

**North Yorkshire County Council**  
**Corporate and Partnership Overview and Scrutiny**  
**Committee**

**DRAFT AT 5 JULY 2018**

Minutes of the meeting held at County Hall, Northallerton on 18 June 2018 at 10.30 am.

**Present:-**

County Councillor Derek Bastiman in the Chair.

County Councillors Val Arnold, Margaret Atkinson, Phillip Broadbank, Caroline Goodrick, Richard Musgrave, Andy Paraskos, Stuart Parsons, Tony Randerson, Angus Thompson, Cliff Trotter, Annabel Wilkinson.

**Also in Attendance**

County Councillors Carl Les and David Chance (Executive Members).

Officers: Richard Flinton, the Chief Executive of NYCC; Barry Khan, Assistant Chief Executive (Legal and Democratic Services); Michael Leah, Assistant Director Strategic Resources; Julie Blaisdale, Assistant Director, Library and Community Services, NYCC; Chrys Mellor, General Manager Libraries, NYCC; Marie-Ann Jackson, Head of Stronger Communities Programme, NYCC; and Daniel Harry, Democratic Services and Scrutiny Manager, NYCC.

Apologies for absence were received from County Councillor Bryn Griffiths (substitute Phillip Broadbank)

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**Copies of all documents considered are in the Minute Book**

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**47. Exclusion of the Public and Press**

The Chairman of the Committee, County Councillor Derek Bastiman welcomed everyone to the meeting. He then asked Members to consider whether it was appropriate for the public and press to be excluded from discussions on Item 6, Appendix 1. County Councillor Derek Bastiman stated that the grounds for exclusion of the public and press related to commercial sensitivities.

A vote was taken and there was unanimous agreement that it was appropriate to exclude the public and the press.

**48. Minutes**

**Resolved –**

That the Minutes of the meeting held on 12 March 2018, having been printed and circulated, be taken as read and be confirmed and signed by the Chairman as a correct record.

**49. Declarations of Interest**

County Councillor Philip Broadbank noted a declaration of interest as the Treasurer of Starbeck Community Primary School.

County Councillor Val Arnold noted a declaration of interest in being a volunteer at the Helmsley Library.

**50. Public Questions or Statements**

There were no public questions or statements.

**51. Chairman's Announcements - Any correspondence, communication or other business brought forward by the direction of the Chairman of the Committee**

County Councillor Derek Bastiman welcomed County Councillor Angus Thompson to the committee, as he has taken the place of County Councillor Paul Haslam.

County Councillor Derek Bastiman informed the Committee that the Police and Crime Commissioner for North Yorkshire had been successful in her bid to take on the governance for the North Yorkshire Fire and Rescue Service. He said that it was anticipated that the transfer in governance arrangements would happen in October or November of this year. This would then mean that the Fire and Rescue Authority would cease to exist and all governance arrangements would formally be taken on by the Office of the Police and Crime Commissioner.

Daniel Harry informed the Committee that the Police and Crime Commissioner, Julia Mulligan, had been invited to attend the October mid-cycle briefing of the Committee to provide an update on plans for closer working between emergency services in the county.

County Councillor Derek Bastiman requested that the invitation to the mid-cycle briefing be opened up to all Committee Members.

County Councillor Derek Bastiman said that the next steps relating to the scrutiny of post office and branch banking services in rural areas of the county would be to contact the Rural Services Network and the Local Enterprise Partnership and seek a view from them. Thereafter, to write to the relevant Minister requesting that further action be taken to ensure that cash-based counter service banking is available in rural areas of the county in the long term.

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**Appendix 1 to the following report was considered in private and the public have no right of access to this Section of Minute No. 52**

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**52. Overview of Partnership Arrangements and Traded Services - Annual Report of the Brierley Group**

Considered -

The joint report of the Chief Executive, Director Strategic Resources, Assistant Chief Executive (Legal and Democratic Services) and Assistant Director Strategic Resources.

