



Report of the Director of Neighbourhoods and Housing

Executive Board

Date: 17 May 2006

Subject: Renew – Expenditure of reserves

Electoral Wards Affected:

Specific Implications For:

- Ethnic minorities
- Women
- Disabled people
- Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

Re'new (formerly Leeds Partnership Homes) was created in 1989 by Leeds City Council and 5 housing associations to develop new and rehabilitated social housing in Leeds. Over the years Re'new has developed its role to support the development and implementation of the Leeds Housing Strategy through the Leeds Housing Partnership and to deliver a number of partnership regeneration projects and programmes.

Property development and regeneration activities undertaken by Re'new have resulted in company reserves of £3.3m. These reserves are used to support its work in developing sustainable communities.

The reserves held by Re'new include receipts from the sale of formerly owned Council land that was transferred to LPH as the project manager of the Single Regeneration Budget (SRB) Round 2 scheme as part of the Council's match funding contribution to the programme.

The expenditure of the funds arising from activity associated with the implementation of the (SRB) Round 2 scheme is covered by a partnership agreement between the Council and Re'new and therefore requires the approval of both Executive Board and the Re'new Board. To maximise the impact of this finite resource a partnership approach has been adopted to the developing expenditure plans to ensure that spend is complementary to existing and planned programmes of work being undertaken by the City Council and its Leeds Initiative partners.

1.0 Purpose of the report.

- 1.1 Re'new (formerly Leeds Partnership Homes) was created in 1989 by Leeds City Council and 5 housing associations to develop new and rehabilitated social housing in Leeds. Over the years re'new has developed its role to support the development and implementation of the Leeds Housing Strategy through the Leeds Housing Partnership and to deliver a number of partnership regeneration projects and programmes.
- 1.2 Re'new comprises two organisations: Renew Leeds Ltd – a charity and Renewal Leeds Ltd - a company limited by guarantee which does not distribute profits to shareholders. Both companies have identical boards comprising representatives of 6 housing associations working in Leeds and a representative of Leeds City Council who chairs both boards. The Council's representative is the Executive Member with responsibility for Neighbourhoods and Housing.
- 1.3 Re'new's core costs are funded by its membership and the project costs are financed through grant and contract income. Property development and regeneration activities undertaken by Re'new have resulted in company reserves of £3.3m. These reserves are used to support its work in developing sustainable communities.
- 1.4 The expenditure of the resources arising from activity associated with the implementation of the Single Regeneration Budget (SRB) Round 2 scheme is covered by a partnership agreement between the Council and Re'new and therefore requires Executive Board approval. The remaining funds are a matter for the Re'new Board.
- 1.5 This report sets out:-
 - the background to the reserves held by Re'new
 - the proposed parameters for spending the reserves
 - a draft programme of work to be financed by the reserves

2.0 Background Information

- 2.1 Re'new (formerly Leeds Partnership Homes) was created in 1989 by Leeds City Council and 5 housing associations to develop new and rehabilitated social housing in Leeds. Over the years Re'new has developed its role to support the development and implementation of the Leeds Housing Strategy through the Leeds Housing Partnership and to deliver a number of partnership regeneration projects and programmes. A summary of previous and current activity can be viewed on the Renew website at www.renewleeds.co.uk.
- 2.2 Through its activity to deliver housing and regeneration programmes, Re'new has accumulated reserves from 3 main sources:
 - shares in development profits arising from joint venture activity undertaken by Leeds Partnership Homes
 - additional funding relating to the Archway project
 - from land receipts arising from the SRB Round 2 scheme
- 2.3 There are no particular restraints on the use of the reserves arising from the original LPH agreement. It was originally proposed that any surpluses would be

used to subsidise rents for the properties produced under the LPH mechanism (4,000 properties). However, it is not proposed the Council now proceeds on this basis for three reasons:

- the amount of funding available divided by the number of properties would produce relatively small reductions in rent (approximately £7.00 a week for one year);
- the high level of tenants claiming housing benefit (approximately 70%) would mean it would have little impact locally and the effect would be largely to subsidise central government;
- there are no financial shortfalls on the schemes produced by the Registered Social Landlords (RSLs) using the LPH mechanism, therefore no requirement to subsidise the RSLs.

Instead it appears sensible to use the reserves to sponsor and front fund regeneration schemes.

- 2.4 Funding in reserves arising from the Archway project is relatively small and relates to the transition period from SRB grant to the Supporting People programme and is not subject to any decisions by Executive Board.
- 2.5 Funds arising from land receipts as part of the SRB Round 2 scheme are subject to a legal agreement approved by the former Strategic Policy Committee of the Council in October 1996. This agreement covered the project management arrangements by the former LPH to oversee the delivery of the grant funded scheme and the Council's contribution to the scheme through the disposal at less than best consideration of Council land and buildings to LPH.
- 2.6 SRB grant of £12.5m over the period 1996/7 to 2002/3 levered in a further £55.8m to deliver a housing led regeneration programme in Saxton Gardens (the East Bank area) and a housing improvement and construction training programme focused on older mixed tenure housing areas (Chapelton, Harehills, Hyde Park and Beeston Hill).
- 2.6 The land contribution agreed by the Council was to be used either directly by developing the land to deliver the approved scheme or through selling the land and making a cash contribution to the approved projects. The principles behind the Council's land contribution were:-
- To utilise the Council's land and property assets as part of its overall contribution to add to the limited capital and revenue resources available at that time
 - To maximise the use of the value of LCC land involved in the regeneration programme by ensuring 100% of the capital receipt generated
 - To ensure that an element of any profit from land sales and development was recycled by way of a cash contribution into the SRB programme.

The SRB 2 scheme has been completed and it has proved possible to provide the outputs required by the government without expending all the money arising from the land sales.

3.0 Current position.

- 3.1 The tables at Appendix 1 show that Renew currently has a reserve fund of £3.3m. The funds arising from SRB Round 2 land receipts amounts to £2 m. The figure for anticipated future receipts for land development activities in the East Bank is

uncertain but current projections total to a further £2,220,000 over the next 3 years. However, it should be noted that there is a significant element of re'new's reserves which re'new is contractually free to spend on what it sees fit e.g. office accommodation etc.

- 3.2 The expenditure of the funds arising from the SRB Round 2 scheme is covered by an existing legal framework requiring the consent of the City Council and the Leeds Initiative (Resources Partnership). Government Office for Yorkshire and the Humber has confirmed that there is no provision for the clawback of grant and that any spending plans are a matter for the partners to determine.

4.0 Proposed use of the capital receipts

- 4.1 Reports to the Renew Committee of Management in July 2005 and March 2006 set out the broad principles for an investment strategy that makes use of the reserve funding. Key guiding principles include investing for a financial return and investing for 'social return'. Social return is defined securing improvements in the quality of life for people including improving their life chances and their ability to contribute to society in a wide variety of ways.
- 4.2 The Committee of Management proposes an approach based on an overall strategy for the use of its reserves as opposed to artificial divisions relating to source of the reserves. This will allow greater flexibility in directing resources to a wide range of initiatives and maximising opportunities for joint working to achieve maximum benefit for the people of Leeds.
- 4.3 The Chief Executive of Renew has entered into discussions with the Director of Neighbourhoods and Housing on the developing investment strategy and has identified a number of activities that will:-
- contribute to regeneration and neighbourhood renewal activity led by the Area Management Teams and District Partnerships
 - attract other funding to Leeds e.g. Objective 2 (European), Single Pot (Yorkshire Forward), Single Regional Housing Pot (Regional Housing Board)
- 4.4 An initial list of priority activities for inclusion in the proposed expenditure programme is set out below.

- **Affordable Housing**

Affordable home ownership initiative to refurbish and market former Council miscellaneous properties for home ownership and develop other initiatives to promote the supply of low cost home ownership in Leeds.

- **East Bank / to'gether area**

The to'gether partnership to support the approach to neighbourhood management in East End Park/Cross green

Public realm expenditure contributions in the East bank area

Citizenship initiatives including the provision of training programmes that enable community development / capacity building to support communities to become more self sufficient

East End Park – further developing the potential amenity use of East End Park through a locally based social enterprise

- **Construction Leeds**

Underwriting match funding requirements for programmes supported through

grant funding from the Objective 2 and Single Regional Pot (Yorkshire Forward) in the short term to make good funding shortfalls.

- **Technical resources**

Providing additional technical staffing resources to support the work of the Beeston Hill and Holbeck Regeneration Partnership Board / South Leeds District Partnership to develop a longer-term regeneration programme in conjunction with Departments of Neighbourhoods and Housing and Development.

- **Housing market assessment**

Contributing to the costs of a Leeds housing market assessment in the context of a broader West Yorkshire study to maximise Regional Housing Board funding and its effective use in Leeds

- **Social enterprise development**

Investment in the development of viable social enterprises including: housing maintenance and security; neighbourhood management; youth services; and consultancy services.

- **Asset base development**

Feasibility studies on the development of a new office base for Re'new together with modest conferencing facilities.

4.5 This list of activities builds on current and planned work with the City Council and partners. For example, the to'gether partnership in inner East Leeds proposes to take forward and expand this activity in support of the neighbourhood management initiatives now being introduced through the District Partnerships. New areas of work include joint working with the Neighbourhoods and Housing Department to refurbish former Council properties for use as affordable housing. The listed activities will contribute to the achievement of regeneration objectives in disadvantaged communities and therefore comply with the broad aims of the legal framework governing the use of receipts arising from the SRB Round 2 scheme.

4.6 The list of priority activities will need to be further developed and costed. It is proposed that subject to Executive Board approval of the proposed approach outlined in the report the agreement of individual schemes is delegated to the Director of Neighbourhoods and Housing and expenditure and outcomes are monitored by the Resources Partnership of the Leeds Initiative.

5.0 Recommendations

Executive Board is asked to agree the approach outlined in the report to the use of Renew reserves arising from the land sales within the SRB Round 2 scheme.

Renew Leeds Ltd reserves at March 2006

Description	£000's
Renewal Leeds Ltd – reserves at 1 April 2006	612
Renew Leeds Ltd – approx, reserves at 1 April 2006	2,694
Total reserves at 1 April 2006	3,306
Gift aid from Renewal Leeds Ltd (January 2006)	958
Sub total	4,264*
Contributions (2006/07) to:	
Re'new in East Leeds	(369)
Strategic and Membership Services	(65)
Leeds Construction & Training Agency	(100)
Total estimated reserves at 31 March 2007	3,730**

*The above figure will be affected by the final actual position at 31 March 2006

**It should be noted that match funding for Objective 2 applications is being sought from alternative sources but if not secured will be underwritten by Re'new as follows:

Match funding Construction Leeds in 2006 £36,000

Match funding Construction Leeds in 2007 £125,000

Match funding Leeds Construction and Training Agency in 2007 £67,000

The above table summarises the overall position regarding the reserves held by Renew.

Reserves at March 2006 by Funding Source

Source	31/03/06 £000's	2006/07 £000's
East Bank SRB2	2,000	2,370
Other	1,300	1,330
	3,300	3,700

The table above provides a summary position on the reserves by funding source and any known in year changes.

Forecast Receipts 2007/8 to 2009/10

Scheme	2007/08 £000's	2008/09 £000's	2009/10 £000's	Total £000's
Flax Place	795*			795
The Parade and The Drive			1,425**	
Total	795*		1,425	2,220

* Contractual

** Minimum overage

**Not for Publication: Appendix 3 Exempt/Confidential - Access to Information
Procedure Rules 10.2 (a) and 10.4 (3)**

Report of the Director of Neighbourhoods and Housing

Executive Board

Date: 17th May 2006

Subject: Little London Housing Private Finance Initiative – Outline Business Case

Electoral Wards Affected:
Hyde Park and Woodhouse

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

1.0 EXECUTIVE SUMMARY

1.1 The report contains proposals to regenerate Little London, an area of Leeds that has not benefited from investment and the success and prosperity of the city as a whole. High levels of poverty, crime and unemployment and relatively low levels of educational attainment and poor health has meant that parts of Little London are ranked amongst the worst 10% of areas in the index of Multiple Deprivation for England. The community is diverse, with approximately 30% of residents from Black and Ethnic Minority backgrounds.

1.2 To tackle a number of the above issues two options have been subject to a detailed option appraisal, consultation and evaluation process – Decency and Comprehensive Regeneration. The conclusion is that Comprehensive Regeneration primarily delivered through a PFI scheme (the Outline Business Case for which is the subject of this report) along with service improvement via neighbourhood management offers the best option.

1.3 This option is supported by the majority of residents and is the option which best meets the Council's regeneration objectives for Little London. It is this scheme which is the subject of the PFI Outline Business Case (OBC) which Members are asked to approve.

- 1.4 Proposals for future consultation and resident involvement are outlined, in response to Gateway Review recommendations and submissions from Little London Tenants and Residents Association.
- 1.5 Key information from the financial appraisal in the OBC is summarised at Appendix 3, which outlines the scheme costs and the affordability to the Council under the provisions outlined in the Appendix, and demonstrates that the project offers value for money. The financial implications for the Council are set out in the same Appendix and Members approval to these is sought.

2.0 Purpose Of This Report

- 2.1 To seek Executive Board approval to proposals for a Regeneration Plan for Little London, which will include a neighbourhood management approach to service delivery and the Comprehensive Regeneration of the area, as described in the report, as the preferred option for improvements to the built environment.
- 2.2 To seek Executive Board approval to the Outline Business Case (OBC) for the Little London Housing Private Finance Initiative (PFI) scheme, including the scope of the scheme and the financial implications for the Council as outlined in the report and Appendix 3.
- 2.3 To seek Executive Board approval in principle, and subject to acceptable terms being agreed, to the disposal of the development sites identified on the plan at Appendix 1, and of Lovell Park Grange, Heights and Towers and the application of the Capital Receipts from such disposals to the Comprehensive Regeneration scheme.
- 2.4 Subject to the above to develop a Communication Strategy jointly with tenants and residents, through the Neighbourhood Management delivery structure as outlined in Appendix 2, and that this strategy should include the appointment of an Independent Tenant Advisor as recommended in the Gateway 1 Review

INTRODUCTION

Given the importance of this subject, the report is necessarily detailed and complex. The report falls into two parts: part 1, an explanation of the process through which officers have been to arrive at the recommended option; part 2, a description of the features of the Outline Business Case.

PART 1 – THE OPTION APPRAISAL

3.0 Background Information – Strategic Priority

- 3.1 Little London is identified as a priority for regeneration in the Council Plan, the Regeneration Plan for Leeds and the Leeds North West Area Committee and District Partnership's plans for the area. It is identified as a regeneration area in the Leeds Unitary Development Plan Review (UDP Review). The scheme outlined in this report will assist the Council in meeting Local Area Agreement for Leeds targets relating to social exclusion, housing availability and demand and compliance with the Decent Homes Standard.

3.2 Housing Strategy

- 3.2.1 The proposed scheme contributes to meeting each of the three key strategic aims of the Leeds Housing Strategy 2005/6 – 2009/10, which are:-
- To ensure that all neighbourhoods across the city are “decent places” where people want to live
 - To achieve decent homes for all Leeds residents
 - To tackle difficulties or disadvantages in accessing housing or housing services (including improving access to affordable housing)
- 3.2.2 The Leeds North West Housing Strategy 2005-8 identifies Little London as a priority and as exhibiting characteristics of a fragile housing market. The strategy identifies a number of actions to address this, including:-
- Matching supply and demand by selective remodeling and replacement
 - Meeting the needs and requirements of BME communities
 - Providing ‘aspirational’ housing
 - Reducing the amount of obsolete and poor quality housing whilst improving housing which is in demand
 - Continuing management of anti-social behaviour and action to reduce crime
- 3.2.3 These factors have been taken into account when developing the scope of the proposed scheme.

3.3 Regeneration Plan for Little London

3.3.1 A Regeneration Plan for Little London is being developed, which is intended to help address issues of multiple deprivation. It will relate to the Council’s strategic objectives and to Leeds North West area priorities.

3.3.2 The Plan has three strategic objectives, as follows:

- **Community** – stable mixed community with the opportunity for people to live healthy, safe and successful lives
- **Services** – transforming delivery of services for the people of Little London
- **Environment** – safe, clean areas and well maintained environment

To achieve those objectives, the Regeneration Plan will include two main strands:

- Actions to improve service delivery via a **neighbourhood management** approach
- Actions to improve the **built environment**, including improvements to homes, the public realm and the neighbourhood centre.

The boundary of the area covered by the Regeneration Plan is shown on the plan attached at Appendix 1.

Further information on the proposals relating to Neighbourhood Management, which will complement the scheme outlined in this report, is contained in Appendix 2.

