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## SCRUTINY BOARD (CITY DEVELOPMENT)

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Tuesday, 11th January, 2011 at 10.00 am

A pre-meeting will take place for ALL Members of the Board  
in a Committee Room at 9.30 am

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### MEMBERSHIP

#### Councillors

J Akhtar	-	Hyde Park and Woodhouse;
B Atha	-	Kirkstall;
D Atkinson	-	Bramley and Stanningley;
J Elliott	-	Morley South;
G Harper	-	Hyde Park and Woodhouse;
J Jarosz	-	Pudsey;
M Lobley	-	Roundhay;
J Procter (Chair)	-	Wetherby;
R Pryke	-	Burmantofts and Richmond Hill;
M Rafique	-	Chapel Allerton;
M Robinson	-	Harewood;
S Smith	-	Rothwell;
B Woroncow	-	Co-optee (Non-voting)

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*Please note: Certain or all items on this agenda may be recorded*

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**Agenda compiled by:**  
**Stuart Robinson**  
**Governance Services**  
**Civic Hall**  
**LEEDS LS1 1UR**  
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**Principal Scrutiny Adviser:**  
**Richard Mills**  
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# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25 of the Access to Information Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(*In accordance with Procedure Rule 25, written notice of an appeal must be received by the Chief Democratic Services Officer at least 24 hours before the meeting.)</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED</b> – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p><b>No exempt information or items have been identified on this agenda</b></p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p><b>LATE ITEMS</b></p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstance shall be specified in the minutes.)</p>	
4			<p><b>DECLARATION OF INTERESTS</b></p> <p>To declare any personal / prejudicial interests for the purpose of Section 81(3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members' Code of Conduct.</p>	
5			<p><b>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</b></p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p><b>MINUTES OF THE PREVIOUS MEETING</b></p> <p>To confirm as a correct record the minutes of the meeting held on 7<sup>th</sup> December 2010.</p>	1 - 10
7			<p><b>WELCOME TO YORKSHIRE</b></p> <p>To consider a report of the Head of Scrutiny and Member Development on a short presentation and introduction by the Chief Executive of Welcome to Yorkshire, Mr G Verity on the work of the organisation.</p>	11 - 12
8			<p><b>LEEDS BRADFORD INTERNATIONAL AIRPORT: SURFACE ACCESS</b></p> <p>To consider a report of the Head of Scrutiny and Member Development on surface access issues at Leeds/Bradford Airport.</p>	13 - 54

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			<p><b>KIRKGATE MARKET INQUIRY SESSION 2</b></p> <p>To consider a report of the Head of Scrutiny and Member Development on the Board's Inquiry to consider the future of Kirkgate Market.</p>	55 - 68
10			<p><b>INITIAL BUDGET PROPOSALS BY THE EXECUTIVE BOARD FOR 2011/12</b></p> <p>To consider a report of the Head of Scrutiny and Member Development on the initial budget proposals by the Executive Board for 2011/12.</p>	69 - 98
11			<p><b>CITY DEVELOPMENT DIRECTORATE 2011/12 BUDGET FINANCIAL POSITION PERIOD 8</b></p> <p>To consider a report of the Head of Scrutiny and Member Development providing the Board with a financial position for the City Development Directorate projection for period 8.</p>	99 - 106
12			<p><b>WORK PROGRAMME</b></p> <p>To consider a report of the Head of Scrutiny and Member Development on the Board's work programme, together with a copy of the latest Executive Board minutes and the Forward Plan of Key Decisions.</p>	107 - 136
13			<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>To note that the next meeting of the Board will be held on Tuesday 8<sup>th</sup> February 2010 at 10.00 am with a pre meeting for Board Members at 9.30 am.</p>	

# Agenda Item 6

## SCRUTINY BOARD (CITY DEVELOPMENT)

TUESDAY, 7TH DECEMBER, 2010

**PRESENT:** Councillor J Procter in the Chair

Councillors J Akhtar, B Atha, G Harper,  
J Jarosz, M Lobley, R Pryke, M Rafique,  
M Robinson and S Smith

B Woroncow (Co-optee)

### 79 Chair's Opening Remarks

The Chair welcomed everyone to the December meeting of the Scrutiny Board (City Development).

### 80 Late Items

The Chair agreed to accept the following documents as supplementary information:-

Scrutiny Board (City Development) – Inquiry to Consider the Future of Kirkgate Market – Terms of Reference/ Leeds Markets Marketing and Promotion – Inquiry into Leeds Markets Appendix 1 (Agenda Item 70) (Minute 85 refers) . A letter from Mrs Ruston Market Trader regarding Kirkgate Market (Minute 85 refers) and from Mr & Mrs Simpson concerning Lawns Wood cemetery (Minute 88 refers).

The documents were not available at the time of the agenda despatch, but made available on the Council's Internet site prior to the Board meeting.

### 81 Declaration of Interests

The following personal interests were declared at the meeting:-

- Councillor M Lobley in his capacity as Chairman of Re'newal Leeds Limited who were involved in employment sites (Agenda Item 10) (Minute 87 refers)
- Councillor R Pryke in his capacity as Friends of Beckett Street Cemetery (Agenda Item 11) (Minute 88 refers)
- Councillor B Atha in his capacity as Friends of Beckett Street Cemetery (Agenda Item 11) (Minute 88 refers)
- Councillor J Procter in his capacity as Chair of the Leeds Grand Theatre Board and also as a trustee on Northern Ballet Theatre (Agenda Item 12) (Minute 89 refers)

### 82 Apologies for Absence and Notification of Substitutes

An apology for absence was received on behalf of Councillor J Elliott and no substitute had been offered.

**83 Minutes of the Previous Meetings**

**RESOLVED** – That, subject to the following revision, the minutes of the scheduled Board meeting and Call-In meeting held on 2<sup>nd</sup> November 2010 be confirmed as a correct record:-

Scheduled Scrutiny Board (City Development) – 2<sup>nd</sup> November 2010 - Minute 64 refers – Request for Scrutiny of the Withdrawal of Remaining Crèche Provision at Leisure Centres

To delete the first bullet point and text referring to Councillor Lobley and replace with

the background to Councillor Lobley's request for Scrutiny concerning the closure of crèche provision in leisure centres

**84 Request for Scrutiny of the Withdrawal of Remaining Crèche Provision at Leisure Centres**

Referring to Minute 64 of the meeting held on 2<sup>nd</sup> November 2010, the Head of Scrutiny and Member Development submitted a report on progress in relation to a request for scrutiny of the withdrawal of remaining crèche provision at leisure centres.

Appended to the report were copies of the following documents for the information/comment of the meeting:-

- A request for scrutiny received from Councillor M Lobley and Councillor J Matthews – Letter dated 18<sup>th</sup> October 2010
- Delegated Decision Notification – Withdrawal of remaining crèche provision at leisure centres dated 11<sup>th</sup> October 2010
- Report of the Chief Recreation Officer on progress made to explore alternative options for leisure centre crèches

The following representatives were in attendance who responded to Member's queries and comments:-

Ms Zoe Walker, Spokesperson for the Crèche Users Parents Group  
Mark Allman, Head of Sport and Active Recreation, City Development  
Ian Waller, Sports Operations Manager, City Development  
Julia Manning, Extended Development Services Manager, Children's Services

The Chair invited Ms Zoe Walker to outline the main points of the Crèche Users Parents Group who were campaigning to prevent the withdrawal of the remaining crèche provision at leisure centres in Leeds.

The Chair then invited Mark Allman, Head of Sport and Active Recreation, Ian Waller, Sports Operations Manager and Julia Manning, Extended Development Services Manager to respond to the main points and to provide the Board with an update on the consultation process in relation to crèche provision at leisure centres.

Board Members, including Councillor Lobley then questioned the representatives on the main points and consultation process.

In summary, specific reference was made to a number of issues by the witnesses and Members including:-

- the view that this proposal goes against the Council's strategic objectives to reduce obesity, increase physical activity and tackle health inequalities
- concern that the Executive Board Member with portfolio responsibility for Leisure had stated that the department should not subsidise this service when many leisure and cultural services were subsidised by the department
- that the budget calculations which had determined that these facilities were not a viable concern take no account of the income generated elsewhere in the leisure centres by users of these crèche facilities
- concern that posters advertising the closure of the crèches are still on display in sports centres despite the decision to go out to consultation on this issue  
*(The Head of Sport and Active Recreation agreed to have these removed immediately)*
- the need to circulate the proposed questionnaire as widely as possible to include users, carers and parents
- clarification as to whether the Crèche Users Parents Group had been involved with the development of the survey questionnaire  
*(The spokesperson for the Crèche Users Group confirmed that they had)*
- receipt of a petition containing over 200 signatures in support of retaining crèche provision in the Council's leisure centres
- that staff operating tills in the leisure centres would be manually recording income from crèche users
- clarification of the role of the Early Years Service with regards to crèche provision and the need for the Early Years Service to engage further with leisure services to identify other ways of providing and expanding this facility for users of leisure centres whether it was in-house or private crèche provision, especially in wards where there was high deprivation  
*(The Extended Development Services Manager responded and agreed to encourage this as part of the review. She also commented that the ability to find a suitable room in some sports centres that met all the criteria for crèche provision was often a problem)*
- a Member sought assurances from officers that the City Development department would continue to subsidise these crèche facilities until the consultation was concluded and a way forward identified to maintain this service either in-house, privately or via a social enterprise scheme  
*(The Head of Sport and Active Recreation confirmed that his department would continue to subsidise this service until alternative arrangements were identified)*

**RESOLVED –**

- a) That the contents of the report and appendices be noted.
- b) That this Board notes that Councillor A Ogilvie, Executive Member Leisure and the Acting Director of City Development had agreed to keep the crèches open until February 2010.
- c) That in the circumstances now reported, the Board would not undertake an inquiry on this issue.
- d) That the results of the survey be reported to the Scrutiny Board meeting on 8<sup>th</sup> February 2011.
- e) That the Acting Director of City Development be asked not to take any action until the Scrutiny Board had considered the results of the survey and alternative arrangements identified to continue this service .

**85 Session 1 of the Inquiry to Consider the Future of Kirkgate Market**

Referring to Minute 66 of the meeting held on 2<sup>nd</sup> November 2010, the Head of Scrutiny and Member Development submitted a report on the first session of the Board's Inquiry to Consider the Future of Kirkgate Market.

Appended to the report were copies of the following documents for the information/comment of the meeting:-

- Scrutiny Board (City Development) – Inquiry to Consider the Future of Kirkgate Market – Terms of Reference
- Leeds Markets Marketing and Promotion – Inquiry into Leeds Markets (Appendix 1 refers)

In addition to the above documents, a copy of a letter from Ms M E Rushton, Leeds Kirkgate Market was circulated to assist the Board with their deliberations.

The following witnesses/representatives were in attendance and gave evidence to the Board and responded to Board Members' queries and comments:-

John Perriton, Field Support Manager, National Market Traders' Federation (NMTF)

Ms Liz Laughton, National Market Traders' Federation (NMTF) (Kirkgate Branch)

Ms Sara Gonzalez, Friends of Kirkgate Market

Ms Megan Waugh, Friends of Kirkgate Market

Mr Chris Leonard, Friends of Kirkgate Market

Ms M E Ruston, Market Trader

Mrs Michele Hocken, Market Trader

Mr Lacky Singh, Market Trader

Paul Stephens, Chief Economic Development Officer, City Development

Cath Follin, Head of City Centre and Markets, City Development

The Chair informed the meeting that the Board took this Inquiry very seriously and as a result the Executive Member, Development and Regeneration was



present in the room to witness the debate in the hope that a positive way forward would be achieved for the benefit of all concerned.

The Chair invited the Chief Economic Development Officer and the Head of City Centre and Markets to give a brief introduction, and together they outlined the key points in relation to the future direction of Kirkgate Market.

Following this, the Chair then allowed a witness from the following organisations to give a brief overview of the key issues affecting Kirkgate Market, including reference to the national picture regarding markets.

#### National Market Traders Federation (NMTF)

John Perriton in his presentation briefly made reference to the following key issues:-

- the national picture regarding markets
- the membership/history behind the National Market Traders Federation (NMTF)
- Planning Policy Statement 4 and 5 with reference to the important role of markets in today's society. He referred to the fact that markets remain an important source for fresh produce; that there was a general reduction in footfall in markets and that there was a serious need to attract new traders/buyers
- the Eastgate Development; parking provision and the need to target people who do not shop in markets

#### National Market Traders' Federation (Kirkgate Branch)

Liz Laughton in her presentation briefly made reference to the following key issues:-

- the branch welcomed the appointment of a new Markets Manager but stated it was a new face but the same regime
- concern regarding the lack of progress with the 2009 rent review
- that some traders were being given rent discounts but others who had operated in the market for years received no help at all
- concern that takings in the market were down
- the view that present high rents in the market were not sustainable. She referred to rent levels in Nottingham being £55 per square foot whilst in Leeds it was £85 per square foot
- the view that a dedicated Market department needs to be established
- concern over the impact on the market by the Eastgate Development
- the view that the Council needs to develop in partnership with the traders a short, medium and long term strategy for the market in order to move forward and turn the situation around

Megan Waugh also referred to the suspicion that the Council raised more in service charges than it actual costs the Council and this should be reviewed as a matter of urgency.

Michelle Hocken in her presentation briefly made reference to International markets such as Barcelona's La Boqueria market which was an example of a highly successful retail market and gave details of their rota system and low rent policy. Reference was also made by other witnesses to other successful markets in New York, Belfast and Birmingham.

#### Friends of Kirkgate Market

Sara Gonzalez, Megan Waugh and Chris Leonard in their presentation briefly made reference to the following key issues:-

- that the Friends of Kirkgate Market welcomed a Scrutiny Inquiry into this issue
- that Leeds Kirkgate Market was rooted within the local economy and was seen as an important social benefit for all concerned, especially for ethnic groups
- concern that there was no mechanism for traders to be involved in key decisions affecting the future development of the market
- the work of NABMA (National Association of British Market Authorities) who hold regular meetings and provide useful data and information on markets  
*(The Head of City Centre and Markets responded and confirmed that Leeds City Council was a member of this organisation, attended conferences and regularly met with NABMA officials)*
- the need for the Council to visit Belfast market to witness another successful market in operation

#### Kirkgate Market Trader

Ms M E Rushton in her presentation briefly made reference to the following key issues outlined in her letter previously circulated to the Board:-

- concern over the lack of experienced management
- concern over the loss of revenue to the council due to empty units i.e. units not trading and used for storage must be in the region of £625,000 per annum
- took 17 years to get the roof of the market cleaned
- that the market was not just a place to shop but to socialise and pass the time of day
- that the market makes a profit for the Council and yet very little is spent in the Market. She referred to the fact that the Grand Theatre and many other organisations in Leeds receive grants and were subsidised by the Council

The Chair then allowed the Chief Economic Development Officer and the Head of City Centre and Markets to respond to the individual comments made.

Board Members then questioned witnesses and officers on the main points.

In summary, specific reference was made to the following issues:-

- a suggestion as to the establishment of a Market Committee/Board of Trustees for the market
- clarification regarding the outcome of the rent review and the current anomalies that exist for new traders and existing traders
- the need to address how to get new customers into the market and for the Council to re-invest in the market's future
- the view that the market was too large and that there was a need to make the market more compact by removing vacant stalls
- the need for traders to accommodate shoppers needs such as the ability to pay by debit/credit cards in the market
- an acknowledgement that there were fundamental differences between markets in New York, Barcelona, Birmingham and Belfast markets and Kirkgate Market
- clarification of parking issues and provision in the Eastgate Development and availability of Section 106 monies
- the concern that the market was not the cheapest place to buy goods
- the need for the Board to be furnished with a Business and Market model that existed in other parts of the country to assist them with this Inquiry
- the need for the Head of City Centre and Markets to ensure search engine optimisation for the official market site
- the need for the Board to be supplied with the details of the condition survey and service charges
- the need to consider the Council's stall allocation policy
- the need for the Board to receive details of NABMA's role and availability of minutes and papers of this body

Michelle Hocken invited Board Members to visit the Market and to be a trader for a 'day' to witness the problems that existed at first hand.

The Chair responded on behalf of the Board and thanked Mrs Hocken for her kind offer. He requested interested Members to contact the Board's Principal Scrutiny Adviser to enable appropriate arrangements to be made.

In concluding, the Chair, on behalf of the Board, thanked witnesses and officers for their attendance and contribution to the Inquiry.

**RESOLVED-**

- a) That the contents of the report and appendices be noted.
- b) That the Acting Director of City Development be requested to prepare a further report to the Board meeting on 11<sup>th</sup> January 2011 to include:-

- the outcome of the rent review
  - the results of the condition survey
  - service charge details
  - the Council's stall policy
  - the alternative ownership and management models that were available to include examples from other markets
  - details of NABMA's role and availability of minutes and papers of this body
- c) That parking issues and provision in the Eastgate Development and availability of Section 106 monies be the subject of a report to the Board on 8<sup>th</sup> February 2010.

(Councillor R Pryke left the meeting at 12.25pm at the conclusion of the above item)

#### **86 City Development Directorate: 2010/11 Budget - Financial Position**

Referring to Minute 68 of the meeting held on 2<sup>nd</sup> December 2010, the Head of Scrutiny and Member Development submitted a report providing the Board with a financial position for the City Development Directorate at period 7.

Appended to the report was a copy of a document entitled ' City Development Directorate; 2010/Budget – Period 7 Report for the information/comment of the meeting.

Simon Criddle, Head of Finance, City Development was in attendance and responded to Members' queries and comments:-

In summary, specific reference was made to the following issues:-

- clarification behind the rise in Planning Appeal costs and the need for the Board to receive the likely outturn figure for the current financial year, together with specific details of those cases that have not been settled  
*(The Head of Finance responded and agreed to supply this information via the Board's Principal Scrutiny Adviser)*
- clarification of how the Early Leavers Initiative costs would be funded  
*(The Head of Finance responded that the department currently was responsible for any leaving costs but if these costs are capitalised it would become a corporate charge)*
- clarification of whether or not the Planning restructuring exercise had been implemented  
*(The Head of Finance responded and confirmed that the Planning restructuring exercise had now been completed with recruitment to take place in due course)*

**RESOLVED** - That the contents of the report and appendices be noted.

(Councillor M Rafique left the meeting at 12.35pm during discussions of the above item)

**87 City Development Performance Report Quarter 2 - 2010/11**

The Head of Policy and Performance submitted a report presenting an overview of performance against the priority outcomes relevant to the City Development Scrutiny Board.

Paul Maney, Head of Strategic Planning, Policy and Performance, City Development was in attendance.

**RESOLVED** – That the contents of the report and appendices be noted.

**88 Working Group on Horticultural Maintenance of Cemeteries and Crematoria**

Referring to Minute 70 of the meeting held on 2<sup>nd</sup> November 2010, the Head of Scrutiny and Member Development submitted a progress report in relation to the Board's Working Group on Horticultural Maintenance of Cemeteries and Crematoria.

Appended to the report was a copy of the notes of the Horticultural Maintenance of Cemeteries and Crematoria working group held on 18<sup>th</sup> November 2010 for the information/comment of the meeting.

In addition to the above documents, a copy of a letter from Mr and Mrs Simpson was circulated to assist the Board with their deliberations.

Sean Flesher, Head of Parks and Countryside, City Development was in attendance.

Specific reference was made to the need of the Working Group to be supplied with details of how other local authorities implement grave conditions with regards to cemetery maintenance to assist them with this Inquiry.

The Board's Principal Scrutiny Adviser agreed to follow up this issue with the Head of Parks and Countryside.

**RESOLVED** –

- a) That the contents of the report and appendices be noted.
- b) That the note of the visit of the Cemeteries and Crematoria Horticultural Maintenance Working Group to Lawns Wood cemetery on 18<sup>th</sup> November 2010 be received and noted.
- c) That a further meeting of the Cemeteries and Crematoria Horticultural Working Group be convened in due course.

**89 Working Group on Grants to Culture and Sport related Organisations**

Referring to Minute 70 of the meeting held on 2<sup>nd</sup> November 2010, the Head of Scrutiny and Member Development submitted a progress in relation to the Board's Working Group on Grants to Culture and Sport Related Organisations.

Appended to the report were copies of the following documents:-

Draft minutes to be approved at the meeting  
to be held on Tuesday, 11th January, 2011

- A copy of the notes of the working group held on 18<sup>th</sup> November 2010 for the information/comment of the meeting
- A report of the Chief Libraries, Arts and Heritage Officer regarding the Working Group Paper on Grants to Culture and Sport Related Organisations

Catherine Blanshard, Chief Libraries, Arts and Heritage Officer, City Development was in attendance.

**RESOLVED –**

- a) That the contents of the report and appendices be noted.
- b) That the note of the meeting of the Grants to Culture and Sport Related Organisations Working Group held on 18<sup>th</sup> November 2010, together with the report of the Chief Libraries, Arts and Heritage Officer be received and noted.
- c) That a further meeting of the Grants to Culture and Sport Related Organisations Working Group be convened in due course.

**90 Work Programme, Executive Board Minutes and Forward Plan of Key Decisions**

The Head of Scrutiny and Member Development submitted a report providing Members with a copy of the Board's current Work Programme. The Executive Board minutes of 3<sup>rd</sup> November 2010, together with the Forward Plan of Key Decisions for the period 1<sup>st</sup> December 2010 to 31<sup>st</sup> March 2011 were also attached to the report.

**RESOLVED-**

- a) That the contents of the report and appendices be noted.
- b) That the Executive Board minutes of 3<sup>rd</sup> November 2010, together with the Forward Plan of Key Decisions for the period 1<sup>st</sup> December 2010 to 31<sup>st</sup> March 2011 be noted.
- c) To note that the Chief Executive of Welcome to Leeds would now give a short presentation on the work of his organisation to the Board on 11<sup>th</sup> January 2011.
- d) That the Board's Principal Scrutiny Adviser be requested to update the work programme to include the following items:-
  - Preliminary Flood Risk Assessment (March/April 2011)
  - City Priority Plan/Corporate Plan (March 2011)
  - Replanting Trees Protocol in Urban and Suburban areas and requirement to use of designated tree pits near highways

**91 Date and Time of Next Meeting**

Tuesday 11<sup>th</sup> January 2011 at 10.00am (Pre meeting for Board Members at 9.30am)

(The meeting concluded at 12.50 pm)



## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (City Development)

Date: 11<sup>th</sup> January 2011

Subject: Welcome to Yorkshire

#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

## 1.0 Introduction

- 1.1 In accordance with the Board's work programme, the Chief Executive of Welcome to Yorkshire, Mr G Verity has been invited to attend today's meeting to talk about the work of his organisation which will include details of his work programme, action plan and budget.
- 1.2 There will be a short presentation by Mr Verity with the aid of a dvd and then an opportunity for Members to discuss any issues that arise and ask questions.

## 2.0 Recommendation

2.1 Members of the Board are asked to:

(i) hear the presentation by the Chief Executive of Welcome to Yorkshire and comment on and ask questions as appropriate.

(ii) determine whether the Board wishes to undertake any further scrutiny of this issue.

### Background Papers

None used

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## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (City Development)

Date: 11<sup>th</sup> January 2011

Subject: LEEDS BRADFORD INTERNATIONAL AIRPORT: SURFACE ACCESS

#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

### 1.0 Introduction

- 1.1 Members asked for a report from the Acting Director of City Development which provides a briefing on the surface access strategy and other transport related planning issues for Members of this Board to consider.
- 1.2 In accordance with the Board's request the Chief Executive of the Leeds Bradford International Airport, Mr John Parkin and the Director General of Metro, Mr Kieran Preston or their representatives have been invited to attend today's meeting on this matter.

### 2.0 Acting Director's Report

- 2.1 The report of the Acting Director of City Development on the Leeds Bradford International Airport on the surface access strategy is attached for the consideration of the Board.

### 3.0 Recommendations

- 3.1 Members are asked to;
- (i) Receive and comment on the report of the Acting Director of City Development.
  - (ii) Hear from the Chief Executive of Leeds Bradford International Airport and the Director General of Metro on this matter and comment and ask questions as appropriate.
  - (iii) Determine what further information, if any, the Board requires and whether it wishes to undertake further scrutiny.

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**Report of the Director of City Development**

**Scrutiny Board (City Development)**

**Date: 11<sup>th</sup> January 2011**

**Subject: LEEDS BRADFORD INTERNATIONAL AIRPORT: SURFACE ACCESS**

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**Electoral Wards Affected: All**

Ward Members consulted  
(referred to in report)

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

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**Executive Summary**

Leeds Bradford International Airport (LBIA) is a key transport gateway for the city and the wider region. The aims and objectives of LBIA related to surface transport are set out in the Surface Access Strategy which is a sub document of LBIA's Master Plan. The transport policy context for the airport is set out in the City Region Transport Strategy and the Council's Unitary Development Plan and emerging Local Development Framework. In terms of new infrastructure initial investigations have been undertaken on two major projects with the capacity to significantly enhance connectivity of LBIA although these are not presently funded.

**1.0 Purpose Of This Report**

1.1 This report provides a briefing on the surface access strategy and other transport related planning issues for Members' information.

**2.0 Background Information**

2.1 Leeds Bradford International Airport (LBIA) provides a vital service to the city and gateway to the Leeds City Region and beyond which was used by over 2.7 million last year and presently serves 74 different destinations. LBIA contributes to the regional economy in the order of 3,000 direct / indirect jobs within City Region which equates to a total Gross Value Added (GVA) contribution of £98.5 million.

2.2 In terms of passenger numbers LBIA is ranked as the 17<sup>th</sup> largest UK airport by the Civil Aviation Authority (2010 – month 10 figures). In terms of regional comparisons this ranking falls below the core cities Manchester, Birmingham, Bristol, Newcastle Liverpool and Nottingham (East Midlands) as listed in Appendix C. From an

economic perspective and specifically the growth of the Leeds City Region, the role of the airport is a key enabler. Standard benchmarks model an extra 1,000 jobs into the locally economy directly associated with the airport for every one million passengers per annum (mppa).

