

Our Council Scrutiny Panel

Minutes - 19 January 2022

Attendance

Members of the Our Council Scrutiny Panel

Cllr Udey Singh (Vice-Chair, in the Chair)
Cllr Chris Burden
Cllr Jonathan Crofts
Cllr Tersaim Singh

Members of the Our Council Scrutiny Panel in attendance via Teams

Cllr Paul Appleby
Cllr Jaspreet Jaspal
Cllr Rupinderjit Kaur
Cllr John Reynolds
Cllr Clare Simm
Cllr Jacqueline Sweetman
Cllr Milkinderpal Jaspal

Employees

Earl Piggott-Smith
Alison Shannon
David Pattison
Charlotte Johns
Claire Nye
Julia Nock
Solomon Scott
Jin Takhar

Scrutiny Officer
Chief Accountant
Chief Operating Officer
Director of Strategy
Director of Finance
Deputy Director of Assets
Equality Diversity and Inclusion (EDI) Advisor
Head of Equality Diversity and Inclusion

Part 1 – items open to the press and public

Item No. *Title*

1 **Welcome and Introductions**

In the absence of the Chair Cllr Zee Russell, Cllr Udey Singh (Vice Chair) chaired the meeting. The Chair welcomed everyone to the meeting and advised it was being live streamed to the press and public. A recording of the meeting would be available for viewing on the Council's website.

2 **Meeting procedures to be followed**

The Chair explained the protocol to be followed during the meeting for asking questions and reminded everyone that microphones should be muted and cameras off, unless have been invited to speak by the Chair.

3 **Apologies**

Apologies were received from the following:

Cllr Zee Russell

4 **Declarations of interest**

There were no declarations of interest recorded.

5 **Minutes of meeting 29 September 2021**

The panel approved the minutes of the meeting held on 29 September 2021 as being a correct record.

6 **Minutes of the meeting 2 November 2021**

The panel approved the minutes of the meeting held on 2 November 2021 as being a correct record.

7 **Minutes of the meeting held on 17 November 2021**

The panel approved the minutes of the meeting held on 17 November 2021 as being a correct record.

8 **Specific Reserves Working Group Report 6 December 2021**

The Chair invited Alison Shannon, Chief Accountant, to present the report of the Specific Reserves Working Group. The Chief Accountant advised the panel that the remit of the group is to review the appropriateness of reserves held by the Council and to make recommendations to Cabinet transfer the funds to the General Reserve fund.

The Chief Accountant advised the panel that the working group recommended that Cabinet consider transferring the following reserves into the Council's Corporate Reserve.

- School Arts Service Reserve
- Building Resilience Reserve
- Art Gallery Touring Exhibitions Reserve

The panel were invited to consider and approve recommendations of the working group.

The panel expressed concern about the recommendation to transfer the funds for Art Gallery Touring Exhibitions Reserve and the School Arts Service Reserve in view of previous efforts to promote arts and culture in the city.

The panel highlighted the recent experience of local art and culture groups who have struggled to find sources of finance and would potentially benefit from the fund, depending on the criteria. The panel suggested that the lead for arts and culture in the Council should be asked to consider the possibility of the reserves be used to support local groups rather than being transferred into the Council's General Reserve Fund. The Chief Accountant agreed to discuss the recommendation with the relevant Head of Service.

The panel agreed to the note the report.

Resolved:

1. The panel approved the revised recommendation as to future use of reserves being transferred to the Council's General Reserve Fund.
2. The panel approved the minutes for the Specific Reserves Working Group meeting on 6 December 2021.

9

Digital Wolves Strategy - pre-decision scrutiny

The Chair advised the panel that the Digital Wolves Strategy was being presented panel for pre-decision scrutiny and therefore would not be available for Call-in once a decision has been made by the Executive. The Chair invited Charlotte Johns, Director of Strategy to present the report.

The Director of Strategy advised the panel that it would be a joint presentation with Heather Clark, Head of External Funding and Digital Projects.

The Director of Strategy advised the panel the draft Digital Wolverhampton Strategy was being presented for pre-decision scrutiny before it is sent to Cabinet on 23 March 2022 for approval.