3.4 Office of the Deputy Prime Minister & Housing PFI programme

3.4.1 A scheme was developed for Little London to Outline Business Case (OBC) stage and approved by Executive Board in August 2002, but the OBC was not supported by Government. The main reasons were:-

- Affordability issues relating to the housing PFI subsidy system current at that time which affected all projects (the system has since been changed to address these issues)
- ODPM's preference for the Council to prioritise the housing PFI Pathfinder scheme at Swarcliffe and to apply the lessons from it to Little London. Swarcliffe reached financial close in March 2005 and, following a scheme review, a corporate action plan was developed for implementation on future PFI projects

3.4.2 During 2005/6, as part of the development of the Regeneration Plan for the area, a comprehensive review of the scheme which was submitted in 2002 has been undertaken, along with an assessment of the other options now available for delivering a range of built environment improvements.

The matters referred to above have been taken into account, along with a number of other changes which have taken place since 2002, such as:-

- Revised regeneration plans for Leeds generally and the area in particular
- The interface with and potential impact on Leeds North West Homes (LNWH), the Arms Length Management Organisation which was established in February 2003, after the original OBC was submitted, and which is currently responsible for managing Council homes in Little London on behalf of the Council
- Market views, following contract closure of a number of new build and refurbishment housing PFI schemes nationally
- Changes in the regulations regarding use of housing PFI credits, which are now available to support development of new Council homes as well as for the refurbishment of existing homes
- Views on issues and priorities as expressed in recent community consultation

3.4.3 ODPM have agreed to a project programme leading up to submission of a revised OBC by May 2006. If the proposals are to be progressed through the PFI route, it is critical to adhere to this deadline, to ensure that the OBC for Little London is assessed prior to selection of schemes under Housing PFI Round 5, in which Leeds also has an interest (a report on the Expression of Interest for Beeston Hill and Holbeck under Round 5 was approved by Executive Board in April 2006).

3.5 Gateway Reviews

The Little London regeneration scheme has been the subject of two independent Gateway Reviews. These are peer reviews conducted under the auspices of the 4Ps, a national body which advises the public sector on procurement of PFI and PPP schemes. Gateway Reviews are carried out at each key stage to test the state of readiness of the project to proceed. In both cases the assessment of the scheme has been positive.

4.0 Development of the proposals

4.1 Project objectives.

The project objectives were approved at Executive Board in 2002, and it is proposed that they remain unchanged.

Those objectives are:-

- to refurbish and maintain Council owned stock in Little London

- to achieve wider regeneration objectives by contributing additional Council assets to foster tenure diversification

The anticipated benefits of the project for the area are:-

- Popular Council homes in close proximity to the City Centre to be brought up to and maintained at modern standards
- Improvements to poor quality external areas around homes and to safety and security
- Positive action taken, by contributing Council assets, to foster tenure diversification and stability, as a means to address the social consequences of changes in demand and tenancy turnover in multi-storey flats and maisonettes

4.2 The Option Appraisal

Four options were considered for funding and delivering any improvements:-

- ALMO Option via LNWH using Supplementary Credit Approvals (SCAs)
- PFI and complementary Development Agreements with the private sector
- Stock transfer
- Joint venture

The table below summarises the assessment of each.

Option	Comments
ALMO Option via LNWH	<ul style="list-style-type: none"> • LNWH & ALMO option already approved by ODPM • LNWH has two stars following June 2004 inspection and as a result can access additional funding available to high performing ALMOs • Potential funding to carry out Decent Homes works where required • Some funding for environmental improvements
PFI with Development Agreements	<ul style="list-style-type: none"> • Already selected by ODPM for housing PFI programme • Potential to secure funding via PFI credits to carry out Decency Plus works to all homes, to build new Council homes, and for significant environmental improvements • Potential, via Development Agreements, to link development of neighbourhood centre and new homes for sale to this option • Market interest established (see below)
Stock Transfer	<ul style="list-style-type: none"> • Negative Value Stock –a Dowry would be required • Requires bid to be submitted to ODPM for consideration for inclusion on the programme • Requires majority of tenants to support the option in a ballot as a change of ownership is involved. • Option not supported by tenants under Going Local consultation. • Timescale to prepare submission to ODPM, prepare business case and conduct consultation
Joint Venture	<ul style="list-style-type: none"> • Does not deliver investment in the Council stock, which has a high investment need

	<ul style="list-style-type: none"> • The development opportunity is too small to attract private sector interest – insufficient ‘critical mass’ • Timescale to get partnership in place
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Taking into account the factors described above, two delivery options were considered realistic and worthy of full evaluation, the ALMO Option and the PFI & Development Agreement Option. The ALMO Option is the delivery route for the Decency Option. The PFI and Development Agreement option is the delivery route for the Comprehensive Regeneration Option.

4.3 Stakeholder involvement in developing the options

Throughout the option appraisal process a Stakeholder Group met regularly and acted in an advisory capacity. Those attending the Group included officers of relevant Council Departments, officers of Leeds North West Homes and the Chair of the Board, representatives of Little London Tenants and Residents Association (LLTRA) and of Community Action Little London (CALLs) and Ward Members. In September 2005 the Stakeholder Group established a Task Group which was charged with developing the options for consultation. The Task Group comprised officers of the Council and LNWH, representatives of LLTRA and CALLS and was chaired by the independent tenants advisor, Banks of the Wear.

4.4 Factors influencing the scope of the options

Background information used to inform the work of the Task Group when developing the scope of each option included:-

- Area profile information
- Trends in tenancy turnover and duration in Council homes
- Numbers of applications per vacancy and empty homes for different property types of Council homes
- Refurbishment compared to new build and demolition costs; estimated site values
- Stock condition and long term estimated investment requirement
- Anticipated resources
- Current tenure mix by comparison to city and area averages
- House price trends and levels of Right to Buy in the area
- Site analysis and indicative densities for potential development sites
- Site analysis and impact of options for improving access, parking, permeability and community safety on the existing stock
- Site analysis to identify opportunities to improve access, permeability and links to City centre
- Use of facilities in the neighbourhood centre
- Community views on issues and priorities

4.5 Scope of the options

A summary of the scope of each Option and the extent to which they meet strategic regeneration objectives is set out in the table below.

Comprehensive Regeneration	Decency
<p data-bbox="284 217 825 394">Regeneration Plan Objective - Community – stable mixed community with the opportunity for people to live healthy, safe and successful lives</p> <p data-bbox="284 398 825 613">Housing Strategy Objectives- To ensure that all neighbourhoods across the city are “decent places” where people want to live To achieve decent homes for all Leeds residents</p> <ul data-bbox="284 658 825 1240" style="list-style-type: none"> <li data-bbox="284 658 825 835">• Refurbishment of 912 Council homes to Decency Plus standards - 100% renewals of all major components by 2013; maintained at improved standard. <li data-bbox="284 1025 825 1240">• Demolition of 40 maisonettes at Carlton Gate and Carr and 100 multi-storey flats at Carlton Towers and replacement with 125 new council homes to modern standards <p data-bbox="284 1285 825 1420">Housing Strategy objective -To tackle difficulties or disadvantages in accessing housing or housing services</p> <ul data-bbox="284 1464 825 2047" style="list-style-type: none"> <li data-bbox="284 1464 825 1711">• Increased choice and changes to tenure mix by disposal of 297 multi storey flats at Lovell Park Grange, Heights and Towers for refurbishment for sale with a high proportion being affordable or for low cost home ownership <li data-bbox="284 1756 825 2047">• Increased choice and changes to tenure mix by disposal of sites in Council ownership (see Appendix 1) for development of an estimated minimum of 90 new homes for sale, a high proportion of which are to be affordable or for low cost home ownership 	<p data-bbox="847 217 1433 394">Regeneration Plan Objective - Community – stable mixed community with the opportunity for people to live healthy, safe and successful lives</p> <p data-bbox="847 398 1433 613">Housing Strategy Objectives- To ensure that all neighbourhoods across the city are “decent places” where people want to live To achieve decent homes for all Leeds residents</p> <ul data-bbox="847 658 1433 1173" style="list-style-type: none"> <li data-bbox="847 658 1433 904">• Refurbishment of approx 1300 Council homes to Decent Homes Standard – renewal of major components where required to meet the standard (ie not 100% renewals) by 2010; normal repairs and maintenance continues after 2010. <li data-bbox="847 1025 1433 1173">• Demolition of Carlton Gate and Carr maisonettes being considered, but would not be replaced with new Council homes. <p data-bbox="847 1285 1433 1420">Housing Strategy objective -To tackle difficulties or disadvantages in accessing housing or housing services</p> <ul data-bbox="847 1464 1433 1688" style="list-style-type: none"> <li data-bbox="847 1464 1433 1509">• Existing stock largely retained <li data-bbox="847 1532 1433 1688">• Limited opportunities for redevelopment to increase choice and accessibility (eg if Carlton Gate & Carr maisonettes demolished)

<p>Objective - Environment – safe, clean areas and well maintained environment</p> <ul style="list-style-type: none"> • Demolition or conversion into larger homes of 12 besits over access ways to improve community safety • Comprehensive environmental, permeability and access, parking, and community safety improvements across the area. • Redevelopment and redesign of neighbourhood centre site to improve community safety and provide mix of local amenities, including shops, community centre, outlet for housing management services, and potentially GP services (subject to GP/PCT support) 	<p>Objective - Environment – safe, clean areas and well maintained environment</p> <ul style="list-style-type: none"> • Demolition or conversion into larger homes of 12 bedsits over access ways to improve community safety • Limited programme of environmental improvements. • Limited works to shops on neighbourhood centre site
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4.6 The table demonstrates that the Comprehensive Regeneration Option matches strategic objectives more closely than the Decency Option as it includes the following features that the Decency Option lacks :-

- It can deliver a more comprehensive programme of decency improvements to Council homes
- It will provide a ‘decent place’ as well as decent homes by comprehensively improving the environment and tackling safety and security issues
- It will provide new homes and increased choice and access to the housing market

4.7 Consultation on the Options

Banks of the Wear (BoW), with a brief to provide support to local residents, have acted as a source of independent advice and audited the consultation to ensure it was balanced, inclusive and effective. A two stage consultation process was used.

4.7.1 Stage 1 consultation

From June to September 2005 BoW undertook a Stage 1 consultation exercise with local residents in Little London to seek their views about priorities for improvements to the estate’s housing, environment and its management. The issues identified through this consultation included:

- importance to residents of housing and environmental improvements.
- a majority of residents liking the area, wanting to stay in the area but wanting to see major improvements.

- scruffiness associated with the streets in the area, exacerbated by flytipping and residents discarding rubbish.
- fear of crime and a perceived lack of security presence.
- a need for improved amenity space maintenance.

4.7.2 Stage 2 consultation methodology

A Task Group was established to consider options for investment, as well as neighbourhood management, and to develop further consultation about the options. The Task Group was chaired by Banks of the Wear and included representatives of Leeds City Council, the ALMO, Little London Tenants & Residents Association and a local community organisation - CALLS.

The main part of the consultation on the regeneration options took place in January and February 2006, starting with a newsletter to all households which provided information about the two options, the process of the consultation and a timetable of events during the consultation.

The newsletter was followed by the distribution of a more detailed guide providing information for residents about the options and the impact on their particular part of the estate (five different guides produced).

A door-to-door consultation took place from February 3rd to February 16th. Initially areas of potential threat of demolition or disposal were targeted and these residents were also asked to complete a housing needs questionnaire. All properties were visited a minimum of three times. Calling cards were left offering appointment times to suit the resident, home visits, and translation or interpretation services if needed. A number of exhibitions were held in tower block foyers. Towards the end of the consultation period freepost return surveys were posted to any household not having responded to the survey in person.

4.8 Community Consultation and outcomes

4.8.1 The survey results were collated and analysed by BoW. The outcome is summarized below.

- Around two-thirds of the households on the estate returned reply slips - 967 replies from 1431 properties:
- Residents expressed a preference in all areas other than the Lovell Park tower blocks for Comprehensive Regeneration;
- **Overall 64% prefer Comprehensive Regeneration, whilst 36% prefer Decency**
- Preference for Comprehensive Regeneration was highest in areas unaffected by potential demolition or disposal (456 to 195), with a majority also favouring this option in Carlton Towers (proposed for demolition, 44 to 33);
- There is a majority preference stated for the Decent Homes option in the Lovell Park tower blocks (97 to 77). This preference was most pronounced in Lovell

Park Grange (40 to 17), with a smaller majority in Lovell Park Heights (35 to 30) and evenly balanced in Lovell Park Towers (30 to 30);

- There is a very strong statement from all residents in the area that they want to see it cleaner. People also want to see a good level of improvements and modern facilities, and the vast majority state that staying in the area is very important to them.

4.8.2 Little London Tenants & Residents Association Consultation Dossier

Following the community consultation exercise undertaken in February 2006, LLTRA complied and circulated a 'Stage 2 Consultation Process Dossier'. A copy of this document and the Council's formal response is available for consideration by members of Executive Board.

A number of concerns were raised by LLTRA regarding the planning and delivery of the community consultation. Below are responses to a number of the key issues raised.

- **No LLTRA input into the design of consultation materials** - at least two discussions were held at Task Group (see para 4.3) meetings about the content of the consultation material. The only materials produced without input from the LLTRA were summary cards of the two options, which the LLTRA felt were unbalanced.
- **Consultation starting 3 days early** - the process was started earlier than originally planned, due to consideration being given to the time needed to cover all households within the area (1431).
- **Sending out information stating LLTRA approval (which had not been given)** – to the knowledge of officers no information stating this was published.
- **Neutrality of the Interviewers** - the interviewers were sourced from both Leeds North West Homes (LNWH) and Neighbourhoods and Housing. All were briefed prior to undertaking the interviews and were clearly instructed to keep a neutral stance (LLTRA were represented at the briefings). Neither LNWH, nor Neighbourhoods and Housing received any complaints from individual residents about interviewers.

The Banks of the Wear report on the consultation process and outcomes acknowledges that there were complaints from both sides about incidents during the consultation period, but that there was nothing *"intrinsically wrong with the process"*.

4.9 Evaluation of the Options

Following the Stage 2 consultation the Comprehensive Regeneration and Decency Options along with their respective delivery routes, were evaluated against four key criteria:-

- Technical - compliance with objectives and quality of solutions (20%)
- Financial (25%)
- Deliverability (20%)
- Consultation (25%)

For an option to be considered viable it had to score at least 50% of the potential score of 1,000.

Four Evaluation teams, with appropriate expertise, assessed each criterion, and their scores and reports were considered by a Main Evaluation Panel, who awarded the final 10% of the marks, based on their assessment of the individual Evaluation Group reports and the overall comprehensiveness of each proposal.

Little London Tenants and Residents Association were invited to be represented on the Consultation Evaluation Group and the Main Evaluation Panel, but chose not to do so, as they did not wish to compromise their ability to give an independent view on each option.

The outcome of the evaluation process was that the Comprehensive Regeneration option scored 713 (71%) and the Decency Option scored 447 (45%). A breakdown of the scores is in the table below

Comprehensive Regeneration		Decency	
Criteria	Score	Criteria	Score
Technical	140	Technical	64
Financial	165	Financial	125
Deliverability	132	Deliverability	92
Consultation	196	Consultation	126
Main Evaluation Panel	80	Main Evaluation Panel	40
Total	713	Total	447

The Main Evaluation Panel's recommendation is that the Comprehensive Regeneration option, to be delivered via PFI be selected.

The outcome and proposed recommendation was reported to the Stakeholder Group on March 14th 2006.

4.10 Summary

Having due regard to the option appraisal, consultation and evaluation process described above, and the outcomes, Executive Board are requested to approve proceeding with the Comprehensive Regeneration Option, to be procured via a PFI contract and associated Development Agreements.

PART 2 – THE OUTLINE BUSINESS CASE

5.0 The PFI Outline Business Case

5.1 Subject to Members' approval of the Comprehensive Regeneration Option and the proposed delivery route via PFI, the next step is to submit a revised OBC for ODPM and Treasury approval, as per the programme agreed with ODPM and referred to at para 3.4.3.

5.2 ODPM require the OBC to follow a standard format, covering the following key issues:-

- Strategic context and business need
- Project objectives
- Options appraisal

- Preferred option
- Project delivery issues, including the contractual arrangements, the Output Specification, design quality, risk transfer, site and planning issues, programme and procurement period management arrangements
- Employee issues
- Other relevant information, which in the case of the Little London project will include partnership, stakeholder and consultation arrangements and application of lessons learnt from the Swarcliffe project and Gateway Reviews.

The next section of the report summarises the key issues in each section of the OBC.

5.3 The **strategic context and high level business need** are covered in section 3.0 above.

5.4 The **business need section** of the OBC also includes a description of the works in the scheme and the specific technical issues in relation to the stock and housing market in Little London that the project will address, including the following:-

- Summary of the works included in the scheme (see table at 4.5 – Comprehensive Regeneration option)
- Description of the properties in the scheme, including archetypes and scope of works required
- Investment needs of the stock
- Description of the external environment and public realm, community safety and security works proposed

The section of the OBC has been developed with the Council’s technical advisors, Gleeds, who have scrutinised existing stock condition information, conducted a further sample survey, and advised on quality standards and cost estimates.

