

SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

THURSDAY, 20TH OCTOBER, 2011

PRESENT: Councillor M Rafique in the Chair

Councillors G Hyde, M Lobley, J Matthews,
V Morgan, M Robinson and B Anderson

27 **Declarations of Interest**

The following Members declared personal 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:

Councillor Lobley - Session 1 how developments bring local employment, training and opportunities to Leeds - declared a personal interest as a Board Member of Re-new (minute 32 refers)

28 **Apologies for Absence and Notification of Substitutes**

Apologies for absence were received from Councillors Atkinson, Bentley, Cohen and Lyons. The Board welcomed Councillor Anderson as substitute for Councillor Cohen

(Councillor Robinson joined the meeting at this point)

29 **Minutes**

RESOLVED – That the minutes of the meeting held on 22nd September 2011 be agreed as a correct record

30 **Matters Arising**

Minute 22 Engagement of young people in Culture, Recreation and Sporting events – the Board agreed to the suggestion that Ms A Stowe, Leeds Owl Trail, should be invited to attend the Inquiry as a representative of a voluntary group which worked alongside LCC

31 **Request for Scrutiny of the Route 5 Cycle Track**

The Head of Scrutiny and Member Development submitted a report on a request for Scrutiny arising from the decision taken by Executive Board on 14 October 2009 to award LCC Highways Services £1.5m for cycle route works and specifically Route 5 (Cookridge to City Centre) of the Leeds Core Cycle Network Project. The request had been considered and deferred by Scrutiny Board (City Development) on 5th April 2011 (minute 138 refers).

The Board welcomed Mr Bill McKinnon, Chair of the Friends of Woodhouse Moor to the meeting to set out his case for the request. He was accompanied by Mr T Parker Smith of North Hyde Park Neighbourhood Association and Mrs S Buckle, Friends of Woodhouse Moor.

Mr McKinnon referred to the report presented to Executive Board which stated that consultation on the proposed works had been undertaken in June 2009 with local ward Councillors and community groups. However he stated that no

consultation had been undertaken with the community groups based in the Hyde Park area by Highways Services and as such he challenged the basis on which the decision had been made. Mr McKinnon tabled current photographs of Route 5 and highlighted safety problems he perceived with the route in terms of track capacity; the volume of cyclists and the route itself through busy residential streets and Woodhouse Moor. In conclusion he requested that the Board formally scrutinise the manner in which Highways Services undertook consultation with local groups.

Gary Bartlett, Chief Officer, Highways Services and Andrew Hall, Acting Head of Highways attended the meeting and presented a report prepared in response. The Board heard that the Department had presented the consultation to the North West Inner Area Committee and its Transport Sub Group and that the usual forms of advertisement and consultation were undertaken. Officers however acknowledged that although consultation letters were despatched to community groups it appeared that some of these had not been received. Officers also acknowledged that the lack of response from those community groups who usually participated in consultations should have been followed up. It was noted that since this issue arose, an officer group had been established to review consultation practice and to consider measures to encourage responses from consultees.

Members discussed the issues raised and broadly considered that consultation had been undertaken in good faith and that it was unfortunate that the three community groups represented at this meeting had not received the consultation letters, seen the consultation adverts or made contact with their local ward Councillors.

The Board considered the options for investigations and Inquiries, as set out in paragraph 3:0 of the report and considered the submissions in support of the request and the response of the Department to the issues raised. Members did not consider that an Inquiry would be beneficial to the project at this stage, but were keen to receive a report on the outcome of the Departmental review into consultation practice. The Board noted Mr McKinnon's comment that that Route 5 was not fit for purpose and urged him to contact his local ward Councillor to pursue those discussions

RESOLVED –

- a) Not to undertake further scrutiny of his matter
- b) To request a report back on the findings of the departmental review in consultation practices within Highways Services in due course

32 Scrutiny Inquiry - Maximising existing powers to promote, influence and create local employment, training and opportunities around major development projects and the purchasing of services

The Director of Environment and Neighbourhoods submitted a report as part of Session 1 of the Inquiry to encourage discussion on how to maximise powers to create local employment, training and opportunities around major development projects and the purchasing of services

The following officers attended the meeting:

Sue Wynne – Chief Officer, Employment & Skills
Phil Crabtree – Chief Planning Officer
David Outram – Chief Officer, Planning Performance Partnership

The report highlighted recent activity undertaken by LCC to secure employment and skills benefits through the Councils' procurement and planning process. Officers discussed the following issues:

- the need to encourage and support new development but to ensure that requests made of developers through the planning and procurement processes are appropriate to the scale and nature of the development. Onerous requests could deter development
- requests should bear in mind that a developer may not be the end user of the scheme
- the size of the development company should also be considered – larger scale developments usually had a long planning process and build time – which afforded LCC time to negotiate the use of local skills and labour, and develop relevant training if appropriate.
- Members noted that LCC could take a stance and seek to adopt a “local strategy” to require use of local skills and employment, but the Board should be aware of the benefits and disbenefits of such an approach and the long term impact this stance could have on value for money.
- an approach to consider could be to negotiate with the top 20% of developers (with command of large resources) which could still provide 80% of the local skills employment the authority was looking for
- that contract management and monitoring was key to efficient implementation of a “local strategy”. Section 106 Agreements had been strengthened to include monitoring trigger points requiring a developer to inform LCC when and what number of local jobs had been secured
- the benefits of encouraging local companies/suppliers to communicate better with LCC
- the need to take an overview of the areas of duplication between the planning and procurement processes
- the need to ensure that a corporate stance should be made aware to all commissioning managers across the authority
- the need to monitor contracts effectively based on outcomes to ensure obligations are undertaken

(Councillor Matthews left the meeting at this point)

Members requested a discussion paper on the legal requirements relating to seeking obligations for training and employment from businesses and through Section 106 Agreements. The Board also sought information on the requirements of the procurement system and consideration of whether specific requests deterred small/medium local businesses

The Board considered the proposed approach set out in paragraph 5 of the report indicating that the Policy Framework and charter, Toolkit, Guidance/Advice/Examples and Monitoring were welcome initiatives

RESOLVED –

- a) To note the activity undertaken to date with contractors and developers to support local people to improve their skills and secure employment
- b) That the comments above be noted and be fed into the proposed work to develop a more consistent approach and the key issues identified be addressed
- c) To note the intention to present a progress report to the Board within 12 months of the conclusion of the Inquiry at a date to be specified by the Board

33 Development Directorate:2011/12 Budget - Financial Position

Further to minute 25 of the meeting held 22nd September 2011, the Head of Scrutiny and Member Development submitted a report providing the financial position for the City Development Directorate at period 5, covering all aspects of the service

Ed Mylan Chief Officer (Resources & Finance) and Simon Criddle (Head of Finance), Department of City Development attended the meeting and highlighted the key issues as being:

- The 2011/12 budget had been set at £158m in total. The proportion which relates to direct income is now anticipated as £98m
- The Department had been tasked with finding £13m of budget savings. £11m had been achieved so far but an overspend of £1.3m was expected
- Some areas of overspend were beyond the control of LCC such as the number of income generating planning applications submitted; income from advertisement on LCC land

The Board discussed the following:

- Whether the budget had been set too optimistically. The Board noted the response that the budget had taken into account the expected rise in development for 2011/12. The monthly income target for planning was £250k and submission of one large development application could generate as much as £150k of that target
- The budget had been set after the Comprehensive Spending Assessment when the Department would have been aware that no publicly funded works could be supported in 2011/12 and should have accounted for the impact of this.
- Savings of £0.5m had been required from the Events Budget and the Department had expected to generate £0.5m through new income to offset the savings. Members commented that the implementation of a ticket price level of £12.00 for events such as Opera in the Park and Classical Fantasia had discouraged attendees and therefore decreased income
- Whether a reduction of fees for advertisements on LCC land would encourage greater uptake and generate more income. Officers responded that advertising was a difficult area due to competition and the amount of time it took to prepare suitable sites
- The cost of electricity for street lighting. Officers responded that £4m had been ring fenced for energy, but that the Street Lighting Contractor

informed the Department of their price rises after the budget had been set

(Councillor Anderson left the meeting at this point)

Members thanked officers for their presentation and considered the information submitted and requested that further budget reports be presented on a quarterly basis in the future

RESOLVED –

- a) That the contents of the report and the comments of the Board be noted
- b) That Departmental Budget reports for City Development be presented to the Board on a Quarterly basis

34 Work Schedule

The Head of Scrutiny and Member Development submitted a copy of the Work Programme for the 2011/12 Municipal Year which had been populated with the priority areas for scrutiny identified by previous meetings.

Those additional matters raised at this meeting would be included as follows

- City Development Departmental Budget – January 2012
- Report back on Highways consultation methods – February 2012
- With regard to the CO2 Scrutiny work scheduled into the work programme, the Scrutiny Advisor received an additional request for information on money saving measures relating to energy purchasing and it was agreed that the report on the outcome of the 2008 Inquiry into CO2 would be provided in due course

RESOLVED –

- a) To note the contents of the Work Schedule and the comments made
- b) To note the contents of the Forward Plan covering the period 1 October 2011 to 31 January 2012

35 Date and time of next meeting

RESOLVED – To note the date and time of the next meeting as Thursday 1st December 2011 at 10:00, Leeds Civic Hall