The Director of Strategy introduced a presentation which outlined the background to the development of the strategy, and the three overarching aims of the strategy to maximise the benefits of digital to residents and businesses, and an overview of the five key themes to deliver them. The Director of Strategy advised the panel that there is a public consultation ongoing and the feedback on the Draft Digital Wolverhampton Strategy would be included in the report presented to Cabinet.

The Director of Strategy commented on the link between the digital strategy and the Relighting Our City priorities and the delivery of effective and efficient public services. The new strategy aims to maximise the benefits of digital more broadly to residents and businesses in the city. The Director of Strategy briefed the panel on the key themes of Wolverhampton's Digital Infrastructure Strategy which was adopted in January 2020 and commented on the progress to date.

The Director of Strategy invited the Head of External Funding and Digital Projects to continue with the presentation. The Head of External Funding and Digital Projects outlined the approach to the development of the strategy and the vision.

The Head of External Funding and Digital Projects outlined the aims of the strategy and gave specific details of progress against each of the listed priorities.

The Director of Strategy offered reassurance that the draft has been developed through ongoing engagement and will be supported by detailed action plans to ensure the delivery of the strategy.

The Director of Strategy briefed the panel on some of the issues highlighted in responses to the consultation, for example, 5G and health implications and possible security risks. The Director of Strategy commented on the misinformation during the early months of the pandemic and the wholly unsubstantiated link between 5G masts and the spread of Covid 19 which led to telecommunications workers being wrongly targeted.

The Director of Strategy reassured the panel of the robust evidence from scientists and public health experts, and the WHO that there is no risk to the public health from the use of 5G technology.

The Director of Strategy commented on concerns in the media, nationally and internationally, about potential security risks, particularly from Chinese owned companies and their involvement in digital infrastructure development. The Director of Strategy reassured the panel that cyber security and other risks continue to be managed to meet the highest levels of security and the companies involved comply with requirements of the Telecommunications (Security) Act 2021.

The panel were invited to comment on the draft strategy.

The panel queried the timetable for when homes and businesses where street cabling work had been completed would be connected to the full fibre broadband network. The Director of Strategy advised the panel that in terms of the commercial rollout of the full fibre network with City Fibre, 17,000 premises have been connected. In terms of connecting homes to the network, owners will be contacted by the infrastructure provider when it is possible to change to a broadband provider to receive the benefits of a full fibre network.

The panel shared concerns from a local business looking for premises which offered full fibre network needed and not being able to find the service available in the city centre or Wolverhampton Science Park and as a result the owner decided to locate to a site outside of Wolverhampton.

The Director of Strategy commented that because of the work of the digital infrastructure strategy there is full fibre broadband within the city including the city centre which has enabled local businesses to benefit from the increased broadband speeds. The Director of Strategy advised the panel to refer queries from residents or businesses with digital connectivity issues to the Head of External Funding and Digital Projects and members of her team for advice about how they can best access the highest quality digital infrastructure.

The Director of Strategy commented on the importance of the strategy and advised the panel that based on an economic assessment of the introduction of a local full fibre network, that over a period of 15 years it is expected to benefit the local economy by more than £149 million.

The panel commented on the challenges experienced by older residents when using the internet and queried the support available to help them. The Head of External Funding and Digital Projects advised the panel that the Council is working with a network of 30 trusted partners on local schemes to provide a range of individualised support, for as long as needed, to help people get connected to the internet where they are having problems getting online.

The panel queried the risk of raising unnecessary concerns people about the rollout of the full fibre broadband with the phrasing used in some parts of public document. The Head of External Funding and Digital Projects agreed to review the wording of the sections highlighted to clarify where necessary to avoid a risk of possible misunderstanding among the public.

The panel commented on the map showing the relative risk of digital deprivation and expressed concern that this will add a further barrier to the range of existing challenges and issues residents living in these areas are already experiencing.

The Head of External Funding and Digital Projects commented that the trusted partner network includes a range of organisations who will work with the communities highlighted, for example, the Refugee Migrant Centre, to provide the support required. In addition, the service is looking at aligning a place-based hybrid support approach to ensure that there is public wifi available in the communities, where needed.