5.9 Preferred option

5.9.1 This section of the OBC will contain a summary of all of the relevant information relating to the Comprehensive Regeneration Option, and will cover the following:-

- Description of proposed improvement and development works (see para 4.5)
- Services (see para 5.9.2- 5.9.6 inclusive)
- Financial assessment (see para 5.10 and Appendix 3)

5.9.2 Services

The PFI contract will contain service delivery requirements for the refurbished Council homes and the new Council homes. This will be a long term arrangement that ensures homes are maintained at the improved standard and day-to-day service delivery is carried out to clear performance standards.

5.9.3 Consideration has been given to the range of services to be included in the PFI contract as part of the option appraisal process, and it is proposed to include the following services:-

- Repair and maintenance of Council homes, including planned, cyclical and life cycle renewals and repairs
- Void property repairs
- Caretaking and cleaning

- Tenant and community liaison associated with the above services.

5.9.4 It is proposed that LNWH will continue to deliver the following services:-

- Lettings
- Income collection and debt recovery
- Tenancy management
- Tenant and community liaison associated with the above services

5.9.5 Before reaching a view an appraisal of each option was carried out, taking the following factors into account:-

- Affordability and value for money
- LNWH's performance as a Two Star organization with promising prospects for improvement (inspection June 2004),
- Impact on the LNWH as a business,
- Managing the interface between LNWH and the PFI contractor, based on experience of a similar arrangement on an operational contract at Swarcliffe,
- Interface with the proposed neighbourhood management approach,
- Market views on each option,
- Risk assessment of each option

5.9.6 The ODPM have agreed that the Council can proceed with the proposed service package, should it wish to do so.

5.10 **Financial assessment**

The financial appraisal has been undertaken with the Council's financial advisors for this project, PriceWaterhouseCoopers, and is summarized in Appendix 3. The ODPM financial model has been used to assess the level of PFI credit that the scheme requires, project affordability and value for money. A shadow bid model, developed by PricewaterhouseCoopers has also been used to cross check the assumptions and to calculate the Unitary Charge for the project.

The analysis identifies the project cashflow and the resources required to meet the anticipated Unitary Charge payments, taking into account the proposed Capital Receipts contributions from the disposal of the identified development sites. The impact of proceeding with the PFI contract on LNWH has been considered jointly with them as part of this exercise.

The financial analysis also included comparison to traditional procurement using the Treasury's 'Value for Money Assessment Guidance'. This includes a quantitative and qualitative assessment. The outcome is that PFI is expected to offer better value for money than traditional procurement.

The conclusions of the financial appraisal are that, subject to Executive Board approving the proposed Council contributions to the project which are identified in Appendix 3 , and Government approval of the PFI credits, the Comprehensive Regeneration Option is affordable to the Council and represents value for money.

ODPM have indicated that the information provided to the Council regarding the indicative level of PFI credits that may be available for the scheme is confidential, as it is subject to approval.

5.11 Project delivery issues

5.12 Contractual arrangements – Project Agreement

- 5.12.1 The refurbishment of 912 Council homes and the construction of 125 new Council homes, will be carried out under a 20 yr contract under the Government's Private Finance Initiative, for which standardised contract guidance (SOPC3), local government and sector specific guidance (Housing PFI Procurement Pack) exists. Following further detailed financial and technical work a 20 year rather than a 30 year contract is proposed. This may mean that after the first five years for example new kitchens, windows etc. would not be replaced for a second time during the lifetime of the contract. However, it would result in an average spend/home of £68k.

It is proposed that the Project Agreement would be based on the Model Project Agreement adjusted, subject to approval of any such amendments by ODPM and Partnerships UK, to reflect any Project specific issues that arise during procurement.

The contractor will have the exclusive right to design, build, finance and operate the facilities which form the Project. In addition to the main Project Agreement, there will be a Direct Agreement between the Council and the Senior Debt funders providing the funder(s) with step in rights in the event of default by the PFI contractor.

- 5.12.2 The Project Agreement and the Lenders' Direct Agreement will need to be certified for the purposes of the Local Government (Contracts) Act 1997. The Council has the powers to enter into such contracts under this Act.
- 5.12.3 The Project Agreement includes a Payment Mechanism which sets out the tests that must be passed for a dwelling to be classed as Available, and the deductions that will apply for failures of Availability. It also contains the performance standards that will apply to services delivered within the contract, the performance level required and the deductions that will apply for poor performance.
- 5.12.4 Consents are required under section 27 of the Housing Act 1985 before the Council can enter into the Project Agreement.

5.13 Contractual arrangements – Development Agreement 1

- 5.13.1 There will also be a Development Agreement covering the terms under which the development sites shown in Appendix 1, for new homes for sale and for the neighbourhood centre, will be disposed of to the private sector. The duration of this Agreement will be subject to negotiation, but is expected to be for a five to ten year period, to ensure that development takes place within reasonable, agreed timescales and to an agreed programme.
- 5.13.2 The private sector partner for the Project Agreement and this Development Agreement will be procured through one tendering process. Both agreements will be signed at the same time, and will effectively secure a partner or partners to deliver both the works and services to Council homes under the PFI contract and the new developments under the Development Agreement.

5.13.3 The PFI Contractor will be required to underwrite the PFI scheme for an agreed Guaranteed Minimum Price which it will guarantee to pay the Council for the development sites. The development sites will then be disposed of to the agreed developer/s under terms set out in the Development Agreement which will include overage arrangements for sharing any increase in value arising from a phased development programme. This arrangement has been used for the Swarcliffe PFI scheme.

5.14 Contractual Arrangements – Development Agreement 2

5.14.1 There will be a second Development Agreement for the Lovell Parks multi-storey flats, where a separate procurement to a specialist in refurbishment for sale is proposed, following market testing (see para 5.17 and 5.18). This approach was supported by Asset Management Group in February 2006.

5.14.2 This Development Agreement will set out the requirements and terms of the disposal of Lovell Park Court, Towers and Grange to a developer for refurbishment for housing for sale, to include affordable and low cost homes.

5.14.3 This complementary procurement will proceed in parallel with the procurement of the PFI contract and Development Agreement 1. It is expected that the preferred partner under this procurement will be identified by late 2006/7.

5.15 Output Specification

The Output Specification for the works covered by the Project Agreement has been developed with the Council's technical advisors, Gleeds, and follows the guidance contained in the Housing PFI Procurement Pack.

It sets out the quality standards that must be achieved for the refurbished and new homes to be classed as 'Available' under the terms of the Project Agreement. The Availability Standards will ensure that the refurbished homes are fully compliant with the Decent Homes Standard, and will require additional works over and above that standard, which are necessary to achieve a sustainable home and surrounding environment.

The Output Specification requires the improvement works to be carried out within 5 years and the new Council homes to be constructed within 5 years.

The Output Specification also contains requirements for each service which is included in the contract, including the scope of the service to be provided, the customer service standards and the performance measures.

5.16 Design quality and sustainability

The technical design quality and sustainability requirements have been developed with the Council's technical advisors, Gleeds, taking into account the relevant guidance

5.17 Market testing

As the Comprehensive Regeneration Option requires private sector interest to be deliverable, market soundings were taken in December 2005 and in January 2006. The views of the private sector have informed the refinement of the scheme scope and proposals for procuring elements of the scheme. The results are summarised below. The proposals in response to market views on procurement and contractual arrangements and the services issues referred to below are covered later in the report. The proposals on affordable housing are covered in the next paragraph.

- The scheme overall is attractive to the private sector and to appropriately experienced organisations, who would all consider submitting bids
- The inclusion of development opportunities adds to the attractiveness of the scheme
- All of the development opportunities are potentially attractive as part of one bidding opportunity, but the Lovell Parks may be better procured separately, to attract a specialist operator with more experience of the refurbishment for sale market.
- The balance between affordable housing and low cost home ownership through other initiatives such as equity sharing needs to be carefully considered to ensure the objectives are achieved
- The neighbourhood centre proposals, including not for profit elements such as the community centre, are, in principle, attractive
- The clarity on the service package in the PFI proposals would be acceptable

5.18 Affordable housing

- 5.18.1 Given the current predominance of Council homes in Little London, and the fluctuating demand for them, a conclusion of the option appraisal is that, to achieve long term sustainability, the supply of Council flats, where turnover is very high, should be reduced. The combination of demolition and disposals proposed provides opportunities for new homes to be built, and for existing flats to be refurbished for sale.
- 5.18.2 The development sites are of sufficient size that, following an appraisal of their development potential, the overall supply of housing in the area is expected to remain at least at the current levels, and may increase
- 5.18.3 The social profile of Little London is such that, for new housing provision to be accessible to local people, a high percentage of that provision must be classed as affordable or for low cost home ownership. In this area a two bed flat would, currently, be classed as affordable if its selling price was £70,000. This is subject to change over time to reflect movement in incomes and house prices.
- 5.18.4 It is therefore proposed that endeavours are made to ensure that a high proportion (up to 75-80%) of the new and refurbished homes for sale are affordable, or for low cost home ownership (eg under equity sharing arrangements). This is in addition to the 125 new Council homes.
- 5.18.5 The market view is that there is considerable potential to provide affordable housing in this area, but that realistically, if high levels of low price housing are to be provided, this is likely to be through a mix of low cost home ownership initiatives such as equity sharing and incentives for local purchasers and first time buyers.

- 5.18.6 The Comprehensive Regeneration Option includes a proposal to dispose of Lovell Park Court, Grange and Towers for refurbishment for sale. A high proportion of the refurbished flats are expected to be affordable, low cost homes, based on market responses. To increase the certainty of achieving this aspiration, it is proposed to dispose of the flats under a separate procurement to an experienced specialist provider of such accommodation.
- 5.18.7 Further work is now proposed to develop clear guidance and requirements regarding affordable and low cost housing provision under the Comprehensive Regeneration Option, bearing in mind market views, and drawing on the Council's experience of implementing such initiatives in other parts of the City.

5.19 Risk allocation and transfer

Before entering into a PFI contract, the Council must be satisfied that risks are allocated appropriately to the party best able to manage them. A risk assessment has been undertaken in accordance with the guidance in the Housing Procurement Pack, taking into account the risks identified in the risk log. The proposed risk allocation is consistent with guidance and is comparable to that on the Swarcliffe Housing PFI Pathfinder scheme.

5.20 Accounting treatment .

The Accounting Treatment for PFI Transactions is based upon Application Note F to FRS 5 – Reporting the substance of transactions: Private Finance Initiative and similar Contracts (the “Application Note”), as supplemented by Treasury Taskforce Technical Note Number 1 (Revised) – “How to Account for PFI Transactions” (the Technical Note.)

The Council has also taken advice from PricewaterhouseCoopers , who at this OBC stage of the Procurement, can only provide high level views based upon the expected structure of the proposed Project. PWC's initial advice to the Council on the Accounting Treatment is that the project is capable of compliance with the above guidance. FRS5 compliance was achieved for the Swarcliffe project, where the issues were similar.

The initial assessment of the Council's External Auditor (KPMG) is that they are not minded to challenge the assessment made by PWC and that the scheme is capable of achieving off balance sheet status.

5.21 Development sites and planning issues

Potential development opportunities have been identified within the area, a number of which will be created by the demolitions and disposals which are proposed within the scope of the scheme. These are identified on the plan at Appendix 1. The development sites are all in Council ownership, and the proposed uses are compatible with the Development Plan (UDP and UDP Review). There is a specific proposal in the UDP Review which identifies Little London as a priority regeneration area. The redevelopment of these sites is an integral part of the Comprehensive Regeneration Option and the overall Regeneration Plan for Little London.

- 5.21.1 Planning guidance regarding these sites will be developed through preparation of a Planning Framework, which it is proposed will be provided for bidders. Outline planning consent will be sought for the development sites prior to bid submission.

5.22 Programme

The programme for the procurement of the PFI scheme is:-

Milestone	Date
OBC approval	Sept 2006
Issue OJEU notice	Oct 06
Deadline for receipt of completed PQQs	Dec 06
Shortlist bidders	Jan 07
Invitation to Negotiate issue	Jun 07
Invitation to Negotiate return	Sept 07
Select preferred bidder	Apr 08
Negotiation to contract close	Oct 08
Service commencement	Dec/Jan 09

5.23 Procurement period governance and management arrangements

The project is covered by Governance arrangements approved by Executive Board in March and October 2005, a summary of which will be provided in the OBC.

There is an approved project Resource Plan, with a dedicated Procurement Team and a number of workstream teams. The Procurement team, including the Project Manager are all in post.

The project requires contributions to workstreams from a number of Council departments and from Leeds North West Homes. Where appropriate, Service Level Agreements are proposed and are in the process of being negotiated.

5.24 Employee issues

Discussions have taken place with LNWH as to the possible implications of a PFI contract including the transfer of staff under TUPE. Formal Workforce consultation processes exist which will be used to consult with staff and their representatives.

An initial assessment in relation to the services which it is proposed to include in the PFI contract indicates that this project will not result in a significant transfer of staff.

A summary of the Council's experience of transferring staff will be included in the OBC, along with its intention to undertake consultation in accordance with Two Tier Workforce guidelines and to implement the Code of Practice on Workforce Matters.

5.25 Other relevant information

5.25.1 Communications strategy and resident involvement

The following recommendation was made in the Gateway 1 review in relation to the ongoing involvement of tenants and residents in the regeneration of Little London:

"one of the most significant (*recommendations*) being the need now to embed in the project some regular, ongoing and significant input from the tenants and residents in order to overcome the current mistrust of the Council displayed by officers of the Tenants and Residents Association"

All partners involved in this project recognise a real need to ensure that effective and meaningful involvement is established and maintained with the tenants and residents of Little London throughout the duration of the regeneration programme. This is especially important given the history of distrust and ill-feeling towards the Council from tenants and residents in the area.

5.25.2 The Gate 1 Review report and Banks of the Wear's final report make a number of suggestions regarding provision of information to tenants and residents on OBC submission, as well as working jointly with residents to forward plan the next stages of consultation and involvement. These recommendations will be acted upon.

In direct response to the recommendations, work has been undertaken to develop a Communication Strategy for the area. This Strategy aims to:

- ensure residents' views of their area are communicated and heard,
- ensure that residents of Little London are fully informed of the regeneration options being considered by Leeds City Council,
- ensure that residents have adequate opportunity to ask questions and comment upon the options available and,
- ensure a structured, transparent and ongoing dialogue with residents takes place on the future of Little London and the proposed regeneration activity.

5.25.3 It is recommended that the Communication Strategy be finalised with tenants and residents through the Neighbourhood Management delivery structure as is outlined in Appendix 2. Suggested means of communication within the draft strategy include the appointment of an Independent Tenant Advisor as recommended in the Gateway1 Review. The proposal has been developed in partnership with LNWH.

5.25.4 A corporate action plan has been developed for implementing lessons learnt from the Swarcliffe project. These have been applied to the Little London project, an example being the preparation of an approved procurement period resource plan early in the process

6.0 Implications For Council Policy

6.1 Capital receipts policy

It is proposed to apply Capital Receipts from the disposal of development sites and the Lovell Parks multi-storey flats to the scheme as inclusion of development opportunities makes the scheme more attractive to the private sector, and ODPM's expectation is that the Council will contribute what resources it can to the project.

This may be regarded as an exception to the Capital Receipts policy approved by Executive Board in May 2005.

Asset Management Group considered this matter at a meeting on February 10th 2006 and supported the following recommendations for Executive Board approval:-

- That the identified development sites be included as part of a portfolio of opportunities within the Little London Housing PFI scheme
- That the three multi-storey blocks at Lovell Park Towers, Heights and Court be disposed of for refurbishment for sale via a separate procurement

- That the Capital Receipt arising from (i) and (ii) be used to support the Little London Housing PFI scheme

The elements of the scheme that will be more readily deliverable by applying Council assets effectively, including Capital Receipts, are the new and refurbished affordable and low cost housing and the 'not for profit' amenities in the neighbourhood centre, such as the community centre.

7.0 Legal And Resource Implications

- 7.1 The proposed contractual arrangements are summarised at para 5.12 to 5.14, along with the requirement for Consents under S27 of the Housing Act 1985.
- 7.2 The City Council has general powers to dispose of land held by it under Section 123 of the Local Government Act 1972 and Section 233 of the Town and Country Planning Act 1990
- 7.3 The Council has a duty to consult its tenants under the Housing Act 1985, and must consult Leaseholders under the terms of the Service Charges (Consultation Requirements) (England) Regulations 2003.
- 7.4 TUPE implications are outlined at para 5.24.
- 7.5 The procurement period budget is estimated to be approximately £3.0m. Provision has been made within the Housing Revenue Account to meet the costs to date. Budget provision of approximately £1.3m has been made for 2006/7.

8.0 Public interest

- 8.1 It is not considered in the public interest to disclose the information contained in Appendix 3, as the scheme will be subject to a competitive procurement process during the course of which the Council will seek to select a private sector partner. A key consideration will be achieving value for money, and this will be an evaluation criterion.
- 8.2 Indicative figures as to anticipated overall investment into the area have been issued as part of the public consultation process to date. As the scheme progresses through procurement, further public consultation will take place, and the public will continue to be updated. The overall estimated contract figure has not been disclosed so as not to prejudice the procurement process described above. Any further information that is disclosed will be consistent with a framework of national guidance for PFI contracts on provision of information on affordability for bidders.