Richard Flinton, the Chief Executive of North Yorkshire County Council, introduced the Annual Report. In summary he said that the Brierley Group is made up of a total of eight different companies. The companies in the group are: North Yorkshire Education Services, Nynet, First North Law, Brierley Homes, Align Property Partners, Yorwaste, and Veritau. Richard Flinton noted that all of these companies are at different stages of development but that the long term ambition was to have a solid commercial base which would be able to generate additional income to the Council. This income could

then be used to support existing mainstream County Council budgets and further protect the provision of frontline services.

Richard Flinton said that by pulling the eight companies together into one group enables much stronger and more coherent governance. A Shareholder Committee had been established as a sub-committee of Executive to provide regular oversight of the activity of the Brierley Group. Richard Flinton noted that the Corporate and Partnerships Overview and Scrutiny Committee would also be able to play a key role in scrutinising the activity of the Group.

Richard Flinton said that the turnover of the Brierley Group at the moment was around £100m with approximately £2m on an annual basis going directly to the Council to support frontline services. He noted that two of the companies in the Group are also linked to City of York Council.

Richard Flinton said that the newest of the eight companies is First North Law which will be providing legal services and advice across the region and hopefully nationally. He said that North Yorkshire Education Services (NYES) is the largest commercial operator within the Group. NYES was now looking beyond the county borders and looking at providing more extensive services to schools across the region and the country. To date work was being done with over 900 schools outside of North Yorkshire.

Richard Flinton noted that there was likely to be increased competition over time as a number of different Councils and Local Authorities in the country began to develop their own commercial enterprises. He also noted that NYES may have increasing competition from the emergence of academy chains that undertake their own support services internally.

Richard Flinton reiterated that the rationale for the Brierley Group and the eight companies within it was income generation for the Council. He said that the Council is facing increasing funding pressures and that there were limits to what income could be derived from Council Tax and business rates. As such, it was more important than ever to explore alternative funding options.

County Councillor Derek Bastiman asked whether frontline services were becoming increasingly dependent on earnings from businesses and if that was the case what risk did that present to the Council.

In response, Richard Flinton said that there was a gap of approximately £11m that needed to be bridged in order to protect services at the Council. The generation of income through commercial services was part of that solution and increasing the financial return from those services would deliver greater security going forth.

County Councillor Stuart Parsons stated that there was a need for there to be more County Councillors on the Shareholder Committee.

Richard Flinton said that the Leader of the Council, the Deputy Leader and County Councillor Don Mackenzie are members of the Shareholder Committee. Richard Flinton said that all County Councillors would be welcome to attend the meeting but that there was an advantage to keeping the Committee small and fleet of foot. He reminded Members that there is scrutiny in place through the Corporate and Partnerships Overview and Scrutiny Committee and that an annual report would be submitted to the Committee for consideration.

Barry Khan said that any decisions of the Shareholder Committee could be called in by the Corporate and Partnerships Overview and Scrutiny Committee.

County Councillor Stuart Parsons raised his concerns that the work of the Brierley Group might be misinterpreted by the public. At a time when the Council is under

significant financial strain and services are either being cut or re-modelled it might seem odd that we are investing directly in building houses. County Councillor Stuart Parsons then asked that the Chairman of the Corporate and Partnerships Overview and Scrutiny Committee be made a member of the Shareholder Committee.

County Councillor Carl Les said that the existing Shareholder Committee meet three times a year and that he would be happy to review the governance arrangements at the end of the year. He said that it was a public meeting and that all County Councillors are welcome to attend.

County Councillor Philip Broadbank noted his support for the proposal by County Councillor Stuart Parsons to have someone from the Overview and Scrutiny Committee on the Sub-Committee.

County Councillor Richard Musgrave noted his support for activity to generate income for the Council. He said that he presumed that they were all limited companies. He asked for further details of the Directors including their previous experience and background. County Councillor Richard Musgrave said that he had some concerns about the profit margins. He noted that the ratio of profit to turnover was low and that if it was a private business it was highly unlikely that they would continue to trade.

Richard Flinton said that there was a need to factor in the shareholder return when looking at the profit and turnover figures. He agreed that overall the profit did look low but that this was in the context of the Brierley Group only being in existence for about a year.