The panel discussed the safety concerns about the use of 5G network. The panel suggested the issue should be referred to the Director of Public Health to respond directly to any specific concerns.

The Director of Strategy repeated earlier safety reassurances and the strong messages from the international science and public health community about the safety of the 5G technology.

The panel suggested that following on from the previous discussion about the timetable for residents connecting to the full fibre broadband network it was suggested that it would be helpful to get regular updates on when homes should be connected and the overall progress of the rollout of the full fibre programme across Wolverhampton.

The Director of Strategy commented that there is already an arrangement to brief local Councillors when streets are being dug up to lay cables for full fibre broadband in their ward. The Director of Strategy agreed to work with the infrastructure providers to ensure Councillors are updated when full fibre will be ready to be connected to premises in their wards.

The panel agreed to note the report.

Resolved:

1. The panel comments on the draft Digital Wolverhampton Strategy be considered by Cabinet on 23 March 2022.
2. The Director of Strategy agreed to work with the infrastructure providers to ensure Councillors are updated when full fibre will be ready to be connected to premises in their wards and report progress to a future meeting.

10

Treasury Management Strategy

The Chair invited Alison Shannon, Chief Accountant, to present the report.

The Chief Accountant explained that the presentation would cover the Treasury Management Strategy Report and changes to the Treasury Management Code of Practice and Prudential Code, which was published by CIPFA in December 2021. The Council is required to have regard to the codes.

The Chief Accountant gave an overview of the legal requirements, a definition from CIPFA of the term 'Treasury Management' and the process for approving the strategy. The performance of the strategy is reported to Cabinet, Full Council and Our Council Scrutiny Panel. The Chief Accountant advised the panel that at the end of the presentation panel members would be invited to give feedback on the strategy and the changes to code.

The Chief Accountant reassured the panel that there were no significant implications for the Council because of the planned changes to the Treasury Management Code of Practice and Prudential Codes (Code).

The Chief Accountant gave details of the six elements covered by the strategy report.

The Chief Accountant advised the panel that the work has been to assess the implications of the changes to the Code along with consideration of the timing of their introduction. The Code was last updated in 2017 and the changes have been introduced to strengthen the requirements for the skills and training for employees and Councillors and for investments not specifically for treasury management purposes.

The Chief Accountant briefed the panel about some of the key changes to the Code, for example, the need to report and clearly distinguish investments for Treasury Management, Services and Commercial. The Chief Accountant explained that treasury management investments are ultimately how the Council invest cash until it is required, service investments are assets primarily used and held for the provision of delivering a public service such as housing, and commercial investments are held primarily for a financial return.

The Chief Accountant advised the panel that the Council is still awaiting detailed guidance from CIPFA about some of the changes to the Code which are not expected until the end of January 2021. The Chief Accountant advised that a further report will be presented to Cabinet and to the panel in due course on these changes.

The Chief Accountant advised that Codes state what local authorities can borrow and invest for. In terms of borrowing, local authorities must not borrow to invest primarily for financial return. The Codes state that it is not prudent for local authorities to make any investment or spending decisions that will increase the capital financing requirement, which may lead to new borrowing. The Chief Accountant listed the purposes that local authorities can borrow and invest.

The Chief Accountant explained the lending terms for the Public Works Loans Board (PWLB) and added that local authorities are required to submit a high-level description of their capital spending and financing plans, including the expected use.

The Chief Accountant added that in terms of treasury management, the Council only has short term cash investments and does not hold any long-term investments such as property funds. The Chief Accountant briefed the panel about the range of prudential indicators detailed in the Codes and explained that performance against them will be reported on a quarterly basis throughout the year.

The panel were invited to comment on the presentation.

The panel wanted to confirm that local authorities cannot make a profit, but they can set up an ALMO which can make a profit.

The Chief Accountant confirmed that this was correct and added there were discussions ongoing about strengthening Council budget reports to show the impact of wholly owned companies, such as Wolverhampton Homes and Yoo Recruit, which follows recommendations from the Council's external auditors

The panel queried if there were any new disclosure requirements for loans to WV Living. The Director of Finance commented that there were no new disclosure requirements.