9.0 Recommendations

- 9.1 Members are requested to approve proceeding with the Comprehensive Regeneration Option, delivered through a Private Finance Initiative Contract and associated Development Agreements, as outlined in the report, as part of the Regeneration Plan for Little London.

- 9.2 Members are requested to approve the Outline Business Case for the comprehensive regeneration of Little London, the scope of which is described in the report, including the affordability envelope and Council contributions outlined at Appendix 3 and the application of Capital Receipts from the disposal of the development sites and from Lovell Park Grange, Court and Towers as identified at Appendix 1, to the scheme

Appendix 2 – Neighbourhood Management element of the Regeneration Plan

Work has already begun on developing neighbourhood management in Little London, through the work of the Little London Neighbourhood Board. This is being further developed as part of the regeneration plan and includes:-

- **Community Safety Policing** - dedicated policing and neighbourhood warden resources
- **Streetscene** - dedicated multi-skilled streetscene service and co-ordination of estate maintenance services
- **Intensive Family Support** - combined professional action with targeted families in Little London & Woodhouse, including social work, education welfare, youth work, and anti-social behaviour.
- **Health action** – healthy living activities, drugs outreach, specific work with young men and young parents.
- **Co-ordinated service delivery** – bringing together City Council services, ALMO, other service providers and the community to improve service delivery. Little London & Woodhouse will be the focus of intensive neighbourhood management, but it will also be the catalyst to streetscene and community safety improvements across other areas of north west Leeds, most of which are in an arc from Little London across to Kirkstall.

Not for Publication:

Report exempt under Access to Information Procedure Rule 10.4(3) – Appendix 4 only

Report of the Director of Neighbourhoods and Housing

Executive Board

Date: 17 May 2006

**Subject: REGENERATION OF CROSS GREEN GROVE AND CROSS GREEN AVENUE,
CROSS GREEN.**

Electoral Wards Affected:
Burmantofts & Richmond Hill

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY

In line with the objectives of the Vision for Leeds 2004-2020 and the Leeds Housing Strategy an allocation of £0.5 million has been secured from the Regional Housing Board for the purpose of tackling poor quality, pre 1919 housing stock in Cross Green. The proposals set out in this report will form the basis of a wider transformational regeneration project which, linked to service delivery and neighborhood management initiatives being pursued by the to'gether partnership in East Leeds, will radically improve the quality of life and long term sustainability of Cross Green and East End Park.

This report advises Executive Board of the options considered for an area encompassing 21 properties in Cross Green (as shown on appendix 1 plan 1 and identified at Appendix 2) and details the results of an option appraisal. The report sets out recommendations for acquisition and clearance of 21 properties and seeks in principle approval to proceed with the acquisition of the properties within the target area by agreement with their owners. In the event that agreement cannot be reached with owners, formal authorisation will be sought from Executive Board to make any necessary Compulsory Purchase Orders.

1 Purpose Of This Report

Borrowing approval of £0.5 million has been secured from the Regional Housing Board for the purpose of tackling poor quality, pre 1919 housing stock in Cross Green. It is anticipated that this will be the first tranche of funding to be made available to the area. The purpose of this report is to consider the options for regeneration of the Cross Green area and to seek approval for the acquisition and clearance of 21 properties within Cross Green.

2 Background Information

2.1 Funding proposals were submitted to the Regional Housing Board for Yorkshire and the Humber (RHB) in September 2003 and January 2004 on behalf of the Leeds Housing Partnership to provide pump- priming funding for a long-term housing market renewal programme for areas including Harehills, Beeston Hill and Holbeck and Cross Green/East End Park.

Borrowing approval of £0.5m was awarded by the RHB to commence regeneration of the Cross Green/East End Park area for the year 2005/6 and a bid for further £3 million has been made to the RHB for 2006-2008. It is expected that these resources will be largely used for acquisition and clearance of pre-1919 housing, plus interventions such as group repair and enveloping, which will result in a flexible and comprehensive approach to target areas.

2.2 The potential for regeneration is magnified by the interrelationship of the proposals contained within this report and a number of other initiatives within the area,

- The site is a key site within the boundary of the **Aire Valley Leeds** regeneration area and is located on Cross Green Lane opposite to the Cross Green Housing area.
- **East and South East Leeds (EASEL)**
The area lies within the EASEL regeneration area. The EASEL initiative aims to provide and maintain decent housing and sustainable communities.
- **East Leeds Link Road**
The route of the East Leeds Link Road skirts the area and will help to alleviate traffic conditions within the residential area. Construction is anticipated to commence in November 2006 and conclude November 2008

The geographical context of these initiatives is illustrated at Appendix 1 plan 2.

3 Main Issues.

3.1 The area which is the subject of this report comprises of 21 brick terraced back to back houses. It is proposed that the properties, as identified in Appendix 2, are acquired and demolished in order to regenerate the area and produce a cleared site suitable for the provision of new housing and much needed open space. The size and shape of the cleared site would, in isolation, be unviable for the re-provision of housing. It is therefore, proposed that the site be grassed over for use as open space. Ultimately, in the longer term further phases of demolition, if approved, will enhance the site to ensure an appropriate size for a housing development incorporating open space provision.

- 3.2 The Cross Green area (as highlighted on plan 1 at Appendix 1) is included within one of the worst 3% Super Output Areas nationally. These areas have been prioritised in agreement with national government through the cities Local Area Agreement for focused intervention. This intervention aims to bring the area up to a level of quality comparable with other neighbourhoods in the rest of the city. The area suffers from a number of deep-seated issues which need to be addressed – environmental quality, transportation issues, traffic conditions, community safety, housing conditions and mix, lack of facilities, general health and well-being. The area has been experiencing the signs of decline for several years. Crime and anti social behaviour have combined with obsolescent and poor quality older housing stock to affect the popularity of the area.
- 3.3 The area has the lowest house prices in Leeds - only a third of the average house price for Leeds as a whole. These properties are invariably in poor condition and of low demand; the only demand coming from private landlords and speculative investors. While property prices are comparatively low investors are able to see the potential return from private lettings. A concentration of privately rented property can often lead to an over representation of vulnerable, mobile and anti-social residents.
- 3.4 A partnership arrangement (to'gether) has been established with the aim of bringing together services to tackle the anti social behaviour blighting the area, stem the decline and stop people moving out. Membership of the to'gether partnership includes Renew, Leeds South East Homes, LCC Area Management, West Yorkshire Police, Fire Service. Education Leeds, LCC Anti Social Behaviour Unit, LCC Street Scene Sevices, LCC Environmental Health Services. The area is the focus of a programme of intensive neighbourhood management.
- 3.5 Local Ward members and the Residents Association were briefed on the intention to carry out an option appraisal, commencing with a survey of residents and property owners in the target area. The results of the residents survey and consultations with stakeholders, local ward members and Leeds South East Homes have been included in the option appraisal which has considered 3 options for the area with reference to their ability to meet the defined objectives:

- Option A: Do minimum to meet legal conformity
- Option B: Group Repair and internal remodeling
- Option C: Acquisition and redevelopment of the site.

Option A: Do minimum to meet legal conformity

Generally in terms of the older housing stock, the Leeds South East Homes business plan does not support major refurbishment. Whilst they will maintain and repair stock, they are unlikely to undertake any significant improvement where investment in housing stock is considered to be uneconomical. Moreover, 5 properties have been extensively fire damaged and another partially fire damaged. The estimated cost of bringing these 6 properties back into use and up to the Governments Decent Homes Standard is around £25,000 to £30,000 per property. Complaints have been received from local residents and property owners via elected members and the local MP about the effect of these empty properties on local property values, lettability and the areas image. Furthermore because turnover is high in the Cross Green area and demand for the area is relatively low the cost of returning these properties to use would prove even less financially viable and sustainability questionable.

Despite the uncertainty surrounding the sustainability of investment in this area LSEH have a legal obligation to ensure that all stock meets the Governments Decent Homes Standard by 2010.

LSEH have calculated that they will need to spend £252,000 by 2010 to bring the 16 homes that they manage in the target area up to the Decent Homes Standard, including the cost of returning the fire damaged properties to use. However, this standard does not address the issue of poor design, layout, the lack of gardens/private space and poor built environment. Refurbishment of LSEH properties alone would provide only a piecemeal solution. It would also mean that an opportunity to contribute to the regeneration of the wider Cross Green area is missed.

Evidence suggests, therefore, that the expenditure required to comply with the above **minimum** standard would

- **not** address all of the issues identified by residents as unsatisfactory
- **not** prove to be cost effective
- **not** prove to be sustainable
- **not** enable the levels of transformational change required to regenerate the area

Option B: Group repair and internal modeling.

Enveloping works to the exterior of the properties would create a visually superior and uniform street scene. This, coupled with major remodeling of the properties may create through terraces with better layout and room sizes which would meet (potentially exceed) the Decent Homes Standard. Consultant Architects (West & Machell) working in the Harehills area of Leeds have estimated that the remodeling of two back to backs to form 1 family house would costs £65,000 per conversion in construction costs alone. There are 14 properties in the target area that could potentially be remodeled but the cost of acquisition and conversion is estimated at £1,231,625 (see appendix 4).

Even if ultimately these properties were sold on the open market for an optimistic £90,000 this could potentially result in a net loss to the Council of approximately £700,000. It is also doubtful whether **long term** demand exists even after conversion. Whilst this option may address some of the issues with poor conditions, fire damaged properties and potentially the lack of garden; it cannot address issues of poor housing mix, over density or poor environment and amenity. It is highly questionable whether such extensive works and expenditure would be cost effective, justifiable, or sustainable when compared with other options.

In view of the high costs involved and the fact that £0.5m of funding is currently available from RHB this option has been ruled out as a viable option on the grounds of affordability.

Option C. Acquisition, Clearance and redevelopment of the site for housing

Housing conditions, while they are in the main unsatisfactory, do vary across the Cross Green Housing area. However, the worst of those conditions are concentrated within the target area. The knock on effect of the appearance of these properties on those surrounding has instigated a decline in the immediate area which may soon become irreversible.

Acquisition of the 5 privately owned properties within the target area and clearance of all 21 houses would form the first phase of a longer term strategy (The details of which will form a further report). Clearance in order to provide new housing will help to arrest the decline of surrounding properties and provide a catalyst to the regeneration of the wider area.

A small site adjacent to the Cross Green housing area has recently been acquired by Nixon Metropolitan who have secured planning permission for a residential development on this site.

- 3.6 A formal Option Appraisal in accordance with the corporate procedure has been carried out to assess Options A and C (option B having been ruled out on grounds of affordability). Both financial and non financial aspects of Options A and C have been considered.
- 3.7 A discounted cash flow exercise has been carried out for options A and C and the net present values are as follows

Option	Description	NPV £000
A	Do minimum to meet legal conformity	265
C	Acquisition and redevelopment of the site for housing	407

This exercise and the table above illustrates the cost of each option over the next 25 years at today's value. Although the financial element of the option appraisal would suggest that Option A is preferable the pursuance of the stated objectives of this project are critical to the achievement of the strategic aims of the Vision for Leeds and the Leeds Housing Strategy.

- 3.8 Option C (Acquisition, clearance and redevelopment) scores highly against each objective. Clearance and re-provision of housing facilitates the potential provision of high quality housing, which is of a type and size matched to the needs and choices of residents, in a quality environment which would as a consequence contribute to the improved image and regeneration of the area and community. Option A (Do minimum to meet legal conformity), meanwhile is able only to meet some of the objectives to a limited extent and potentially for a limited timescale. Other objectives, i.e. matching housing to needs and choice and tackling poor environmental quality, are not met at all by Option A. This is due to the fact that the government's Decent Homes Standard is a minimum standard which focuses on fitness, disrepair and the provision of modern facilities within the dwelling. It does not consider the external environment or the internal layout, size or number of rooms.
- 3.9 Whilst the financial analysis in isolation would seem to support option A the assessment of non financial factors must be given careful consideration also. The contribution of Option C to key strategic objectives outweighs the differential in financial terms in this instance. Option C is, therefore, the one recommended to Executive Board.

4 Implications For Council Policy And Governance

4.1 The Leeds Housing Strategy has identified the regeneration and renewal of areas with frail housing market conditions, poor quality or obsolete housing and issues with multiple deprivation as a key priority. This has also been identified as a key priority both in the Regional Housing Strategy and the West Yorkshire Housing Strategy. This proposal forms part of a housing market renewal component of the comprehensive regeneration programme for Cross Green/East End Park, which will also be subject to selective licensing.

4.2 Consultation

4.2.1 The to'gether Partnership has developed a Residents Network, with a current membership of over 450 people living in the area. Initial consultation was carried out with the residents network to gauge their opinions on whether the available funding should be targeted towards Cross Green or East End Park. The results of a workshop session attended by the representatives of the Residents Network indicate that 55% of those present were in favour of targeting the Cross Green area. The workshop also concluded that attendees were, in general, in favour of some selective demolition.

4.2.2 During January 2006 attempts were made by Council officers to contact and visit **all residents** whose homes are directly affected by the proposals. These visits established that of the 21 properties in the target area, 9 of the properties are currently empty and of the remaining 12, contact was made with 11 householders and face to face interviews carried out with 10.

4.2.3 Attempts were also made to make contact with the private landlords in the area, of which there are 3. Two private landlords have responded so far and of the owner occupiers in the area, of which there are 2, both have been contacted and face to face interviews conducted.

4.2.4 Details of the results of the questionnaires are detailed at appendix 3. In summary, 8 out of 10 respondents were either dissatisfied or very dissatisfied with the area and 6 out of 10 respondents were in favour demolition. 2 stakeholders stated that they would not favour demolition one of these being a council tenant, the other a Private Landlord.

4.2.5 Following the Residents Survey, the initial findings were presented to the Richmond Hill Open Forum on 6th February 2006 where local ward members and residents were present. The meeting was advised that an option appraisal would be carried out in order that recommendations could be made to the Executive Board regarding the area. Attendees who are resident in the vicinity of the target area expressed their support for demolition rather than refurbishment.

4.2.6 If approval is secured to acquire and demolish these properties a number of methods will be utilised by Council officers in order to ensure that residents and stakeholders have the opportunity to be involved and informed:-

- Existing arrangements already in place to consult with and involve local residents will be utilised wherever possible. I.e. Area Forums, the to'gether partnership and local community action groups.

- Regular liaison between project officers and the officers of LSEH and other RSLs will ensure that rehousing of residents is co-ordinated effectively.
- Regular written updates for, residents and property owners in the form of a newsletter and briefing notes for Ward members, MP for Leeds Central, ALMO officers and Housing Associations.
- A suite of information leaflets is being devised to advise residents of the procedure and the assistance, including compensation, which is available to them.
- Weekly local surgeries to be held in the area to ensure that project officers are easily accessible to residents and stakeholders. In addition this will encourage the development of trust resulting from personal contact.

5 Legal And Resource Implications

- 5.1 The estimated scheme costs of £500,000 are detailed at Appendix 4. This estimate includes acquisition of the 5 privately owned properties; home loss compensation for owner occupiers and private tenants, disturbance payments for all residents, and site clearance. It is assumed that homeloss payments of Leeds South East Homes will be met by the ALMO to provide consistency with other regeneration projects but the availability of ALMO resources to meet these costs will need to be identified (potentially £38,400).
- 5.2 The preference is to acquire properties by agreement with the property owners. A compensation package equivalent to that which would be available in the event of a Compulsory Purchase Order being made will be offered to residents and owners. Details of the compensation payments available to which owners and tenants may be entitled are outlined at Appendix 5
- 5.3 Negotiations to acquire the privately owned properties will be undertaken by Council officers. The aim will be to conclude acquisition of all properties and rehousing of all residents prior to commencement of site clearance for the sake of financial prudence. However, management of the partially vacated site will be carefully monitored to ensure that safety and security is maintained for the remaining residents. A provisional timescale has been devised with the aim of acquiring and securing vacant possession of all properties by the end of 2006, with demolition taking place early in 2007.
- 5.4 Although the preference is to acquire properties by agreement with owners, ultimately, if agreement cannot be reached, authorisation is sought from Executive Board to make any necessary Compulsory Purchase Orders. Should Compulsory Purchase action become necessary, in this instance, Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended by Section 99 of the Planning and Compulsory Purchase Act 2004) is the most appropriate legislation in the circumstances. These powers are intended to help authorities to assemble land where this is necessary to implement the proposals in their Community Strategies and where the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion of the economic, social and environmental well-being of an area. In the event that compulsory purchase action becomes necessary a further report will be submitted to Executive Board.