2.3 Table 2.1 below shows the distribution of passengers using LBIA & Table 2.2 shows the modal split:

Area	Passengers	Percentage
West Yorkshire	1,158,000	47%
North Yorkshire	386,000	16%
South Yorkshire	515,000	21%
Humberside	257,000	10%
North West	48,000	2%
Rest of UK	106,000	4%
<b>Total</b>	<b>2,470,000</b>	

**Table 2.1 – Distribution of Passengers using LBIA**

	2005	2006	2007	2008	2009	2010
Private Car	63.1%	61.7%	56.5%	55.5%	60.0%	<b>62.4%</b>
Taxi	16.0%	16.1%	19.2%	19.7%	17.5%	<b>15.4%</b>
Minibus	7.0%	7.8%	9.1%	8.3%	8.5%	<b>8.8%</b>
Public Service Bus	4.4%	4.7%	6.3%	6.2%	5.5%	<b>6.4%</b>
Car Park Service Bus	9.5%	9.7%	9.0%	10.3%	8.5%	<b>7.0%</b>
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

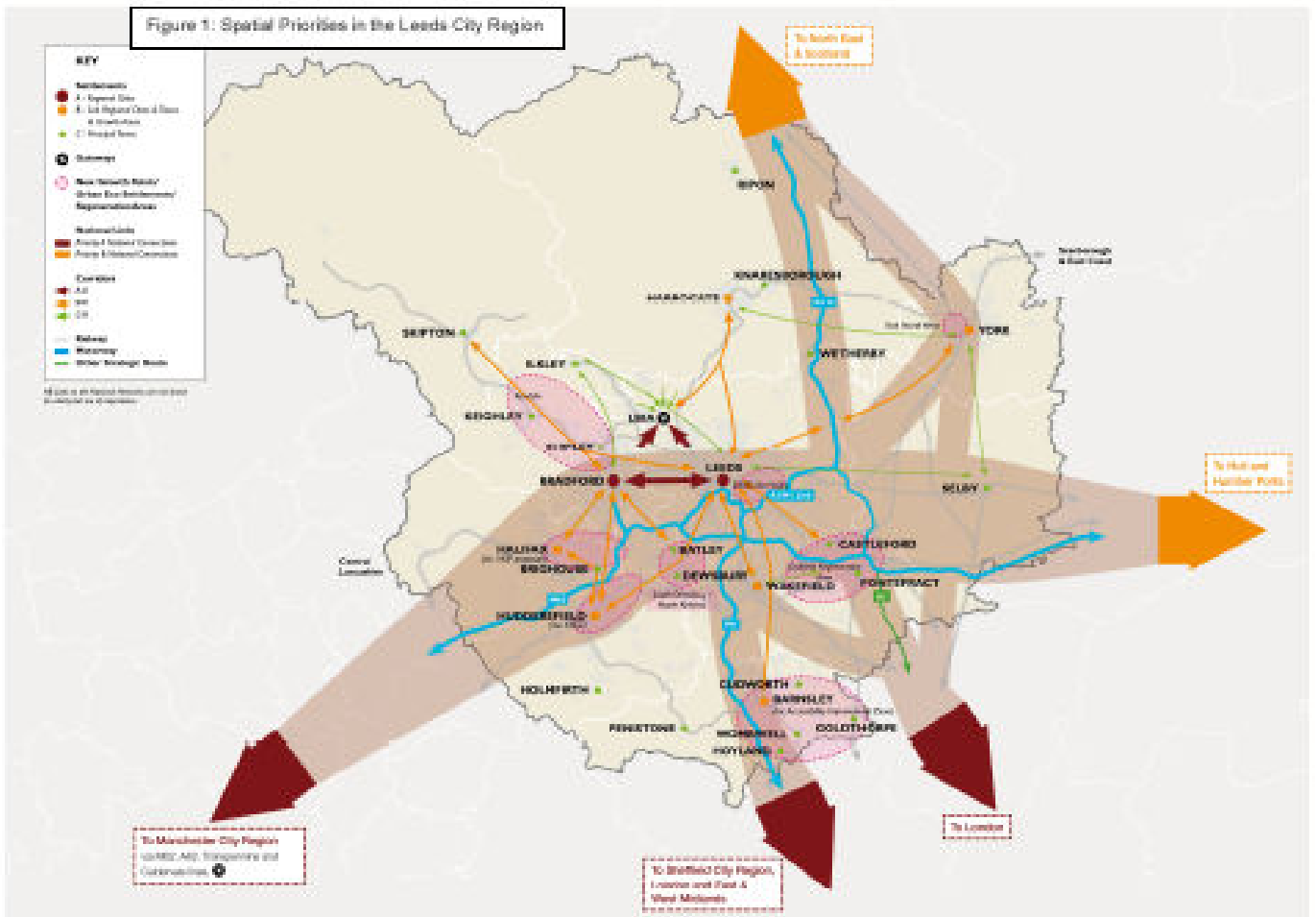
**Table 2.2 – Mode Split of Passengers using LBIA**

2.4 The current LBIA Master Plan sets out the airport company's development planning for the period 2005-2016 including some longer term proposals up to 2030, and is intended to be complementary to the supporting regulatory policy documents for the region. It is intended to replace the existing document with a new masterplan which will be published in 2011.

2.5 The aims and objectives of this Master Plan are to:

- Establish a flexible and sustainable planning framework within which the development of operational facilities, airport infrastructure and other services can be matched to growth in passengers and air transport movements.
- Enhance the visual setting of the Airport to minimise the impact of development on the surrounding areas.
- Encourage the use of the quietest aircraft and to minimise the effects of noise disturbance on the community surrounding the Airport.
- Develop commercial support facilities to maintain a satisfactory level of financial performance of the Airport.
- Encourage, where appropriate, further investment in the development of the Airport.
- Renew and extend cargo handling facilities commensurate with identified needs.
- Develop, implement and monitor an appropriate Surface Access Strategy for the Airport which improves access and maximises the potential for increasing the journeys made to the Airport by public transport.
- Minimise atmospheric and overall surface pollution.
- Minimise the effects of climate change

- 2.6 The airport Surface Access Strategy which forms a part of the Masterplan details the measures proposed to address surface access to the airport. The current strategy which was published in 2006 contains actions based on increasing the public transport mode share over time. This document will be reviewed as part of the process for updating the Masterplan.
- 2.7 The following measures were set out in the 2006 strategy as the principal short term actions to achieve a 40% public transport mode split by 2009 (now expected to be updated):
- Complete the A65 Quality Bus Initiative;
  - Look to provide additional bus services to areas not currently covered, such as North Leeds, Tadcaster, Wetherby and York;
  - Continue feasibility work into the new rail link between Horsforth and Guiseley via the Airport, in conjunction with future improvements to the Leeds – Harrogate Line;
  - Continue to encourage the use of courtesy buses/minibuses and provide adequate facilities for pick-up/drop-off as necessary;
  - Continue to develop and implement the Airport's Green Travel Plan;
  - Review the highway network in the vicinity of the Airport and implement road improvements as necessary;
  - Further feasibility work on the provision of a new road link from the A65 following completion of the A6120 study;
  - Maintain car parking ratios at a level lower than other northern airports, and plan to provide decking for the short stay car park;
- 2.8 The following measures were set out for medium term actions to ensure that satisfactory surface access to LBIA is maintained and to achieve a 50% public transport mode split by 2016:
- Provision of a new rail link between Horsforth and Guiseley that serves the Airport;
  - Provision of a new highway link from the A65 to the Airport, coupled with an upgrade to the Leeds Outer Ring Road;
  - Sustainable growth around the new transport facilities that offer benefits to non-airport users;
  - Continue to review the highway network in the vicinity of the Airport and implement road improvements as necessary;
  - Monitor car parking ratios once new public transport facilities are operational, and provide any new car parking adjacent to, or above, transport hubs, or by the further use of decking over existing car parks.
- 2.9 The Leeds City Region Transport Strategy identifies LBIA as a key gateway within the city region and improving surface access links to support growth as a clear policy priority. The Strategy identifies a package of improvements to enhance connectivity to LBIA:
- Deliver comprehensive bus priority to improve journey time reliability of existing bus services from Leeds, Bradford and Harrogate.
  - Targeted highway improvements including the A65 corridor from Leeds and A658 corridor from Bradford
  - Evaluate the opportunities for bus links to connect with adjacent railway stations
  - Investigate the scope for transforming surface access links, including tram-train connections.



**Figure 1: key movement and spatial priorities in the Leeds City Region**

2.10 In terms of planning policy the LDF Core Strategy Preferred Approach includes the following policy which is intended to replace the present UDP policy for the airport:

**POLICY T4 : MANAGING THE GROWTH OF LEEDS BRADFORD INTERNATIONAL AIRPORT**

The continued improvement of Leeds Bradford International Airport will be supported to enable it to fulfil its role as an important regional airport. The further growth of the airport will be permitted subject to:

- A. Provision of major public transport infrastructure improvements,
- B. Agreement of a transport strategy with identified funding,
- C. Environmental assessment and agreed plans to mitigate adverse environmental effects,
- D. The preparation of detailed planning guidance to manage any local impacts and implementation issues.

2.11 Plans Panel West on 3<sup>rd</sup> September 2009 approved a planning application for an extended terminal building with improved internal facilities and associated landscaping works. A Section 106 agreement included:

- Setting up a steering group to make recommendations to the Chief Planning Officer in respect of expenditure of the Section 106 monies for transport measures.
- Highway triggers for payment of Section 106 monies.
- Details of travel plan measures, targets and management

2.12 Members of the LBIA senior management team attend regular meetings with the Menston Community Association and the Yeadon and Guiseley community groups. Also, the LBIA Consultative Committee meeting is held on a quarterly basis and acts as a formal link between the Airport and the local community. The Airport Surface Access Forum involves stakeholders including representatives from Leeds, Bradford and North Yorkshire highway authorities and Metro in quarterly meetings. Appendix D includes a presentation from LBIA for the Board's information.

### **3.0 Main Issues**

3.1 The Surface Access Strategy identifies a number of key infrastructure investments for the airport in terms of highway and rail connections.

3.2 With respect to the potential for a new highway link, some initial modeling appraisals have been undertaken to test the transport and economic case for a link road to connect the A65 with LBIA and the A658. This work shows that in terms of value for money and transport benefits a good benefit cost ratio can be achieved by such a route which would be above the criteria currently set by the Department for Transport. Furthermore this scheme could connect with the A65 Quality Bus Corridor scheme now under construction and proposals for improvement of the A6120 Horsforth roundabout to provide improved bus access from the city centre. The next stage for the development of such proposals would be to undertake an alignment options and route engineering feasibility study. However, such work is presently unfunded in climate where Local Transport Funding for 2011-12/14 is significantly reduced.

3.3 In terms of rail links to the airport, previous work has concluded that a heavy rail extension from the Leeds – Harrogate rail line to connect Horsforth with LBIA would not be a cost effective measure. Instead it has been concluded that Tram-train technology potentially offers a lower cost solution to providing a high quality fixed public transport link to the airport. Metro have commissioned Network Rail to undertake an outline feasibility study into the possibility of tram-train links between LBIA and Leeds City Centre. The study concluded that there was a need for such a facility and a good benefit cost ratio was achievable. Further work is needed to investigate the engineering feasibility of a rail based vehicle solution which could operate on a combination of the heavy rail network (Harrogate line Horsforth to Burley Park), dedicated segregated tram route (Horsforth to LBIA) and on street running (Burley Park to city centre). The airport company and partners including the Council have recently met to consider how best to actively promote and progress the case for a fixed public transport link to the airport.

3.4 Following the Comprehensive Spending Review (CSR) the Transport Major Schemes budget is over subscribed by a defined list of schemes in the current spending review period and is closed to any new bids in that timescale. Neither of the above major infrastructure projects are in the defined list and therefore will not be eligible to bid for this funding. The next opportunity for considering such public funding will be when the Government releases revised details for future major scheme funding applications for which no date has yet been given.

3.5 The new Regional Growth Fund is a discretionary £1.4bn Fund that will operate for 3 years between 2011 and 2014 to stimulate enterprise by providing support for projects and programmes with significant potential for creating long term private sector led economic growth and employment. Schemes need to be deliverable

within the 3 year timescale and neither of the above infrastructure schemes are in a state of readiness to be delivered in this timescale.

- 3.6 Local Transport Plan funding for 2011-12 onwards has been reduced in the CSR. At circa £4m per annum for all minor transport schemes in Leeds the major schemes are beyond LTP3 resources. A process is currently underway to prioritise an LTP investment programme for West Yorkshire and the A6120 ring road / A65 junction has been included in this process. It is expected that draft proposals for the West Yorkshire LTP implementation plan will be submitted to the West Yorkshire LTP Committee in January for consideration and approval for a period of public consultation prior to adoption by the year end 2010-11.
- 3.7 The airport currently contributes £228,000 per year to enhance bus services to Leeds, Bradford and Harrogate and has committed in excess of £1m for transport improvements through the S106 agreement for the terminal extension.
- 3.8 The A65 Quality Bus Corridor scheme is currently on site and due to complete in summer 2012. This scheme will improve journey times and reliability for bus services between Leeds City Centre and the airport.

#### **4 Legal And Resource Implications**

- 4.1 This report raises no specific legal and resource implications.

#### **5 Conclusions**

- 5.1 Transport policy and planning for LBIA is set out in the Master Plan and Surface Access Strategy.
- 5.2 The City Region Transport Strategy highlights the importance of improved connectivity from LBIA across the city region. Leeds LDF Core Strategy preferred approach sets out the planning policy context for the Airport.
- 5.3 Initial feasibility has been undertaken on a link road and tram train connections. These two major pieces of infrastructure would enhance the connectivity of LBIA. Whilst the work shows that the schemes may offer good value for money with the potential for robust cost benefit ratios, sources of funding for progressing either of these schemes has not been identified.
- 5.4 LBIA continues to promote modal shift through its Travel Plan and contribution to supporting bus services.

#### **6 Recommendations**

- 6.1 Members of the Scrutiny Board are requested to consider and comment on the content of this report.

#### **7 Background information**

- 7.1 Background documents relating to this report are as follows:
- i. Leeds Bradford International Airport Master Plan 2005 – 2016  
<http://www.leedsbradfordairport.co.uk/airportcompany-airportmasterplan.php>
  - ii. LBIA Surface Access Strategy summary (attached at Appendix A)
  - iii. City Region Transport Strategy executive summary (attached at Appendix B)



- iv. LDF Core Strategy Preferred Approach  
[http://www.leeds.gov.uk/Business/Planning/Local\\_development\\_framework/Core\\_Strategy\\_PREFERRED\\_Approach\\_\(LDF\).aspx](http://www.leeds.gov.uk/Business/Planning/Local_development_framework/Core_Strategy_PREFERRED_Approach_(LDF).aspx)
- v. Plans Panel West Application 08/06944/FU Outstanding Matters and Update Report - 3 September 2009

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# Leeds Bradford International Airport Surface Access Strategy Summary



# Context



To emphasise the need to enhance surface access to the Airport, the Aviation White Paper, "The Future of Air Transport" (Department for Transport, 2003) specifically states that:

"Improvements to both public transport and road access to the airport may also be required in the medium term as passenger volumes continue to grow".

A major Government objective, identified in the White Paper, is to increase the proportion of passengers who travel to and from airports by public transport. Key factors in considering proposals for new airport capacity are ensuring easy and reliable access, which minimises environmental, congestion and local impacts. As a first stage in the response to the White Paper, LBIA has prepared a revised Masterplan, and a supporting revised Surface Access Strategy (SAS). This document is a summary of the revised SAS for LBIA, responding to the new emphasis on surface access within the White Paper.

The document is intended to be entirely complementary to the Airport Masterplan and the supporting regulatory policy documents for the Region, and is commended to the key stakeholders for ongoing implementation.

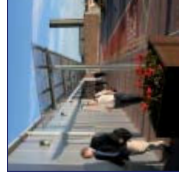
The Airport plays a vital role in the economy of the Yorkshire and Humber Region. The role of the Airport is set out clearly in The Northern Way, a forward development growth strategy for the three northern regions, and in the RSS. The Regional Spatial Strategy (RSS) (Yorkshire and Humber Plan) is being developed by the Yorkshire and Humber Regional Assembly (Y&HA), and public consultation took place between January and April 2006.

The consultation document on the draft spatial vision and strategic approach recognises the important role of the Airport in supporting the economy of the emerging "City Region" taking in Leeds and the surrounding districts. The consultation document also recognises the crucial need to improve surface access to LBIA, and that a new public transport link is:

"critical if proper integration of the city region's airport is to be achieved, and the competitiveness of the city region is to be enhanced."

The revised SAS determines a range of key transport interventions required over the next 10 – 15 years that would support the sustainable growth of the Airport and offer real choices to passengers and staff across the range of transport modes. These future connections include a new rail link to directly serve the Airport, and a new highway link to the Airport from the A6120 Leeds Outer Ring Road.

# The Masterplan



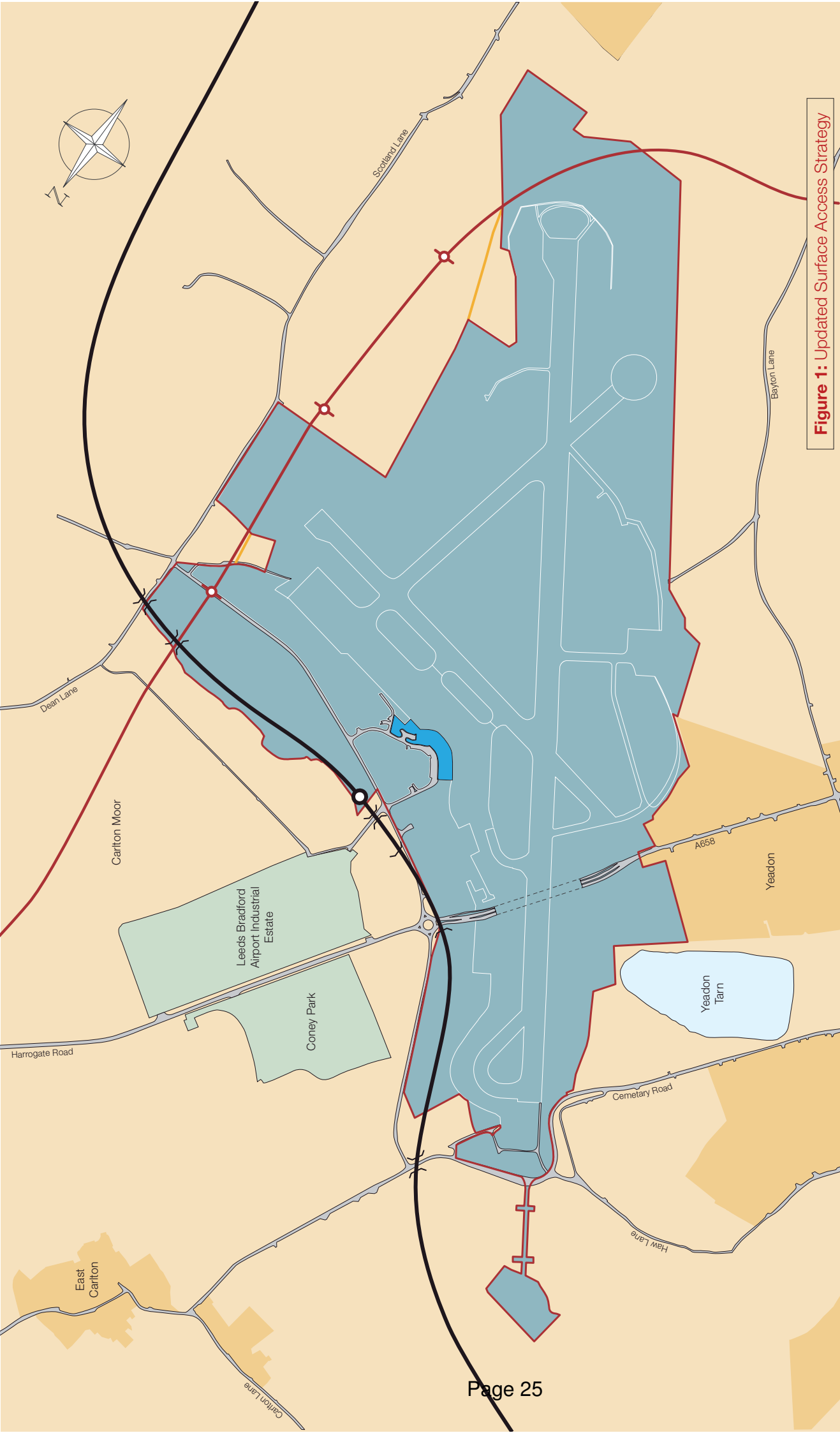
The Masterplan (available on the Airport website: [www.lbia.co.uk](http://www.lbia.co.uk)) covers the period from 2005 to 2016, and some longer term proposals up to 2030, and is intended to be entirely complementary to the supporting regulatory policy documents for the Region. The Airport Company intends to undertake future developments in a sustainable way, to minimise the effects on the environment and to ensure that local people are consulted and involved as appropriate to alleviate as far as possible any concerns over the development of the Airport.

It is recognised that the proposals embodied in the Masterplan are dependent upon projections of future air traffic, which in turn are closely related to regional and national economic growth, to changes in technology and to national airport policy. The Masterplan is based upon forecasts of 5.1 million passengers per annum in 2016 and 8.3 million passengers per annum in 2030. As assumptions have to be made about all the factors which influence future growth, the Airport Company considers it prudent to adopt a flexible approach to future development to enable it to react promptly to any unforeseen changes. In development pressures and the business climate.

The Masterplan includes details on surface access proposals considered within the revised SAS, linked to the projected growth forecasts. Clearly, such an increase in passenger numbers will have a corresponding increase in the level of trips to the Airport, and the revised SAS seeks a sustainable means of accommodating these additional trips. Fundamental to our future growth is the need for new road and rail links to the Airport, as shown on Figure 1 opposite. The road link is intended to connect the A6120 Leeds Outer Ring Road with the A658 at Carlton Crossroads, and the rail link provides a connection between the Harrogate Line north of Horsforth and the Wharfedale Line north of Guiseley. Both proposals not only enhance surface access to the Airport, but have significant contributions to City Region connectivity, particularly to Bradford, Wakefield, Harrogate and York, as well as M1/A1 north - south and trans Pennine corridors.

Using the Department for Transport's definition of "public" transport (ie; non-car) the current mode share at LBIA is 36%. Accordingly, taking account of the measures being proposed, two new targets are suggested within the revised SAS:

- To achieve a public transport mode share of 40% by 2009
- To achieve a public transport mode share of 50% by 2016



**Figure 1: Updated Surface Access Strategy**

- Key**
- Urban Areas
  - Current Operational Area
  - Proposed UDP Amendment
  - Existing Terminal Building
  - Possible Road Link with Roundabouts
  - Possible Rail Link with Station

# Action Plan



The following are seen as the principal short term actions to achieve a 40% public transport mode split by 2009:

- Complete the A65 Quality Bus Initiative;
- Look to provide additional bus services to areas not currently covered, such as North Leeds, Tadcaster, Wetherby and York;
- Continue feasibility work into the new rail link between Horsforth and Guiseley via the Airport, in conjunction with future improvements to the Leeds – Harrogate Line;
- Continue to encourage the use of courtesy buses/minibuses and provide adequate facilities for pick-up/drop-off as necessary;
- Continue to develop and implement the Airport's Green Travel Plan;
- Review the highway network in the vicinity of the Airport and implement road improvements as necessary;
- Further feasibility work on the provision of a new road link from the A65 following completion of the A6120 study;
- Maintain car parking ratios at a level lower than other northern airports, and plan to provide decking for the short stay car park;

The following are seen as the key medium term actions to ensure that satisfactory surface access to LBIA is maintained and to achieve a 50% public transport mode split by 2016:

- Provision of a new rail link between Horsforth and Guiseley that serves the Airport;
- Provision of a new highway link from the A65 to the Airport, coupled with an upgrade to the Leeds Outer Ring Road;
- Sustainable growth around the new transport facilities that offer benefits to non-airport users;
- Continue to review the highway network in the vicinity of the Airport and implement road improvements as necessary;
- Monitor car parking ratios once new public transport facilities are operational, and provide any new car parking adjacent to, or above, transport hubs, or by the further use of decking over existing car parks.

# Delivering the Revised Strategy



The Aviation White Paper was explicit about where the Department for Transport feels that responsibility lies in delivering surface access strategies at UK airports:

“Responsibility for bringing forward proposals and securing funding lies with the airport operators, working closely with the DfT, SRA, HA and regional and local bodies”.

This puts LBIA firmly at the heart of delivering the revised SAS, with those organisations specifically mentioned, and also with other public bodies, the private sector, such as transport operators, and in consultation with local residents.

The work in preparing the revised SAS has already demonstrated the value of early consultation with partners such as Local Authorities, Metro, Yorkshire and Humber Assembly, Yorkshire Forward, Highways Agency and Network Rail, on the emerging themes of the revised SAS. As the strategy is refined and delivered, this role must be maintained, principally through the Airport Transport Forum, the members of which have also been involved in the preparation of the document and in approving its key recommendations.

All of the elements of the SAS will be delivered in a phased way, depending on factors such as necessity, availability of funding, and whether statutory procedures are required for one or more individual elements. As many of the short term measures as possible should be delivered by the end of 2006, and will indicate significant progress in the SAS to the Department for Transport in advance of the Aviation White Paper review.

However, whilst other elements of the strategy are earmarked for delivery beyond 2009, it is evident that, if these dates are to be met such that the new public transport mode share targets can be achieved, planning must continue over the next two years in order to secure support and funding.

For further information relating to the Airport Masterplan or the Surface Access Strategy please contact:

The Managing Director,  
Leeds Bradford International Airport,  
Leeds. LS19 7TU

or visit the website at [www.lbia.co.uk](http://www.lbia.co.uk)

Leeds City Region  
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**Leeds City Region  
Transport Strategy**

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Executive Summary

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Executive Summary

October 2009

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Job number 121525-23



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## Executive Summary

### Introduction

Securing improvements in transport and connectivity is vital to realising the ambitions for the future prosperity, cohesion and sustainability of the Leeds City Region. This strategy sets out how transport should support the future development and prosperity of the Leeds City Region in the context of the transition to a lower carbon economy. The strategy identifies the main issues and priority challenges for transport, the wider policy and spatial outcomes that transport needs to support, and a framework for developing interventions to inform a delivery and funding plan. The strategy has been produced through a process of strong partnership working between relevant local authorities in the Leeds City Region, Yorkshire Forward, Metro, Department for Transport, Network Rail, the Highways Agency and wider stakeholders.

This Leeds City Region Transport Strategy replaces the Transport Vision that was launched in 2006. This update has built on the strengths of the previous Transport Vision – its comprehensive approach, vision and aspirations – whilst also reflecting the changing policy, economic background and funding context. The Strategy seeks to be realistic as well as ambitious. It sets out the framework for transport as opposed to a wish-list of specific scheme proposals. It identifies the wider spatial development and policy priorities for transport to support, and outlines the main transport outcomes to be addressed through future work to develop and deliver proposals for transport capital schemes as well as revenue based measures to support transport services, and wider interventions to manage demand for travel.

### The Leeds City Region

The Leeds City Region is a diverse area, covering a significant part of the Yorkshire and Humber region. It comprises the local authority areas of Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York. It includes parts of North Yorkshire County and the Sheffield City Region (Barnsley is in both the Leeds and Sheffield City Regions).

With an annual economic output of around £46bn, and over 1.5m jobs, the Leeds City Region is the predominant economic driver of the Yorkshire and Humber region, with a substantial business and employment base in financial and business services and in other high value sectors and activities, including digital and media, higher education, research and development, tourism, advanced logistics, and government. The growth and expansion of the Leeds City Region economy in recent years has placed considerable pressures on the transport network to support and enable the commuter trips generated. Structural changes to the City Region's economy tend to mean that more jobs are being focused on fewer locations, with knock on impacts on highway and public transport capacity.

The City Region has several major cities, towns and business locations with a complex pattern of economic links between them, and several significant commuting destinations. Leeds is the largest economic centre and commuting destination. Other cities and towns are also important employment locations. The City Region also has significant areas of acute deprivation, particularly in some of the inner-urban areas, but also in some peripheral settlements. The City Region has rural areas and settlements, including National Parks, posing particular challenges for transport to provide access to jobs, services and tourism destinations.

The Regional Spatial Strategy forecasts over 350,000 new jobs would be created in the Leeds City Region between 2006 and 2026. However the recession has led to jobs growth stalling, and to the Leeds City Region reassessing likely trajectories for future economic growth. Whilst economic and jobs growth is forecast to resume, there will be longer timescales for achieving jobs growth targets set previously. Transport investment in the Leeds City Region is vital to ensure that the economic recovery is robust, to help put in place the underlying conditions for future economic competitiveness, and to meet increasing demand for travel that will stem from future economic and employment growth.

The Regional Spatial Strategy sets out the requirement to deliver over 14,000 net additional homes per annum in the City Region between 2008 and 2026, over 250,000 new dwellings in total. Almost one-third of these new homes will be located within the Leeds District. Bradford, Kirklees, Wakefield and York will become increasingly important areas of housing growth.

The congestion and overcrowding problems could be exacerbated in future years, given the scale of new houses and jobs forecast for the City Region.

### **Main Goals and Challenges**

This Transport Strategy does not seek to improve transport for its own sake; it seeks to support the delivery of wider policies. It aims to support the current economic and social roles and functions of key locations in the City Region, and to help stimulate and accommodate planned development and change. The Transport Strategy has been prepared in the context of the latest national approach to transport planning as set out by Government in *Delivering a Sustainable Transport System (DaSTS)* that has emerged following the Eddington report on transport and the economy the Stern report on the economics of climate change. DaSTS identifies five goals for transport and 16 challenges to address these goals. Seven of these challenges were identified as key priorities for the Leeds City Region:

- Deliver quantified reductions in greenhouse gas emissions;
- Reduce lost productive time;
- Improve the connectivity and access to labour markets of key business;
- Support the sustainable provision of housing;
- Enhance social inclusion and the regeneration of deprived or remote areas;
- Reduce the risk of death or injury due to transport accidents; and
- Contribute to the reduction in the gap between economic growth rates for different English regions.

Whilst the Transport Strategy needs to address each of the seven prioritised challenges, some of the challenges will need to be tackled at specific areas within the Leeds City Region. The urban areas, housing growth points and regeneration areas have been prioritised according to their importance to the City Region and the contribution they could make in the future. The identification of the City Region's spatial priorities has been influenced by the land use and housing policy framework for the City Region.