The panel thanked the presenters and agreed to note the report and requested updates on the new guidance be shared when available.

Resolved:

1. The panel agreed to note the report.
2. The panel agreed to receive further updates on the implications of the revised CIPFA guidance on the changes to the Treasury Management Code of Practice and Prudential Codes.

11

Our Assets Programme - Update (report to follow)

The Chair invited Julia Nock, Deputy Director Assets, to present the report.

The Deputy Director Assets advised the panel the presentation would give an update on the Relighting Our Council Assets workstream that was presented to the panel in 2021. The presentation would also give an update on asset review and the criteria used to undertake the review, the future of the retained estate and the workplace strategy and community benefits.

The Deputy Director Assets advised the panel about the way the Council uses its buildings and land has changed over the last few years and will continue to do so. The Deputy Director Assets advised the panel that the Council owns 1900 land and building assets, and details of the assets are available to view on the Council website. The list is updated regularly to take account of any new disposals, purchases or new builds of assets.

Deputy Director Assets briefed the panel about the criteria used for asset reviews and explained that at the end of the review the following four options would be considered when deciding the future of an individual asset, retention (including investment), community asset transfer, disposal, and commercialisation.

The Deputy Director Assets gave examples of outcomes and successes of the recent asset reviews that have been delivered to date.

The Deputy Director Assets advised the panel that the disposal programme had achieved £4.2 million in 2020-2021 and £2.4million in 2021-2022. The estimated capital receipts for 2022-2023 is £1.4 million.

The Deputy Director Assets briefed the panel on the work being done to continue finding further opportunities for efficiency, rationalisation and repurposing of the wider estate to achieve the desired outcomes as detailed in the strategy. A dashboard is being developed to capture the accrued financial benefits and will include the contribution to the housing and job creation agendas.

The Deputy Director Assets advised that a review is planned of the Council's commercial portfolio to consider options to either invest or disinvest to ensure that income is maximised. The Deputy Director commented on her future priorities to achieve consistent management of the retained estate. The Strategic Asset Plan 2018-2023 will be reviewed and refreshed to include an updated Action Plan for 2022-2023. The Deputy Director Assets agreed to bring the update to a future meeting.

The Deputy Director Assets briefed the panel on the future of the retained estate to ensure the portfolio remain sustainable and flexible and meets the current and future needs of the City. The Deputy Director Assets highlighted the need to generate capital receipts to support the Council's medium term financial strategy.

The Deputy Director Assets briefed the panel on the community benefits of the strategy and highlighted progress in three specific areas. A new Community Asset Transfer Strategy was developed and adopted in 2020.

The Deputy Director Assets commented that community asset transfers support community empowerment by ensuring that land, buildings, or services are retained or transformed can continue to benefit the public and help communities and local leaders to improve the local area. The Deputy Director Assets added that with the appropriate level of support community led initiatives can achieve better outcomes for example, community organisations have access to funding not necessarily available to the Council.

The Deputy Director Assets briefed the panel about the recently completed asset transfers schemes, for example, Compton Youth Centre and the Scotlands Adventure Playground. The Deputy Director Assets briefed the panel about future community redevelopments and highlighted the proposals for the Lower Bradley Community which will involve the building of a new GP practice health and community centre. The plan was approved by Cabinet Resources in December 2021.

The Deputy Director Assets briefed the panel about the progress of other schemes which are being currently developed with local community organisations.

The Deputy Director Assets commented on the workplace strategy which details how to get the best from people, technology, place, and the links to the Council objectives. The workplace strategy will lead to improved effectiveness and efficiencies in the workplace. The Deputy Director Assets listed the benefits of the workplace strategy.

The Deputy Director Assets gave an overall summary of the key points of the presentation, and the progress made to date. The panel were invited to comment and ask questions about the strategy.

The panel queried the implications for the assets strategy following the decision to relax national covid restrictions and the encouragement for employees to return to face-to-face work and the expected increase in footfall across the City. The panel queried how this change will be built into draft strategy.

The Deputy Director Assets replied that the service is engaging with individual service areas and explained that the management of the asset portfolio is not seen in isolation.