5.5 Risks

- 5.5.1 The funding to be utilised for the delivery of this project, if approved, is in fact borrowing approval for the financial year 2005/6. While approval has been secured from the RHB to roll over this allocation into 2006/07 it is necessary to ensure that the allocation is spent within the financial year 2006/7. Any slippage of the programme would require further approval to roll over funding into 2007/8.
- 5.5.2 The success of the Leeds Housing Partnership to secure further funding from the RHB may be jeopardized by failure to deliver on current projects. In addition future funding, including the current bid for a further £3m for Cross Green for the period 2006/8, will take the form of grant allocation and so will not be available for roll over into 2008/9.
- 5.5.3 A contingency fund of £26,880 is available to cover potential overspend on this project; if this is not required it may be made available to future phases in the longer term strategy for the regeneration of the Cross Green area.
- 5.5.4 While the intention is to acquire the 5 privately owned properties in this area with the agreement of owners there is always the possibility that Compulsory Purchase action may be required in the event of an inability to reach agreement. Only one owner of property within the target area has responded that he is not in favour of demolition. However, if Compulsory Purchase action is required this will inevitably have implications for the timescale of the project. Compulsory Purchase action would also involve additional costs i.e. publicity costs, officer time including legal fees, and the costs incurred surrounding the staging an Inquiry if objections are made.

6 Conclusions

An allocation of £0.5 million has been secured from the Regional Housing Board for the purpose of tackling poor quality, pre 1919 housing stock in Cross Green. Three options have been considered for the target area encompassing 21 properties in Cross Green. The option appraisal has identified Option C - acquisition, clearance and ultimately redevelopment of the site for new housing as the preferred option. This option is considered to be most effective in starting a process of transformational change which is required to regenerate the wider area. It will also complement and add value to other regeneration initiatives ongoing in the area. Of the three options acquisition, demolition and redevelopment will make the most effective contribution to local and regional strategic aims. Consultation with local stakeholders has identified a majority view which does not oppose acquisition and demolition.

It is envisaged that the proposals within this report will form the first of a number of phases which will contribute to a long term strategy to regenerate the whole of the pre 1919 housing area of Cross Green. This of course is subject to the identification of further sources of funding and approvals. The menu of interventions available as part of this strategy will include not only acquisition and clearance but also group repair to retain the character of the area and provide diversity of property types and tenures.

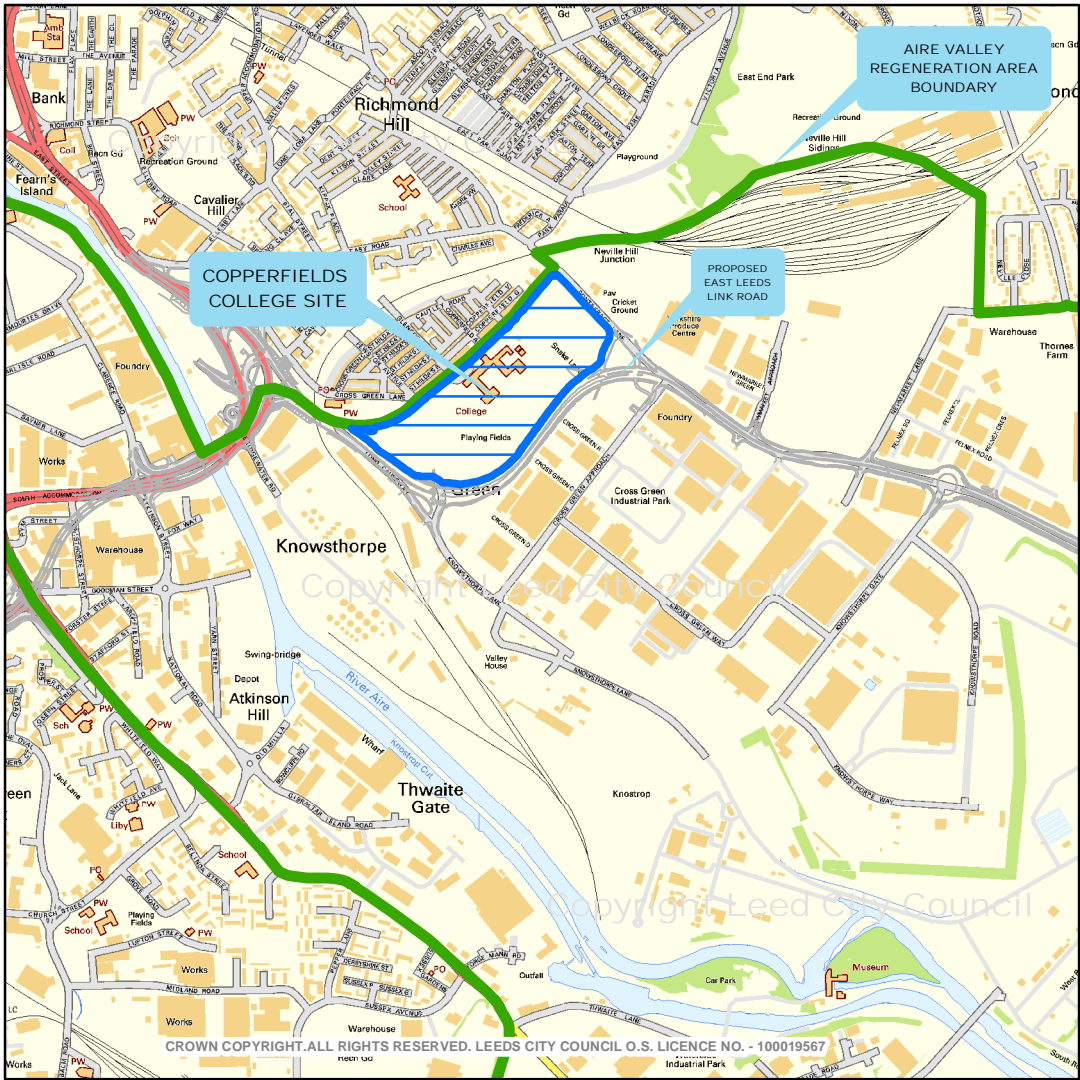
7 Recommendations

Executive Board is requested to note the contents of the report and:

1. Approve the injection into the Capital Programme of £0.5m of Regional Housing Board money
2. Authorise Scheme Expenditure to the amount of £0.5m
3. Authorise officers to commence acquisition of properties by voluntary agreement with the owners. In the event that agreement cannot be reached with the owner of any property within the target area for its acquisition, authorise officers to make and promote any necessary Compulsory Purchase Orders.

Appendices

1. Plan 1 target area
Plan 2 relationship to Copperfields College Site, East Leeds link Road
2. Address list
3. Summary of residents survey results
4. Costs associated with option B and C (Confidential Information)
5. Compensation Payments

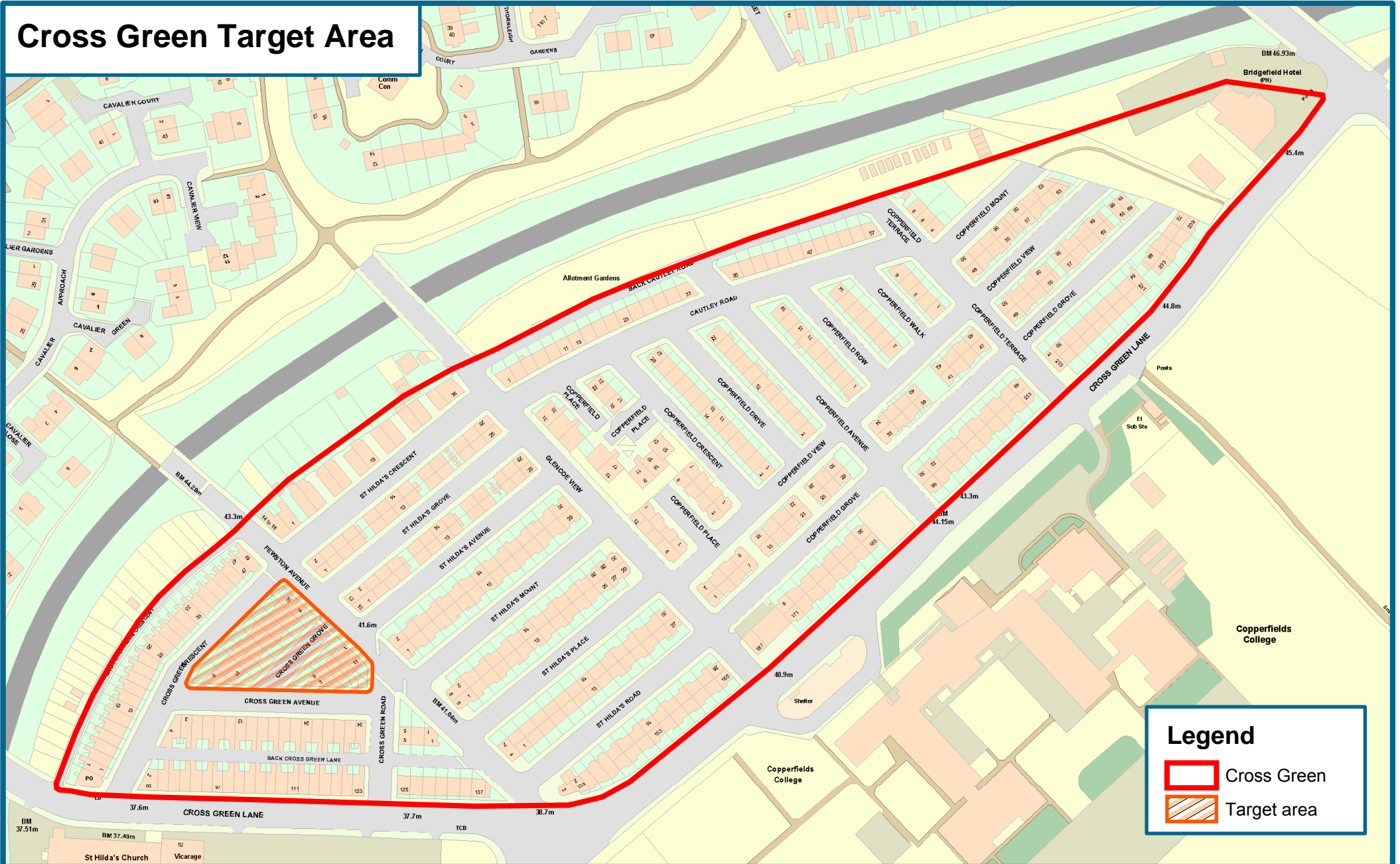


AIRE VALLEY
REGENERATION AREA
BOUNDARY

COPPERFIELDS
COLLEGE SITE

PROPOSED
EAST LEEDS
LINK ROAD

Cross Green Target Area



Legend

- Cross Green
- Target area



PRODUCED BY THE STRATEGY TEAM, NEIGHBOURHOODS AND HOUSING DEPT, LEEDS CITY COUNCIL

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REF : 2006 : 038 : 001



Appendix 2

Regeneration of Cross Green Grove and Cross Green Ave Cross Green Address list of properties affected.

Address	Tenure
6 Cross Green Crescent	ALMO
8 Cross Green Crescent	ALMO
10 Cross Green Crescent	ALMO
12 Cross Green Crescent	Private Landlord
14 Cross Green Crescent	Owner Occupier
16 Cross Green Crescent	ALMO
18 Cross Green Crescent	ALMO
20 Cross Green Crescent	ALMO
2 Cross Green Grove	ALMO
4 Cross Green Grove	ALMO
6 Cross Green Grove	ALMO
8 Cross Green Grove	ALMO
10 Cross Green Grove	Private Landlord
12 Cross Green Grove	Owner Occupier
14 Cross Green Grove	ALMO
1 Cross Green Grove/ 11 Cross Green Ave	ALMO
3 Cross Green Grove	ALMO
5 Cross Green Grove	ALMO
7 Cross Green Grove	Private Landlord
9 Cross Green Grove/ 3 Cross Green Ave	ALMO
9 Cross Green Avenue	ALMO

Appendix 3

CROSS GREEN OPTION APPRAISAL. JANUARY 2006.

SUMMARY OF RESIDENTS SURVEY RESULTS 6/2/06.

Tenure.

Total of **21** Properties in the target area. 3 Private Landlords, 2 Owner Occupiers, 16 managed by Leeds South East Homes on behalf of LCC.

Occupation.

12 Occupied properties. 9 Void properties (8 LSEh & 1 Private Landlord). 2 Owner Occupiers, 2 Private Tenants, 8 LSEh.

Respondents.

10 respondents (including 2 owner occupiers & 2 private tenants) out of 12 possible respondents. 1 household left with questionnaire to complete and return. No response from 1 household. **83% response rate from the residents.**

Private Landlords

2 out of the 3 Landlords have responded. 67% response rate.

Length of Occupation.

Less than 1 year	2 households
Between 1 – 5 years	2 household
Between 5 -10 years	2 households
More than 10 years	4 households.

Satisfaction with Home.

6 respondents satisfied with home	(60%)
2 respondents dissatisfied with home	(20%)
2 respondents very dissatisfied with home	(20%)

Problems with homes.

In order of Priority.

ITEMS	POINTS
General Repairs	24
Roof	15
Lack of Garden	10
Dampness/ Kitchen Size/ Central Heating	8
Refuse/ Bin yards	7
Clothes Drying/ Room Size	5
Staircase	4
Insulation	2
Other	

Satisfaction with the Area

2 respondents satisfied with area	(20%)
5 respondents dissatisfied with the area	(50%)
3 respondents very dissatisfied with the area	(30%)

Problems with the area.

In order of Priority.

ITEM	POINTS
Empty properties	34
Anti social behaviour	26
Dumped rubbish	21
Lack of facilities for teenagers and children	18
Crime	17
Burglaries	7
Poor quality housing	5
Poor parking	1

Positive points about the area.

In order of number of times chosen:

Local shops and facilities x 6
Good bus routes x 3
Being near town x 3
Being close to relations x 3

Options for improvements.

In order of priority.

ITEM	POINTS
Repairs to properties	23
Play facilities for teenagers & children	15
Demolition of selective properties	9
Improve car parking	5

In favour of demolition – residents/ owner occupiers.

Yes 5 respondents
No 1 respondent
Don't Know 4 respondents
No response 2 respondents

In favour of demolition – Private Landlords (out of 3).

Yes 1
No 1
Don't know 0
No response 1

Thinking of moving (out of 10).

Yes 3
No 7

Wish to be involved in further consultation (out of 10).

Yes 9
No 1

Appendix 5

Compensation payments payable	Owner Occupier	Owner not occupier	Tenant
Value of the land taken (open market value in the absence of the scheme) less sum due in respect of any mortgage	✓	✓	
Homeless payment if resident for one year or more (Owner =10% of value of property Max £38,000-Min £3,800 Tenant = flat rate £3,800)	✓		✓
Basic Loss payment (7.5% of value of property)		✓	
Fees (reasonable surveyors and legal fees for dealing with the claim and transfer)	✓	✓	
Disturbance (costs and losses as a result of being disturbed from occupation, e.g. removals, redirection of post, disconnection of services)	✓		✓
Costs of re-investment if incurred within one year		✓	



REPORT OF THE CHIEF EXECUTIVE OF EDUCATION LEEDS

EXECUTIVE BOARD: 17th May 2006

SUBJECT: Horsforth West End Primary School – Outcome of consultations

EXECUTIVE SUMMARY

1.00 PURPOSE OF REPORT

- 1.1** To provide a summary of the recent consultation process about a proposal to close the resourced provision for Deaf children at Horsforth West End Primary School and to seek approval to publish a statutory notice for the removal of the resourced provision for Deaf children at the school.

2.00 BACKGROUND

- 2.1** The resourced provision for deaf children was established at West End Primary School in 1984. This enabled children to have full access to a mainstream primary school curriculum and social environment as well as access to a deaf peer group and specialist teaching and support from the Deaf and Hearing Impaired Service staff based at the school.
- 2.2** This provision at West End Primary is one of two additionally resourced primary schools for deaf children, the other being Cottingley Primary School. There is also an additionally resourced nursery at Shakespeare Primary School and secondary age provision at Allerton Grange High School. In addition the Deaf and Hearing Impaired Team support nearly 250 deaf and hearing impaired children in their local mainstream school.
- 2.3** The provision for Deaf children at West End Primary successfully promoted a bilingual British Sign Language / English approach to communication and education to match each Deaf child's individual needs. The provision has been very successful for over 20 years and has been praised in the school's Ofsted inspections.
- 2.4** In September 2005 a report was submitted to the Education Leeds Board to seek permission of Executive Board to consult with interested parties (including parents, Head Teachers, Health, Social Services, Voluntary agencies and the Deaf community) about a proposal to close the additionally resourced provision

for Deaf or hearing impaired children at Horsforth West End Primary School and in so doing remove it from the range of choices available to Deaf children.

- 2.5** Executive Board gave permission to consult on the above proposal in September 2005 and the summary of the consultations is attached. Following the consultation period permission is now sought to publish a Statutory Notice for the removal of the resourced provision for Deaf children at Horsforth West End School Primary School.

3.00 RECOMMENDATIONS

- 3.1** Executive Board is asked to:

i) approve the publication of a Statutory Notice for the removal of the resourced provision for Deaf children at Horsforth West End Primary School .