### **Spatial Priorities**

The spatial priorities for the Leeds City Region have been categorised into groups to reflect their relative importance. The spatial priorities include the main areas of economic activity and change, key transport corridors including those providing connectivity within the City Region as well as national links, and the priority regeneration areas. The spatial priorities are summarised below.

#### **Priority A:**

- developing an internationally recognised city region;
- developing the role of Leeds as a Regional City;
- transforming the Regional City of Bradford, improving access via TransPennine links to Manchester City region and Manchester airport and supporting movements within the Leeds City region along the TransPennine corridor; and
- Improving access to the Sheffield City region and London.

#### **Priority B:**

- developing enhanced and complementary roles for the Sub Regional cities and Towns (Barnsley, Halifax, Harrogate, Huddersfield, Wakefield and York) capitalising on their particular strengths and potential; and
- supporting the delivery of priority areas for regeneration and housing growth (Coalfield Regeneration Area in Wakefield District, Airedale – Bradford to Skipton, Aire Valley Leeds, South Dewsbury / North Kirklees, York NorthWest, East Leeds, East Bradford – West Leeds area; and
- Improving connectivity for rail freight to / from the Humber Ports.

### Priority C:

- Strengthening the service centre roles of the Principal Towns: Batley, Brighouse, Castleford, Cudworth, Dewsbury, Goldthorpe, Holmfirth, Hoyland, Ilkley, Keighley, Knaresborough, Penistone, Pontefract, Ripon, Selby, Skipton, Wetherby, Wombwell. These roles will be defined in more detail in local plans and priorities, in particular through Local Development Frameworks

The spatial priorities are set out in full Figure 1 and table 1 at the end of this Executive Summary.

### Interventions

The Transport Strategy sets out a framework for delivery that comprises:

- specific scheme proposals for which there is a strong degree of certainty or commitment to delivery in the short-medium term;
- Cross-cutting themes on which coordinated action and investment (including revenue funding) is needed; and
- Spatially specific outcomes which to be addressed through future development and delivery of (as yet unspecified) transport interventions.

The DaSTS challenges and spatial priorities were used to influence the work to consider options for intervention for transport. A number of options were generated which could improve transport on these corridors. These ranged from public transport and highway schemes through to “softer” measures encompassing ticketing. Some interventions were identified as a requirement across the Leeds City Region. These have been grouped together as a package of generic interventions which includes: local improvements, network management measures, safety enhancements, transport quality and integration measures. These schemes will be supplemented by a number of spatially specific interventions which will address known issues on key routes within the City Region. The level of detail provided for these schemes has been linked to the timescales for interventions which is strongly related to the availability of committed funding. The summary of interventions is set out in Figures 2 and 3.

The proposed options underwent a thorough sifting process followed by a review by stakeholders and partners (both local, regional and national) to ensure a deliverable programme of investment. The outcome of this stage highlighted that alongside development and delivery of transport capital schemes, concerted and coordinated action and investment in five key areas is required to tackle cross-cutting policy priorities:

1. reducing carbon emissions and improving energy resilience;
2. strengthening the coordination of bus;
3. tackling congestion;
4. developing a strategic framework for demand management; and
5. more effective land use policy/transport integration.

### **Funding and Delivery**

Recognising uncertainty around funding, the Strategy considers the implications of different funding scenarios. The City Region currently does not receive a proportion of national or regional transport funding commensurate with the size of its economy and population. Any reduction in future funding will result in scheme delivery being delayed and the scale of interventions being reduced, impairing the delivery of wider policy priorities for the City Region. The City Region will need to make its case for future funding based on its ability to deliver and its potential positive economic contribution it makes at national level.

The Transport Strategy sets out some main principles for future funding and delivery:

- Securing funding freedoms and flexibilities through the City Region's position as a fore-runner City Region, and exploiting existing scope for pooling and deploying funding more strategically – recognising that in the future the City Region will need to move beyond an "ask" for more funding to a proposition for greater freedoms for how it generates and uses funding;
- Establishing a clear position on what the City Region requires from the future development of national transport networks and influencing regional transport policy, including taking forward the DaSTS studies; and
- Prioritising scheme development so that the City Region has projects worked-up to a delivery-ready stage to exploit funding opportunities when they become available.

**Table 1. City Region Spatial Priorities.**

Priority		Description	Rationale (summary)
A	Conurbation	<b>To develop an internationally recognised City Region;</b> to raise our economic performance; to spread prosperity across the whole of our City Region, and to promote a better quality of life for all of those who live and work here.	The shared Leeds City Region vision, which provides the guiding framework for joint working at the City Region level.
A	Conurbation	<b>Develop the role of Leeds as a Regional City,</b> by accommodating significant growth in jobs and homes and continuing to improve the city centre’s offer of high order shops and services.	41,400 departures and 89,600 arrivals per day, plus 77,400 new houses and forecast additional 108,540 jobs. Wider Leeds economic role clearly recognised in wider policy.
A	Conurbation	<b>Transform the Regional City of Bradford</b> with significantly increased growth in economic development, jobs and homes through the renaissance of the city centre, and development and regeneration elsewhere.	36,900 departures and 40,100 arrivals per day, plus 48,600 new houses and 84,960 jobs. Significant transformation of Bradford proposed through RSS and RES policy.
A	Strategic National Corridor, Gateway	<b>Improve access via TransPennine links to Manchester City Region and Manchester Airport and support movements within the Leeds City Region along the TransPennine corridor.</b>	10,300 departures and 6,828 arrivals per day. Significant growth on this corridor is planned, both to the wider Manchester City Region and the Airport. Key links include the M62, A62 and the principal Transpennine rail route via Kirklees, and the Caldervale line.
A	Strategic National Corridor	<b>Improve access to the Sheffield City Region and London</b>	Links to London are critically important, particularly given the size of the business and financial services sector in Leeds. Connections to Sheffield are also important, given the size of the population catchment Key links include the M1, A1 and the East Coast Main Line
A	Gateway	<b>Improve access to Leeds Bradford International Airport</b> particularly by public transport.	7,150 passenger arrivals per day, with a significant increase in passenger numbers, with throughput expected to double by around 2015. The number of employees is also set to increase. Improving surface access links to support this growth is a clear policy priority for the City Region.
B1	Conurbation	Develop enhanced and complementary roles for the Sub Regional Cities and Towns, which capitalise on their particular strengths and potential:  <ul style="list-style-type: none"> <li>• <b>Barnsley</b> (including the Accessibility Improvement Zone and New Growth Point proposals)</li> <li>• <b>Halifax</b> (including Calderdale New Growth Point proposals),</li> <li>• <b>Harrogate</b></li> <li>• <b>Huddersfield</b> (including Kirklees Strategic Economic Zone)</li> <li>• <b>Wakefield</b></li> <li>• <b>York.</b></li> </ul>	<b>Barnsley:</b> 12,400 departures and 5,400 arrivals per day, 18,720 new homes and 25,740 new jobs.  <b>Calderdale:</b> 19,400 departures and 16,300 arrivals per day, at least 12,060 new homes and 10,980 new jobs. <b>Harrogate:</b> 14,400 departures and 7,900 arrivals per day, 7,020 new homes and up to 7,380 new jobs. <b>Kirklees:</b> 43,400 departures and 25,300 arrivals per day, 30,600 new houses and 27,900 new jobs. <b>Wakefield:</b> 35,400 departures 28,000 arrivals per day, with 28,800 new houses and 20,520 new jobs <b>York:</b> 9,000 departures and 9,300 arrivals per day, with 15,300 new homes and 38,340 new jobs.

Priority		Description	Rationale (summary)
B1	Conurbation	<b>Coalfield Regeneration Area in Wakefield<sup>1</sup></b> – focus housing renewal and development and employment opportunities on the Five Towns at an appropriate scale for individual communities with a particular emphasis on transforming the town centres.	2,000 new houses proposed. Significant regeneration priority to transform residential offer, quality of life and access to employment, including as part of the New Growth Points proposals.
B1	Corridor	<b>Airedale (Bradford to Skipton)</b> – increasing employment opportunities and focusing development in Keighley and Skipton and urban eco settlement.	15,000 new houses and 10,400 new jobs. Important economic development objective and housing regeneration, including Urban Eco-settlement proposals along the Shipley – Bradford Canal Corridor.
B1	Corridor	<b>Aire Valley Leeds</b> - deliver housing regeneration, housing growth and economic development and urban eco settlement	Proposed location for a pilot Accelerated Development Zone (ADZ) as part of New Growth Point and Urban Eco-settlement which extends towards the city centre as part of the growth point proposals. The area generates a limited number of trips at present, but with between 10-15,000 new homes and up to 20,000 new jobs, it is anticipated this will generate significant transport implications
B1	Conurbation	<b>South Dewsbury / North Kirklees</b> - develop Dewsbury's role by delivering regeneration and housing renewal and development and urban eco settlement	4,800 new houses. Significant regeneration priority to transform residential offer, quality of life and access to employment, including as part of the New Growth Point and Urban Eco-settlement proposals.
B1	Conurbation	<b>York NorthWest</b> – new homes and a new central business district in the Sub Regional City of York and urban eco settlement	4,300 new houses and 5,300 new jobs. Important policy priority to provide new commercial expansion of city centre and delivery of new homes, including as part of New Growth Point and Urban Eco Settlement Proposals. Significant transport intervention and investment.
B1	Gateway	Improve connectivity for rail freight to / from the <b>Humber Ports</b>	The link to the Humber Ports is significant as a freight corridor, with the connection to the Leeds City Region forming part of a longer distance route to the rest of the UK.
B2	Conurbation	<b>East Leeds</b> - deliver housing regeneration, housing growth and economic development	2,000 new houses and 2,000 new jobs – major regeneration and transformation priority with transport implications.
B2	Conurbation	<b>East Bradford – West Leeds Area</b> – restructure and regenerate east Bradford and west Leeds to better support economic growth of both cities and LCR conurbation core	Housing and economic regeneration priority for Leeds City Region – will be facilitated by transport interventions, and will have transport impacts as travel patterns change.
C	Conurbation	Strengthen the service centre roles of the Principal Towns: Batley, Brighouse, Castleford, Cudworth, Dewsbury, Goldthorpe, Holmfirth, Hoyland, Ilkley, Keighley, Knaresborough, Penistone, Pontefract, Ripon, Selby, Skipton, Wetherby, Wombwell. These roles will be defined in more detail in local plans and priorities, in particular through Local Development Frameworks.	

*Notes: Housing and jobs growth are based on the District wide numbers for net additional new homes set out in the Regional Spatial Strategy (RSS) for the period up to 2008 to 2026 (table 12.1 of RSS) with the exception of the Growth Point, Urban Eco Settlement and other priority regeneration areas (Aire Valley Leeds, Airedale, Coalfield Regeneration Area*

<sup>1</sup> The Coalfield Regeneration area in Wakefield also includes linkages to both Leeds and Wakefield, and Sheffield / Doncaster / Barnsley, as specified in policy LCR2 of the RSS



*in Wakefield, East Bradford – West Leeds Area, South Dewsbury / North Kirklees, York NorthWest) where the housing growth figures are derived from relevant regeneration strategies. Through the Growth Points initiative some Districts are planning to deliver in excess of the housing numbers set out in the RSS. There is therefore double-counting of housing numbers within this table – see table 4.5 for the total new homes.*

*Employment forecasts are 'potential' growth estimates from the RSS (table 11.6 of RSS) for the period 2008-2026, although the timescales to achieve these forecasts may be extended due to the current recession. The RSS policy is to focus delivery of new jobs and homes in existing urban areas.*

*The number of journeys is based on the estimates of trip rates from the 2001 Census matrix commuter movements between selected centres and areas, and all other parts of the City Region.*

Figure 1: Spatial Priorities in the Leeds City Region

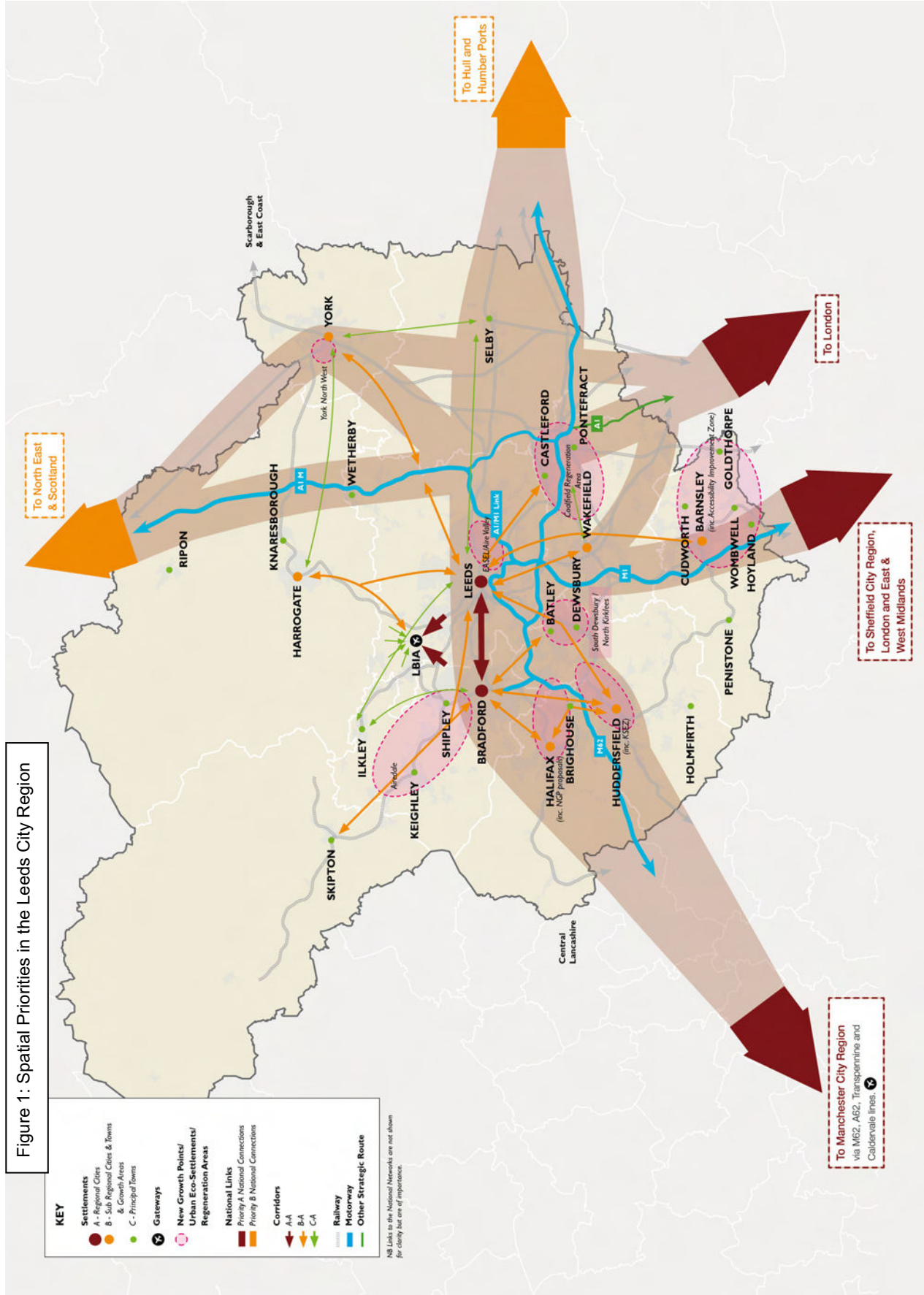


Figure 2: Summary of Interventions in the Leeds City Region (North, East, including Leeds)

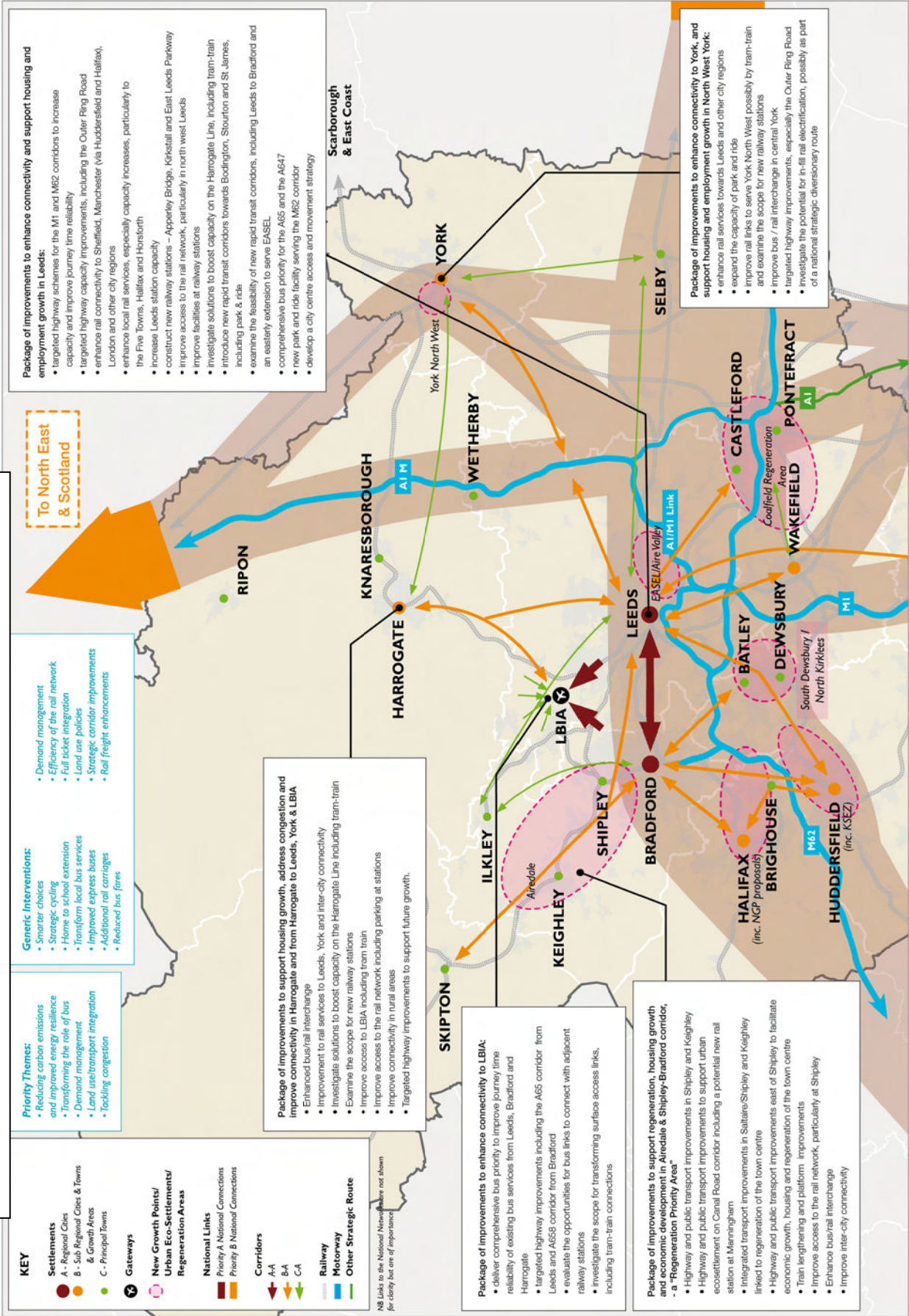


Figure 3: Summary of Interventions in the Leeds City Region (West)

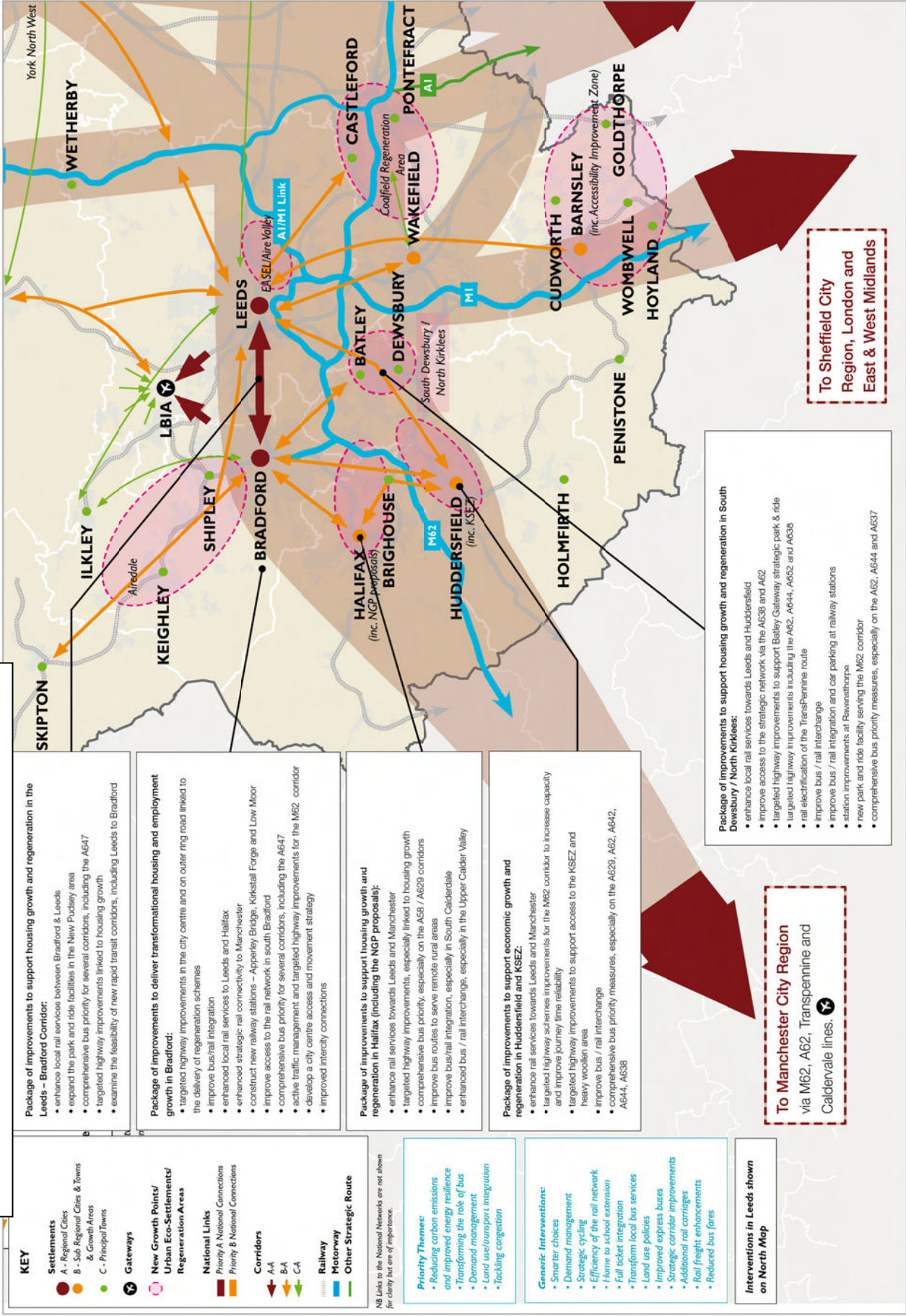
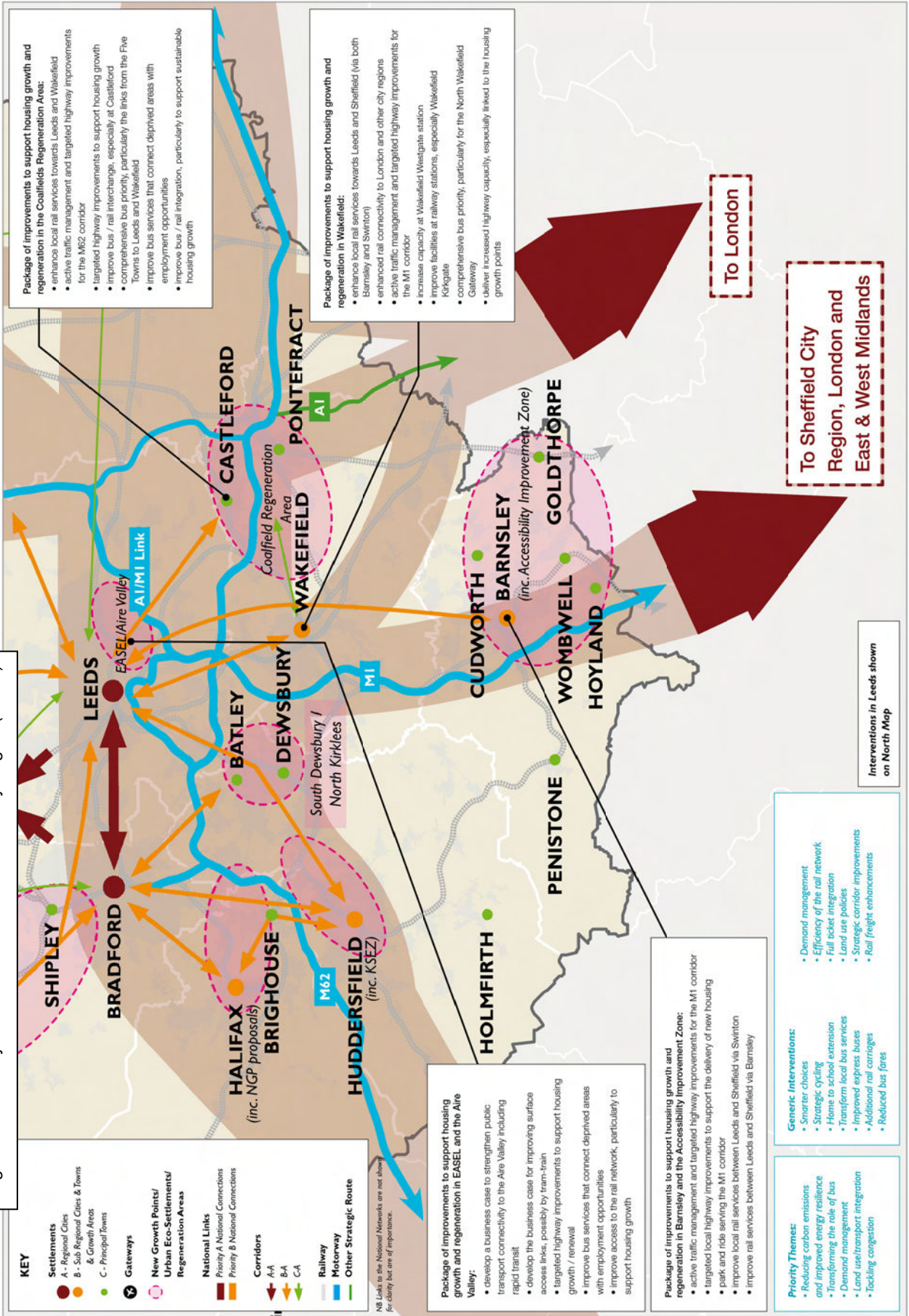


Figure 4: Summary of Interventions in the Leeds City Region (South)



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## APPENDIX C

### UK airports ranked by Million Passengers per Annum

Rank	Airport_name	2010 pax (mppa)	2009 pax (mppa)
1	HEATHROW	66.0	65.8
2	GATWICK	31.5	32.2
3	STANSTED	18.8	20.0
4	MANCHESTER	17.6	18.9
5	EDINBURGH	8.7	9.1
6	LUTON	8.7	9.2
7	BIRMINGHAM	8.6	9.2
8	GLASGOW	6.6	7.3
9	BRISTOL	5.8	5.6
10	LIVERPOOL	5.1	4.8
11	EAST MIDLANDS INTERNATIONAL	4.2	4.8
12	BELFAST INTERNATIONAL	4.0	4.6
13	NEWCASTLE	4.0	4.6
14	BELFAST CITY	2.9	2.6
15	LONDON CITY	2.9	2.8
16	ABERDEEN	2.8	3.0
<b>17</b>	<b>LEEDS BRADFORD</b>	<b>2.7</b>	<b>2.6</b>
18	SOUTHAMPTON	1.8	1.8
19	PRESTWICK	1.7	1.9
20	CARDIFF WALES	1.4	1.7
21	DONCASTER SHEFFIELD	0.8	0.9

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# Leeds City Council Scrutiny Board Meeting

11<sup>th</sup> January 2011

[leedsbradfordairport.co.uk](http://leedsbradfordairport.co.uk)



# Why was LBIA sold?

- Answer: The 5 Councils sold LBIA because it recognised the airport needed investment and development as a key asset for supporting the City region.

