aspects of having to work in this way but also not to lose benefits of working collaboratively in the same physical location at some future date. The value of informal networking and problem solving was highlighted. The importance of Civic Centre as being the key employee base for Wolverhampton was also highlighted.

The panel discussed whether the evidence presented was intended to support the idea of employees using Council buildings and working from home will continue into

the near future and the implications for employee wellbeing of the continued agile working arrangements.

The panel discussed the profile of people who took part in the survey and how representative the views expressed were of the majority of Council employees. The Director of Strategy accepted that while the survey did not cover the majority of the employees it has been the highest response to an employee survey. The panel expressed concern about making decisions about future agile working arrangements without considering the possible impact on the use of buildings and on the working conditions of employees, who may be affected. The issue of employees working at home with poor broadband connectivity was given as an example.

The Director of Strategy reassured the panel that findings are a work in progress and work will continue to reflect on future agile working arrangements. The findings from the employee Life in Lockdown survey is part of the evidence collected at a point in time and the latest survey is intended to present an update to these findings.

The Director of Strategy commented that the Our People Strategy report is the agenda for the next meeting of the panel. This report will respond to some of the issues of concern highlighted by members of the panel about agile and flexible working, particularly for employees who may be struggling with managing work and their caring responsibilities. The panel discussed the issue of the long-term mental effects of working from home for employees.

The panel commented on the need to continue to consider the needs of the population who cannot afford the cost of connecting online to different services and the linked issue of loneliness linked to home working.

The Director of Strategy commented in the importance of digital inclusion and referred to the reason for suggesting the issue of connectivity as a cross-cutting theme across all the scrutiny panels. The issue is considered to be critical to ensuring the best outcomes for local people and a significant amount of work is ongoing to support this aim.

The Director of Strategy reassured the panel that the Council has put a lot of effort into raising the awareness of the challenges created by having to work from home during national lockdowns, and gave examples of the range of practical support offered to employees in recognition of the importance of maintaining good health and well-being. Furthermore, learning from the experience of the first lockdown is being used to inform the current response to what Councillors, employees and other stakeholders are saying about the way the Council delivers services to local people. The panel discussed the importance of delivering good quality services to residents regardless of the method chosen.

The panel discussed the issue of employee appraisals during the lockdown and other restrictions. The issue of performance management is an issue which can be included as part the presentation to the panel at the next meeting. The Director of Strategy commented on the new employee appraisal process of professional conversations, which is focused on outcomes. The new process includes specific detailed sections for managers and employees to talk about health and well-being issues.

The Cabinet Member welcomed the contributions of panel and offered to present an update on progress of the issues detailed in the presentation to a future meeting. The panel suggested the report should also include update on findings from employee welfare checks. The Cabinet Member acknowledged the importance to the Council of creating informal spaces for employees to discuss issues and to share ideas.

Resolved

1. The panel agreed to note the report.
2. The Director of Strategy to consider the panel comments on agile working in the future report to the panel on the Our People Strategy.

- 9 **Our Council Scrutiny Panel 2019 20 - Draft Work Programme**
Earl Piggott-Smith, Scrutiny Officer, presented the draft work programme and invited panel members to comment.

The panel queried the timing of the annual scrutiny planning event. The Scrutiny Officer advised the panel that no decision made about format and timing of the scrutiny planning event. There are discussions about presenting a review on the annual report of work done by scrutiny panel members. There is a plan to present a report to outline work done across panels linked to the connected city theme, which was agreed as a priority issues earlier in the year. Julia Cleary, Scrutiny and Systems Manager, commented on the need to assess the impact of scrutiny on the work of the Council and including this information as part of the annual review.

Resolved:

The panel agreed to note the report.

- 10 **Treasury Management Activity Monitoring Report 2020-21 Quarter 1**
The Director of Finance introduced the report and briefed the panel about the key points in the document.

Resolved:

The panel agreed to note the report.

- 11 **Treasury Management Activity Monitoring – Mid Year Review 2020-2021**
The Director of Finance introduced the report and briefed the panel about the key points in the document.

Resolved:

The panel agreed to note the report.