Agenda Item:

Originator: Joan Haines

Telephone: 3951035

REPORT OF THE CHIEF EXECUTIVE OF EDUCATION LEEDS

EXECUTIVE BOARD: 17 May 2006

SUBJECT: Horsforth West End Primary School – Outcome of consultations

Electoral wards Affected:
Horsfoth

Specific Implications For:

Ethnic Minorities

Women

Disabled People

Narrowing the Gap

Eligible for Call-in

Not Eligible for Call-in

1.00 PURPOSE OF REPORT

- 1.1 To provide a summary of the recent consultation process about a proposal to close the resourced provision for Deaf children at Horsforth West End Primary School and to seek approval to publish a statutory notice for the removal of the resourced provision for Deaf children at the school.

2.00 BACKGROUND

- 2.1 The resourced provision for deaf children was established at West End Primary School in 1984. This enabled children to have full access to a mainstream primary school curriculum and social environment as well as access to a deaf peer group and specialist teaching and support from the Deaf and Hearing Impaired Service staff based at the school.
- 2.2 This provision at West End Primary is one of two additionally resourced primary schools for deaf children, the other being Cottingley Primary School. There is also an additionally resourced nursery at Shakespeare Primary School and secondary age provision at Allerton Grange High School. In addition the Deaf and Hearing Impaired Team support nearly 250 deaf and hearing impaired children in their local mainstream school.

- 2.3** The provision for Deaf children at West End Primary successfully promoted a bilingual British Sign Language / English approach to communication and education to match each Deaf child's individual needs. The provision has been very successful for over 20 years and has been praised in the school's Ofsted inspections.
- 2.4** In September 2005 a report was submitted to the Education Leeds Board to seek permission of Executive Board to consult with interested parties (including parents, Head Teachers, Health, Social Services, Voluntary agencies and the Deaf community) about a proposal to close the additionally resourced provision for Deaf or hearing impaired children at Horsforth West End Primary School and in so doing remove it from the range of choices available to Deaf children.
- 2.5** Executive Board gave permission to consult on the above proposal in September 2005 and the summary of the consultations is attached. Following the consultation period permission is now sought to publish a Statutory Notice for the removal of the resourced provision for Deaf children at Horsforth West End School Primary School.
- 3.00 MAIN ISSUES**
- 3.1** Patterns of parental preferences have changed over the years and these changes are beginning to impact quite rapidly on provision for deaf and hearing impaired children. Increasing numbers of parents are requesting that their deaf child be educated in their local mainstream school.
- 3.2** Because of these changing parental preferences no new admissions have been made to the provision for deaf children at Horsforth West End Primary School for a number of years. Commitments to pupils already in the provision have been honoured and the last 2 pupils left the resource to move to high school in July 2005.
- 3.3** Deaf children are known to the Deaf and Hearing Impaired Service from a very early age and there are no children currently known to the Service whose parents have expressed a preference for the provision at West End Primary School.
- 3.4** One of the reasons a parent might choose additionally resourced provision such as that at West End is the access to a deaf peer group. At least two parents would have to choose the school at the same time to make this possible. Given the pattern of parental choice over recent years this is judged to be highly unlikely.
- 3.5** It was proposed therefore that the provision for deaf children at West End Primary School be removed from the range of choices available to parents of deaf children. The choice of a place at Cottingley Primary School provision for the deaf will remain as this has proved a more popular choice for parents with 15 pupils on the roll in July 2005.
- 3.6** This proposal has been consulted upon and the following consultations have taken place:
- 3.6.1** The consultation period began on 1st February 2006 and ended on 15th March

2006. A consultation document outlining the proposal and background to it was widely distributed (800 copies were sent out) to the following individuals or agencies:

- all parents/carers of Deaf children in Leeds
- Health
- Education
- Social Services
- Voluntary agencies
- Head Teacher and governors of West End School
- Head Teachers of other resourced provisions for Deaf children in Leeds
- Neighbouring Local Education Authorities
- Children’s Hearing Services Working Group
- Elected Members of LCC

3.6.2 During this period the following consultation meetings were held:

Date	Meeting
1 February 2006	Consultation period begins
9 February 2006	Meeting with Head Teacher and governing body of West End Primary School
13 February 2006	Meeting of the Deaf and Hearing Impaired Team, Education Leeds staff
15 February 2006	Public meeting at West End School
15 March 2006	Consultation period ends

3.6.3 All meetings were facilitated by the following Education Leeds Officers:

Joan Haines Team Leader, The Sensory Service
 Catherine Rutherford Assistant Team Leader The Sensory Service
 Paul Barker, Team Leader Inclusion and SEN Development Team

3.6.4 Bridget Mork Parent Partnership Service attended the public meeting on 15th February 2006.

3.6.5 The Head Teacher and all of the governors of West End School attended the meeting of the 9th February 2006. The second meeting was attended by 4 members of staff from the Deaf and HI Team. The public meeting was attended by the following 6 people :

Consultant for Deaf Ex- Mainstreamers (DEX)
 Head Teacher of West End Primary School
 2 Assistant Heads of St John’s School for the Deaf Boston Spa
 2 Parents of a Deaf student in Leeds

3.6.6 In addition to the above meetings responses to the Consultation document were invited in writing. 5 written responses were received. Finally, at all Consultation meetings those present were invited to encourage anyone else they know who might be interested to take part in this consultation

process.

3.6.7 The full summary of the consultations is attached.

3.6.8 The minutes of consultation meetings and the written responses are in the members library.

3.6.9

Issues arising from the consultations :

1. The issues raised during these consultations reflect national debates about whether it is most effective to educate Deaf children in mainstream schools or in resourced provisions for Deaf children.

2. There is no one answer to the issue above and different parents/carers choose differing types of education provision according to their child's needs. It is important to note that Education Leeds still retains choice for parents/carers in the provision for Deaf children in local mainstream schools and in resourced provisions for Deaf children at Shakespeare School, Cottingley School and Allerton Grange High School.

3. There are currently no Deaf children attending West End School and this is as a result of changing patterns in parental choice. Increasing numbers of Deaf children in Leeds are choosing an inclusive place in their local mainstream school for their Deaf child and this is a pattern reflected nationally.

4. During the consultation period no parents/carers of Deaf children requested that West End resourced provision for Deaf children remain open for their Deaf child to choose in the future.

5. The Head Teacher and the governors are in agreement with the proposal to close the resourced provision for Deaf children.

6. Two parents of a Deaf student wished that their Deaf child could have attended their local mainstream school with hind sight. The choice of mainstream school or resourced provision for Deaf children is retained in Leeds.

7. There are currently no parents/carers who have chosen for their Deaf child to be educated at West End School and parental choice has directly led to this consultation about closure of this resourced provision for Deaf children.

4.00 IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE

4.1 Deaf children are considered to have a disability. Closure of the provision would remove a choice from this group. However it is a choice that no parents have exercised for a number of years.

5.00 LEGAL AND RESOURCE IMPLICATIONS

5.1 As no pupils will attend the provision at West End Primary School in September 2005 all the staff and the resources which were deployed there have been

redeployed by the Deaf and Hearing Impaired Service to further improve the support which deaf children receive in other settings. The only ongoing expenditure of the provision remaining available is the host school allowance of £11602.

- 5.2** Should the provision for deaf children remain available at West End Primary School and a parent were to choose to send their child there then the Deaf and Hearing Impaired Service would be committed to an appropriate level of staffing. Based on current costs this staffing would cost in excess of £60k. Added to the host school allowance this would mean that the cost of that child's education would be in the region of £75k. This compares with a cost per pupil at Cottingley Primary School of £9k.

STATUTORY IMPLICATIONS

- 5.3** An LEA has a duty to make appropriate provision for pupils with special educational needs and disabilities. The removal of the choice of the provision for the deaf at West End Primary School represents a significant change in the character of Horsforth West End School and will require the publication of statutory notices.
- Paragraph 3 and paragraph 4 of schedule 1 of the Education (School Organisation Proposals) Regulations 1999 as amended require that the establishment or discontinuation of provision which is recognised by the local education authority as reserved for children with special educational needs is a prescribed alteration for which proposals must be published under Section 28 of the SSFA.

6.00 CONCLUSIONS

The consultation meetings provided some very helpful feedback about provision for Deaf children in Leeds.

A good range choice of educational provision for Deaf children is retained in Leeds with both resourced provision for Deaf children available at Cottingley School, Shakespeare nursery and Allerton Grange High School. and opportunity for all Deaf children to attend their local mainstream school if they wish.

No parents/carers requested that West End resourced provision for Deaf children remain open for their Deaf child in the future. The Head Teacher and the governors of West End School are in agreement with the proposal to close the resourced provision for Deaf children at the school.

7.00 RECOMMENDATIONS

- 7.1** Executive Board is asked to:

i) approve the publication of a Statutory Notice for the removal of the resourced provision for Deaf children at Horsforth West End Primary School .

APPENDICES

- 1) Summary of Consultations Proposal to close the resourced provision for Deaf children at Horsforth West End Primary School

CONTACT DETAILS

Joan Haines
Team Leader
The Sensory Service and Early Years SEN Services
The Blenheim Centre

Tel : 0113 3951085

Email: joan.haines@educationleeds.co.uk

Mob: 07891 270443

**PROVISION FOR THE EDUCATION OF DEAF OR HEARING IMPAIRED
CHILDREN IN LEEDS**

**Continuing to meet changing needs of Deaf children and their families in
Leeds**

**Public Consultation
West End Primary School and The Deaf and Hearing Impaired Team
Education Leeds**

Public Consultation Response Form

Please read this consultation document on the proposal to remove the resourced provision for Deaf and hearing impaired children at Horsforth West End Primary School and tell us what your views are.

The questions on this form are provided to help you to give your views, but you do not have to respond to all of them.

If you prefer not to use this form, you can also put your views in a letter.

All responses will be reported to a meeting of the Executive Board of Education Leeds and Leeds City Council in February 2006.

The last date for your responses to be received is 31st January 2006.

Questions relating to the proposals

1. What are your views on the proposals to close the resourced provision for Deaf and hearing impaired children at Horsforth West End Primary School?
Please add more sheets if you need to

2. Do you have any concerns about anything that you feel has been mentioned in this document? *Please add more sheets if you need to*

3. Do you think that there are any important points that have been left out?
Please add more sheets if you need to

4. Do you have any other ideas that could improve or strengthen the proposals? *Please add more sheets if you need to*

5. In what way are you connected with the resourced provision for Deaf and Hearing impaired children at West End Primary School?

Please tick all that apply

- Parent/carer of Deaf or hearing impaired child
- Other adult relative
- Deaf or hearing impaired child
- Governor
- Member of School staff
- Member of the Sensory Service staff
- Local resident
- Elected Member
- Local Community Representative
- Deaf Community Representative
- Neighbouring Local Authority Representative
- Health Authority Representative
- Social Services Representative
- Voluntary Agencies Representative
- Other

Your personal details (so that your response can be formally acknowledged)

Name:

Address:

Please return this form to:

The Sensory Service
Education Leeds
The Blenheim Centre
Crowther Place
Leeds LS6 2ST

Introduction

Education Leeds is proposing to close the resourced provision for Deaf and hearing impaired children at Horsforth West End Primary School.

This consultation document gives the background to and details about this proposal.

It is important that the views of parents and carers, families and others with an interest in the education of Deaf and hearing impaired children are known and listened to.

The aim is to provide you with information so that you can let us know what you think.

The proposal aims to remove the provision for Deaf and hearing impaired children at Horsforth West End since there are currently no Deaf or hearing impaired children attending this provision.

The Current Situation

The specially resourced provision for Deaf and hearing impaired children at Horsforth West End Primary School was established in 1984. This special provision within the mainstream school meant that Deaf and hearing impaired children could access the primary school curriculum and social environment as well as having access to a peer group of Deaf and hearing impaired children. The provision includes specialist teaching support from the Deaf and Hearing Impaired Team, Education Leeds staff based at the School.

This resourced provision at Horsforth West End Primary School is one of two additionally resourced primary schools for Deaf and hearing impaired children. The other resourced provision is at Cottingley Primary School. There is also an additionally resourced nursery at Shakespeare Primary School and secondary age provision at Allerton Grange High School.

In addition the Deaf and Hearing Impaired Team support around 250 Deaf and hearing impaired children in their local mainstream schools.

The provision for Deaf and hearing impaired children has been very successful for over 20 years and has been praised in West End's Ofsted inspections.

The need to review provision

Parent's choices for their Deaf child or children have changed over recent years. More and more parents of Deaf and hearing impaired children are opting for their child or children to be educated in local mainstream provision, or additionally resourced provision for Deaf children. Because of these changes in parental choice no new admissions have been made to the resourced provision for Deaf and hearing impaired children at West End Primary School for a number of years. The last 2 Deaf pupils attending the

resourced provision left the school to go to High School, in July 2005. There are currently no Deaf or hearing impaired children attending the resourced provision at West End school.

Deaf children are known to the Deaf and Hearing Impaired Team, Education Leeds from a very early age and often from being a baby. There are no Deaf or hearing impaired children currently known to the Service whose parents or carers have expressed a preference for their child to attend the resourced provision for Deaf or hearing impaired children at West End School.

The Proposal

It is proposed that the resourced provision for Deaf or hearing impaired children at West End should be removed from the choices available to parents of Deaf children. The choice of a place at the specially resourced provision for Deaf or hearing impaired children remains at Cottingley Primary School. Over the last few years more parents and carers of Deaf children have chosen the resourced provision at Cottingley School and there are 16 Deaf children attending Cottingley School in September 2005.

This proposal has been informally discussed with the Headteacher and the Governors of West End School as well members of the community, including the Health Authority, Social Services and voluntary agencies.

What will happen in the meantime?

At the moment no Deaf or hearing impaired children attend the resourced provision at West End School. In September 2005 all the specialist staff for supporting Deaf children who were based at West End School were redeployed by the Deaf and Hearing Impaired Team, Education Leeds, to further strengthen the support which Deaf children receive in other education provisions for Deaf or hearing impaired children at Shakespeare Nursery, Cottingley Primary School, Allerton Grange High School and local mainstream schools.

Timetable for Consultation

Consultation period begins - 1st February 2006

The following meetings will be held at specified times and dates as stated below:

Meeting of Headteacher and Governors of West End Primary School (9th February 2006)

Public meeting at West End School (15th February 2006)

Meeting of The Deaf and Hearing Impaired Team, The Sensory Service, Education Leeds Staff (13th February 2006)

Consultation period ends 15th March 2006.

What happens after the Consultation?

Following consultations on this proposal, a report will be submitted to the Executive Board of Leeds City Council in April 2006 summarising the results of the consultation. Permission to post Statutory Notices will be asked for. Following this, the expected process is as follows:

May 2006 Statutory Representation Period

July 2006 Final Report to Executive Board to Leeds City Council to remove resourced provision for Deaf and hearing impaired children at Horsforth West End Primary School.

21st December 2005



REPORT OF THE CHIEF EXECUTIVE OF EDUCATION LEEDS
DATE: 17th MAY 2006

SUBJECT: COMBINED SECONDARY SCHOOLS PFI REPORT

EXECUTIVE SUMMARY

1. PURPOSE OF REPORT

This report updates Members on the progression of the Leeds Combined Secondary Schools PFI project and sets out the latest expenditure and resource position. It also seeks approval to proposed changes to the scope of the project that have arisen over the 12 months since the Final Business Case was approved and seeks the appropriate financial approvals for the proposed funding solution.

2 BACKGROUND

The project is for the rebuilding of five secondary schools and one primary school at various sites across the city and procured through a contract signed on 7/04/05.

The Executive Board agreed resources to assist in the affordability of the project on 19/01/05 and a design cost report setting out the works proposed at that time was approved on 21/09/05

3 THE ISSUE

There have been further developments to the proposed scope of the project since January 2005 and anticipated expenditure is now in excess of agreed resources. The major changes with estimated costs are outlined in the report.

Executive Board at the meetings noted above, agreed that the receipts from the sales of the surplus sites within the project would be utilised to fund works outside of the main PFI contract. It is proposed that the cost of the changes in the scope of the project be funded by an increase in the minimum expected value of these receipts.

4 RECOMMENDATIONS

Members of the Executive Board are requested to:

- a) note the content of the report;

- b) approve the proposed changes to the scope of the project;
- c) agree that the additional expenditure of £2.274m for this project is met from the proceeds arising from the disposal of these sites; and
- d) approve the injection of these additional funds into the capital programme and give authority to spend the additional funding.