# Bridgepoint 3-Point Strategy

*“A clear vision for the future success of LBIA”*

Under the Bridgepoint strategic plan for the airport, a £70 million capital expenditure plan is being implemented to provide additional terminal capacity to accommodate anticipated growing passenger volumes and to meet more immediate infrastructure requirements. Specifically, the plan is built around a 3 key areas:-

**Bridgepoint**

**1**

Investment in, and development of, the existing airside and landside infrastructure to enhance capacity

**2**

Development of the route network to increase number of destinations, frequency and to double passenger capacity to seven million by the year 2015

**3**

Further development of LBIA's commercial revenues in areas such as retail and food & drink.

[leedsbradfordairport.co.uk](http://leedsbradfordairport.co.uk)



# Getting There - Route Development

- LBIA is the fastest growing Northern airport serving 74 destinations. We need many more.
- We must provide the region with a greater choice of services for both leisure and business.
- We are highly active in the industry in working to attract more airlines and increasing frequencies on key routes.
- We are working with existing carriers at LBIA to grow.
- Services to London are important to the region.
- Medium and long haul services will be developed especially via connecting hubs.
- Our development will minimise the need for our catchment to use other airports, notably Manchester.

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# Getting there – infrastructure

- LBIA are investing £70m over the next 5 years, the largest investment of any regional airport in the UK.
- For 2009/10 we have delivered:
  - £2m enhanced forecourt facilities and short stay car parking.
  - £0.6m reconfigured and improved central security search.
  - £5m of infrastructure improvements.
  - £0.4m on a new fuel farm facility.
  - £0.35m new Premier Lounge.
  - £1m of new long stay car parking.
- The Terminal redevelopment will include major improvements and enhancements to the passenger journey – security, circulation space and a new departure lounge.
- High St brands – quality shopping and eating choices.

# Our airport so far...

- A vital role & gateway for overseas visitors to Leeds City Region
- Over 2.7 million passengers annually
- 74 destinations
- Contributes to regional economy in the order of 3,000 direct / indirect jobs within City Region
- Equates to total Gross Value Added (GVA) contribution of £98.5 million
- Next phase of development will generate 280 construction jobs during 2011 / 2012

# Our airport tomorrow...

- An airport in which the region can take pride.
- Deserved reputation for outstanding service quality.
- LBIA is first choice for air travel in our region.
- Industry leading reputation across environmental, safety and security issues.
- Regional demand for air travel is served from the region.
- 5 million passengers annually.
- Employment rate in excess of 1,000 jobs per million pax.
- GVA to the regional economy of over £200 million.
- An extensive and growing choice of destinations and airlines.
- Major investment in terminal and other key

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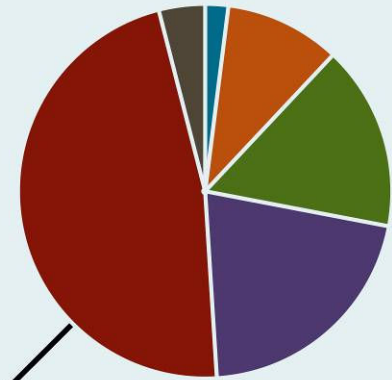
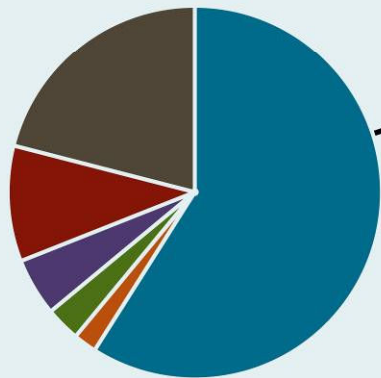


# Our role in the Regional Economy

- Providing the region with the means to connect to markets.
- Making or region more accessible and attractive to inward investment.
- Creating significant regional employment.
- Increased international profile for the city and the wider region.
- Enhancing Yorkshire's inbound tourism potential working with Welcome to Yorkshire.
- Manchester becomes the 'second best option' for our customers and catchment.



Manchester Airport		
Region	Passengers	Percentage
North West	12,364,000	59%
Humberside	470,000	2%
North Yorkshire	704,000	3%
South Yorkshire	939,000	4%
West Yorkshire	2,113,000	10%
Rest of UK	4,388,000	21%
<b>Total</b>	<b>20,978,000</b>	<b>100%</b>



Leeds Bradford International Airport		
Region	Passengers	Percentage
North West	48,000	2%
Humberside	257,000	10%
North Yorkshire	386,000	16%
South Yorkshire	515,000	21%
West Yorkshire	1,158,000	47%
Rest of UK	106,000	4%
<b>Total</b>	<b>2,470,000</b>	<b>100%</b>

**Key:**  
1,000,000 Passengers

# Leakage of Passengers

# Actions – we need your help

Discuss

[leedsbradfordairport.co.uk](https://leedsbradfordairport.co.uk)



## Report of the Acting Director of City Development

### Scrutiny Board (City Development)

**Date:** 11 January 2011

**Subject:** Inquiry on the Future of Kirkgate Market – Session 2  
Evidence for Scrutiny

#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

## 1.0 Introduction and Background.

1.1 At Scrutiny Board on 7 December officers presented evidence on the background to Leeds markets, some of the challenges facing them, and measures undertaken to seek to address those issues. This report provides information on a number of specific issues that Scrutiny requested, namely:

- (i) the outcome of the rent review;
- (ii) the results of the condition survey;
- (iii) service charge details;
- (iv) the Council's stall lettings policy;
- (v) the alternative ownership and management models to include examples from other markets;
- (vi) details of the role of the National Association of British Market Authorities (NABMA) and the availability of papers of this body.

Further background information which members may find of interest is covered in Appendix 5 'Towards a Strategy for Kirkgate Markets: an Evidence Base'. This evidence base was also referred to in the report that was considered by December's Executive Board "Towards a Strategy for Kirkgate Market".

## 2.0 Rent Review

2.1 Earlier this year members of the National Market Traders Federation, in a deputation to Council, requested a reduction in rents. The Valuation Office Agency (VOA) was therefore instructed to undertake an independent rent review of Kirkgate Market. A table summarising the VOA's recommendation is attached at appendix 1.

- 2.2 The VOA has recommended that a rental increase is justified in the 1904 Hall from £52.50 to £55.00 per sq ft/annum (ie 4.76%) in Zone 1 and from £47.50 to £50 (5.26%) in Zone 2 for those tenants on ordinary leases. There are a number of tenants who opted to go onto contracted out leases a number of years ago who are outside the scope of this review as they pay an annual increase based on inflation. (Such tenants' base rents are £57.50 in zone 1 and £50-£52 in Zone 2). The VOA has also concluded that a rental increase is justified for the George Street Shops from £28.75 to £30 (4.35%) but that no change is justified for any other area of the market (1976/81 and 1875).
- 2.3 It should be noted that rental charges in the market are complex. Rental levels vary considerably between different areas of the market; discounts are given to stalls selling highly perishable goods, whilst more rent is charged for stalls with more than one frontage. The Markets service sets the base rent, however when vacant stalls are put out to tender, tenderers may offer to pay more than the base rent.
- 2.4 Despite the pressure on the Council's budget and the general desire to increase income wherever possible, Executive Board has agreed not to implement a rental increase in any part of the market at present. This will effectively cost the Council £16,500 per annum. Many tenants will be disappointed that the VOA has not recommended a reduction in rents across the market, especially as some tenants have recently benefited from a reduction in their Business Rates.

### **3.0 Condition surveys**

- 3.1 Condition surveys have been undertaken on the 1875, 1904, 1976 and 1981 buildings. The 1976 and 1981 buildings were erected as temporary buildings and are now well beyond the 15-20 year life expectancy of buildings of this type. The total budget cost for the work is estimated at £2.4m of which £0.6m is deemed to be for imminent works (£0.26m is for the 1976/81 halls and £0.34m for the 1904/1875) and £1.2m for essential works (£0.8m for 1976/81 and £0.4m for 1904/1875) to ensure the indoor market complies with legislation. More detail is provided in Appendix 2. Whilst there is no provision in the capital programme for these works, up to £200k is available from the corporate property maintenance budget. In addition Executive Board on 15 December agreed that the remaining requirement should be considered as part of the Quarter 3 review of the Capital Programme. Clearly this will present a real challenge to the Council given the pressures on the capital programme.
- 3.2 These works will not materially improve the customer experience: they will not for example address issues such as the lack of ventilation in summer when temperatures can on occasion exceed 35 degrees centigrade or the very low temperatures in winter, or the sloping floor.
- 3.3 The condition of these buildings and the need for extensive capital investment should be kept in mind in determining the future strategy for Kirkgate Market.

### **4.0 Service Charges**

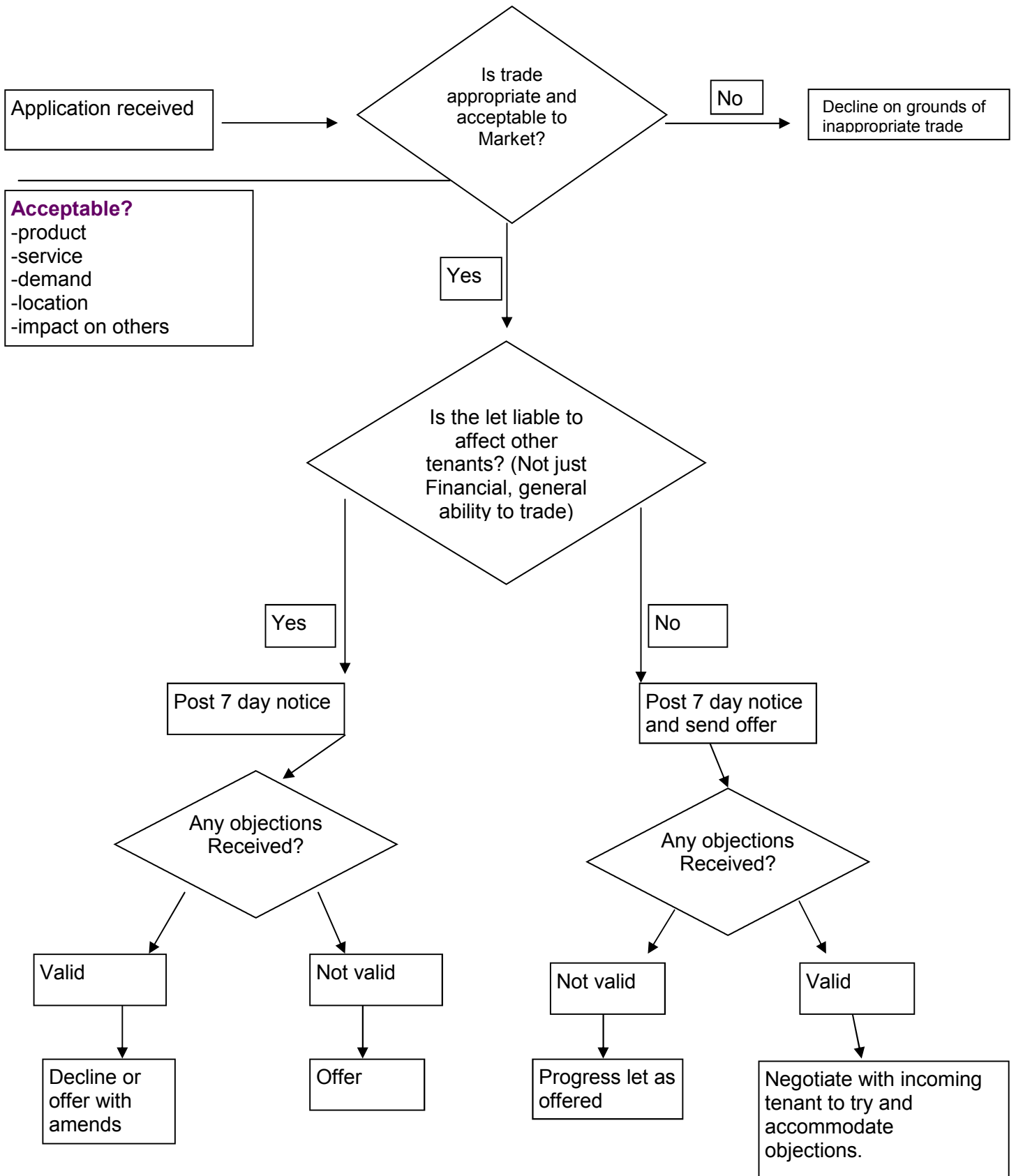
- 4.1 The charges to Leeds market indoor tenants consist of three elements - rates, rent and service charge. Service charges are only applied to traders occupying stalls in the Indoor Market, traders in the Outdoor Market are excluded from these charges. A table explaining what is and what is not service chargeable is attached at Appendix 3, and Appendix 4 gives a summary of the service charge for 2010/11.

- 4.2 As a general rule costs are only deemed service chargeable if they benefit more than one trader; direct costs relating to the operation of the Market are pro-rated between the Indoor Market (67% of total costs) and the Outdoor Market (33% of total costs).
- 4.3 Leeds Markets Service, as a whole, incurs administration costs including: insurance, rates and office equipment. It was deemed unreasonable to charge the full value of these to the traders of Kirkgate Indoor Market, so these costs are pro-rated across all of the Markets.
- 4.4 Markets staff spend their time working on service chargeable and non-service chargeable tasks or at other Markets. Therefore, staff costs are apportioned over each of these areas.
- 4.5 The total service chargeable costs are then divided over the lettable square footage of Kirkgate Indoor Market (currently set at 75,000 sq ft), this generates the cost per square foot.
- 4.6 The timescale for setting the service charge is the same each year. In July Finance undertake the review of expenditure detailed above. By the end of July, Markets and Finance usually agree a cost per square foot. The rent roll entry from Markets is input into the billing system in September and the adjustment to the tenants' service charge contribution is from October until the following September.
- 4.7 The Service Charge to tenants was not increased this year (2010/11) despite an increase in costs (mainly waste disposal charges). The increase in costs from 2009/10 to 2010/11 was £41k (4.93% increase).

## **5.0 Stall lettings policy**

- 5.1 The Kirkgate markets' letting process is shown in the diagram overleaf. When an application is submitted, markets staff assess the application and consider whether there is anything that differentiates the product/service from existing traders.
- 5.2 If there is no differentiation - for example the applicant is just selling mobile telephones, and it is considered there are sufficient traders offering that product or service the application will be declined. If this is not the case then traders are asked for their comments and these are taken into account before a decision is made.
- 5.3 The majority of incoming tenants prefer to be sited away from businesses selling the same commodity and for non food items this is encouraged. An existing trader would not be moved away from their current location to enable a new tenant to locate in any particular location (which is why there is a couture outfitters opposite a tripe stall – the tripe stall was there first and the couture outfitters chose to locate opposite them).
- 5.4 An application for Butchery, would of course be directed Butchers Row.
- 5.5 The extent to which an incoming trader can demonstrate they are attracting new customers rather than competing for existing customers is also taken into account.

# Letting Process



## 6.0 Management and Ownership models

- 6.1 Markets are unique in retail and wholesale trading terms in that they are still predominantly managed by the public sector; 669 (60%) of traditional markets are run by the public sector, although 321 (29%) are now run by the private sector.<sup>1</sup>
- 6.2 There are currently three common forms of market management in the UK: local authority run markets; privately operated markets; and markets run in some form of partnership such as a joint venture, or contracted out operational management. There are also a number of models, which are not currently common, but offer scope for the future. These are: trader-operated markets; social enterprise operated markets; markets run by an arms-length company; and sharing management between a number of local authorities.<sup>2</sup> The prevalence of these models is listed below:

Public Sector	669
Private Sector	321
Privately Managed for the Public sector	91
Public Sector Partnership	2
Public Private Partnership	10
Charity	1
Community Association/other	4
Cooperation	19
Membership	3

- 6.3 **Local Authority.** The majority of markets, like Kirkgate Market, are still directly provided and managed by local authorities. This model offers the advantage of accountability, linking markets to wider policy strategic goals, and by understanding the 'public good' that markets provide.
- 6.4 The surplus generated by successful markets are generally taken by the local authority and used to support other service provision within the authority, which can be at the cost of further reinvestment in markets in general.<sup>3</sup> Bradford City Council recently agreed to ringfence the surplus of the market for reinvestment, something which Leeds City Council has also previously done. As indicated to Scrutiny previously, the current surplus is £2.3m.
- 6.5 **Private.** Many markets are operated directly by the private sector, either licensed by the local authority under its market rights, with their own charter rights, or in some instances, completely outside the licensing framework. This model offers the advantage of faster, streamlined decision making, an increased focus on the core business, and the opportunity for directly raising investment capital.
- 6.6 For example, Town & Country Markets Limited is a 100% owned operating subsidiary of Wellington Market Company and is the leading private sector retail market operator in the United Kingdom. Currently it operates markets at 35 locations throughout England and Wales from its own freehold premises, leasehold premises and licensed locations providing around 5000 stalls each week, at markets from Aldershot to **Morley** through to Worthing. The company offers money back on faulty goods and holds regular events and competitions etc to draw in customers.

<sup>1</sup> 'Markets 21', 2010, The Retail Markets Alliance.

<sup>2</sup> 'Markets 21', 2010, The Retail Markets Alliance.

<sup>3</sup> 'Markets 21', 2010, The Retail Markets Alliance.

- 6.7 **Partnerships.** These can range from the local authority retaining the strategic management of its markets but outsourcing the operational management, to a formal medium to long-term joint venture between the public and private sector. These models are useful where the local authority lacks the in-house resources to effectively manage and promote the markets, and/or where external capital investment is required.
- 6.8 Geraud Markets UK Ltd has worked in partnership with local authorities over an extended period of time to develop, expand and invest in markets. The company currently runs markets on behalf of Liverpool City Council, Allerdale Borough Council, South Derbyshire District Council, Clevedon Town Council, Ipswich City Council and New Covent Garden Sunday market.
- 6.9 Geraud Markets Liverpool Ltd is the biggest and probably the best example of Public Private Sector Partnerships. Geraud Markets Liverpool Ltd in partnership with Liverpool City Council runs over 1,200 regular market days each year. In addition to this there are over 100 Speciality Event Market days, providing residents and tourists with access to choice, value and quality.
- 6.10 **Traders.** There are a number of traditional street markets and farmers' markets that are directly managed by the traders themselves. This offers the advantage of reduced bureaucracy and costs, and an increased sense of 'ownership' by the traders. However these are only operated as street markets and therefore are not comparable to a large scale indoor market like Kirkgate. This may be a useful model for the fortnightly Farmers' Market at Kirkgate outdoor market.
- 6.11 **Trust.** Borough Market – the only fully independent market in London – is owned by a charitable trust, the Borough Market (Southwark) Trust, run by a board of volunteer trustees. According to the formal objectives laid out in its Charity Commission registration, the trust's commitments are to provide a market as a public amenity and, once a year, to pass any surplus to the London Borough of Southwark for the benefit of residents in the parish of St Saviour's. In addition to these registered objectives, the trust has extended its formal charitable commitments to include running community events, providing food related health education and contributing to local community projects and schemes. This model does not enable raising significant capital investment.
- 6.12 **Arms length.** In 2008, Glasgow City Council became the first UK local authority to establish its markets as an arms-length limited liability partnership (LLP). This model offers the advantage of more responsive, streamlined decision making; an increased focus on the core business, and the opportunity for directly raising investment capital. City Markets (Glasgow) LLP are responsible for the overall management of the market, for property maintenance, cleaning, refuse removal and security. The profits generated by the markets are ploughed directly back into the markets.

## 7.0 The National Association of British Market Authorities

- 7.1 NABMA is the voice of local authority markets and in the last two years it has expanded the organisation significantly, including the Association of Private Market Operators within its structure. Leeds City Council is a member and we attend its conferences and have had regular meetings with the Chief Executive and his officers, one of whom sat on the interview panel for the appointment of the new Markets Manager. NABMA runs two retail market forums each and agendas and minutes are available on the NABMA web-site. Officers from Leeds have not been able to attend recent forums but intend to do so in 2011.



7.2 As the country's leading markets organisation, NABMA has promoted the interests of its local authority members for over 80 years. Membership benefits include professional advice, a lively forum for discussion and a key role in shaping the future of markets. It also offers assistance with scrutiny reviews and a free half day's consultancy, of which Leeds Markets service has taken advantage.

7.3 NABMA's priorities for 2010 are:

- (i) To support the work of the Government's cross party Working Group which will raise the profile of markets and provide resources to markets in terms of good practice, management models and business support
- (ii) To provide our members with support to operate their markets in an effective way by the provision of health checks, "free" half day consultancy and bespoke consultancy services via NABMA Consultancy Services
- (iii) To provide a forum for members to exchange views on a range of market matters through a web based forum and the circulation of member information requests that will be translated into information notes for members available via the website.
- (iv) To provide opportunities for networking, sharing of good practice and dissemination of information through the provision of market forums, seminars, conferences and events.
- (v) To provide training by the provision of specialist market courses and the development of a recognised qualification for market officers.
- (vi) To strengthen links with other markets organisation through the Retail Markets Alliance and also support the development of the London Markets Association
- (vii) To develop the monthly newsletter as a means of providing updated information on market matters.
- (viii) To develop new partnership arrangements with organisations and potential sponsors that have a direct, or potential interest, in markets.

An important part of NABMA's membership offer is a training and development programme aimed at increasing the professional standards in the management and delivery of markets. If markets are to remain an important issue for policy makers then the voice of markets must be heard at all levels of government and NABMA is ideally equipped to deliver this important role. Further information on NABMA can be found at its website <http://www.NABMA.com>

## **8.0 RECOMMENDATION**

Members are asked to note the report and comment on the evidence presented.

## Appendix 1

### Extract from Valuation Office Agency Report

Set out below is a table outlining my proposed levels of value and my valuation conclusions. Within the table is a percentage increase / decrease column which shows the level of increase, decrease or nil increase over the 2005 reviews.

	Zones	2002 rate per sq ft	2005 base rate per sq ft	Latest rates achieved per sq ft*	Proposed base rates per sq ft	% Increase or Decrease
<b>1904 Hall</b> including some Lettered Stalls	Zone 1	£49.88	£52.50	£52.50 - £57.50	£55.00	4.76%
Lettered stalls and all other stalls	Zone 2	£45.13	£47.50	£50.56 - £52.03	£50.00	5.26%
<b>1875 Hall</b>						
Fish Market/ Game Row	Zone 2	£45.13	£47.00	None	£47.00	0.00%
Remainder	Zone 2	£32.50	£34.00	£26.61 - £36.65	£34.00	0.00%
Butchers Row	Zone 3	£32.50	£34.00	£34.00 - £34.82	£34.00	0.00%
<b>1976 / 1981 Hall</b>						
Row A	Zone 3	£32.50	£34.00	£28.90 - £35.03	£34.00	0.00%
Row H	Zone 3	£35.00	£35.00	£29.44 - £40.36	£35.00	0.00%
Cross Mall between Entrances 4 and 10	Zone 3	£32.50	£35.00	£29.36 - £35.00	£35.00	0.00%
Rows B C D E F G	Zone 4	£30.50	£33.00	£33.00 - £34.00	£33.00	0.00%
	Zone 6	£25.00	£28.75	£26.42 - £33.50	£28.75	0.00%
	Zone 7	£25.00	£28.75	£28.90 - £30.54	£28.75	0.00%
Cross Mall	Zone 5	£25.00	£28.75	28.75 - £30.19	£28.75	0.00%
George Street		£25.00	£28.75	£29.44 - £31.14	£30.00	4.35%

\* Latest rates achieved may differ from the base rates depending on factors such as rates submitted as part of any tendering exercise and multiple occupancy.

### 1.0 Introduction

- 1.1 Completed capital environmental improvements to the value of around £11.5m have been made to Kirkgate Market during the last 12 years. Ongoing routine, planned and reactive maintenance is undertaken each year throughout the indoor market; improvements since 2000 have cost a further £1.4m.
- 1.2 The 1976/81 structures were erected as temporary buildings following the market fire in 1975. Both buildings have now exceeded the fifteen to twenty year life expectancy for buildings of this type.
- 1.3 Kirkgate Market now has extensive maintenance requirements, so the Strategic Design Alliance (SDA) was commissioned by Leeds City Council to undertake building condition surveys of all sections of Leeds Kirkgate Indoor Market.

### 2.0 Background information

- 2.1 Leeds Kirkgate indoor market covers four distinct sections – the 1904, 1875, 1976 and 1981 sections. The survey was undertaken in two parts with two resulting condition reports.
- 2.2 The condition reports are a general overview of the condition of the market and its compliance where applicable to appropriate legislation and regulation. The reports also provide approximate and basic budget costs. The surveys followed the standard condition format with the scope being to examine the basic structure of the buildings specifically:
  - Wind and weathertight items
  - Disability Discrimination Act (DDA) compliance.
  - Asbestos removal works
  - Building works
  - Electrical services
  - Mechanical services.
- 2.3 **It should be noted that the surveys are visual only and that none of the structures have been opened up for inspection.**
- 2.4 The actions identified have been prioritised, following standard building condition format, as either imminent, essential, desirable or long term, the definitions of which are as follows:

<b>Imminent</b>	Urgent works that will prevent immediate closure <sup>4</sup> of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.
<b>Essential</b>	Work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.
<b>Desirable</b>	Work required within 3 to 5 years that will prevent deterioration of the fabric or services and /or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.
<b>Long term</b>	There is no industry standard definition for long term works.

2.5 It should be noted that specialist surveys relating to drainage, the lightning conductor systems and electrical work, have been recommended. For each of these areas the budget estimate includes the cost for the survey and a budget provision for the possible remedial work required following the surveys.

### 3.0 Financial Implications/Risk Analysis

3.1 When considering the work required officers have considered the following options, which are considered in more detail below:

No.	Option
1	Do nothing.
2	Do the imminent work only
3	Do the imminent and essential work only
4	Do all the work identified

#### 3.2 Option (1): Do nothing

3.2.1 To 'do nothing' is not a viable option on the basis that some of the work identified has been categorised as imminent or essential in that it is a legislative and/or insurance requirement to address – therefore not to do this work may, in some cases, result in breach of legislation/insurance requirements. It would also contradict the ongoing assurances given by the Council regarding its commitment to ensure the long term future of the market.

#### 3.3 Option (2): Do the imminent work only

3.3.1 The cost of the imminent works only is approximately £600,000 of which approximately £100k is for general maintenance work and which should be funded from Markets' revenue budget.

3.3.2 Under the terms of indoor tenants' leases the cost of general maintenance work in the indoor market should be recharged to tenants via the service charge element of their rental agreements. However to increase the amount of service charge recharged to tenants to address the work identified as revenue within the condition surveys would result in significant criticism from traders along with adverse media interest, and it is considered would not be appropriate at this point in time.

<sup>4</sup> Strategic Asset Management officer has advised that imminent work can be completed within 12 months unless otherwise instructed/advised by the Surveyor and no such advice/instruction has been received.

### **3.4 Option (3): Do the imminent and essential work only**

3.4.1 As stated above work identified as being 'essential' should be undertaken within two years to prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation. Therefore the Council could just undertake the imminent works only during 2011 and undertake the essential works in 2012.

3.4.2 The cost of undertaking the imminent and essential work is estimated to be £1.8m.

3.4.3 It should also be noted that Officers are advised that it will be more cost effective to undertake imminent and essential works together to reduce the cost of hiring scaffolding etc.

### **3.5 Option (4) - Do all the work identified.**

3.5.1 The total cost of undertaking all the work identified is approximately £2.4m which is an additional £0.6m for the work identified as desirable and long term.

3.5.2 Consideration could be given to undertaking the desirable and long term work once the future direction of Kirkgate Market has been decided.

## **4.0 Conclusion**

4.1 As detailed in this report four options have been considered with regard to undertaking the work identified.

4.2 The Markets service recommendation is for option 3: to undertake all the imminent and essential work whilst developing the strategy for the future of the market.

4.3 It is proposed that this is funded as follows:

- up to £200k from Corporate Property Management
- that the remainder is considered as part of the Q3 review of the capital programme

## Appendix 3

### Service chargeable and non service chargeable costs

Costs are classed as service chargeable if they provide benefit to more than one market trader. For example, maintenance on the overall structure of the markets building is classed as service chargeable. Money that is spent on an individual stall is not classed as service chargeable, for example the cost of electricity charges on a vacant stall. A list of service chargeable items together with the budget and actual costs of 2009/10 is to be found at appendix 4.