Richard Flinton said that the eight companies in the Brierley Group varied in structure. North Yorkshire Education Services is part of the County Council and does not have a separate legal identity. The other seven companies have separate legal standing and identities.

County Councillor Richard Musgrave asked what was the risk to the Council. He questioned what would happen if the Brierley Group companies stopped making profit and began to make losses and whose obligation it would be to make up those losses. He also asked whether it would be possible for projections to be given in the annual report as to turnover and profit over the next three to five years.

Richard Flinton said that the development of services for schools out of county presented a great opportunity to increase income into the Council. House building which was the earliest of stages also presented a possible significant income to the Council as it was able to utilise small sites on County Council owned land.

County Councillor Annabel Wilkinson asked whether there was a risk that the private sector companies that currently provided educational services would begin to move into academies and schools in the region.

Richard Flinton said that the competitors tended only to offer a small range of services to schools. NYES by contrast offers the full range of services that any school could require. He did note that there was a risk that the large academy chains that were developing would be able to provide services for themselves. In terms of new areas of activity, there was interest in looking at what services could also be provided to private schools.

County Councillor Stuart Parsons asked how many Councils were adopting this commercial approach.

Richard Flinton said that whilst the number of Councils were looking to develop areas of commercial activity in the North and the North East there were relatively few Councils that were in a position to offer such a comprehensive range of commercial services particularly in the education sector. He noted that in the North of England only Leeds

was in a similar position to North Yorkshire County Council. Richard Flinton said that many Councils are struggling to recruit the staff they need to operate commercial services and so would not be in a position to compete.

County Councillor Derek Bastiman thanked Richard Flinton, Barry Khan and Michael Leah for attending the meeting and providing an overview of the work of the Brierley Group and their first Annual Report.

County Councillor Derek Bastiman proposed that he write to Executive formally requesting that greater consideration be given to expanding the membership of the Sub-Committee to include County Councillors and whether consideration would be given to specifically having some Members of the Corporate and Partnerships Overview and Scrutiny Committee.

This proposal was unanimously agreed by the Members of the Committee.

**Resolved -**

- 1) Thank everyone for attending
- 2) Ask for an update in 12 months' time with the second Annual Report
- 3) The committee to formally write to the Executive requesting that the membership of the Shareholder Committee be extended to include additional County Councillor representation as voting members.

**53. Locality Budgets**

Considered -

The report of Marie-Ann Jackson, Stronger Communities, reviewing the third year of operation of County Councillor Locality Budgets (2017/18).

Marie-Ann Jackson, Lead Officer for Stronger Communities at North Yorkshire County Council, introduced the report and asked Members whether they had any questions.

County Councillor Andy Paraskos asked whether Members were encouraged to seek out match funding as part of the budget process.

In response, Marie-Ann Jackson stated that there had been a significant amount of match funding in previous years. This was estimated to be six times the amount of funding that had been released through the Locality Budgets programme.

County Councillor David Chance noted his frustration to see that in some cases all of the funding that had been allocated to a County Councillor had been given to one organisation to cover 100% of the cost of a project.

County Councillor Richard Musgrave noted his support for Locality Budgets and stated that this was not something that was done at the District Council level.

County Councillor David Chance said that all Members needed to assure themselves when considering a project for funding that the project was ready to go ahead.

County Councillor Derek Bastiman said that he objected to Locality Budgets being used to support improvements to the highways and footways in the county.

County Councillor Caroline Goodrick noted that it was possible to support projects that went outside of the County Council borders where it could be shown that the benefits would be delivered to the people of North Yorkshire.

County Councillor Derek Bastiman thanked Marie-Ann Jackson for attending the meeting and asked that a further update be brought back to the Committee in 12

months' time.

#### **Resolved -**

- 1) Thank Marie-Ann Jackson for attending
- 2) Ask Neil Irving and Marie-Ann Jackson to come back to the committee in 12 months' time with an update.