Agenda Item:

Originator: Robert Douglas

Telephone: 75912

REPORT TO THE CHIEF EXECUTIVE OF EDUCATION LEEDS

EXECUTIVE BOARD: 17th May 2006

SUBJECT: COMBINED SECONDARY SCHOOLS PFI REPORT

Electoral wards Affected:

Adel and Whafedale, Beeston and Holbeck, Burmantofts and Richmond Hill, City and Hunslet, Middleton Park, Moortown, Weetwood

Specific Implications For:

Ethnic Minorities

Women

Disabled People

Narrowing the Gap

Eligible for Call-in

Not Eligible for Call-in

1.0 PURPOSE OF THE REPORT

1.1 This report updates Members on the progression of the Leeds Combined Secondary Schools PFI project and sets out the latest expenditure and resource position. It also seeks approval to proposed changes to the scope of the project that have arisen over the 12 months since the Final Business Case was approved and seeks the appropriate approvals for the proposed funding solution.

2.0 BACKGROUND

2.1 The project is for the rebuilding of five secondary schools and one primary school at various sites across the city and procured through a contract signed on 7/04/05.

2.2 The Executive Board agreed resources to assist in the affordability of the project in January 2005 and a design cost report setting out the works proposed at that time was approved on 21/09/05.

2.3 The Executive Board agreed on 19/01/05 that:

- a) The capital receipts from the sale of surplus sites (Primrose, Carr Manor, Merlyn Rees and Matthew Murray) be committed to assist the affordability of the unitary charge to the City Council.
- b) That £4m arising from the sale of the surplus school land at Ralph Thoresby, and the regeneration of Holt Park be ring fenced to fund the works approved to be undertaken by the Council rather than the PFI contractor and identified as Authority works.

2.4 The scope of these authority works as reported to the Executive Board in January 2005 and September 2005 included:

- i. Upgrades to pitches and changing accommodation at Oxton Way playing fields (part of Primrose/Shakespeare school site)
- ii. Upgrades to pitches and changing accommodation at Tinshill Recreation Ground
- iii. Site preparation works & footpath works
- iv. Highway works
- v. Access road at South Leeds – contribution to link road project.

3.0 **MAIN ISSUES**

Progress

3.1 As a consequence of the short delay after 31/03/05 in signing the contract (due to derogations sought from Partnerships UK) and the requirement of the Council's partner in this project, Investors In the Community (IIC) for a minimum construction programme of 17 months plus the mobilisation of resources, the contractual date for the completion of the four schools in phase one of the project had, ultimately to be accepted as 18/09/06.

3.2 The Council and the contractor have continued to review the programme for the construction of the new schools to seek to secure early access for the school staff, and contractors, to make the schools ready for pupils at the start of the school year, on 04/09/06. Significant recent progress to this end has been achieved, and it is very likely that all four schools will be completed ahead of programme, without any costs for acceleration, or impact on the quality of the project. A further update on this position will be provided at the meeting.

Works Specification

3.3 At the same time as the contractor has sought to progress the construction, there have been further changes in the scope of the project and the anticipated expenditure from the authority works budget of £4 million is now in excess of these resources. The changes to the project are considered to be essential in order to ensure that the schools open in September 2006 and are built to the standards now recognised as necessary by key stakeholders. The major changes to the scope of the project are referenced below. These are being negotiated via the change mechanism and reported to Education PFI Project Board. A summary of the cost of these and a number of other essential changes are detailed in Appendix A.

3.4 The ICT specification for the contract was written 18 months prior to the close of the contract. More recent developments in ICT and the emphasis within the developing BSF project has prompted a review of the specification. It has been

rescoped and the new specification will provide far greater and consistent opportunities for the delivery of curriculum through the support of the ICT infrastructure.

- 3.5 The Councils proposal to divert a Public Right of Way from across the existing Carr Manor School site, to around the new perimeter was not accepted by local residents. Although the footpath around the site is a requirement of the planning permission an additional alternative route, again through, and therefore dividing, the site was required by residents if their objections were to be withdrawn. This decision was taken at the end of the contractual negotiations, and securing approval to the design has taken considerable time, and will have significant cost and impact on the project.
- 3.6 Due to the pace of the negotiations, at the conclusion of the contract, a number of significant design, or construction issues remained outstanding. As sufficient information on which to base costs on some key issues was not available at contract close it was agreed that in order to ensure value for money for both sides, that the works would be dealt with outside of the unitary charge payment. This led to a significant annual revenue saving to the council estimated to be in excess of £100k pa. The three key areas relate to: asbestos removal from buildings to be demolished; the location of the ramped access to the pedestrian footbridge over the railway at South Leeds; and the full scope of the temporary accommodation required for 2 years at South Leeds that has been required now that planning permission is secured.
- 3.7 The Council, and the contractors, had been able to agree the cost of the demolition of the buildings, however, without a full intrusive survey asbestos the contractor considered his advisor's estimate of £2 million to be unrealistic, and recommended this work would be more competitively priced outside of the main contract once full surveys had been conducted. The survey work has now been completed and the net cost of the works is estimated at £525k. It is necessary that the funds can be committed in advance of the demolition to ensure the programme is met. In securing the clearance of these sites, once the schools have left, the Council will make further significant savings as security, and maintenance of these surplus buildings will not be needed, and in addition, the disposal will realise a higher capital receipt.
- 3.8 This site of the footbridge across the railway has now been agreed, and whilst the cost of the bridge has previously been included in the contract, the extent of the ramped access, to meet statutory legislation, could not be designed or costed. The combined cost of the design work and construction of £382,000 is a necessary element of the planning permission for the project, and it is anticipated to be used by the school to access the South Leeds Stadium and as a destination for school transport.
- 3.9 The establishment of the new South Leeds High school has resulted in the new school being in excess of the new building capacity for a period of two academic years. Thereafter the building will be adequate for its approved intake. The short term situation necessitates a requirement for temporary accommodation on the site to cater for this excess and which will be subsequently removed and the site reinstated to urban green space. The full extent of the temporary accommodation, to be located alongside the new school site, and linked by footpaths to the school, could not be determined until very recently. Temporary planning consent for the accommodation, which will be removed in two stages,

over two years, has also been obtained earlier this month and the funds to provide these facilities for the pupils currently attending the new school, is essential to ensure the existing school buildings can be vacated, and closed.

3.10 Due to issues arising from the interrelationship between the construction of the new international pool and the adjacent new highway, the opening of the new south Leeds link road has also been delayed. To ensure the new south Leeds school can be completed on time and consequential costs avoided, an alternative temporary access can be constructed to the school from Parkside which will also avoid construction traffic seeking to travel through the residential area of Belle Isle in contravention of planning restrictions.

3.11 A summary of these authority works costs is also included in Appendix A.

4.0 Legal and Resource Implications

4.1 Whilst it was anticipated that the sum of £4 million would be sufficient to cover all of the cost of the Authority works that were anticipated at the time of the Final Business Case report to Executive Board, this is no longer the situation. There is a current projected potential shortfall in capital funding for the contract changes and authority works elements of the project amounting to £2.274m.

4.2 There is a significant financial risk to the council, if the contractor is unable to complete the buildings as a result of consequential delays due to the council being unable to fund the proposed changes to the scope of the project.

4.3 These works were originally approved to be funded from capital receipts from the sale of surplus sites in the project. The Director of Development has formally confirmed that the minimum valuation of the surplus assets, with all sites cleared of asbestos and buildings will exceed the revised capital cost estimate. It is proposed therefore to fund the additional required expenditure from receipts realised from the sale of the surplus assets.

4.5 In September 2005 Executive Board gave authority to spend on the authority works budget up to £3.819m. In order to allow the first stage of the temporary accommodation to proceed on the new south Leeds school site, the Director of Corporate Services, in accordance with his delegated authority, granted authority to spend of £181k. This was the remainder of the £4m budget injected by Executive Board in January 2005.

4.6 It is proposed in this report that Executive Board gives authority to spend up to the full value of the revised estimated cost of the works, £6.274m as shown in the following table:

Previous total Authority to Spend on this scheme	TOTAL £000's	O MARCH 2005 £000's	FORECAST				
			2005/06 £000's	2006/07 £000's	2007/08 £000's	2008/09 £000's	2009 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	3765.0		2683.0	697.0	385.0		
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	168.0		141.0	27.0			
OTHER COSTS (7)	67.0			51.0	16.0		
TOTALS	4000.0	0.0	2824.0	775.0	401.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	O MARCH 2005 £000's	FORECAST				
			2005/06 £000's	2006/07 £000's	2007/08 £000's	2008/09 £000's	2009 on £000's
LAND (1)	-						
CONSTRUCTION (3)	1,042.0			1,042.0			
FURN & EQPT (5)	468.0			468.0			
DESIGN FEES (6)	250.0			250.0			
OTHER COSTS (7)	514.0			514.0			
TOTALS	2,274.0	-	-	2,274.0	-	-	-

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	O MARCH 2,005.0 £000's	FORECAST				
			2005/06 £000's	2006/07 £000's	2007/08 £000's	2008/09 £000's	2009 on £000's
Capital Receipt	6,274.0		2,824.0	3,049.0	401.0		
Total Funding	6,274.0	-	2,824.0	3,049.0	401.0	-	-
Balance / Shortfall =	-	-	-	-	-	-	-

5.0 RECOMMENDATIONS

Members of the Executive Board are requested to:

- a) note the content of the report;
- b) approve the proposed changes to the scope of the project;
- c) approve the injection of £2.274m for this project is met from the proceeds arising from the disposal of the surplus school sites; and
- d) approve the injection of these additional funds into the capital programme and give authority to spend the additional funding.

Combined Secondary Schools PFI Authority Works Summary

APPENDIX A

Client Changes Summary

Revised Works Description	Cost (£000)
Change in the Output Specification for ICT in all Schools costing	23
Electronic registration at all of the schools	200
A replacement Permissive Way to provide an alternative route through the site rather than around the school is required at Carr Manor High School	99
Health and Safety increase in Balustrade height in all Schools	59
Design fee for the performance area at Ralph Thoresby	12
Increasing the size of the bus garage at South Leeds	10
Floodlighting on the artificial pitch is required at Ralph Thoresby	75
Additional mechanical and electrical requirements at Shakespeare	50
Introduction of Magnetic locks to fire exit doors at all schools	50
CDT extraction in all of the schools	125
Changes to the fabric of the building and furniture to accommodate the new federation of Primrose/City of Leeds	50
Total Cost	753

Authority Works Summary

Revised Works Description	Cost (£000)
Net cost of asbestos removal at all schools to be demolished	525
Requirement to provide access ramp to railway bridge at South Leeds	382
Temporary accommodation to South Leeds for two years	514
Temporary access to the South Leeds Link Road	100
Total Cost	1,521
Total Additional Cost	2,274



Report of the THE DIRECTOR OF LEARNING & LEISURE

Executive Board

Date: 17 May 2006

Subject: SCHOOL & CHILDREN'S CENTRE DESIGNATION

Electoral wards affected:

Kirkstall
Hunslet
Hyde Park and Woodhouse
Middleton

Specific implications for:

Ethnic minorities
Women
Disabled people
Narrowing the gap

Eligible for call In

Not eligible for call in
(details contained in the report)

Executive Summary

1. The Early Years Service delivers children's centres on the site of 15 primary schools. Four of those schools have already been re-designated by statutory notice as primary schools for children aged 4 to 11 years with an attached children's centre for children aged 0 to 4. Four additional primary schools are now seeking to transfer full management of the children's centre to the Early Years Service. The schools concerned will now provide education for children aged 4 to 11 years and the attached children's centre will provide fully integrated and inclusive early education services for children aged 0 to 4. The school nursery classes providing early education for children aged 3 and 4 are fully integrated into the children's centre to provide seamless services for children and families.
2. Schools choosing to transfer the management of early education to the children's centre need to formally re designate the school as a primary school for children aged 4 to 11. The Secretary of State requires the publication of a Statutory Notice.
3. This report seeks approval to publish statutory notices for four primary schools in Leeds for re- designation of age range in those schools and acknowledgement of a school based children's centre.

1.0 Purpose Of This Report

- 1.1 The Early Years Service and Education Leeds seek the approval of Executive Board to publish statutory notices to formally change the age range for which education services are provided in 4 primary schools in order to facilitate the delivery of children's centre and extended services on these sites.

2.0 Background Information

- 2.1 The Early Years Service has managed the early education provision as an integral part of a children's centre on four primary school sites since 2000. Parklands, Seacroft Grange, Hillside and Quarry Mount Primary Schools have re designated the age range of the school from 3 to 11 years to 4 to 11 years. A fully integrated children's centre on site provides early education services for children aged 0 to 4. The nursery classes in these schools were integrated into the children's centre. There is no loss of service on the school site. The children's centres can offer a wider range of more flexible services throughout the year, including family support , health and social care . They are a key element in the schools extended service provision. Governance arrangements are mutually beneficial. The schools and children's centres are considered models of best practice.
- 2.2 In the next phase of the children's centre programme from 2004- 06 the Early Years Services has developed a further 12 children's centres on the site of primary schools. During the construction of the centres, discussions were held with School management, governors and Education Leeds around how services would be delivered and managed in each instance.
- 2.3 Four primary schools in this group are now seeking to transfer the management of early education to the Early Years Service as part of the children's centre programme. As a result the Early Years service will deliver fully integrated and inclusive services for children aged 0 to 4 years of age on behalf of Hawksworth Wood, Middleton , Windmill and Little London Primary Schools.
- 2.4 The four schools noted above now need to formally change the designation for the age range of pupils they provide services for. Currently each school is designated to deliver services for children aged 3 to 11. The designation will change to 4 to 11 years of age with an attached children's centre for children aged 0 to 4.

3.0 Main issues

- 3.1 The Secretary of State sets out the arrangements for making changes to designation of schools. This will require Executive Board approval to issue a statutory notice, consider all issues raised in the period of notice and determine whether to confirm the request for re designation made jointly by Education Leeds and the Early Years Service on behalf of the four primary schools.

4.0 Implications For Council Policy And Governance

- 4.1 When a school is re-designated for children aged 4 to 11 years the Governing Body is no longer responsible for the delivery of early education to children aged 3 and 4. The responsibility is passed to the children's centre which must undertake to meet regulations laid down by the DfES and OfSTED on issues of curriculum and staffing. There is no change to the quality of the service provided. The children's centres employ qualified teachers, nursery nurses and ancillary staff . The staff – child ratio in children's centres is set higher than for schools. The children's centre can offer wider and more flexible services that support schools with their extended services

aspirations. Whilst responsibility has transferred the headteacher and Governing Body retain a major influence on the management of the children's centre. The school and the children's centre are jointly inspected by OfSTED.

- 4.2 The location of children's centres and the management and governance of centres on school sites is the subject of full and lengthy consultation. Full implications are considered and appropriate arrangements put in place for day to day site management, governance and mutual support and partnership. Schools and children's centre have trial periods for arrangements before any statutory changes are sought or community facilities powers invoked. Trial management arrangements have been in place in all four primary schools seeking re designation. They have been successfully managed under partnership arrangements for at least a year in each case before the school Governing Body has sought re designation.

5.0 Legal And Resource Implications

- 5.1 The guidance issued by the Secretary of State establishes the legal basis for re designation of age range for each school and children's centre and the subsequent governance and delivery of services.
- 5.2 The establishment of a children's centre places no pressure on school budgets and in most cases relieves pressures on staffing and other budgets in school where there are surplus nursery class places. Where centres are managed fully by the Early Years Service on behalf of schools the pupil funding for children aged 3 and 4 transfers to the children's centre but so do all of the staffing and resource costs of providing the education service. Children's centres have service level agreements with schools to cover all soft facilities management to ensure they present no pressure to the school budget.

6.0 Conclusions

- 6.1 The re –designation of age range for Windmill, Middleton, Hawksworth Wood and Little London Primary School is the chosen option of the schools and children's centres developed on those sites and the option recommended by Education Leeds and the Early Years Service.

7.0 Recommendations

- 7.1 Executive Board is asked to approve the publication of statutory notices to change the age range for the following Primary Schools: Hawksworth Wood, Middleton, Windmill and Little London from 3 to 11 years of age to 4 to 11 years of age with an on site children's centre for children aged 0 to 4.



REPORT OF THE DIRECTOR OF LEARNING AND LEISURE

EXECUTIVE BOARD

Date: 17TH MAY 2006

Subject: THE FRIENDS OF WOODHOUSE MOOR DEPUTATION TO COUNCIL ON
APRIL 5TH 2006

Electoral wards affected:
Hyde Park and Woodhouse

Specific implications for:

Ethnic minorities

Women

Disabled people

Narrowing the gap

Eligible for call In

Not eligible for call in
(details contained in the report)

EXECUTIVE SUMMARY

The report has been prepared at the request of Council following the deputation by the Friends of Woodhouse Moor (FOWM) and provides information on the background to the proposal to introduce a pay and display car park on existing hard standing located on Monument Moor. It also sets out the context for reaching the decision to establish the car park and provides appropriate responses to questions raised by the deputation. The report recommends that the car park will meet parking needs for park users, reduce friction that is endemic between visitors and local residents and enable the full recreational potential of Woodhouse Moor Park to be realised without the loss of any existing greenspace. The report takes into account the views of the Friends Group and shows how the development of the car park will alleviate their concerns.

1.0 PURPOSE OF THIS REPORT

1.1 The report provides contextual information for Members in response to the deputation made to full Council on the April 5th 2006 by the FOWM.