Description	Service Chargeable	Non Service Chargeable	Comments
Refuse collection, security and cash collection (Loomis)	67% of the total Kirkgate market costs	33% of the total Kirkgate market costs	This is based on the fact that $\frac{2}{3}$ of stalls are on the indoor market.
Advertising and Publicity	None	100%	This is not service chargeable, as it is felt it is the Landlord's responsibility to advertise and promote the market.
Costs on the Markets Administration costcentre 20501	58% in 2010/11	42% in 2010/11	Each market is allocated a proportion of the Markets Administration costs, based on each market's income and expenditure. The service chargeable percentage can therefore change each year.
Markets employee costs (LCC and agency staff)	44% in 2010/11	56% in 2010/11	This is based on the percentage of time each member of staff spends on service chargeable work. This is reviewed each year.
Finance employee costs	22% of finance staff costs attributable to markets in 2010/11	78% in 2010/11	These costs are allocated based on each market's income and expenditure. This percentage can therefore change each year.
Toilet income	100% of toilet income on costcentre 2002	None	The toilet income is used to reduce the service chargeable staff costs.
Biffa refunds	100% of the Biffa income on costcentre 20002	None	Biffa removes recyclable material. This brings income to the Council and is used to reduce the service chargeable refuse costs.

Description	Service Chargeable	Non Service Chargeable	Comments
Adjustment to previous year's service charge	£14k saving in 2010/11 due to previous year's underspend	n/a	<p>The service charge is estimated at the beginning of the year. For the following year an adjustment is made to take account of whether the previous year's expenditure was above or below the estimate.</p> <p>If tenants were undercharged the previous year, then the current service charge will be increased to recover the extra costs. If tenants were overcharged the previous year, then the current year's service charge will be reduced in order to pass on the savings.</p>
Management Fee	5% of the total service charge, once all the above adjustments have been made	n/a	This management fee reflects corporate costs incurred by the Council.

## Appendix 4 Breakdown of 2010/11 Service Charge

Item of expenditure	2009/10 budget £	2009/10 actual cost £	2010/11 budget £
Maintenance etc of Plant	17,320	17,773	<b>17,320</b>
Maintenance, Cleaning, Inspection etc of buildings	127,640	114,273	<b>115,140</b>
Provision of Security Services	92,390	82,888	<b>88,010</b>
Insurances	19,856	12,258	<b>9,428</b>
Direct Employee costs	394,389	376,936	<b>373,155</b>
Supply and Maintenance of materials and equipment	24,652	17,426	<b>23,613</b>
Rates and Taxes	7,598	9,001	<b>7,831</b>
Supply of Water, Electricity, Gas, Oil and other fuels	106,440	106,134	<b>106,440</b>
Managing Agents Fees	41,163	40,705	<b>40,356</b>
Disposal and destruction of refuse including associated plant	48,210	77,404	<b>80,000</b>
Miscellaneous Expenditure	0	0	<b>0</b>
<b>Total</b>	<b>879,659</b>	<b>854,797</b>	<b>861,295</b>
Difference between the budget and actual cost for the previous year	-43,232		<b>-24,861</b>
<b>Total service charge</b>	<b>836,426</b>	<b>854,797</b>	<b>836,433</b>
<b>Cost per square foot</b>	<b>11.15</b>	<b>11.40</b>	<b>11.15</b>



## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (City Development)

Date: 11<sup>th</sup> January 2011

### Subject: Initial Budget Proposals

#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

## 1.0 Introduction

- 1.1 In accordance with the Council's Budget and Policy Framework, the Director of Resources submitted to the Executive Board the attached report which sets out the Executive's initial budget proposals for 2011/12.
- 1.2 The Executive Board on 15<sup>th</sup> December 2010 agreed this report as the initial budget proposals for the Council and for these to be submitted to scrutiny for their review and consideration.

## 2.0 Scrutiny of Proposals

- 2.1 This Scrutiny Board has requested to consider the Executive's initial budget proposals in so far as it relates to their duties and responsibilities with regard to the City Development department and to make any comments or recommendations it thinks appropriate.
- 2.2 Any comments or recommendations made by this Board has to be submitted to the Director of Resources no later than 20<sup>th</sup> January 2011 in order that the Executive Board can consider proposals for the 2011/12 budget at its meeting on 11<sup>th</sup> February prior to submission to full Council on the 23<sup>rd</sup> February 2011.

## 3.0 Recommendations

- 3.1 Members are asked to consider the Executive's initial budget proposals as set out in the report of the Director of Resources in relation to the City development Department and make any comments or recommendations.

### Background Papers

None used

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## Report of the Director of Resources

### Executive Board

Date: 15<sup>th</sup> December 2010

Subject: Initial Budget Proposals

<p><b>Electoral Wards Affected:</b></p>    <p><input type="checkbox"/> Ward Members consulted (referred to in report)</p>	<p><b>Specific Implications For:</b></p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
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Eligible for Call In

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

## EXECUTIVE SUMMARY

In accordance with the Council's Budget and Policy Framework, this report sets out the Executive's initial budget proposals for 2011/12. These proposals have been developed within a funding envelope with an assumed level of government grant based upon the announcements within the Government's October 2010 Spending Review. At the time of writing, the local government finance settlement for 2011/12 is imminently expected and further information will be provided to the board when it becomes available.

The initial budget proposals contained within this report respond to forecast reductions in government grants which are unprecedented in their scale. It is clear that it will be difficult for the Council to maintain the current model of service delivery, and therefore a fundamental review of the organisation is required if the Council is to achieve its ambition of being the best City Council in the UK.

Subject to the agreement of the board, the initial budget proposals will be submitted to Scrutiny for their review and consideration.

## **1.0 Purpose Of This Report**

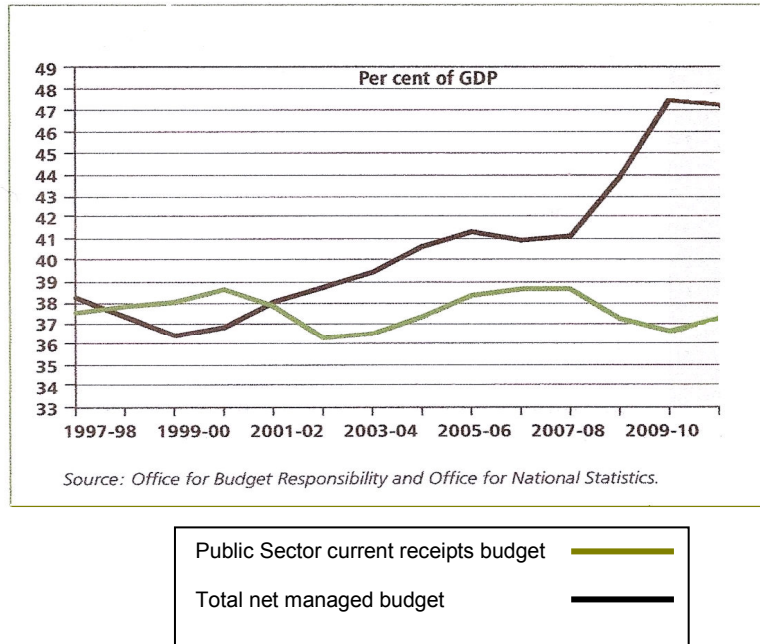
- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 23<sup>rd</sup> February 2011. The purpose of this report is thus to publish initial budget proposals for 2011/12, in the context of the development of a new medium term financial strategy for the Council. The initial proposals for 2011/12 put forward in this report are based on a funding envelope including forecast reductions in government grants as indicated in the government's spending review announced in October 2010. The actual reduction in government grants for the Council will not be known until the local government finance settlement. At the time of writing, the settlement is imminently expected and details will be provided to the board as soon as they are available. Subject to the approval of the board, this report in accordance with the constitution will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 11<sup>th</sup> February 2011.
- 1.2 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 13.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

## **2.0 National Context**

- 2.1 The last decade saw a significant increase in Government spending with total government expenditure rising from £364 billion in 2000/01 (36.8% of GDP) to £669.3 billion in 2009/10 (47.7% of GDP). In addition, the "credit crunch" commencing in 2007 and the resulting economic recession, which lasted for six consecutive quarters, had a severe impact upon the health of the public finances. The Chancellor's 2009 budget report in April revealed the sharp increase in public spending and a severe reduction in tax revenues. On the spending side this was significantly impacted by the Government's financial stability package to provide support to the finance and banking sectors. Government borrowing in 2009/10 was £155.6 billion; this was higher than at any time since World War II and the public sector debt at the end of 2009/10 represented 53.9% of GDP. The annual deficit position is illustrated in the chart below:

## Chart 1

### Government receipts and expenditure

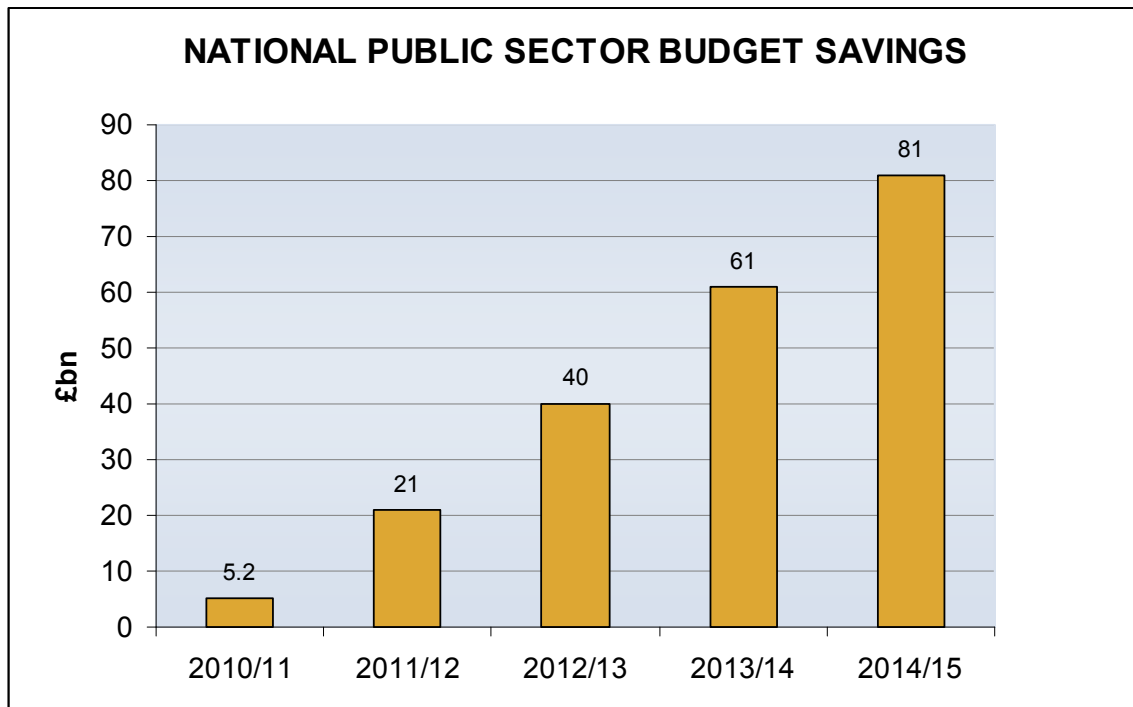


- 2.2 The new Government came into power in May 2010 and set out plans to reduce the UK's annual deficit, committing to accelerating the deficit reduction plans of the previous Government. As part of this plan, in year reductions in public spending of £6.2 billion were announced on the 10<sup>th</sup> June 2010, which included reductions in grants to local authorities totalling £1.166 billion. The Chancellor's emergency budget presented to Parliament on 22<sup>nd</sup> June 2010 set a target to eliminate the structured deficit by the end of 2015/16, which implied reducing the deficit by £128bn over five years, through a mixture of spending reductions (77%) and tax increases (net 23%).
- 2.3 At the same time, the Office of Budget Responsibility (OBR) also updated its forecast for GDP growth over the plan period to reflect this fiscal consolidation. It edged down its forecast to 1.2% (1.3% previously) in 2010 and 2.3% (2.6%) in 2011 with later years averaging 2.8% per annum. The Chancellor announced that he was continuing with the 2% target for inflation as measured by the Consumer Price Index (CPI). Whilst CPI is currently above target at 3.1% it is expected to return to trend during 2011 subject to the impact of the VAT increase from 17.5% to 20%. Public sector net debt is forecast to peak at 70.3% of GDP in 2013-14 before slowly falling back; it is likely to be many years before it returns to pre recession levels. The OBR's growth forecasts were subsequently altered in November 2010 to 1.8% for the current year, 2.1% in 2011 and 2.3% in 2012.

### 3.0 The Government's Spending Review

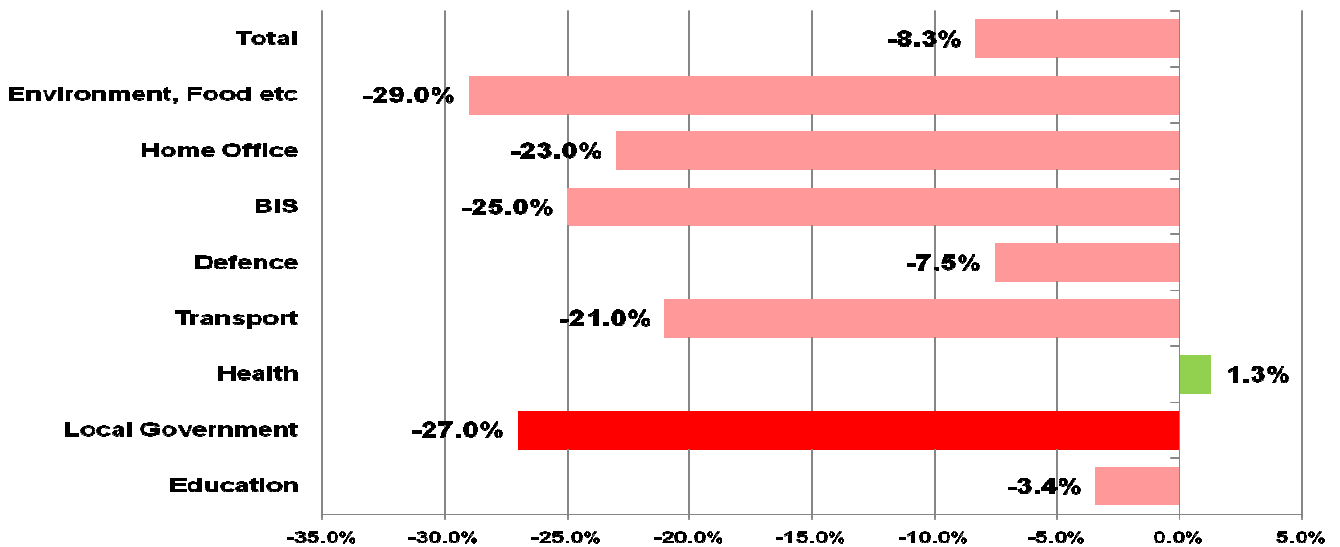
- 3.1 The Chancellor of the Exchequer published the Spending Review on the 20<sup>th</sup> October 2010 setting out expenditure plans for the next four years. A report was submitted to the Executive Board at its meeting on the 3<sup>rd</sup> November 2010, which set out the main implications for local government and Leeds City Council.
- 3.2 The review sets out plans to eliminate the structural deficit by the end of the current Parliament by reducing public expenditure by £81bn by 2014/15 as shown in the chart below:

**Chart 2**



3.3 Overall public spending is forecast to fall by 8.1%, but as illustrated in chart 3 below this varies significantly between Government departments:

**Chart 3 Departmental Real Budget Change**



Excluding Health and Overseas Aid which are protected, the average real terms reduction in departmental spending over the planning period is 19%.

3.4 On average, Central Government funding to Councils, police and fire is planned to decrease by 26% in real terms over four years which is at an average annual rate of 7.1% in real terms over the next 4 years. However, excluding Police and Fire, the reduction for Local Government is in excess of 28%, and as the table below shows, the reductions are significantly front loaded.

**Table 1**

National Funding	Base	Variation			
	2010/11 £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn
Local Government Funding	28.5	26.1	24.4	24.2	22.9
Real Terms reduction (%)		10.6%	8.3%	2.8%	7.2%

3.5 Most ring-fencing of grants is to be removed from 2011/12, and £4 billion of specific grants increasing to £4.5bn by 2014/15 will be rolled into Formula Grant, including extra funding announced of £1bn by 2014/15 for social care. Table 2 below provides details of these grants:

**Table 2 Specific grants to be rolled into Formula Grant**

	Baseline £m	2011/12 £m	2012-13 £m	2013/14 £m	2014/15 £m
Supporting People	1,636	1,625	1,620	1,620	1,590.2
Housing Strategy Older People	20	15.5	13.5	11.5	10.5
Race Equality	0.17	0.03	0.03	0.03	0.03
Economic Assessment	11.03	1.5	1.5	3	3
Open Source Planning	0	0	0	15	20
Fire	0	0	0	49.8	50.3
Concessionary Travel	223	224	204	208	212
Other Transport Revenue	112	79	72	80	83
Animal Health Enforce	8.5	4.8	4	3.2	2.4
Dept for Education (3)	114	109.3	83.2	70.5	66.3
Aids Support	25.5	27.7	30.3	33.1	36.2
Preserved Rights	235.4	228.9	221.7	215.1	209.8
Ongoing Social Services	752.3	767	784.4	805	826.3
Recycled Social Services	303	318.1	335.7	354.9	373.1
New Social Services	0	530	930	1000	1000
	<b>3,440.9</b>	<b>3,930.8</b>	<b>4,300.3</b>	<b>4,469.1</b>	<b>4,483.1</b>

3.6 After taking account of the above, there will be a remaining set of “Core Revenue Grants” which can be summarised as follows:

- Early Intervention Grant
- Public Health Grant (from 2013-14)
- Learning Disabilities
- New Homes Bonus
- Council Tax Freeze Grant
- Housing Benefit and Council Tax Benefit Administration Grant
- PFI Grant
- Dedicated Schools Grant
- Preventing Homelessness

- 3.7 Within the overall government funding announced for local government, £1bn is included by 2014/15 for social care referred to above; another £1bn for social care is to be provided from the Health budget.
- 3.8 Capital funding from Government to Councils will fall by around 45% over four years. The Government estimate that self-financed funding will fall by 17% and capital expenditure by 30%. In addition Government will guarantee a £200 million capitalisation fund in 2011/12 to support authorities that wish to deliver efficiency savings early through internal restructuring.
- 3.9 Overall Council budgets on average are estimated by the Government to decrease by 14% in real terms over four years allowing for the Office for Budget Responsibility's projections for increases in Council tax and for growth in the tax base.
- 3.10 The Government will provide funding for a one year Council tax freeze for 2011/12. Councils will be provided with funding to cover a 2.5% increase. If any authorities choose to increase Council tax, they would not receive any support from this scheme. This funding of £650m will be for each of the next four years to cover the resultant loss to the tax base. For any authority which chooses to increase its Council tax, the Secretary of State has indicated that capping powers would be used to curb any "excessive" increases.
- 3.11 A New Homes Bonus scheme is to be introduced. This will match fund the Council tax on every new home for each of the following six years, and the scheme will commence in the financial year 2011/12. Nationally £900m funding will be provided over four years. An initial estimate for Leeds suggests this might amount to about £2.7m in the first year, depending on the number of new dwellings built and how the scheme is structured.
- 3.12 Funding for 5 to 16 year olds through the dedicated schools grant is to be protected. There is a commitment that average cash per pupil will not fall and the base funding will increase by £1.1bn to allow for this. However, the minimum funding guarantee protecting funding per pupil at individual schools may allow the funding per pupil to decrease at individual schools.

In addition, a pupil premium worth £2.5bn per year by the end of the review period is to be introduced and paid directly to schools. The premium is designed to support the educational development of disadvantaged pupils and provide incentives for good schools to take on pupils from poorer backgrounds. The overall cash increase of £3.6 billion over the Review period provides a real-terms increase in 5 to 16 funding of 0.1% a year for each of the next 4 years.

Sure Start funding (worth £1.55 billion nationally) is to be protected in cash terms but refocused on early intervention for families who need the most support. Provision is to be made to extend the 15 hours of free nursery care a week for 3 and 4 year olds to disadvantaged 2 year olds.

#### **4.0 Possible Grant Implications for Leeds**

- 4.1 The figures per the Spending Review (SR) indicate a real terms reduction of 26% over the four years of the SR. In addition, the Government's proposed reductions, rather than being spread evenly, are to be frontloaded. Table 3 below provides a forecast of the real terms reduction in government grants to the Council, based upon an extrapolation of figures within the SR:



**Table 3**

Leeds Position	Base	Variation				
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Total £m
Government Grant	634.4					
Real terms change		- 77.2	- 47.0	- 15.1	- 40.0	- 179.3
Funding for Council Tax		6.7				6.7
New Homes Bonus		2.7	2.7	2.7	2.7	10.8
		<b>566.6</b>	<b>522.3</b>	<b>509.9</b>	<b>472.6</b>	
Reduction from previous year		- <b>67.8</b>	- <b>44.3</b>	- <b>12.4</b>	- <b>37.3</b>	

- 4.2 The Government's inflation assumptions over the period are 2.4% in 2011/12, 1.9% in 2012/13 and 2.0% in the final two years.
- 4.3 The above should be treated with caution, being a straight extrapolation of headline figures within the spending review, and does not take account of any distributional impacts such as the ending of the Working Neighbourhoods Fund which will not impact on Leeds' funding as we do not receive any, nor the transfer of specific grants to Formula Grant.
- 4.4 As noted earlier, at the time of writing, the local government finance settlement is imminently expected, and, when available, details will be provided to members of the board.

## 5.0 DEVELOPING THE COUNCIL'S BUDGET PLANS

- 5.1 It is clear that the Government's Spending Review and its reductions in grants presents a very significant financial challenge to the Council, which is without precedent in recent times. In addition to the substantial reduction in Government funding, the Council also faces significant cost pressures which will also need to be taken into account in setting budgets for the next four years. There are particularly acute cost pressures in both Adult Social Care and Children's Services, and in addition income continues to decline in both City Development and Environment and Neighbourhoods.
- 5.2 Our current forecast of reduced funding and spending pressures in cash terms over the next four years suggests that the Council will need to deliver savings in excess of £159m by 2014/15 and nearly £90m in 2011/12. In summary the position is as per table 4:

**Table 4**

	Reduced Funding £000s	Increased Spend £000s	Overall Shortfall £000s
2011/12	51,091	38,735	89,826
2012/13	76,293	50,801	127,094
2013/14	69,565	63,980	133,545
2014/15	87,546	72,062	159,608

- 5.3 Given the level of shortfalls in the Council's funding and cost pressures as illustrated above, the Council needs to develop a robust financial strategy covering the next four years. In doing so it needs to reflect the new financial environment, but equally it needs to also reflect the Council's ambitions. It will be difficult for the Council to maintain the current model of service delivery, and therefore a fundamental review of the organisation is required. All Council services will be affected by the scale of the financial challenge and the Council will be a very different organisation in four years time.
- 5.4 The city of Leeds has a new ambition to be not just the biggest in the North and the third largest in the country, but also to be the best city in the UK. If it is to achieve this ambition, Leeds City Council will need to be the best city Council in the UK, providing strong civic leadership to galvanise the private, public and third sectors. Leeds Initiative has served the city well as a partnership vehicle, but its structures are now being refocused and rationalised to meet this new challenge. The Council will need to enable the provision of excellent, personalised services delivered locally by the Council itself, or, if others are better placed to do so, the third sector, public agencies or the private sector. The Council will work to a new set of values in this new environment:
- Teamwork (leading the new city-wide partnership structures),
  - Openness (including the publication of all spending transactions over £500),
  - Diversity (reflecting the diversity of the population in its workforce, and responding to the needs of the whole city),
  - Citizen-focussed (through integrated locality working) and
  - Value for money (achieving £90m of efficiencies)
- 5.5 Attached at Appendix 1 is an overview of each directorate's initial budget proposals.
- 5.6 In developing the Council's financial plans, the priority is to ensure that resources are focused as much as possible on front line services to its customers. In that context these budget proposals are designed to achieve the level of cost reductions required whilst minimising the impact on services to customers. In order to support this, the following principles were agreed by Executive Board at its meeting of 3<sup>rd</sup> November:
- a) The Council should aim to achieve maximum financial benefit from procurement and commissioning. Procurement activities should be organised on a Council wide basis wherever possible.
  - b) The Council will develop locality based management arrangements where appropriate
  - c) Common business activities across the Council should be centralised and/or should be managed from a central point in the organisation where this can demonstrate better value for money.
  - d) Fees and charges should be set at a level to recover full cost, or set at a market rate. Where charges are not at full cost, the financial subsidy should be transparent and be justified in the achievement of outcomes for service users.
  - e) Provision of services should be by the most appropriate provider taking in to account value for money, quality of service, maturity of the market, in-house resilience, etc.

- f) Where specific grants are reduced, there should be no presumption that the service to which it relates will be reduced, however it will be necessary to demonstrate that it still represents a priority.
- g) Funding of external organisations should all be on the basis of service agreements and should take account of other public sector funders.
- h) Opportunities will be identified and pursued where appropriate, to provide services in collaboration with other local authorities, or other public organisations within the City and if appropriate beyond.
- i) Capital investment will be targeted at priorities. As a general principle, borrowing will only be used to fund projects which generate savings in excess of the cost of borrowing. Other capital investment should therefore be funded by external funding sources or receipts from the sale of assets.
- j) All proposed reductions will be subject to equality impact assessments, and we will ensure that there is a full understanding of the impact of any reductions upon the voluntary and community sector.

## 6.0 Initial budget proposals – 2011/12

6.1 Based on the grant settlement and spending projections the gap between our likely spend and our resources for 2011/12 is around **£90m** made up as follows:

**Table 5**

<b>Funding Envelope</b>	<b>£m</b>
Net spend before grants 2010/11	900.274
Formula Grant/Specific Grant:	- 61.974
Council Tax compensation	6.683
Tax Base/New Homes Bonus	4.200
Reduction in Funding	- 51.091
<b>2011/12 spending target</b>	<b>849.183</b>
<b>Spend</b>	<b>£000s</b>
Inflation: NI & Income	- 1.955
Demography:	
Adults	16.300
Children's	11.200
Waste Strategy	1.200
Loss of car parking income	1.000
Street Lighting	0.990
Debt	10.000
Sub-Total Pressures	40.690
Shortfall in government funding	51.091
<b>Funding Gap</b>	<b>89.826</b>

## 6.2 The key assumptions for 2011/12 are as follows:

- **Inflation of -£1.955m:** The initial proposals for the 2011/12 budget provide for no pay awards for staff in the year. Provision is made for the increase in employer's national insurance contributions announced in last year's budget. In addition it is assumed that income budgets will rise by 3% reflecting the current level of inflation. Despite cost inflation currently running at more than 3%, no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments.
- **Increased Spending commitments** – additional provision is made in the following areas of spend:
  - **Adult Social care**– These budget proposals provide for an additional £16.3m to provide funding towards the cost of the continuing demands of an ageing population, this also reflects the current year pressure on the community care budgets for residential nursing and domiciliary care. Additional provision is also included for the Council's contribution towards the learning disability pooled budgets, which as well as reflecting increasing numbers, also reflects the increasing of cases supported.
  - **Children's Social care**– The Council has prioritised improvements in services to young people and an additional £11.2m will be provided towards the cost of safeguarding vulnerable children in the city. These additional resources will fund additional external placements and the rise in the cost of fostering care reflecting the trends experienced in the current year.
  - **Waste Strategy**– The budget will provide for the additional cost of funding the Council's Waste Strategy including the roll out of food waste collection and also provides funding for the £8 per tonne increase in landfill tax from April 2011. In total this amounts to an additional £1.2m in 2011/12.
  - **Car parking income** – the current year has seen a significant decline in car parking income, which includes the loss of some car parking spaces. Accordingly the budget for 2011/12 will need to be adjusted to reflect this trend and to that end car parking income has been reduced by £1m in these initial proposals.
  - **Street Lighting PFI**– The five year investment in new street lighting across the city will be completed in 2011/12. The planned increase in unitary charge will increase the Council's costs by almost £1m.
  - **Capital Financing Costs** – Additional provision for the financing costs of existing capital commitments will be required in 2011/12. An increase of £10m will required assuming a continuation of the present low short term interest rates. Should rates begin to rise the Council will need to identify further funding.