#### **54. Community Libraries - Review of first 12 months of operation**

Considered -

The report of Julie Blaisdale, Assistant Director Library and Community Services, Marie-Ann Jackson, Stronger Communities and Chrys Mellor, General Manager Libraries, reviewing the first 12 months of operation of the new library service.

County Councillor Derek Bastiman welcomed Julie Blaisdale, Chrys Mellor and Marie-Ann Jackson to the meeting.

Julie Blaisdale introduced the presentation and report. In summary, she noted the following:

- 8 community libraries reduced their opening hours after the transition and 3 of them increased their hours, in addition 3 have increased their hours for 2018/19
- Since 1 April 2017 there has been an overall drop in active library user numbers. This reduction was less than the previous year and less than the national average of 14%
- Since 1 April 2017 there has been an overall drop in library visits of 7%. However, 2 of the community and 2 of the core libraries were closed for between 2 and 4 weeks during the year which will have impacted on overall visitor numbers
- Since 1 April 2017 overall hard copy loan activity has reduced by 7%, this continued reduction reflects the national trend
- The staff restructure was implemented on 1 April 2017 in tandem with the transition of the libraries to the new management status. 79 staff took voluntary redundancy and 12 staff had compulsory redundancy
- The number of volunteer hours overall has increased by approx. 95,000
- The project has delivered its savings targets of £1.4m
- All 33 libraries continue to be operational
- 22 libraries have transitioned to community management with some but not a significant fall in business
- There has been no Central Government challenge.

Julie Blaisdale said that there had been regular visits from and contact with other local authorities in the country who wanted to understand how North Yorkshire County Council had changed the delivery of its library service. This had included Devon, Dorset, Lincolnshire, Gloucestershire and Sunderland.

The overall project for the reconfiguration of library services in the county has made savings in line with those stated in 2020 Programme and libraries are still open with only one exception and delivering a comprehensive service to local people.

Julie Blaisdale noted that nationally there had been a decline in use of libraries but this was not reflected locally. There had been some impact on visitor numbers and usage numbers due to refurbishments of some of the library facilities but overall a review of the performance data for the past 12 months indicated that the use of libraries remained strong throughout the county.

Julie Blaisdale said that there had been lots of people volunteering to support their local library in the initial stages as it made the transition from being managed by the County

Council to being a community-led library. The challenge now was to maintain the level of volunteer interest, particularly as it moved away from the immediate challenge of setting up to the day to day work of operating a library service.

County Councillor Stuart Parsons said that many of the library systems were complex and difficult for the volunteers to use, particularly if people were not using them on a regular basis day in day out. As such, they may need additional support.

Julie Blaisdale said that further use needed to be made of the County Council's Learning Zone to enable volunteers to access the training and support that they needed. It was recognised that further work needed to be done to make it more user friendly.

County Councillor Derek Bastiman said that we needed, as a Council, to be aware of how we communicated with volunteers and to ensure that we avoided using local authority speech and terms.

Julie Blaisdale said that one of the key learning points from the establishment of the re-configured library system in the county was the difficulty in co-ordinating the broad range of County Council services that were required to enable the change to take place.

Julie Blaisdale said that most of the savings had come out of staffing budgets but that some paid staff were still needed to support community libraries and the volunteers that contributed their time there.

County Councillor Derek Bastiman queried what the legal position was if a library was found to be no longer sustainable and had to close.

In response, Marie-Ann Jackson said that all libraries are regularly monitored and support is given to the Library Management Committee. The Stronger Communities Team are in a position to intervene with intensive support as and when required.

County Councillor Stuart Parsons said that often the lack of flexibility of the County Council inhibited the Library Management Committees in their work. He noted that often it took too long for issues to be resolved and that the solutions became overly complex.

Julie Blaisdale said that she accepted that there had been difficulties with setting up the new community libraries but there were lessons learnt that would be applied for the future. She accepted that it can be difficult for someone unfamiliar with a local authority to be able to navigate their way through the many different systems, approaches and policies. In particular she highlighted some of the ongoing challenges around GDPR, Data Protection legislation, training and workforce development, and commercial leases. Julie Blaisdale said that the paid staff in the Library Service continued to provide every support they could to the volunteers but acknowledged that the roles had changed and that expectations were different.