1.2 This report seeks to inform Members of :

- the background to the proposal for a car park on Monument Moor (See Appendix 2 for location of the Car Park).
- the benefits that will accrue from establishing the car park.
- the fact that the proposal will not lead to the loss of existing greenspace or increased traffic congestion.

1.3 The purpose of this report is to make Members aware of the issues involved in the points raised by the deputation from the FOWM and the appropriate responses in terms of work undertaken by the service.

2.0 BACKGROUND INFORMATION

2.1 Located adjacent to the University of Leeds, Woodhouse Moor is one of the busiest parks owned by Leeds City Council. The Park benefits from a wide range of facilities which include playgrounds, allotments, skateboard and BMX park, formal gardens, extensive amenity grassland areas for relaxation, passive and sporting activities. In addition the grassland and hard standing on Cinder and Monument Moors are used extensively for events attracting visitors from a wide area. The site is used extensively by the local communities and university students alike. The attractiveness of the site for visitors is likely to increase with forthcoming planned improvements and additions to the existing recreational facilities that include refurbishment of the tennis courts and the establishment of a Multi Use Games Area.

2.2 Due to the Park's locality in relation to the centre of the City and the surrounding residential areas of Burley, Headingley and Woodhouse, together with the popularity of the site for recreational purposes, parking has always been at a premium and tensions intermittently arise between local residents and park users. This is not surprising in view of the estimated 1,072,482 visits made by the public of which 15.27% came by car (163,768 car visits per annum) as determined by data accrued from the Parks & Greenspace Household Survey 2004. In addition this survey ascertained that of the 1million + visits, 26,812 of those local resident visits complained of car parking problems when visiting the Park.

2.3 Cinder Moor in particular and Monument Moor on occasions are used for car parking and this occurred on 81 days in 2004 and 186 days in 2005. The car parking was required for events organized by the University of Leeds, L.C.C Arts, Events and Tourism Service, New World Circus Ltd., Yorkshire Television, Terry Atha & Son funfair, Hyde Park Unity Day, Sure Start Mellow Valley Activity day, Leeds City Athletics Club, Gateway Yorkshire. In addition Cinder Moor was used as a temporary Park & Ride facility for Christmas shoppers.

2.4 Representatives of the FOWM made a deputation to full Council meeting on the April 5th 2006 seeking answers to various aspects of the proposed car park on Monument Moor. In particular, the deputation raised key concerns about: -

- Lack of consultation
- Loss of designated greenspace for public recreation
- Traffic congestion
- Users of the car park
- Environmental issues connected with establishing a car park

2.5 A full copy of the deputation speech by the FOWM is attached at Appendix1.

2.6 FOWM represents an amalgamation of various community groups in the vicinity of Woodhouse Moor that have come together in this instance to question the suitability of the car park proposal.

3.0 MAIN ISSUES

3.1 With regard to the questions posed by the FOWM deputation:

3.1.1 *“none of the established groups mentioned was consulted even though every one of them borders Woodhouse Moor”*

Opportunities were provided in the 2004 Household Survey and the face to face consultation on the Park Management Plan to comment on all concerns relating to the use of the Park. Questionnaires used for the face to face consultation were also sent to the following resident associations: -

- South Headingley Community Association
- North Hyde Park Neighbourhood Association
- Little Woodhouse Community Association
- Moorlands Residents Association

The paucity of car parking places was a concern raised from both surveys.

In view of the concerns raised by FOWM about the proposed car park on Monument Moor the service is running two consultative sessions at Woodhouse Community Centre on Thursday 27th April and Tuesday 9th May. Any comments raised will be forwarded to Planning for inclusion in the report when it is considered by the Plans Panel.

3.1.2 *“ We also object to Parks Renaissance money of £170,341 being used to tarmac over Monument Moor”*

The decision to use Parks Renaissance money was based on the information provided by the surveys mentioned above and complaints submitted over the years. In addition the construction works will include substantial shrub borders (2000 shrubs in 450msq of borders) and tree planting (20 trees) to improve the aesthetics of the rather bleak site that is extensively amenity grass and gravel and of limited value to wildlife.

3.1.3 *“The car park would be primarily for people using the universities and city centre”*

We intend to implement a pay and display system which will operate during the main part of the working week, Monday to Friday and then parking will be free during the evenings of Monday to Friday and all day Saturday and Sunday. The free periods represent the peak times when visitors use Woodhouse Moor Park for recreational purposes.

3.1.4 *“For those who visit the Moor from other areas, there is an excellent bus service on the A660 which runs across the Moor”*

Although there may be an excellent bus service through the Woodhouse Moor Park area, the majority of all bus services are based on routes that run from the City Centre to outlying urban areas like spokes of a wheel. There are few services that traverse Leeds outside the City Centre. Thus for a large percentage of visitors a car trip to Woodhouse Moor Park is quicker and more convenient than utilizing two or more bus services to reach the Park.

3.1.5 *“Motorists wanting to use the car park would cause tailbacks on to the already frequently congested A660”*

There will be no tailbacks of motorists wishing to park their cars on Monument Moor as the Pay and Display system involves pay meters within the car park. Thus motorists will drive straight in to the car park and not be waiting to pay or obtain a ticket to release a barrier gate giving access to the car park. The Pay and Display system will be enforced by City Services.

3.1.6 *“Car parks are not eco-friendly. Tarmac increases run-off”*

Although tarmac increases water run-off during periods of rain a sustainable drainage system will be established as part of the car park development. This means that the water will not be taken by the existing city drainage system but used to keep the proposed planted areas watered. Therefore the presence and retention of existing amenity grassland around the car park along with the projected introduction of shrubbery beds will help to absorb the expected run-off. The ecology of the site will be improved with the extensive tree and shrub planting mentioned in 3.1.2. that will provide cover and food for wildlife.

3.1.7 *“It is currently designated as green space on the Unitary Development Plan and as such cannot be built on”*

A car park can be developed on Monument Moor since there is existing hard standing already on the site which is used for authorised car parking during events. The proposed car park will be specifically sited on the hard standing and there is to be no encroachment into the surrounding green areas. Following this approach ensures that all existing greenspace on Monument Moor remains secure and does not infringe Unitary Development Plan guidelines. It should also be recognised that almost all of the City Council’s other Parks have car parking areas incorporated either within them or adjacent to them.

3.1.8 *“The proposed scheme has too many consequences for local people for it to go forward on delegated powers and not to go to full Planning”*

The planning application for the car parking scheme will go to a full Plans Panel for consideration. The application was submitted on the 3rd April and Planning Officers have asked for further information and plans. When these are supplied it is anticipated that the process will take 8 weeks from that point.

4.0 IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE

- 4.1 The car park project complies with Council Policies, Strategies and Initiatives and the Council’s Corporate Plan.
- 4.2 **Creating safer and stronger communities** by delivering improved recreational facilities for local communities within local parks and open spaces and through the provision of an off road parking area to help reduce the number of vehicles blocking and obscuring paths, access points and residential areas.
- 4.3 **Raising standards across parks** through the provision of improved facilities in line with the Green Flag standards, providing much needed facilities and so raising visitors expectations.

5.0 LEGAL AND RESOURCE IMPLICATIONS

- 5.1 There are no legal implications arising from this report.
- 5.2 Expenditure of £154,000 on construction and £16,341.44 on fees utilising Parks Renaissance funding

6.0 CONCLUSIONS

- 6.1 The various surveys have shown the need for car parking to enable visitors to access the various recreational facilities at Woodhouse Moor Park
- 6.2 The various concerns raised by FOWM about the detrimental effects the car park would have to the Park and surrounding area have been constructively answered. There will be no loss of greenspace, no resulting traffic congestion, nor any unacceptable runoff of rainwater. On the positive side, there will be improved access for park users and the aesthetics of the site will be improved through the planting and landscaping.

7.0 RECOMMENDATIONS

- 7.1 Members are requested to note the benefits of establishing a car park on Monument Moor and the actions that have been taken to address the concerns raised by the various local community groups. Members are also asked to note that the concerns raised by such groups in recent consultative sessions will be further addressed through the Planning process.

DEPUTATION REPORT OF THE FRIENDS OF WOODHOUSE MOOR

Deputation : THE FRIENDS OF WOODHOUSE MOOR

Doreen Tinker (WTA), Freda Matthews (LWCA), Mercia Southon (NHPNA), Sue Buckle (SHCA), Bill McKinnon (BVRAG)

Subject : WOODHOUSE MOOR CAR PARK PROPOSAL

Speaker : FREDA MATTHEWS

- My name is Freda Matthews. Chair of the Little Woodhouse Community Association, here today as spokesperson for the Friends of Woodhouse Moor, which include Woodhouse Tenants' Association, Little Woodhouse Community Association, North Hyde Park Neighbourhood Association, South Headingley Community Association and Belle Vue Road Action Group.
- I am speaking about the proposed car park on the part of Woodhouse Moor known as Monument Moor.

A. Our Comments

1. In spite of what the Director of Learning & Leisure says in the proposal and inferred by local councillors' media statements that **consultation with local residents was complete**, none of the established groups mentioned was consulted even though every one of them borders Woodhouse Moor. The first local community groups knew about this proposal was when we read about it in a Yorkshire Evening Post article dated 14th March 2006.
2. **It appears therefore that funding was granted under delegated powers on a false premise**
3. We also object to **Parks Renaissance money of £170,341** being used to tarmac over Monument Moor a designated green space in the UDP to provide car parking.

We maintain:

- a) The car park would be primarily for people using the universities and city centre.
 - b) For those who visit the Moor from other areas, there is an excellent bus service on the A660 which runs across the Moor.
 - c) Parking problems in the area would not be solved since car parks attract more cars to the area. Only **residents parking zones** will tackle those problems.
 - d) Motorists wanting to use the car park would cause tailbacks on to the already frequently congested A660.
 - e) Car parks are not eco-friendly. Tarmac increases run-off.
4.
 - a) Woodhouse Moor was acquired by The Council in 1857 as an attempt to provide a means of escape from urban squalor and was the first public park in Leeds. Now, just as then, it is surrounded by large areas of terraced and back-to-back houses with no gardens of their own. For the residents of many of these homes, it is the only nearby open space.
 - b) **Monument Moor is a part of Woodhouse Moor** that was formerly known as "the swing moor", probably one of the earliest children's playgrounds. It is currently designated as green space on the Unitary Development Plan and as such cannot be built upon. As a car park, what guarantee is there that some future administration might not be tempted or required to sell it for building development?

- **The proposed scheme has too many consequences for local people for it to go forward on delegated powers and not to go to full Planning.**

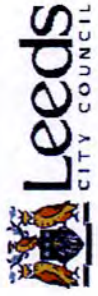
B. What we want:

- 1) **We need more consultation, format to be agreed with local groups, before this scheme goes forward to Planning**
- 2) **We agree that this part of the Moor needs improvement; therefore we want a proper scheme for restoring this part of the Moor to recreational use using the Parks Renaissance money already delegated.**



LS	PROJECT	Woodhouse Moor Car Park
	TITLE	Location Plan
	DWG NO.	LD/42/LO1
	SCALE	1:2500
	PREP. BY	W
	CHECKED	
	DATE	1/00
	REV.	1

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LEARNING AND LEISURE DEPARTMENT

Joint Report of the Directors of Learning & Leisure and Legal & Democratic Services

Executive Board

Date: 17 May 2006

**Subject: GOVERNANCE ARRANGEMENTS OF THE LEEDS GRAND THEATRE AND
OPERA HOUSE LTD**

Electoral Wards Affected:

Specific Implications For:

- Ethnic minorities
- Women
- Disabled people
- Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY

This report focuses on the governance arrangements of the Leeds Grand Theatre and Opera North Ltd and recommends that:

a fundamental review of the governance arrangements which are in place currently is carried out to ensure they are fit for purpose.

1.0 Purpose Of This Report

1.1 This report considers a number of matters with respect to the governance arrangements of the Leeds Grand Theatre and Opera House Ltd.

2.0 Background Information – Governance Arrangements

2.0 Leeds Grand Theatre and Opera House Ltd was established in 1970 as a company limited by guarantee and a registered charity.

2.1 The company operates three venues : the Leeds Grand Theatre and Opera House, the City Varieties Music Hall and the Hyde Park Picture House. The company receives an annual grant from the City Council. The grant is not earmarked to support a particular activity or venue and any unspent grant is added to the company's reserves. The company leases the Grand Theatre and the Assembly Rooms from the City Council but owns the City Varieties Music Hall and the Hyde Park Picture House.

- 2.2 The Grand Theatre was closed in May 2005 for a major refurbishment. Opera North, the Grand Theatre and the Council are working closely to deliver Transformation, an ambitious £31.5m project to restore the theatre and assembly rooms.

The Council Nominations to the Board of Management

- 2.3 The Grand Theatre and Opera House is a controlled company as defined in the 1989 Local Government and Housing Act with the Member Management Committee¹ annually nominating Councillors to the Board of Directors. Councillors Feldman (Chair), Atha, Townsley, W Hyde, Taylor and D Blackburn currently constitute the Board of Directors during 2005/6. Such nominations are governed by specific procedure rules contained in the Council's constitution.
- 2.5 In January 2005 Executive Board agreed to the current Board make up with the number of Elected Members being reduced from 9 to 6 and the remaining three places to be filled by independent nominations to the Board

3.0 Review of Governance

- 3.0 The Council's Code of Corporate Governance requires that assessments are regularly undertaken to provide the Council with assurance that governance arrangements are fit for their purpose.
- 3.1 In light of the very substantial investment of public money in the Leeds Grand Theatre project and the requirement to consider significant future investment in the City Varieties Theatre, it is felt that it is highly appropriate to conduct this review at this time so that any changes to existing arrangements are in place for the re-opening of the Leeds Grand Theatre in October 2006.

4.0 Legal And Resource Implications

- 4.0 Whilst this report contains no specific legal or financial implications such matters are fundamental to the governance arrangements operating at the Grand Theatre.

5.0 Conclusions

- 5.0 The terms of reference for reviewing the governance arrangements and the composition of the review team are laid out in Appendix 1 to this report.

6.0 Recommendations

- 6.0 That Executive Board approves the terms of reference for reviewing the governance arrangements of the Leeds Grand Theatre and Opera House.
- 6.1 That a report be brought back to Executive Board to enable any changes to existing arrangements to be in place by the re-opening of the Leeds Grand Theatre in October 2006.

¹ The Member Management Committee is a politically balanced Committee that is chaired alternately by the Party Whips of the two largest parties of the ruling administration. Appointments to the Grand Theatre have been categorised as 'Key and Strategic' appointments and as such are determined by the Member Management Committee and not Full Council.

- 6.2 That the Member Management Committee be recommended, in the interim, to reserve appointments to the Leeds Grand Theatre board to Members of the Executive Board.

¹ The Member Management Committee is a politically balanced Committee that is chaired alternately by the Party Whips of the two largest parties of the ruling administration. Appointments to the Grand Theatre have been categorised as 'Key and Strategic' appointments and as such are determined by the Member Management Committee and not Full Council.

Outline Draft Terms of Reference

Review of Governance Arrangements of the Leeds Grand Theatre and Opera House

Purpose

To undertake a fundamental review of the governance arrangements which are in place at the Grand Theatre and Opera House Ltd.

To assess a range of options for any identified areas of weakness to ensure that governance arrangements are fit for purpose.

Scope

In undertaking the review the following governance aspects will be reviewed in detail;

- Options regarding the legal form for the Leeds Grand Theatre and Opera House (and its constituent bodies¹) and any implications for cross funding between the company's entities.
- Board membership and structures
- Roles, responsibilities and skills of Board Members
- Officer structures (roles and responsibilities) to support the Board
- Accountability arrangements with the City Council
- Support requirements necessary for the Board (finance/legal/company secretary/audit/personnel)

Composition of the Review Team

Learning and Leisure	-	Director
	-	Libraries, Arts & Heritage
Corporate Services	-	Financial Management
	-	Audit and Risk
Legal And Democratic Services	-	Legal - Charities and Company input
	-	Governance Services
Development Department	-	Asset Management

(It is proposed that progress on the review is monitored by reference to meetings of the Council's statutory officers)



Report of the Director of Children's Services

Executive Board

Date: 17th May 2006

Subject: Implementing the Children Act 2004 in Leeds - Update

Electoral Wards Affected:

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

- 1.1 The purpose of the report is to update members of the Executive Board on developments nationally and locally on the Children Act 2004, since the last report in December 2005. Since December there have been other reports outlining the new arrangements to support the Director of Children's Services and also setting out the Children and Young People's Plan.
- 1.2 The report provides details of national developments affecting children and young people and also outlines some of the significant local developments with taking forward the Every Child Matters agenda in Leeds. This report hopefully signals that with the appointment of the DCS and the first Children and Young People's Plan, there will now be a clearer focus on leadership and developments, even more working in partnership to deliver better outcomes for children, and a resolution of some of the issues and potential barriers.
- 1.3 Executive Board are asked to note progress.