## 6.3 It is proposed that for 2011/12, and in line with Government's expectation, that Council Tax is frozen which will mean that the Council will be compensated by the

Government for the equivalent of a 2.5% Council tax increase, which is £6.683m. On the basis of the Government's scheme, the Council will continue to receive this level of compensation for the loss of the increase in 2011/12 over the subsequent three years.

- 6.4 The delivery of £90m of savings in 2011/12 will be on a base budget of £1.1bn of spend less £200m of income. This excludes spending by schools and within the Housing Revenue Account. It also excludes Housing and Council Tax benefit which are largely met by specific Government Grant. As such the required savings represent around 10% of the Council's net spending. The £900m is summarised in the table below:

**Table 6**

	2010/11 £000s
Employees	441,760
Premises	78,878
Other Supplies & Services	273,233
Transport	34,630
Capital Charges	57,269
Payments to External Service Providers	222,117
Fees & Charges/Rents	- 207,613
<b>Net Spend before grants</b>	<b>900,274</b>
Funded by:	
Specific Grant	-330979
Formula Grant	-303444
Council Tax	-265851
<b>Total funding</b>	<b>- 900,274</b>

- 6.5 Delivering savings in excess of 10% in one year clearly represents a significant challenge. A number of policy options have been identified which will deliver savings over the period of the Comprehensive Spending Review, however in light of the front loading of grant reductions, consideration needs to be given to accelerating these options where possible. In addition it will be necessary to consider proposals which can deliver short term savings which over the planning period may be replaced as other longer term options take effect.
- 6.6 In the paragraphs below, the initial budget proposals are set out; in addition attached at Appendix 1 is an overview of the effect of these proposals within each directorate:
- 6.6.1 **Employees – current spend £442m.** – Employee expenditure represents almost 50% of the Council's relevant net expenditure of £900m. It is inevitable therefore that a substantial element of the £90m savings required will come from reducing staff costs. It is the view of officers that the maximum reduction which the Council can achieve in its staff costs in 2011/12 is approximately £30m. This saving of £30m can be saved based on the following assumptions:
- Maintaining the Council's current recruitment freeze into next year - taking account of the forecast staff savings achieved in 2010/11 and assuming a normal level of turnover in 2011/12, it is anticipated that the Council can save £6m from its current budget, provided that strict vacancy management control is maintained.

- Voluntary Early Retirement/Voluntary Severance -The Council has invited all staff to express an interest in accepting voluntary severance, early retirement or reductions in hours worked. The deadline for expressions of interest has now passed and based on an assumed level of acceptance of 75%, it is calculated that the Council would make a net saving of £20m in staffing costs next year. However this can only be achieved if the Council is successful in its application to capitalise redundancy costs; this is at the discretion of the Secretary of State for Communities and Local Government, and the Council will be informed of the decision by the 17th December. A negative response will seriously hamper our ability to set a balanced budget
- A reduction in the level of spend on agency workers will be targeted. There are many occasions when the use of agency workers is essential for the operation of services, to cover sickness, leave, etc, and in some cases may be financially beneficial. However in the present circumstances it is essential that this expenditure is reduced and therefore an exercise has been undertaken to reduce agency spend with immediate effect. This includes a review of the need for all agency workers and a renegotiation of the fees charged by agencies. It is anticipated that savings of at least £2m can be achieved in 2011/12.
- Superannuation costs - The West Yorkshire Pension Fund has undergone an actuarial review in 2010, the results of which will be reported soon. Early indications are that the rates for 2011/12 will at least stay the same and a reduction is possible.

The Council is making every effort to build a strong, strategic and proactive relationship with the trade unions during these challenging times and is working hard to fulfil its commitment to reduce staff numbers as far as possible without the need for compulsory redundancies. The extent of staff reductions set out in these initial budget proposals are considered to be the maximum achievable without compulsory redundancies. In the event that further reductions are needed, due to the timescales involved and the cost of redundancy payments it is unlikely that there would be significant savings achieved in 2011/12.

It is therefore concluded that the Council's budget plans for next year will include a reduction of £30m in staffing budgets, which is the maximum which can reasonably be achieved. Inevitably this approach will mean that staff will leave the authority from across the whole range of services and it will be necessary therefore to manage this very carefully and make arrangements to retrain and redeploy staff where appropriate. The final budget proposals to Council on 23<sup>rd</sup> February 2011 will need to include details of how this will be effected across the Council whilst ensuring staffing levels are maintained in priority services through careful workforce planning. These proposals will also encompass a review of senior management costs, in respect of which a 20% reduction will be targeted over the next 4 years. Significant staffing reductions of around 16% over the next four years will be targeted from most support service functions across the Council and a 10% reduction from the integration of Education Leeds and Children's Services will also be targeted for delivery in 2011/12.

- 6.6.2 **Premises – current spend £79m** – The initial budget proposals anticipate a reduction in premises costs of £5m. It proposed that savings of £1m can be achieved through restricting building maintenance to essential/health and safety work only; this can only be a short term measure, and reducing our building stock will enable savings to be consolidated in the future. Further savings will be achieved through targeting energy consumption. The Council currently holds a number of buildings which are currently empty but incurring costs including business rates and security;

disposal of these buildings where possible, will generate savings in 2011/12. The Council needs to reduce the number of buildings we occupy, whether this is administrative buildings or customer facing facilities. Overall the Council has more buildings than it can afford to run. A number of policy options are under consideration in Adult Social Care which will change the way services are provided in the future; this will result in the closure of some residential homes and day centres. Similarly a review of the library service is expected to lead to the closure of some libraries. The current level of sports provision will also need to be reviewed. Detailed proposals for reducing our building stock needs to be shared with the Council's partners in order to develop a cross city approach to provision. The Council aims to identify opportunities to share buildings within the Council and with partners where this can be achieved.

The Council is also considering measures to reduce the cost of street lighting by turning off some street lights beyond midnight. Options for dimming street lights in certain instances will also be considered.

A review is being undertaken to consider options to delay some highways expenditure from 2011/12 into 2012/13, whilst prioritising work on the fabric of the roads. This proposal needs to be considered together with the level of highways capital spend including resources provided directly by the Council and those provided through the Local Transport Plan allocation.

**6.6.3 Other Supplies and Services – current spend £273m** - this is a large and significant area of spend. In addition to the cash limiting of these budgets, as set out in paragraph 6.2 above, savings of at least £10m to £15m from procurement activity will be targeted and budgets will be adjusted accordingly. Savings already identified against this target include a £1.2m reduction in the cost of landfill contracts which have been recently re-let.

These procurement savings are anticipated to be achieved through:

- Contract renewals and renegotiations;
- Strict adherence to corporate contract arrangements;
- Further contracts put in place where they do not currently exist; and
- Minimising the number of officers with the authority to commit the Council to further spending, including challenging the need to spend at all.

The Council values its partnership with the Third Sector. The Third Sector provides many important services which are complementary to the Council's objectives, and this partnership continues to be essential into the future. However, in the context of strict financial constraints, the Council will in consultation with Third Sector representatives, review grant arrangements which are currently in place to ensure that they properly reflect the Council's priorities and represent value for money. On similar lines the Council will also review the level of support it provides to major arts organisations in the city.

**6.6.4 Transport – current spend £35m.** - The Council aims to reduce the cost of transport in 2011/12 by £3m. Deferring the replacement of vehicles will generate savings of almost £700k net of the additional cost of maintenance, and further savings can be delivered through efficiencies in the provision of transport in adults and children's social care. Further savings can be generated through the amalgamation of the parks vehicle maintenance function with the rest of the Council's vehicle maintenance service.

6.6.5 **Capital Charges – current spend £57m** – It is currently estimated that as a minimum capital financing costs will increase by around £10m in 2011/12 in order to deal with existing capital commitments. This still assumes we continue with our strategy of keeping new borrowing on short term to take advantage of low rates. The budget proposals target a reduction in this increase next year by £5m. This will need to be achieved through a combination of:

- A rigorous review of the capital programme beyond the extent of the current review and restricting further capital commitments;
- Funding new commitments through selling assets; and/or,
- Using asset sales to repay debt.

6.6.6 **Payments to other providers – current spend £222m** - this is a significant category of spend and relates in large part to social care. The initial budget proposes that these costs will be reduced by £10m. The achievement of this will be through better procurement activity and better partnership working with the Health Service. Procurement activity will be particularly targeted at reducing the cost of expensive external placements of looked after children and vulnerable adults. Funding is set aside in the health service in 2011/12 to improve the system of health and social care, and the Council will work very closely with health partners to ensure that services are provided in the most effective and efficient way.

Executive Board received a report in November which set out proposals to change the way in which home care is provided in the city. The Council currently provides 36% of home care services whilst the independent sector provides 64% of services; a more cost effective provision could be achieved if a larger proportion was undertaken by the independent sector. The initial budget proposals identify a target of £0.4m to be achieved in 2011/12, with greater savings achievable in subsequent years.

6.6.7 **Income – current level £208m** – As referred to in paragraph 6.2 above, the base budget forecast assumes that income budgets will rise by 3% including the effect of increases in prices. In addition it is proposed that further income generating opportunities are identified either through higher than inflation increases where the market allows or through new income sources. It is anticipated that the Council can generate an additional £6.3m in this way. The main areas where this may be achieved are as follows:

- Charges for events - £0.5m (achieved either through charging or reducing the number of events);
- Reducing or eliminating subsidies across a range of services, including adult social care;
- Introduction of penalty charges for unauthorised use of bus lane; etc.
- Full cost recovery of services traded with schools.

6.6.8 **Specific Grants** - although the full impact and incidence of cuts in specific grants cannot be accurately assessed until the Local Government Finance Settlement is announced, there are some immediate areas where savings can be made including:

- Replicating the reductions in spend arising from the 2010/11 in-year grant reductions. Reductions implemented in 2010/11 will continue into 2011/12.
- Stopping school improvement activities where the grant has been withdrawn/reduced



- 6.9 By their nature the initial budget proposals contained in this report are those that are either significant by their scale or have implications for council policy or service delivery. Within directorates, there will be further spending pressures that directorates will need to contain.
- 7.0 Housing Revenue Account (HRA)**
- 7.1 The HRA includes all the expenditure and income incurred in managing the Council's housing stock, and, in accordance with Government legislation operates as a ring fenced account. The funding of the HRA is different to the way in which the rest of the Council's services are funded, with costs currently being met from rental income and HRA Subsidy.
- 7.2 The Council is currently undertaking a review of options for the future service delivery and investment in its housing stock. A key driver for this is that the Council will have insufficient resources to deliver investment needed over the next 30 years. This shortfall is estimated to be in the region of £1,767m. The recommended option of the review is for a continuation of the three ALMO/BITMO model with the establishment of a Shared Service Centre and a Strategic Governance Board.
- 7.3 The Government in October 2010 announced its intention to replace the existing HRA Subsidy system with a reformed system of Council housing finance. Under the proposals, Councils will be able to keep their rental income to fund the delivery of housing services and maintain their housing stock, subject to a one off debt settlement. The HRA will continue to operate as a ring fenced account and Councils will still be required to follow the Government's rent convergence policy with convergence assumed by 2015/16.
- 7.4 The impact of these reforms on the Council will not be known until November 2011 when the Government plans to consult on the proposed HRA reform settlements for each local authority. However, modelling undertaken to date indicates that if the HRA Subsidy system were to continue, the Council's HRA reserves would fall below required levels from 2019/20.
- 7.5 It is the Government's intention to implement the new system from 2012/13 with the existing HRA subsidy system remaining in place until then.
- 7.6 The Council's HRA budget for 2011/12 will therefore be the last budget to include HRA Subsidy. The draft HRA Subsidy Determination for 2011/12 has recently been issued for consultation by the Government. This is based upon rent convergence by 2015/16 and assumes the Council's rents will increase by a minimum of 6.8% in 2011/12. In previous years the Council has applied the Government's guideline rent increase to tenants. To do otherwise would be to financially disadvantage the Council since the Government assumes that the Council is applying this level of increase and the reallocation of resources between Government and the Council through Housing Subsidy reflects this assumption.
- 7.7 Other key factors within the draft Subsidy Determination are a 2% increase in Management Allowances, no increase in Maintenance Allowances and a reduction of £9 per property in the Major Repairs Allowance (MRA), which equates to a reduction in MRA resources of £698k for 2011/12.

- 7.8 The draft Determination includes ongoing grant for the Swarcliffe PFI scheme. However, grant support for the Little London, Beeston & Holbeck PFI scheme, due to start in 2011/12 will only be received subject to the project becoming operational.
- 7.9 Work is continuing on the Lifetime Homes PFI, but at present it is unclear whether this project will go ahead in light of the Government's spending plans.

## **8.0 Risks**

8.1 A full risk assessment will be undertaken of the Council's financial plans as part of the normal budget process, but it is clear that there are a number of risks that could impact upon these plans put forward in this report; some of the more significant ones are set out below.

- Reductions in government grants are greater than anticipated. Grant figures for the Council for 2013/14 and 2014/15 will not be known until later in the planning period.
- Inflation and pay awards could be greater than anticipated.
- Other sources of income and funding could continue to decline.
- Demand pressures in Adult Social care and Children's services could be greater than anticipated.
- Unplanned or unanticipated impact upon the delivery of services.
- The delivery of savings from the Council's transformation agenda and other saving options could be delayed or less than anticipated.
- Changes in interest rates could impact upon capital financing charges.
- Asset sales could be delayed requiring the Council to borrow more to fund investment.
- Reductions in staffing numbers from early leaver initiatives and natural turnover could be less than anticipated.
- Failure to understand and respond to the equality impact assessment.

8.2 A full risk register of all budget risks in accordance with current practice will be maintained and will be subject to quarterly review. Given the scale of the challenge it is proposed that from 2011/12 budget monitoring reports are submitted to the each meeting of the Executive Board, with significant and new risks being reported to the board on a quarterly basis. In addition, saving options will be monitored through the Resources and Performance Board, with any slippage being included in the regular reports to the Executive Board.

## **9.0 Consultation**

9.1 The board at its meeting on the 3<sup>rd</sup> November 2010, agreed an approach to stakeholder consultation. Resident consultation on the spending challenge has now commenced which will run until the 17<sup>th</sup> December 2010. The results of the public consultation will be reported to the January 2011 meeting of the board, but it is possible to provide some initial analysis of responses up to the end of November. The survey provides residents with information that sets out the challenges the Council faces and potential actions in the following themes:

- Protecting and supporting young people
- Supporting older and disabled people
- Clean and safe neighbourhoods
- Economy, jobs and culture.

- 9.2 Residents are invited to rate the importance of a range of priorities and proposed actions in each theme. They can also suggest their own priorities for the Council, and what the Council could do less of, more of, stop completely or charge (more) for. It needs to be appreciated that the interim results described below may not reflect the final results:

### **The four themes**

- Overall, 'protecting and supporting young people' and 'supporting older and disabled people' are seen as the two most important themes (both 90% very important or important).

### **Our principles**

- 'Prioritising front-line services for vulnerable people above everything else' is seen as the most important principle (84% very important or important)

The following aspects of plans in each area are seen as most important:

### **Limiting the impact on front-line services**

- 'Making better use of buildings even if that meant services had to move' (88% very important or important)
- Prioritising investment in services for vulnerable people (77% very important or important)

### **Protecting and supporting children and young people**

- Bring services together where it is practical and makes better use of buildings (87% very important or important)
- Focus services at those with the greatest need (84% very important or important)

### **Supporting older and disabled people**

- Help people stay in their own homes for as long as possible (89% very important or important)

### **Clean and safe neighbourhoods**

- Expect more people to take responsibility for their own actions (90% very important or important)
- Prioritise our resources to tackle the worst anti-social behaviour (90% very important or important)

### **Economy, jobs and culture**

- We work to get local jobs, for local people (84% very important or important)

- 9.3 Consultation is an ongoing process. Consultation has already taken place with representatives from the Third Sector and further consultation will take place, with, for example, the Youth Council and the Business sector prior to the finalisation of the budget in February 2011

## **10.0 Equality Impact Assessment**

- 10.1 The council is fully committed to assessing and understanding the impact of its decisions on equality and diversity issues. We are currently assessed as "working towards excellent" under the national Equality Framework and are hoping to achieve the "Excellence" standard in April 2011. As part of this work, we have recently reviewed our equality impact assessment processes and have particularly promoted

the importance of the process when taking forward key policy or budgetary changes. Indeed, the report to members of Executive Board earlier in the year dealing with in-year budget reductions emphasised the importance of the equality impact assessment process and included a high level assessment of the reductions being progressed at that time. Since then, the council has launched a refreshed equality assessment process which includes a new screening process which helps determine whether a full impact assessment is required to be undertaken.

- 10.2 The initial budget proposals contained within this report have, where appropriate, been the subject of the council's equality impact assessment process. For more developed proposals, this will be a full equality impact assessment, for many others, the screening process will have been undertaken to understand the significance of any potential impact on equality considerations, which then determines whether a full equality impact assessment is required.
- 10.3 As a consequence of these being initial budget proposals, this paper provides an overview of the type of issues arising from equality impact assessments and screening assessments undertaken to date. More detail on specific proposals/issues will be available should this be required, however, for the benefit of this report, the following themes are identified.
- 10.4 Where funding is being reduced or where reviews affect services to vulnerable people, it will be necessary to do a full equality impact assessment to understand the full impact of such proposals and identify actions that can be taken to mitigate the impact of reduced funding.
- 10.5 Where increased fees and charges are being considered an assessment will need to be undertaken to assess the relevant impact on vulnerable groups (e.g. low income families) and what actions could be taken to mitigate such impact.
- 10.6 Some changes will involve changing the way citizens access some council services and in progressing such developments consideration will need to be given to ensure that hard to reach groups continue to be able to access essential services.
- 10.7 A significant proportion of our expenditure is targeted at supporting vulnerable adults and children and young people. As a consequence of the scale of such expenditure and, therefore, the reductions that need to be made, careful consideration will be given to the impact on vulnerable adults and children. Indeed, a theme of our proposed budget reductions involves more targeted support to vulnerable adults and children which should assist in mitigating the impact on those most vulnerable in society.
- 10.8 In developing proposals to respond to the challenging financial climate, it is inevitable that we will need to rationalise facilities and reduce or remove subsidies in certain areas. Detailed equality impact assessments will be undertaken on individual proposals of this nature. Careful consideration will need to be given to the accessibility of revised facilities both in a geographic sense and a personal finance sense.
- 10.9 Plainly, the nature of the budget proposals is such that many will inevitably have staffing implications. Such proposals will be subject, where appropriate, to full equality impact assessments with particular consideration being given to workforce representation issues and where relocation is required, the particular impact on disabled access and the need for reasonable adjustments.

## **11.0 Implications for Council Policy and Governance**

- 11.1 This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the initial budget proposals, once approved by the board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February meeting of this board at which proposals for the 2011/12 budget will be considered prior to submission to full Council on the 23<sup>rd</sup> February 2011.
- 11.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. Many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and managed by individual directorates.

## **12.0 Conclusions**

- 12.1 The government's Spending Review and resulting grant settlement will mean that the Council will need to operate within a more tightly constrained funding envelope than previously. This is at a time when many of the services provided by the Council face significant demand pressures now and into the future. The new financial environment will force the Council to review all its services and transform how it delivers many of them; nevertheless, the role of the Council will remain crucial in supporting communities across the City, and in particular those who are disadvantaged. The medium term financial strategy will be designed to provide an overall financial framework to ensure that the Council's key priorities can be supported within the available funding over the planning period, and to inform the delivery of the Council's annual budget.
- 12.2 The draft proposals set out in this document for 2011/12, subject to the finalisation of the detailed proposals in February, will, if delivered, reduce the Council's spend by the required £89.8m, and all things being equal will ensure the Council's financial stability. It is imperative that members understand the need to make clear and timely decisions which will deliver the level of savings required in 2011/12 and leave the Council in a strong enough financial position to go into 2012/13. However delays in making decisions, or slippage in the delivery of actions agreed could seriously threaten the Council's financial position. It is important that members are fully aware of the potential consequences to the authority if this should happen. Section 114 of the Local Government Finance Act 1988 sets out that where the Council's expenditure is likely to exceed its resources, the Responsible Financial Officer appointed under Section 151 of the Local Government Act 1972 (in Leeds, this is the Director of Resources) is obliged to issue a notice in the form of a report to all members of Council, copied to the Council's External Auditor, which requires members to agree appropriate actions within 21 days to bring the Council's financial position back into balance. The issue of a Section 114 notice is a very significant step and has serious operational implications. From the date on which the notice is issued the Council is prevented from entering into any further financial commitments until the appropriate actions are agreed.
- 12.3 This report has highlighted the extent of the financial challenge facing local government over the next four years, and in particular the front loading of the grant reductions in 2011/12 and 2012/13. This, along with the considerable pressure on the Council's resources through many demand led services, gives rise to the need for careful budgeting and robust action planning. The challenge of reducing spending by

£90m is enormous, and it should be borne in mind that a further reduction will be required for 2012/13. The current level of reserves is low and this can only be justified if the Council's budget plans are sufficiently realistic and deliverable. No reliance can therefore be placed on the use of reserves and should the identified savings not be delivered alternative savings options would be needed.

### **13.0 Recommendations**

- 13.1 The Executive Board are asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny.

### **BACKGROUND PAPERS**

*Spending Review 2010, HM Treasury, October 2010 (Cm 7942)*

*Executive Board report 3<sup>RD</sup> November 2010 : GOVERNMENT SPENDING REVIEW 2010*

*Consultation [http://www.leeds.gov.uk/About\\_Leeds/Spending\\_challenge.aspx](http://www.leeds.gov.uk/About_Leeds/Spending_challenge.aspx)*

### **Adults Social Care**

The vision for Adult Social Services is to ensure those most vulnerable in Leeds are supported in local communities and have access to personalised services enabling them to live healthy, safe and independent lives.

Our vision is for a community based approach for everyone, with an emphasis on health and wellbeing, living safely at home for as long as possible and making the fullest use of universal services in local communities. Adult Social Care will bring together, health, wellbeing and social care, supporting preventive services to avoid hospital admission or the need for residential care.

Increasingly social care services, when they are needed, will be provided through personal budgets or direct payments. We will ensure people have good information and support to find the care they need. The local authority will continue to provide assessment and where appropriate, early intervention services for those in crisis. Other services will be provided in partnership with the Health Service and/or by the Voluntary and Independent Sector. We will support the social care sector in Leeds through effective commissioning and quality assurance. Ensuring the Safeguarding of adults will continue to be a key priority.

Adult Social Care has a statutory duty to assess people's needs and, where their needs meet the Council's Fair Access to Care Services criteria, to ensure that services are available to meet those needs. Demographic factors form a key element of the strategic context for Adult Social Care. People are living longer and with higher levels of need. This has been evident in learning disability services for some time and for older people the average cost of care packages to support people living at home has increased.

To deliver the vision within the financial and service context will require a radical review of how Adult Social Care services are delivered across the city. Over the next five years the service provided directly by the Council will become smaller, more specialised and be delivered in partnership with the both the NHS and a range of other partners. Adult Social Care will need to continue to commission efficient and effective preventative services, but the means of delivery will need to change. In the future there will be much closer working with the voluntary and independent sectors in ensuring that these services deliver efficient and effective outcomes for vulnerable people in Leeds.

To ensure that people can maximize the benefits from exercising a greater level of choice and control over how their needs are met, and to ensure the best use of resources, will require a reduction in the services delivered directly by the Council and an increase in those provided by the independent and voluntary sectors, including those services procured through the use of personal budgets. This will apply particularly to residential and home care services, but also to day care services. The directly provided residential and day care services will also need to respond to reduced demand. Within the residential care sector an increased supply in recent years of new care homes with the most modern facilities have affected demand for Council run homes. There is significant over-capacity within older people's day care and increasingly people are likely to choose other more flexible ways of meeting their needs. The learning disability day care service is reconfiguring to provide smaller more localised bases and a greater focus on outreach services. Within mental health day services there is scope to work more effectively in partnership with the health and voluntary sectors which will reduce the requirement for Council-run day centres.

Based on these drivers, in 2011/12 the Council is likely to close 4 residential homes, rising to 13 by 2014/15. Eight day centre closures are anticipated in 2011/12, 4 for older people, 3 for people with learning disabilities and one for people with mental health problems. By 2014/15 it is expected that 16 centres will have closed, 10 for older people, 4 for people with learning disabilities and two for people with mental health needs. The reduction in day centre provision will have some impact on the level of transport provided and it may be appropriate to review the policy for customer transport to ensure that those people who are able to access services independently do so. The directly-provided home care service is expected to reduce by around 150 full-time equivalent staff by early 2011/12 and work is ongoing to develop future options for the service. There will be reduced staffing levels associated with these service changes as well as some savings in running expenses. The service has significant experience in working with individuals to ensure continuity of care and arrangement of equivalent alternative service. Special attention is given to respect the choices of individuals and their carers and maintaining friendship and support networks. It is acknowledged that this will mean change for some people in receipt of social care but it will also enable continuity of care in the current economic environment. Major consultation on these changes will commence from January.

There will be a major focus in 2011/12 on contract spend within Adult Social Care. The majority of savings will be delivered through managing inflation, efficiencies and cost reductions on major contracts, but smaller grants and contracts that are predominantly with the voluntary sector will also be reviewed. Efficiencies will also be targeted across general running expenses within the directorate. For 2011/12 a review of income will take place to reduce or remove the subsidy within the current charges. This will predominantly affect the home care, supported living, day care, transport and meals services.

The proposals outlined above will be subject to appropriate consultation and equality impact assessments. They will enable the Council to focus on influencing the solutions to the strategic challenges that the Health and Social Care system in Leeds now faces. At the forefront of these challenges is ensuring that we best meet the needs of vulnerable adults within the city through the commissioning and delivery of services in partnership with the Health, Independent and Voluntary Sectors.



## Children's Services

There are 180,000 children in Leeds aged under 19 and the Council has a statutory responsibility and a duty to safeguard and promote welfare of these children and young people. We will develop a simpler, clearer children and young people's plan for Leeds, centred around an ambition to make Leeds a 'child friendly city', built around a collective commitment to put the child at the heart. There will be five clear outcomes: ensuring all children and young people are safe from harm, do well in learning and develop skills for life, choose healthy lifestyles, have fun growing up and are active citizens who feel they have voice and influence.

Given the continued demand pressures for our social care services – through referrals, the child protection system and Looked After Children – we must change the nature of some of the services we deliver. The current trend is not sustainable. We have to do this in a way that is safe, in partnership, and close to the community. We will look at radical ways to bring together the best of statutory and voluntary sector partners in localities and shaping more services around our schools, youth hubs and children's centres.

The creation of the new directorate is providing a critical opportunity to review the whole Children's Services budget to support the 2011/12 budget strategy and developing medium-term financial plan. Through our service and financial planning processes we are re-basing and re-prioritising all budgets whilst recognising the need to continue to invest in preventative and early intervention and to really target support & resources to the children & families who need it most.

Recognising the corporate budget principles, we are reviewing income through fees and charges, seeking to rationalise our use of premises, identifying savings across all supplies & services budgets and reducing our use of agency staff. In addition, we are using our commissioning processes to review and challenge services to deliver efficiencies and savings whilst also improving outcomes for children and young people. There are already a number of services that are commissioned from external partners and we will look for more opportunities to market test areas of service currently provided by the local authority where this would improve quality and cost effectiveness.

In line with council expectations, developing a new integrated directorate from the current arrangements with children's services and Education Leeds will mean a fundamental re-shape of leadership/management and business support functions leading to significant budget savings.

With regard to Integrated Youth Support Services specifically, the future of service delivery lies in radically changing and integrating youth work and targeted youth support so that they are delivered in localities through partnerships between the statutory, private and voluntary sector. This allows infrastructure and management costs to be shared to ensure that maximum services are delivered directly to young people for less cost.

In addition, there is a requirement to review the provision of educational support for young people/adults with learning disabilities at VINE. The current financial model is not sustainable in the medium-term with the current funding reducing significantly from August 2011. An options report, including an equality impact assessment, will be brought to Executive Board for decision in February 2011.