The Deputy Director Assets added that consideration will be given to how customers and residents will access Council services, which will inform the asset review strategy.

The panel commented on the challenge in making best use of the Civic Centre and overall importance of the building in supporting the management and delivery of Council services. The panel queried if other public organisations were considering moving into the Civic Centre. The Deputy Director Assets replied that discussions are ongoing with other partners (including Health) who have expressed an interest in collaborating and co-locating with Council services (for example, the Civic Centre).

The Deputy Director of Assets added that the service is aware of being able to meet the Council's accommodation needs first during these discussions and would bring any specific plans to the panel for consideration.

The panel commented on the success of the community asset transfer of Scotlands Adventure Playground to the Big Venture and the positive impact that it has had on the local community.

The panel suggested that the site should be visited to see an example of a successful community transfer scheme and the difference it can make.

The panel queried how community asset transfers were funded, how funding arrangements may change in the future, and the role of the Council in supporting community groups. The Deputy Director Assets replied that the Council signposts community groups to potential funding opportunities and specific organisations that can provide support to developing ideas for the asset, the example, the work done with Big Venture in helping the organisation to adapt the building was highlighted. The Council also provide ongoing support to organisations after a transfer has been completed. The level of support offered will vary according to the needs of the community organisation.

The panel queried the key challenges to the strategy in terms of plans for the disposal and retention of assets in the next few years.

The Deputy Director Assets replied that the biggest challenge is regarding the issue of sustainability and energy efficiency and added that it can be challenging to retro fit buildings to make them fully energy efficient. A further challenge is continuing to review the use of buildings to decide if they are in the right locations and meeting the needs of residents. The Deputy Director Assets commented that in some situations the Council will consider building new facilities as part of wider plans to rationalise the current property portfolio, which may no longer be fit for purpose. The Deputy Director Assets highlighted the challenge of making the portfolio sustainable in terms of energy use but also in terms of future investment.

The panel thanked the presenter for the report and welcomed the progress.

Resolved:

The panel agreed to note the report.

12

Equalities Update - Our Journey So Far - briefing paper

The Chair invited Jin Takhar, Head of EDI, and Solomon Scott, Race Equality Adviser, to present their report.

The Head of EDI advised the panel that the briefing paper details the activity by the Council to deliver against the Equality Diversity and Inclusion Strategy and the supporting directorate action plans.

The Head of EDI outlined the four key objectives that underpin the strategy which are set out in more detail in the covering report to the presentation. The Head of EDI advised the panel that the presentation would focus on three areas of the strategy, to demonstrate strong visible leadership in EDI and embed organisational culture and partnerships, to be an inclusive employer and build an inclusive organisation and to build an inclusive workplace culture. The EDI advised the panel that further reports on the fourth objective, to provide inclusive, responsive, and accessible services to a future meeting.

The Head of EDI invited the Race Equality Adviser to give the detailed presentation to the panel. The Race Equality Adviser briefed the panel in detail on key achievements of the previous 18 months, against each of the three objectives.

The Race Equality Adviser commented on the progress against objective four to provide an inclusive and responsive and accessible service. The Race Equality Adviser advised the panel of work being done to embed equality in the respective Directorate Equality Plans. The progress against the plans will be monitored and supported by members of the EDI team. The performance of each of the equality action plans will be monitored against a suite of key performance indicators, which will cover areas such as employment, organisational development, and service delivery in the next few months.

The Race Equality Adviser advised the panel that progress of the Council's Equality, Diversity, and Inclusion Strategy will be reported regularly to SEB and to this panel.

The panel thanked the presenters for the briefing paper.

The panel queried if the no offence modules delivered as part of the diversity training was being provided in house or by external trainers. The Race Equality Adviser replied that the no offence training was arranged in collaboration with employees from Wolverhampton Homes and Equality Forums who came together to share their concerns and their lived experiences of working for these organisations. The information from the sessions has then been used to develop the training material.

The Race Equality Adviser advised that scenarios from other lived experiences is also being developed.

The panel thanked the presenters and noted the progress made.

Resolved:

The panel agreed to note the report.