County Councillor Derek Bastiman said that there needed to be a more and consistent support for the community libraries on the technical aspects of their work such as property leases and finances.

County Councillor Stuart Parsons said that Colburn Library had experienced problems previously with anti-social behavior. He said that the County Council had responded quickly and effectively but that other stakeholder and partner agencies had not been as quick to respond. He suggested that it might be worth considering giving volunteer library staff training in how to manage difficult situations and difficult customers.

Julie Blaisdale noted the success of the 2017 Summer Reading Challenge and looked to equal or more success for the 2018 Summer Reading Challenge.

Julie Blaisdale noted that further consideration was being given to how volunteer staff were rewarded for their loyalty and hard work.

County Councillor Derek Bastiman thanked everyone for attending and asked that Marie-Ann Jackson and Chrys Mellor come back to the Committee in 12 months' time with an update.

**Resolved -**

- 1) Thank everyone for attending
- 2) Ask Marie-Ann Jackson and Chrys Mellor to come back to the committee in 12 months' time with an update.

**55. Visit to HMP Kirklevington Grange on 16 April 2018**

Considered -

The report of Daniel Harry, Democratic Services and Scrutiny Manager, updating the Committee on the visit to HMP Kirklevington Grange on 16 April 2018. The visit was part of the Committee's ongoing scrutiny of re-offending rates in the county and what is being done to reduce them.

Daniel Harry introduced the report noting some of the key issues that had come out of the discussions with the prisoners at HMP Kirklevington Grange. Whilst the prisoners were very positive about the opportunities they had received at HMP Kirklevington Grange, many expressed their frustrations at not being able to access the full range of education and training that they felt they required to enable them to secure a job upon release from custody.

Daniel Harry noted that another theme had been that many prisoners felt that there was insufficient support from the Probation Service upon release particularly if a prisoner was judged as being low risk.

Daniel Harry suggested that the Committee could pursue a number of lines of enquiry that arose from the discussions with the serving prisoners at HMP Kirklevington Grange as follows:

1. What support services are in place for prisoners upon release from custody and who co-ordinates them?
2. What role do the County Council and District Councils have to play in the provision of education and training and housing to people released from prison?
3. What additional education and training funding could be identified and released to prisons that hold people from North Yorkshire?
4. What more could be done in North Yorkshire to support the employment of prisoners released from custody particularly those who have served long sentences?

The Committee Members agreed with the proposal to pursue the four lines of enquiry.

County Councillor Caroline Goodrick noted that it had become a statutory requirement that all prisoners are allocated accommodation prior to release.

County Councillor Carl Les suggested that the Committee could write to the Housing Board for York, North Yorkshire and East Riding to find out what more could be done to ensure that prisoners secure accommodation prior to release.

County Councillor Val Arnold said that she found the visit very positive and that the  
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prisoners were receptive and willing to talk about their experiences. They seemed to appreciate that the Committee had taken an interest and that it was incumbent upon the Committee to follow up on their behalf.

**Resolved -**

- 1) The Committee to write to the Housing Board for York, North Yorkshire and East Riding to find out what more could be done to ensure that prisoners secure accommodation prior to release.
- 2) Follow up on the lines of enquiry:
  - What support services are in place for prisoners upon release from custody and who coordinates them?
  - What role do the County Council and District Councils have to play in the provision of education and training and housing to people released from prison?
  - What additional education and training funding could be identified and/or released to prisons that hold people from North Yorkshire?
  - What more can be done in North Yorkshire to support the employment of prisoners released from custody, particularly those who have served long sentences?

**56. Work Programme**

Considered -

The report of Daniel Harry, Democratic Services and Scrutiny Manager, providing Members with a copy of the Committee's Work Programme for review and comment.

Daniel Harry asked Members to consider the Work Programme and get back to him outside of the meeting if there were any areas of work that people felt needed to be included.

**Resolved -**

That the Work Programme be noted.

**57. Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances**

There was no other business.

The meeting concluded at 12.15 pm.

DH