In line with the corporate review of transport, there is a need to fundamentally review all transport related policies and provision across Children's Services – from transport for looked after children through to Home to School transport.

School Improvement services are currently supported by significant levels of grant. Recognising the probability that these grants will be cut substantially over the next few years, savings of at least £2.5m are expected to be made for 2011/12 through managing staff reductions and trading with schools. Discussions are ongoing with schools about the scope of the traded offer to minimise financial risk.

## City Development

The City Development Directorate has a lead responsibility in the Council for the economic, physical and cultural development of Leeds. Over the next 3 to 4 years the Directorate's focus will be maintaining Leeds' ongoing development as a regional, economic and cultural capital and facilitating its economic recovery.

Staffing comprises by the far the largest element of the directorate's net managed budget at 47.5% and proposals to reduce staffing form a major part of the budget strategy. Several major staffing restructures have taken place in the previous two years, mainly as a direct response to the economic recession and consequent loss of income and the 2011/12 budget proposals include provision for further staffing reviews, including consultation over the cessation of the in house Architectural Design Service currently taking place. It is also anticipated that a significant number of staff will leave the directorate at the end of 2010/11 and in early 2011/12 as a result of the corporate Early Leaver Initiative. The directorate aims to maximise the number of staff leaving through this initiative and in most service areas this will mean that there will need to be a remodelling of services partly based on the number of staff remaining. This will include a review of destination marketing activity and links with the private sector. The planned reduction in staffing will also link closely with the strategy to review the number of buildings and facilities that the directorate currently provides. Across the directorate it is anticipated that staff numbers will be reduced by approximately 10% in 2011/12 or between 250 and 300 FTEs.

Another significant cost in the directorate is the number of facilities and buildings that are currently operated. The budget proposals for 2011/12 continue with initiatives which are included in the revenue budget 2010/11, and this includes a review of the 10 year Vision for Council leisure centres, as approved by Executive Board. Proposals include the possible transfer to community ownership or closure of up to 3 additional sport centres and or swimming pools. It is proposed to review library provision in response to the public consultation and there will also be a review of Museum and Galleries provision, both of these reviews will include opening hours, staffing levels and provision.

Running costs and the level of subsidies across all services will be reviewed. Major proposals for savings include ending the Council's contribution to the 'free' city bus; reducing discretionary budgets across the directorate; reductions in ancillary farming activities at Temple Newsam and reviewing the level of total revenue and capital spend on highway maintenance with a proposed reduction of £1.5m in the highway maintenance revenue budget. A 10% reduction to the budget for grants to arts bodies and other organisations currently supported by the directorate is also proposed. Savings are also anticipated on street lighting through lighting efficiencies which will be achieved through various options currently being developed and presented to members.

The economic recession has resulted in £7m worth of downward trends of income over the last two years, and the budget for 2011/12 does not anticipate significant increases in external income, such as from planning and building fees. It is anticipated that on average fees and charges will be increased by 3% although the budget does provided for above inflation increases in charges in sport and cemeteries and crematoria where the market will bear the increase. A review of the Events programme is proposed, to look at the number of events, cost, and possibilities for charging at certain events. The directorate will also look to identify opportunities to increase income from advertising.

## **Environment & Neighbourhoods**

The immediate priorities for the department are ensuring that the city is safe and clean, that it helps people meet their housing needs and assists people to find work. These priorities sit in a longer term context of promoting a sustainable approach to the environment and regenerating the most disadvantaged areas of this city. The budget proposals are designed to protect services and initiatives which advance these priorities. The proposals focus on eliminating duplication and improving collaboration with partners to make our joint resources go further.

### **Directorate wide proposals**

A rationalisation (25%) of the JNC structure seeks to consolidate strategic and commissioning functions within the Department and respond to a locality based agenda. This move is important both in providing a new shape to the department but also to protect front line delivery

A review of staff engaged in strategy and performance functions, together with a review of administrative functions, has identified £0.5m. These savings are in advance of any DECATS work.

### **Environmental Services**

The Council is committed to delivering a minimum of 50% recycling by 2014, not only as an environmental objective, but as a commitment within the PFI contract – there is a clear strategy to achieve this. A recent retendering of the landfill contract is offering a recycling boost of 4% points through pre screening of materials, as well as a £1m saving. This will enable the Council to make progress next year towards 50% without some of the service developments planned.

In 2011/12, the full year effect of the Refuse change programme will deliver further efficiencies of £0.4m, above the £1.6m in this year's budget.

In the area of enforcement, the Council has been adversely affected by reductions in external funding, with money for neighbourhood wardens and environmental enforcement officers disappearing. The Council puts considerable mainstream resources, however, into PCSO's, whose role, if redefined, could help tackle some of the shortfalls. By redefining the roles of PCSOs there is opportunity to consider a total place solution which jointly utilises our resources to best tackle enforcement within an area, relieving a £500k pressure.

This year, with a fall off in demand, the drop in car parking income represents a serious threat to the Council's budget. The closure of a number of car parks to support development opportunities in the city is recognised as a pressure. Fines for those entering the bus lanes in the city centre are due to be introduced in the New Year. The wider application of bus lane enforcement is under consideration. The motivation to introduce penalties is to impact on behaviour but its wider introduction could have an income revenue impact.

There are current discussions taking place with a view to providing a West Yorkshire service in relation to a number of regulatory functions within Environmental Health, along with improved business processes cost efficiencies in this area.

There are no proposals to reduce streetscene services. Proposals will be brought forward to implement local management and delegations to Area Committees of street cleaning and environmental enforcement.

## **Neighbourhoods and Housing**

A shift to locality working in all departments lessens the requirement for a specific area management support. Reductions in the numbers of area management staff are planned, with the department concentrating on providing a direct service to area committees, in particular on the environmental and community safety themes.

Proposals will be brought forward to integrate the staff who administer the supporting people grant, drug funding and voluntary sector support. The integration will offer organisational savings, provide a simpler point of connection to outside bodies and reduce bureaucracy. Savings in grants to the voluntary sector will examine the opportunity to promote the consolidation of organisations offering similar services to the Authority.

The vast bulk of general fund supported housing services now falls in the Housing Options Service. Given likely increases in pressures on housing, it is not intended to make reductions in that area. Nevertheless, the service has been highly successful in preventing homelessness in recent years and this continues to offer savings within the Supporting People budget. A minimum of two hostels, currently commissioned, can be closed, utilising supported dispersed accommodation instead, which is more desirable, as well as more cost effective. This move, together with further efficiencies delivered through the commissioning of external contracts, can produce an estimated saving of £2m.

Savings are possible through the assimilation of Care Ring into Telecare services in Adult Social Care.

Community Safety continues to face funding fall out, with a further £1.3m dropping out next year. Given the significance of the service, it is not proposed to fully absorb that cut. There are two specific proposals. The Council has reduced support to Stop Hate UK to be proportionate to their activity in Leeds, rather than contributing to a national campaign. Secondly, the Council jointly funds five PCSO's per ward. It is proposed that the Council reduces its support by 20%, distributing provision based on objective evidence from the Police. This level of reduction is likely to be in line with the match funding pot available to the police. Together these savings generate £0.5m.

The size of the regeneration team will be reduced as commissioning and strategy jobs are consolidated in the department. Project staff will be reduced in proportion to the scale of regeneration activity underway. Savings in this area, however, are limited, given that a large proportion are charged to the HRA or capital.

The Council has substantially reduced the number of community centres over the past decade. Nevertheless there remain opportunities to look at the efficient utilisation of our assets and those belonging to others. Further work is required to firm up a figure for savings in this area.

The Jobs and Skills Service continues to face funding pressures with further grant reductions and in the past 5 years has reduced staffing by 75% or 250 staff. It is not proposed that the Authority reduces spending, particularly given the current economic situation. The Service will concentrate on outreach to those excluded from the labour market and connecting employers with the worklessness agenda.

## Central and Corporate Functions

The central and corporate functions portfolio of services represents a wide range of both support services and significant front line services e.g. revenues and benefits, commercial services and customer services.

Given the extent of reductions in grant and spending pressures on front line services, it is right that the Council should seek to reduce the cost of support activities as far as is practicably possible, to limit the impacts on those at the front line. At the same time, an effective organisation needs strong support services which are proportionate and efficient. Insufficient support arrangements can often be more costly in the medium to longer term. There has been a strong focus on delivering support service efficiency savings over several years; all support service staff working in Human Resources, Property, Finance and ICT across the Council are now managed from the corporate centre. Significant savings have been made in this way with, in many cases, investment in new technology supporting new and more efficient ways of working the change.

The budget proposals set out to reduce further the cost of support activities by at least 16% over the next four years, It is anticipated that as far as practical a significant proportion of this saving will be delivered in 2011/12. These savings can be achieved through more rationalisation, and a review of services provided. This may in some instances mean providing a minimum safe level of support and greater manager and employee self services. In other areas, such as performance management and communication support for example, we will be implementing new corporately led solutions similar to those already introduced for HR, ICT, Finance etc. It will also be necessary to challenge directorate held support services and in some instances this will mean the centralisation of staff employed in administrative processes.

However, as this report sets out, there is significant organisational change planned for many services right across the Council, and it is important to recognise the important contribution that support activities make to this work. It is crucial that the Council strikes the right balance between the need to make savings and cost reductions in support services in order to protect front line services, and the need to maintain sufficient capacity in the organisation to provide professional and administrative support during a period of significant change.

Efficiencies can also be made in front line activities and the student support function will cease in accordance with the timetable to transfer the function to the national Student Loans Company. Furthermore a review of staffing structures within Revenues and Benefits Administration will result in the deletion of 23 posts and anticipated savings of £0.7m. There will be reviews of the staffing structures within Cleaning, Catering and Fleet services with corresponding reductions in charges to clients.

Whilst it is important that the Council continues to promote the city to attract inward investment, a 25% reduction in the contribution to Marketing Leeds is proposed, and for the Council's own newspaper "About Leeds" to be restricted to one edition per year.

In the medium term, we will look to deliver even more efficiencies from our customer service operations across the authority, under the auspices of DECATS, with a focus on getting more things right the first time, and thus avoiding contact wherever possible, and through maximising cheaper delivery channels such as self-service options.

We will focus our change resource (e.g. Customer services, Business Transformation and BPR resources) and, performance management on delivering significant efficiencies over the period of the financial strategy such as delivering procurement/commissioning savings

and on the changing the workplace programme. To achieve some of these savings will require an invest to save approach supported by robust business cases.

We will also review the council's governance arrangements to make sure they are proportionate and fit-for-purpose as well as ensuring the same for member and democratic services.

A review of legal services is underway which will include considering whether the present arrangements for the provision of the service are appropriate and represent value for money.



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## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (City Development)

Date: 11<sup>th</sup> January 2011

Subject: City Development Directorate: 2010/11 Budget - Financial Position

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#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## 1.0 Introduction

- 1.1 The Board has asked to receive regular budget updates on the 2010/11 budget position for the City Development department.
- 1.2 A report of the Acting Director of City Development is attached which gives the financial position for City Development Directorate at period 8.
- 1.3 This report includes the Corporate Leadership Team report by service showing the difference between the current budget, the actuals and the projected year end spend together with a further breakdown and explanation of the figures.

## 2.0 Recommendations

- 2.1 Members are asked to comment and note the reports of the Acting Director of City Development.

### Background Papers

None used

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## CITY DEVELOPMENT DIRECTORATE: 2010/11 BUDGET – PERIOD 8 REPORT

### 1.0 Introduction

This report sets out the financial position for City Development Directorate for Period 8.

### 2.0 Overall Summary

The Period 8 position for City Development Directorate is a projected overspend of £803k. This is an increase of £158k on the position reported for Period 7 and is mainly due to the impact of the recent bad weather on recreation income and a reduction in projected income in Property Services. Overall there has been only minor variations in the projected position by service.

The directorate is working on proposals to reduce the projected overspend. A total of 75 business cases have now been approved through the recent corporate Early Leaver Initiative and a further 50 business cases are expected to be submitted shortly. This may enable further staff savings to be made this financial year mainly through reductions in hours and from staff leaving early 2011 and not being replaced. The expected 125 leavers from the directorate will be on top of the reduction in FTEs of 73 since March 2010. The directorate is now also actively looking to reduce spend in the final quarter to generate additional savings to reduce the projected overspend.

### 3.0 Explanation of the Projected Overspend

The main reason for the overall projected overspend is a shortfall in income. The shortfall in income across the directorate is forecast to be £3.7m. The income shortfall includes the abolition of the Housing and Planning Delivery Grant (HPDG) and Free Swimming grants with a net impact of approximately £1m.

An overspend on staffing is forecast in some areas where not all the assumed savings have been fully realised and some overspends on running costs where budget actions have yet to be achieved. The major budget variations can be summarised as follows:

	£000s
<u>Major Budget Pressures:</u>	
Building Fees shortfall	414
Planning Fees shortfall	767
Architectural Design Services net income shortfall	380
Recreation income	538
Net Staffing	990
Planning appeal costs	400
Loss of HPDG	<u>900</u>
	4,389
Offset proposals:	
Contingency release requests	(1,016)
Highway maintenance	(1,250)
Library book fund	(300)
LEGI underspend (Legacy programme)	(842)
Net other variations	<u>( 178)</u>
<b>Total</b>	<b>803</b>

## **Income**

The projection for planning and building fee income for the year has remained fairly static with the year end projected shortfall £767k for planning fees and £414k for building fees. There is provision in central contingency of £400k for shortfalls in planning and building fee income.

Architectural Design Services has been experiencing reducing workloads for some time and a consultation exercise on the future direction of this service is now being carried out. Overall a net income shortfall of £380k is forecast for the year, this is in line with the position reported at Period 7. The service is also continuing to work on an action plan to deal with the budget position, this includes managing staffing downwards to an appropriate level. The income forecast for Property Services has been reduced by £100k following notification that income previously expected from releasing restricted covenants will not now be received.

A number of income targets across Recreation Services are unlikely to be met. Some of the shortfall in income will be offset by reduced expenditure. The projected shortfall in income has been increased for Period 8 reflecting a reduction in income due to the bad weather in November.

The announcement of in year cuts to various grants included the abolition of the Housing and Planning Delivery Grant. The directorate had budgeted to receive £900k in 2010/11. The loss of this grant has increased significantly the forecast overspend for Planning and Sustainable Development services. The government grant for the Free Swimming scheme has also been withdrawn from 31.7.10. Although charges will be re-instated there will still be a net shortfall in income in 2010/11.

## **Staffing**

The 2010/11 budget includes challenging saving targets for staffing. All services have been progressing Early Leaver cases and a number of restructures have been taking place in the directorate and FTEs have reduced by 73 since March 2010. 75 Applications under the corporate Early Leaver Initiative are now being progressed and it is envisaged that this will lead to further staff savings this financial year from agreeing reductions in hours and from staff leaving during early 2011 and not being replaced. An additional 50 applications under the scheme are due to be submitted shortly. The overspend on staffing is also partly explained by additional upfront voluntary retirement and severance costs of £330k incurred as part of planned reductions in staffing prior to the corporate early leaver initiative.

Restructures have now been approved in Planning Services, Building Control, and Parks and Countryside and the Sport structure is now out for consultation.

Measures to actively manage staffing will continue to be pursued and all requests for post releases are presented to the City Development Directorate management team. Approvals to fill posts are mostly on a temporary basis, and then only front line posts, where they are required to keep the service open, generate income, or health and safety.

## **Operational Budgets**

Some operational budget overspends are due to delays in the implementation of actions, the Executive Board decision to extend by four months the opening of South Leeds Sport Centre, cost an estimated additional £130k. There will be an overspend of £40k on the Business Support Scheme administered by Economic Development due to additional commitments against the scheme. Other budget pressures include additional expenditure of £400k on planning appeals in Planning and Sustainable Development.

Within the Local Enterprise Growth Initiative programme some schemes have been delayed and it is proposed to utilise the unspent revenue balance of £842k to offset in year directorate pressures although the approval of the Legacy programme means that funding will be required in 2011/12 and 2012/13 for the Legacy Programme.

The projection now includes a number of savings proposals including a reduction in the library book fund of £300k.

The projection also incorporates other proposed actions including savings on highway maintenance of £1.25m although the maintenance budget has also been enhanced this year by the receipt of an additional £774k from the 'pot hole' grant. This additional funding will be fully spent on eligible schemes in line with the terms and conditions of the grant. The service is also looking at options for other savings which would reduce the actual saving required on the maintenance budget. Across the directorate spend will continue to be tightly controlled with the aim of generating additional savings in the final quarter.

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# Financial Management System (FMS Leeds)

## Corporate Leadership Team (CLT) Report by Service

Reporting Period November 2010 Period 8

Financial Year 2010/11

Directorate City Development

Traffic Light	Service	Projected (Under) / Over Spend for the year			Phased budget to date and Actuals to date		Previous Month Projected (Under)/Over Spend £000
		Staffing £000	Other Expenditure £000	Income £000	Phased Budget £000	Actual To Date £000	
<span style="color: green;">G</span>	Economic Development	(68)	(288)	(395)	1,210	1,192	(805)
<span style="color: red;">R</span>	Asset Management	182	(395)	704	(2,572)	(1,678)	390
<span style="color: green;">G</span>	Highways and Transportation	(590)	(1,940)	344	18,212	11,719	(2,242)
<span style="color: green;">G</span>	Libraries, Arts and Heritage	(257)	(222)	140	13,207	12,791	(293)
<span style="color: red;">R</span>	Recreation	1,187	(896)	880	8,982	10,537	1,070
<span style="color: green;">G</span>	Resources and Strategy	(46)	(306)	123	2,346	2,746	(128)
<span style="color: red;">R</span>	Planning and Sustainable Development	581	151	1,914	2,432	4,204	2,654
<span style="color: green;">G</span>	Appropriations	0	0	0	0	719	0
<span style="color: red;">R</span>	<b>Total</b>	<b>990</b>	<b>(3,896)</b>	<b>3,709</b>	<b>43,817</b>	<b>42,230</b>	<b>(1,587)</b>

### Notes on (Under)/over spend to date

- 1 There is a delay in Economic Development grant income and external income being received compared to the phased budget. This income is still expected to be received. Savings are also expected on the Legi programme.
- 2 The underspend to date on Highways and Transportation reflects savings on the street lighting contract, savings on maintenance and additional income received to date.

R Where the difference between the current budget and the projected year end spend figures is greater than 10% ( and above £250 ) or £50000

A Where the difference between the current budget and the projected year end spend figures is greater than 5% ( and above £100 ) or £25000

G Where the difference is below the threshold set for an amber traffic light so below 5% and £25000

## City Development

### Period 8 Report - Further breakdown and explanation

Traffic Light	Service	Period 8 Projection	Explanation	Period 7 Projection
		Total (under) overspend £000s		Total (under) overspend £000s
<b>G</b>	<b>Economic Development</b>	<b>(752)</b>	Underspend on LEGI £842k, to be spent in 2011/12 and 2012/13 as part of the Legacy programme. £40k overspend on the Small traders business support scheme. £58k shortfall on Markets income offset by running cost savings across services.	<b>(805)</b>
<b>R</b>	<b>Asset Management</b>	<b>491</b>	The main budget pressure is a shortfall in income in Architectural Design Services	<b>390</b>
<b>G</b>	<b>Highways and Transportation</b>	<b>(2,186)</b>	Includes £1.25m saving on highway maintenance, the maintenance budget has also been enhanced by £774k for the pot hole grant, savings on employees £590k and savings against the Street Lighting contract £1199k. Pressures include reduced income from the Highways DLO.	<b>(2,242)</b>
<b>G</b>	<b>Libraries, Arts and Heritage:</b>	<b>(339)</b>		<b>(293)</b>
<b>G</b>	Libraries	(382)	The main saving is the reduction in spend on the book fund £300k	(364)
<b>R</b>	Venues	221	The major budget pressure is a shortfall on income, including room hire and other charges	224
<b>G</b>	Heritage	(33)	No significant variations	(23)
<b>G</b>	Arts	(146)	The main saving is on employee costs	(131)
<b>R</b>	<b>Recreation:</b>	<b>1,171</b>		<b>1,070</b>
<b>R</b>	Sport and Active Recreation	686	The variation includes an overspend on staffing £534k, a shortfall on income of £250k.	586
<b>R</b>	Parks and Countryside	486	The variation includes an overspend on staffing £654k pending completion of the restructure and other actions, a shortfall in income from cemeteries and crematoria £200k and from other services £531k. These are offset by some running cost savings such as energy costs and materials	484
<b>G</b>	<b>Resources and Strategy</b>	<b>(229)</b>	Savings on directorate running costs	<b>(128)</b>
<b>R</b>	<b>Planning and Sustainable Development</b>	<b>2,646</b>	Loss of Housing, Planning Delivery Grant £900k, delay in achieving all staffing savings £581k, shortfall in planning and building fees £781k (net of contingency provision), additional Early leaver costs £140k, increase in planning appeal costs to £275k (net of contingency)	<b>2,654</b>
<b>R</b>	<b>City Development Total</b>	<b>802</b>		<b>646</b>



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## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (City Development)

Date: 11<sup>th</sup> January 2011

Subject: Work Programme, Executive Board Minutes and Forward Plan of Key Decisions

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#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## 1.0 Introduction

- 1.1 Attached as Appendix 1 is the current work programme for this Scrutiny Board. This has been amended to take into account discussions held at the last meeting.
- 1.2 Also attached as Appendix 2 and 3 respectively are the latest Executive Board minutes and the Council's current Forward Plan relating to this Board's portfolio.

## 2.0 Recommendations

- 2.1 Members are asked to;
- (i) Note the Executive Board minutes and Forward Plan.
  - (ii) Agree the Board's work programme.

### Background Papers

None used

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ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 11<sup>th</sup> January 2011</b>		<b>Reports required by 17<sup>th</sup> December 2010</b>	
<b>Welcome to Yorkshire</b>	To hear a short presentation by Mr Gary Verity, Chief Executive of Welcome to Yorkshire on the work of his organisation And for Members to ask questions.	The Board in June 2010 agreed that the Chief Executive of Welcome to Yorkshire be invited to address the Board.	B
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM
<b>Report on Leeds /Bradford Airport Public Transport including taxis / road/ rail links and future vision for the Airport</b>	To consider a joint report on public transport issues and future vision for the Airport	The Board has asked that the Director General of Metro, Chief Executive of the Airport John Parkin and Andrew Hall, Transport Strategy Manager, City Development Department to attend the meeting.	RP
<b>Kirkgate Market Inquiry – Session 2</b>	To consider a report of the Acting Director of City Development on the proposed draft market strategy including the outcome of the independent rent review and the results of the condition survey of Kirkgate Market.	Session 2 of the inquiry in accordance with the Board's approved terms of reference. The Board on 7 <sup>th</sup> December also asked for details of the stall letting policy, the alternative ownership and management models that are available, details of NABMA's role.	RP

**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 8th February 2011</b>		<b>Reports required by 21<sup>st</sup> January 2011</b>	
<b>Open Source Planning</b>	To receive a report from the Acting Director of City Development on open source planning.	<u><i>The Chief Planning Officer has deferred this to the February meeting.</i></u>	B
<b>Withdrawal of Remaining Creche Provision at Leisure Centres</b>	That the Acting Director of City Development submit the results of the survey on this matter to the Scrutiny Board	<p>The Scrutiny Board last considered this on 7<sup>th</sup> December 2010 and resolved</p> <ul style="list-style-type: none"> <li>• That this Board notes that Councillor A Ogilvie, Executive Member Leisure and the Acting Director of City Development had agreed to keep the crèches open until February 2010.</li> <li>• That in the circumstances now reported, the Board would not undertake an inquiry on this issue.</li> <li>• That the results of the survey be reported to the Scrutiny Board meeting on 8<sup>th</sup> February 2011.</li> <li>• That the Acting Director of City Development be asked not to take any action until the Scrutiny Board had considered the results of the survey and alternative arrangements identified to continue this service .</li> </ul>	RP
<b>Variences against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM

**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Kirkgate Market Inquiry – Session 3</b>	To consider any further information requested by the Scrutiny Board at its last meeting on this matter and to develop its recommendations for inclusion in the Board's final report.	Session 3 of the inquiry in accordance with the Board's approved terms of reference	RP
<b>Meeting date: 8th March 2011</b>		<b>Reports required by 18<sup>th</sup> February 2011</b>	
<b>Recommendation Tracking</b>	To monitor progress on meeting the recommendations agreed following an Inquiry into how planning applications are publicised and consultation takes place		MSR
<b>Quarterly Accountability Reports</b>	To receive quarter 3 performance reports including questions to the Executive Board Member		PM
<b>Recommendation Tracking</b>	To monitor progress on meeting the recommendations agreed following an Inquiry into how planning applications are publicised & consultation undertaken.	This final inquiry report was approved in April 2010.	MSR
<b>Variiances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM

**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>City Priority Plan and Corporate Plan (March 2011)</b>	The Scrutiny Board is asked o consider and comment on these plans		RP/DP
<b>Meeting date: 5<sup>th</sup> April 2011</b>		<b>Reports required by 18<sup>th</sup> March 2011</b>	
<b>Draft Preliminary Flood Risk Assessment (PFRA)</b>	To consider a draft of the PFRA which is being developed in collaboration with the Environment Agency and Yorkshire Water The timescales to develop this draft are short and it may be necessary to take this draft to an additional Scrutiny Board meeting in May 2011.	The Environment Agency national guidance states “that Overview and Scrutiny Committees should be encouraged to carry out a review of the PFRA to ensure it meets the required quality and consistency standards prior to submission to the Environment Agency by 22 <sup>nd</sup> June 2011”.	DP/RP
<b>Annual Report</b>	To consider the Board’s contributions to the annual report.	Required under the Council’s Constitution.	
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM

## SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)

### Key:

CCFA / RFS –Councillor call for action / request for scrutiny

RP – Review of existing policy

DP – Development of new policy

MSR – Monitoring scrutiny recommendations

PM – Performance management

B – Briefings (Including potential areas for scrutiny)

SC – Statutory consultation

CI – Call in

### **Issues Identified by this Board but not yet included in Work Programme**

- Transport Plan C in the event that funding for the trolley bus and other schemes for the city are scrapped
- That the Board's Principal Scrutiny Adviser be requested to invite a senior representative from First Bus to attend a future meeting (Scrutiny Board City Development on 2<sup>nd</sup> November 2010 requested this when considering the West Yorkshire Transport Plan 2011 - 2026)

### **Issues Identified by Previous Board but not Considered**

- Leisure Centres and Vision for Sport /sport centre closures
- Suggested report updating members on work to improve signage in the station area and city centre and the Civic Trust proposals.
- Suggested report on review of libraries - new technology, opening hours, greater use of mobile libraries, building maintenance.
- Concerns expressed by Members as to the lack of publicity and promotion of "gems" in the city some privately owned (Wetherby racecourse, Harewood House) and the many events like concerts, Chapeltown Carnival, St George's Day.
- Review of the Environmental Policy and EMAS.

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## EXECUTIVE BOARD

WEDNESDAY, 15TH DECEMBER, 2010

**PRESENT:** Councillor Blake in the Chair

Councillors A Carter, S Golton, P Gruen,  
R Lewis, T Murray, A Ogilvie, L Yeadon,  
J Dowson, A Blackburn and R Finnigan

Apologies Councillor K Wakefield

### Chair's Opening Remarks

The Chair gave apologies for absence from Councillor Keith Wakefield following his recent knee surgery. Councillor Wakefield was recovering well and it was envisaged he would return to his duties early in the New Year.

The Chair announced that Chris Edwards was stepping down as the Chief Executive of Education Leeds and today's meeting would be his last. In paying tribute the Chair said that his contribution to the young people of Leeds was outstanding and we all owed him a debt of thanks.

Board Members joined the Chair in expression their best wishes to Mr Edwards in his future endeavours

### 115 Exempt Information - Possible Exclusion of the Press and Public

**RESOLVED** – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows.

- (a) The appendix to the report referred to in Minute No 126 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that disclosure may prejudice negotiations yet to be concluded between the Council and CES and CES's commercial interests could be prejudiced if these financial terms became available to their competitors. It is considered that the public interest in maintaining this information as exempt outweighs the public interest in disclosing the information, as disclosure would prejudice the outcome of the procurement process.

### 116 Late Items

In accordance with his powers under Section 100B (4)(b) of the Local Government Act 1972, the Chair consented to the submission of the following late item of business:

Draft minutes to be approved at the meeting  
to be held on Wednesday, 5th January, 2011

- Agenda Item No.20 – Ofsted’s Annual Children’s Services Assessment for Leeds – Report late because the assessment from Ofsted was only received on 9<sup>th</sup> December 2010

It was noted that supplementary information had been circulated to Board Members prior to the meeting which provided the most up to date information in respect of the Leeds local Development Framework Annual Monitoring Report 2010 (Minute No.125 refers)

## **117 Declaration of Interests**

Councillor Blake declared personal interests in respect of the items relating to: Assessment of Adult social Care, Future Options for Long Term Residential and Day Care for Older People and Charges for Non-Residential Adult Social Care Services (Minutes Nos. 138,139 and 141 refers), due to being a Member of Middleton Elderly Aid and a Member of Belle Isle Elderly Winter Aid

Councillor Gruen declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Primary Place Planning (minutes Nos. 120, 125 and 130 refers), due to being a Member of Leeds Initiative – Safer Leeds Partnership, Member of Council Housing Investment Review – Consultation Group and as Chair of the Leeds Admission Forum

Councillor Dowson declared personal interests in respect of the item relating to: Primary Place Planning (Minute No. 130 refers), due to being a Member of the Leeds Admission Forum

Councillor Lewis declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being a Member of Leeds Initiative – Safer Leeds Partnership and a Member of ALMO Outer West Area Panel

Councillor Ogilvie declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing, Assessment of Adult Social Care Commissioning for Leeds City Council 2009/10, Future Options for Long Term Residential and Day Care for Older People and Charges for Non-Residential Adult Social Care Services (minutes Nos. 120, 125, 127, 138, 139 and 141 refers), due to being a Member of Leeds Initiative – Culture Partnership and a Member of ALMO Inner South Area Panel and Member of Holbeck Elderly Aid

Councillor Yeadon declared personal interests in respect of the item relating to: Assessment of Adult Social Care Commissioning for Leeds City Council



2009/10 (Minute No. 138 refers), due to being a Member of North Regional Association for Sensory Support and a Member of Roseville Advisory Board

Councillor Murray declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being Chair of the Leeds Initiative Climate Change Partnership and a Member of Outer South East Area Panel – Aire Valley Homes. A personal and prejudicial interest was declared in respect of the item: Towards a Strategy for Kirkgate Market (Minute No. 123 refers) due to his involvement in a charitable organisation involved in the running of a Kirkgate Market stall

Councillor Golton declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being a Member of Leeds Initiative - Assembly, Leeds Initiative Executive, Leeds Initiative Going Up a league Board, Leeds Initiative – Narrowing the Gap Board and a Director of Aire Valley Homes ALMO

Councillor A Carter declared personal interest in respect of the item relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework (minutes No. 120 refers), due to being a Member of Leeds Initiative – Economy Partnership and Leeds Initiative – Integrated Transport Partnership

Councillor A Blackburn declared personal interests in respect of the items relating to: Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 125 and 127 refers), due to being a Director of West/ North West Leeds Homes ALMO

#### **118 Minutes**

**RESOLVED** – That the minutes of the meeting held on 3<sup>rd</sup> November 2010 be approved as a correct record.

#### **119 Initial Budget Proposals**

The Director of Resources submitted a report in accordance with the Council's constitution presenting initial budget proposals two months prior to adoption by full Council which is scheduled for the 23<sup>rd</sup> February 2011. The report presented initial budget proposals for 2011/12, in the context of the development of a new medium term financial strategy for the Council.

**RESOLVED** - That this report be agreed and the initial budget proposals be submitted to Scrutiny.

(Under the provisions of Council Procedure Rule 16.5, Councillors: A Blackburn, A Carter and Golton required it to be recorded that they abstained from voting on this matter)

**120 Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework**

The Assistant Chief Executive (Planning, Policy and Improvement) submitted a report setting out proposed changes to partnership structures and planning arrangements operating at a strategic level in the city. Specifically, the report set out revisions to the Leeds Initiative Partnership framework with the aim of creating a simpler and more legible framework.

The report also sought to provide for closer integration with the planning and performance management arrangements, with a focus on effective partnership delivery of priorities. The framework also created a context for wider partnership working.

Significantly the evolution of these arrangements would impinge upon the Council's Budget and Policy Framework (contained in Article 4 of the Constitution) and the report explained some of these implications and sought Executive Board's views in advance of consideration of amendments to Article 4 by the General Purposes Committee and Full Council in the new year.

**RESOLVED** – That the broad direction of the proposals outlined in the submitted report be endorsed and that the responsibility for finalising the arrangements be delegated to the Assistant Chief Executive (Planning, Policy and Improvement) prior to consideration by Full Council in the new year.

**121 Quarter 2 Corporate Performance Report**

The Assistant Chief Executive (Planning, Policy and Improvement) submitted a report presenting an overview of performance against priority outcomes as set out in the Leeds Strategic and Council Business Plans 2008-11 so that Executive Board understood current performance and take appropriate actions as necessary.

**RESOLVED -**

- a) To note the overall performance against strategic priorities.
- b) That Scrutiny be requested to further investigate performance issues around closer working partnership arrangements with the Health Authority and Children's Services

**122 Driving the City Forward: City Marketing, Supporting Investment and Engaging Business**

The Assistant Chief Executive (Planning, Policy and Improvement) and Acting Director of City Development submitted a joint report which set out the current challenges facing a number of city marketing, tourism and inward investment services across the city. The report recommended the development of a new operating model for such services, in order to maximise efficiencies, whilst protecting critical functions that are at risk from public sector budget reductions, and supporting activities aimed at securing future investment and new jobs for the city.

**RESOLVED -**

- a) That the outline proposition detailed in paragraph 3.1 to 3.15 of the submitted report be agree in principle
- b) That the proposal that those Council services detailed at paragraph 3.2 be part of the new delivery arrangement be agreed in principle;
- c) That as joint shareholder of Marketing Leeds that Leeds City Council is content for the existing company arrangement to be evolved into the new delivery vehicle as part of a broader merger for these services;
- d) That as joint shareholder of Financial Leeds that Leeds City Council is supportive of the proposal for sector marketing and inward investment activities to become the responsibility of the new delivery vehicle;
- e) That the Assistant Chief Executive (Planning, Policy and Improvement) and Acting Director of City Development be authorised to take the necessary steps to bring about the change proposed, ensuring Members are kept informed as matters progress.
- f) That a further report be submitted to Executive Board in March 2011, outlining a set of specific proposals for implementation in April 2011.

**123 Towards a Strategy for Kirkgate Market**

(Councillor Murray, having declared a personal and prejudicial interest, left the meeting during consideration of this item)

The Acting Director of City Development submitted a report informing members of the wider context in which Kirkgate Market operates, the issues it faces and the options for its future. The report identified the key issues which need to be addressed and proposed a consultation process to inform the development of a final strategy for Kirkgate Market.

**RESOLVED –**

- (a) That the current rental levels be maintained and that the recommended increase be not imposed for the 1904 Hall for at least the next ten months
- (b) That the imminent maintenance and essential works to be undertaken be noted and agree the proposals to identify funding to undertake such works

- (c) That the proposed way forward on developing a strategy for the future of the market and the consultation outlined in Appendix 2 of the submitted report be agreed
- (d) That a further report on the outcome of the consultation and final strategy for Kirkgate Market be submitted to a future meeting of the Board.

(Councillor Murray resumed his seat in the meeting)

**124 Leeds Local Development Framework Annual Monitoring Report 2010**

The Acting Director of City Development submitted a report presenting the Annual Monitoring Report which has to be submitted to the Secretary of State (Communities and Local Government). Appended to the report was a copy of the 2010 submission for Members' consideration.

The report was considered by the Development Plan Panel on 7<sup>th</sup> December 2010 where the view was expressed that that the Executive Board be recommended to approve the report

**RESOLVED** - That the Leeds Local Development Framework Annual Monitoring Report 2010 be approved for submission to the Secretary of State pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.

**125 Solar Photovoltaic Panels Initiative**

The Director of Environment and Neighbourhoods submitted a report seeking endorsement to develop a scheme to install a minimum of 1,000 solar photovoltaic (PV) systems on council housing at zero capital cost, which would generate a significant income over 25 years and seeking endorsement to use the income from the trial and subsequent roll-out as collateral for prudential borrowing to run a private sector free insulation scheme.

Following consideration of the appendix to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting, it was

**RESOLVED -**

- a) That a partnership with CES to install at least 1,000 PV systems to Council homes before March 2012, subject to successful conclusion of contractual negotiations with CES by the Director of Environment and Neighbourhoods be approved.
- b) That the proposals concerning improvement of the economic, and environmental well-being of the whole or part of the Council's area, or all or any persons resident or present in that area, in the manner set out in the submitted report be agreed.
- c) That the CES offer to private sector households across the city in order to generate additional income be extended.

Draft minutes to be approved at the meeting to be held on Wednesday, 5th January, 2011

- d) That in principle the use of the income from this trial and subsequent roll-out as collateral for prudential borrowing to run a private sector free insulation scheme be explored.
- e) That the CES experience be used to assist in developing a Council run scheme to pick up from March 2012 at the latest to increase benefits to the Council (assuming FIT payments still provide adequate incentives).
- f) That alternative options for the Council's corporate buildings be assessed and either extend the CES scheme or procure services in-house.

(Under the provisions of Council Procedure Rules 16.5, Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**126 Towards Integrated Locality Working**  
(Councillor Finnigan entered the meeting)

The Assistant Chief Executive(Planning, Policy and Improvement) submitted a report informing Members on the progress of work that was being progressed on Locality Working in Leeds. The Locality Working Pathfinder project commenced earlier this year with a view to developing more integrated locality working across public services in Leeds.

**RESOLVED -**

- a) That the progress made on the Locality Working Pathfinder project to date be noted;
- b) That the proposal to implement a new locality leadership model, consisting of three Area Leader roles reporting to the Assistant Chief Executive (Planning, Policy and Improvement), to lead the integrated Locality working agenda in the three council wedge areas of East North East, South East, West North West be endorsed;
- c) That a set of draft design principles as detailed in Appendix 1 of the submitted report forms the basis of what is being sought to achieve through the locality working agenda in Leeds be agreed
- d) The development of a communications strategy to consult upon and inform the further development of the work be endorsed.

(Under the provisions of Council Procedure Rules 16.5, Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**127 Care Ring Replacement Programme - Sheltered Housing**

The Head of Housing Strategy and Solutions submitted a report seeking approval for funding the replacement of emergency alarm equipment located in sheltered housing schemes managed by the Leeds ALMOs/Belle Isle Tenant Management Organisation across the city.

**RESOLVED** – That expenditure of £733,000 on equipment and installations to 113 sheltered housing schemes across the city as detailed in Appendix 1 of the submitted report be authorised.

**128 Development of a Rent to Mortgage Housing Model**

Further to minute 193 of the meeting held on the 13<sup>th</sup> February 2009 the Director of Environment and Neighbourhoods submitted a report proposing the use of a new housing product to support people moving from renting to purchasing their homes. The report also seeks approval to dispose of ten properties to East North East Homes Limited and approve the implementation of a “rent to mortgage” scheme as set out in the submitted report

**RESOLVED -**

- a) That the implementation of a “Rent to Mortgage” scheme as set out in the submitted report be approved.
- b) That the disposal of ten properties to East North East Homes Limited on the terms set out in this report so as to facilitate the implementation of the Rent to Mortgage scheme be approved in principal.
- c) That the eligibility criteria for participation in the scheme as annexed to the report be approved.
- d) That the ability to make changes to the eligibility criteria be delegated to the Director of Environment and Neighbourhoods.
- e) That subject to all necessary consents being obtained the settlement of detailed terms for the leases from the Council to East North East Homes Limited be delegated to the Director of City Development.
- f) That the approval of the terms of the Assured Shorthold Tenancy and the determination of the amount of the intermediate rent be delegated to the Director of Environment and Neighbourhoods and the Director of City Development.

**129 Deputation to Council - Leeds Youth Council regarding the Equality and Diversity Action Plan**

The Assistant Chief Executive (Policy, Planning and Improvement) submitted a report responding to the deputation from Leeds Youth Council on the 15<sup>th</sup> September 2010.

The report outlined some of the work that had been undertaken to address the issues raised by the delegation and proposed actions to be considered by Executive Board.

**RESOLVED** – That the actions being taken in response to the deputation be noted.

**130 Primary Place Planning for 2012**

The Chief Executive of Education Leeds submitted a report seeking permission of Executive Board to consult on the latest proposals to ensure the authority meets its statutory duty to provide enough primary school places in 2012/13.

The six proposals outlined in the submitted report would create a total of 240 places for September 2012. The creation of new places was dependent on additional land being secured for educational use, the required consultation and statutory processes being followed, and sufficient capital resources being secured from the DfE.

Approval was also being sought to make available the sites listed in the report for expanding educational provision and to support the consultation on the proposals identified.

**RESOLVED -**

- a) That permission to consult on the proposals contained in Paragraphs 3.3 – 3.8 of the report be given.
- b) That a report detailing the outcome of the consultation be submitted for consideration at a future meeting of the Executive Board
- c) That the earmarking and utilisation of the sites listed in the report for the proposals outlined be agreed
- d) That an approach to the DfE for the necessary capital funding for these proposals be agreed.

**131 Design and Cost Report and Final Business Case: Building Schools for the Future Phase 3: Mount St Mary's High School**

(Prior to consideration of the following item, Councillor Golton left the meeting, with the permission of the Chair, Councillor Downes replaced Councillor Golton, but without the right to vote)

The Chief Executive Education Leeds submitted a report requesting approval of the Final Business Case for the Mount St Mary's High School Project and to authorise submission to Partnerships for Schools (PfS). The report also sought approval of the Executive Board to proceed with the design and build project for Mount St Mary's High School and approval of the Final Business case for the Mount St Mary's High School Project.

**RESOLVED** – That the Final Business Case for the Mount St Mary’s Catholic High School Project be approved and submission to Partnerships for Schools (PfS) be authorised.

**132 Children's Services Improvement Update Report**

The Director of Children’s Services submitted a report providing an update on key developments in children’s services in Leeds since August 2010.

The main focus of the report was around:

*Vision for the future* – through an update on work to develop a new Children and Young People’s Plan for the city by spring 2011 in line with the city’s partnership and planning context. It also referred to the complex ongoing, emerging national policy context and financial context.

*Improvement Activity and Performance* – through an update on the progress being made against the improvement plan and the work of the improvement board, as well as an update on other key inspection and assessment developments. Progress of the new Children’s Trust Arrangements were also briefly discussed.

*Service redesign* – through further details about progress on the transformation programme to deliver a more integrated children’s service. The update focused particularly on the proposed emerging model for leadership arrangements across the Council’s children’s services functions and the next stage of development on working locally within the context of the Council’s Locality Working Pathfinder.

**RESOLVED -**

- a) That the aspiration that Leeds becomes a child friendly city be noted and endorsed, the five outcome areas be noted and a more detailed update on the city’s new Children and Young People’s Plan be received in the spring of 2011.
- b) That the progress reported to the Improvement Board and Department be noted.
- c) That the proposed revised outline leadership structure and outline remit for children’s services be endorsed and an update on the implementation of these arrangements be received in early 2011.

**133 The Annual Children's Services Assessment 2010**

The Director of Children’s Services submitted a report providing some brief analysis on Ofsted’s 2010 Annual Assessment for Children’s Services in Leeds. The letter from Ofsted formed appendix 1 of the submitted report.



**RESOLVED –**

- a) To note the contents of the Annual Assessment letter and the recognition within it of both continuing challenges and areas of progress and achievement
- b) To recognise the ongoing work, as reported separately to Executive Board, to deliver a range of improvements in children’s services leading to improved safeguard and promoting the welfare of children

**134 Leeds Card and Breeze Card Entry to Tropical World and Home Farm**

The Acting Director of City Development submitted a report setting out the background to the delegated decision to remove free entry for LeedsCard and Breezecard holders at Tropical World and Home Farm (Temple Newsam) following the referral from Scrutiny Board (City Development) on 7<sup>th</sup> September 2010. The report provided further information for Executive Board to take a decision on this matter.

**RESOLVED -**

- a) That the decision to replace free entry for LeedsCard and Breezecard holders with an appropriate discount for LeedsCard and Breezecard holders similar to those applied to other visitor facilities be endorsed
- b) To approve that LeedsCard Extra cardholders will receive a discount of 50%
- c) That subject to the above, the price points that will apply from 2<sup>nd</sup> January 2011 be approved as follows:

<b>Card Type</b>	<b>Entrance fee including VAT @ 20% £</b>
Adults	3.30
LeedsCard	2.65
‘Extra’ cardholders	1.65
Breezecard	1.65

- d) That under 5s continue to get free entry.
- e) That Acting Director of City Development be requested to continue to monitor visitor numbers

(Under the provisions of Council procedure Rule 16.5 Councillor A Carter required it to be recorded that he was not supportive of the agreed proposals)

(This item is not eligible for Call In)

**135 A New Chapter for Libraries and for Integrated Services - Consultation Proposals: Supplementary Information**

The Acting Director of City Development submitted a report in response to a Scrutiny Board request. The report now submitted provides greater detail on the consultation process, background data, information used in analysing the library service and arriving at the proposals outlined in the 13<sup>th</sup> October Executive Board report.

**RESOLVED –**

- a) That the improved detail on the consultation process be accepted
- b) That the consultation process begin with immediate effect, running for a 10 week period

(This item is not eligible for Call In)

**136 Kippax Cemetery Extension**

The Acting Director of City Development submitted a report seeking approval for the disposal of the land (as shown edged black on the plan appended to the report) by way of the grant of a 99 year lease for a less than best consideration, to enable Kippax Parish Council to take on the role of burial authority in order for them to manage the cemetery.

**RESOLVED –**

- a) It was the view of Members that the disposal was likely to promote or improve the economic, social and/or environmental well-being of the area or of local residents.
- b) That an in principle approval be given for the disposal of the land adjacent to Robinson Lane, Kippax (as outlined on the plan appended to the report) by way of the grant of a 99 year lease to enable Kippax Parish Council to take on the role of burial authority in order for them to manage the cemetery.
- c) That authority to approve the detailed terms of the lease be delegated to the Acting Director of City Development.

(Under the provisions of Council Procedure Rule 16.5 Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**137 European Year of Volunteering 2011 and Leeds City Council Volunteering Framework**

The Director of Adult Social Care submitted a report summarising the successes of the Leeds Year of Volunteering 2010, providing the background and proposed work programme for 2011 and to consider the City Council's own approach to volunteering. The report was also sought approval to a Leeds European Year of Volunteering 2011 and to the development of a

comprehensive volunteering framework to govern the use of volunteers and volunteering by staff

**RESOLVED –**

- a) That the proposal to make 2011 the Leeds European Year of Volunteering be endorsed.
- b) That the funding implications in paragraph 6.3 of the submitted report for the likely cost of the 2011 Leeds European Year of Volunteering be noted and that these costs be built into the 2011/12 budget preparations so a decision could be made on funding alongside other competing demands.
- c) That additional activities and events that will contribute to making the year a success for the city be sponsored and encouraged.
- d) That officers work up a draft Volunteering Framework for Leeds City Council for wider consultation by January 2011, with the objective of bringing back a finalised report to Executive Board for adoption in spring 2011.

**138 Assessment of Adult Social Care Commissioning (Performance Rating) for Leeds City Council 2009/2010**

The Director of Adult Social Services submitted a report alerting Members to the judgment made about social care services for adults in the city in the performance year 2009/10. A brief summary was also provided of the key points raised by Care Quality Commission in making their judgment.

**RESOLVED -**

- a) That the contents of the report and the final assessment letter and performance review report from the Care Quality Commission for adult social care services in 2009/10 be noted
- b) That the areas for improvement, as set out in the submitted annual performance rating report be included for referral to the Adult Social Care Scrutiny Board for their oversight of performance.

**139 Future Options for Long Term Residential and Day Care for Older People**

The Director of Adult Social Services submitted a report setting out the Council's vision for the future of residential care and daytime support for older people in Leeds. The report takes as its central principle people's increasing expectations of choice, quality and control over the care they receive.

The report highlighted the urgent need to bring forward strategic options that maximise opportunities to develop more person-centred services, whilst ensuring the needs of people currently using existing services continued to be met safely and appropriately.

Draft minutes to be approved at the meeting to be held on Wednesday, 5th January, 2011

## **RESOLVED –**

- a) That proposals to use Richmond House as an intermediate care facility as set out in paragraphs 4.1.6 to 4.1.8 of the submitted report together with the need to make alternative arrangements for people requiring respite care and who would expect to receive that care at Richmond House be endorsed.
- b) That the need to take action to address the issues set out in paragraphs 3.1 to 3.3.3 of the report be supported.
- c) That the options for change set out in paragraphs 4.1.4 to 4.2.8 of the report be endorsed.
- d) That the establishment of an Advisory Board, Chaired by an Executive Member, consisting of representatives from all provider and stakeholder groups as described in paragraph 4.2.7 of the report be approved
- e) That a public consultation as described in paragraphs 6.1 to 6.16 of the report and following consultation with the Executive Board member responsible, be approved
- f) That further recommendations to be brought to a future meeting, following the outcome of the public consultation.

(Under the provisions of Council Procedure Rule 16.5 Councillor A Carter required it to be recorded that he was not supportive of the Richmond House element of the proposal)

### **140 The Future of Mental Health Counselling, Day and Supported Living Services**

This item was withdrawn at the commencement of the meeting

### **141 Charges for Non-Residential Adult Social Care Services**

The Director of Adult Social Services submitted a report setting out proposals for a public consultation on removing the subsidy from charges for non-residential adult social care services, which would result, in future, customers who could afford it would pay the full cost of the service. The report also set out the way in which the public consultation would be conducted. A financial assessment of a person's ability to pay would, as now, be used to decide whether he/she pays the full cost of the service, or a proportion. The report identified the reasons for the proposal, the likely implications for customers and income levels and the further work required.

**RESOLVED –**

- a) That the public consultation as described in paragraphs 5.1 to 5.5 of the submitted report on the proposal for the removal of subsidy from services as described in paragraphs 4.1 to 4.7 of the report and how this might be implemented be approved.
- b) That more detailed analysis of financial and customer implications as described in paragraph 5.6 of the report be approved.
- c) That a further report with proposals following the more detailed analysis, including comparison charges and the outcome of the consultation be presented to Executive Board in July 2011.

DATE OF PUBLICATION                      17<sup>TH</sup> DECEMBER 2010

LAST DATE FOR CALL IN  
OF ELIGIBLE DECISIONS                      24<sup>TH</sup> DECEMBER 2010 (5.00PM)

(Scrutiny Support will notify Directors of any items called in by 12noon on 29<sup>th</sup> December 2010)

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ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 11<sup>th</sup> January 2011</b>		<b>Reports required by 17<sup>th</sup> December 2010</b>	
<b>Welcome to Yorkshire</b>	To hear a short presentation by Mr Gary Verity, Chief Executive of Welcome to Yorkshire on the work of his organisation And for Members to ask questions.	The Board in June 2010 agreed that the Chief Executive of Welcome to Yorkshire be invited to address the Board.	B
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM
<b>Report on Leeds /Bradford Airport Public Transport including taxis / road/ rail links and future vision for the Airport</b>	To consider a joint report on public transport issues and future vision for the Airport	The Board has asked that the Director General of Metro, Chief Executive of the Airport John Parkin and Andrew Hall, Transport Strategy Manager, City Development Department to attend the meeting.	RP
<b>Kirkgate Market Inquiry – Session 2</b>	To consider a report of the Acting Director of City Development on the proposed draft market strategy including the outcome of the independent rent review and the results of the condition survey of Kirkgate Market.	Session 2 of the inquiry in accordance with the Board’s approved terms of reference. The Board on 7 <sup>th</sup> December also asked for details of the stall letting policy, the alternative ownership and management models that are available, details of NABMA’s role.	RP

**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 8th February 2011</b>		<b>Reports required by 21<sup>st</sup> January 2011</b>	
<b>Open Source Planning</b>	To receive a report from the Acting Director of City Development on open source planning.	<u><i>The Chief Planning Officer has deferred this to the February meeting.</i></u>	B
<b>Withdrawal of Remaining Creche Provision at Leisure Centres</b>	That the Acting Director of City Development submit the results of the survey on this matter to the Scrutiny Board	<p>The Scrutiny Board last considered this on 7<sup>th</sup> December 2010 and resolved</p> <ul style="list-style-type: none"> <li>• That this Board notes that Councillor A Ogilvie, Executive Member Leisure and the Acting Director of City Development had agreed to keep the crèches open until February 2010.</li> <li>• That in the circumstances now reported, the Board would not undertake an inquiry on this issue.</li> <li>• That the results of the survey be reported to the Scrutiny Board meeting on 8<sup>th</sup> February 2011.</li> <li>• That the Acting Director of City Development be asked not to take any action until the Scrutiny Board had considered the results of the survey and alternative arrangements identified to continue this service .</li> </ul>	RP
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM
<b>Kirkgate Market Inquiry – Session 3</b>	To consider information requested at the December meeting on parking & the Eastgate Development and Section 106 monies & any further information the Board requested at its January meeting. To consider recommendations for inclusion in the Board's final report.	Session 3 of the inquiry in accordance with the Board's approved terms of reference.	RP



**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 8th March 2011</b>		<b>Reports required by 18<sup>th</sup> February 2011</b>	
<b>Recommendation Tracking</b>	To monitor progress on meeting the recommendations agreed following an Inquiry into how planning applications are publicised and consultation takes place		MSR
<b>Quarterly Accountability Reports</b>	To receive quarter 3 performance reports including questions to the Executive Board Member		PM
<b>Recommendation Tracking</b>	To monitor progress on meeting the recommendations agreed following an Inquiry into how planning applications are publicised & consultation undertaken.	This final inquiry report was approved in April 2010.	MSR
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM
<b>City Priority Plan and Corporate Plan (March 2011)</b>	The Scrutiny Board is asked to consider and comment on these plans		RP/DP

**SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 5<sup>th</sup> April 2011</b>		<b>Reports required by 18<sup>th</sup> March 2011</b>	
<b>Draft Preliminary Flood Risk Assessment (PFRA)</b>	To consider a draft of the PFRA which is being developed in collaboration with the Environment Agency and Yorkshire Water The timescales to develop this draft are short and it may be necessary to take this draft to an additional Scrutiny Board meeting in May 2011.	The Environment Agency national guidance states “that Overview and Scrutiny Committees should be encouraged to carry out a review of the PFRA to ensure it meets the required quality and consistency standards prior to submission to the Environment Agency by 22 <sup>nd</sup> June 2011”.	DP/RP
<b>Annual Report</b>	To consider the Board’s contributions to the annual report.	Required under the Council’s Constitution.	
<b>Variances against Departmental Budget</b>	To receive a monthly report on variances against departmental budget for 2010/11.	The Board agreed in July 2010 to receive a monthly report on variances against the departmental budget for the main vote heads.	PM

**Key:**

- CCFA / RFS –Councillor call for action / request for scrutiny
- RP – Review of existing policy
- DP – Development of new policy
- MSR – Monitoring scrutiny recommendations
- PM – Performance management
- B – Briefings (Including potential areas for scrutiny)

## SCRUTINY BOARD (CITY DEVELOPMENT) – WORK PROGRAMME 2010/11 (LAST REVISED 17.12.2010)

SC – Statutory consultation

CI – Call in

### **Issues Identified by this Board but not yet included in Work Programme**

- Transport Plan C in the event that funding for the trolley bus and other schemes for the city are scrapped
- That the Board's Principal Scrutiny Adviser be requested to invite a senior representative from First Bus to attend a future meeting (Scrutiny Board City Development on 2<sup>nd</sup> November 2010 requested this when considering the West Yorkshire Transport Plan 2011 - 2026)

### **Issues Identified by Previous Board but not Considered**

- Leisure Centres and Vision for Sport /sport centre closures
- Suggested report updating members on work to improve signage in the station area and city centre and the Civic Trust proposals.
- Suggested report on review of libraries - new technology, opening hours, greater use of mobile libraries, building maintenance.
- Concerns expressed by Members as to the lack of publicity and promotion of "gems" in the city some privately owned (Wetherby racecourse, Harewood House) and the many events like concerts, Chapeltown Carnival, St George's Day.
- Review of the Environmental Policy and EMAS.

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