

SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Tuesday, 13th January, 2015 at 1.30 pm

(A pre-meeting will take place for ALL Members of the Board at 1.00 p.m.)

MEMBERSHIP

Councillors

A Castle	-	Harewood;
J Chapman	-	Weetwood;
D Cohen	-	Alwoodley;
P Davey	-	City and Hunslet;
K Groves (Chair)	-	Middleton Park;
R Harington	-	Gipton and Harehills;
A Hussain	-	Gipton and Harehills;
M Ingham	-	Burmantofts and Richmond Hill;
S McKenna	-	Garforth and Swillington;
B Selby	-	Killingbeck and Seacroft;
P Wadsworth	-	Guiseley and Rawdon;

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

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A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</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>RESOLVED – 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>No exempt items have been identified.</p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			LATE ITEMS To identify items which have been admitted to the agenda by the Chair for consideration. (The special circumstances shall be specified in the minutes.)	
4			DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.	
5			APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES To receive any apologies for absence and notification of substitutes.	
6			MINUTES - 16 DECEMBER 2014 To confirm the minutes of the meeting held on 16 December 2014 as a correct record	1 - 6
7			2015/16 INITIAL BUDGET PROPOSALS To consider and comment on the Executive's initial budget proposals for 2015/16 in relation to services within this Board's portfolio	7 - 40
8			TOUR DE FRANCE LEGACY FOR LEEDS - UPDATE To consider a progress report on delivery of the Tour de France Legacy	41 - 54
9			WORK SCHEDULE To agree the Board's work schedule for the remainder of the municipal year	55 - 74

Item No	Ward/Equal Opportunities	Item Not Open		Page No
10			<p>DATE AND TIME OF NEXT MEETING</p> <p>Tuesday 17 February 2015 at 1.30pm (pre-meeting for all Board Members at 1.00pm)</p> <p>THIRD PARTY RECORDING</p> <p>Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts named on the front of this agenda.</p> <p>Use of Recordings by Third Parties– code of practice</p> <ul style="list-style-type: none"> a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title. b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete. 	

SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

TUESDAY, 16TH DECEMBER, 2014

PRESENT: Councillor K Groves in the Chair

Councillors J Chapman, P Davey, B Flynn,
R Harington, A Hussain, M Ingham,
S McKenna, B Selby and P Wadsworth

47 Exempt Information - Possible Exclusion of the Press and Public

RESOLVED – That the press and public be excluded from the meeting during the 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 proceedings, that if members of the press and public were present there would be disclosure to them of exempt information as follows:

Agenda item 11 – Sport and Active Lifestyle Marketing Report (appendix 4 and additional information forming part of appendix 4) – Access to Information Procedure Rule 10.4 (3) 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)'.

48 Late Items

In accordance with her powers under Section 100B(4)(b) of the Local Government Act 1972, the Chair agreed to accept the following late supplementary information:

- Agenda item 11, Sport and Active Lifestyle Marketing Report - Additional information forming part of Appendix 4 (Minute No. 56 refers)

The above information was not available at the time of agenda despatch.

49 Declaration of Disclosable Pecuniary Interests

There were no disclosable pecuniary interests declared to the meeting.

50 Apologies for Absence and Notification of Substitutes

Apologies for absence were submitted by Councillors A Castle and D Cohen. Notification had been received that Councillor B Flynn was to substitute for Councillor A Castle.

51 Minutes - 18 November 2014

RESOLVED – That the minutes of the meeting held on 18 November 2014 be approved as a correct record.

52 2014/15 Quarter 2 Performance Report

The Director of City Development submitted a report which invited the Board to consider performance information for the period up to the end of September 2015 for services falling within this Board's portfolio.

The following information was appended to the report:

- Scrutiny Board (Sustainable Economy and Culture) Progress Update (in relation to the City Priority Plan, Best City for Business Objective)
- Performance Summary (in relation to the Best Council Plan).

The following were in attendance for this item:

- Councillor Lucinda Yeadon, Executive Member for Digital and Creative Technologies, Culture and Skills
- Martin Farrington, Director of City Development
- Paul Foster, Principal Transport Planner, City Development

The key areas of discussion were:

- Further progress needed to achieve housing growth target. The Board was advised that establishment of the Housing Growth Team brought together an enhanced resource to accelerate housing growth.
- Further information sought regarding the causes of people killed or seriously injured. Analysis undertaken by highways and transportation to identify hotspot areas.
- Development of 'look-out' campaign and educational awareness in schools.
- Update that a report was being submitted to the March Scrutiny Board to address issues in relation to extending 20mph zones in residential areas.
- The need to publicise the removal of pedestrian barriers. Members were advised that views were being collated as part of City Strategy and that the outcome of this would be reported back to the Scrutiny Board.

RESOLVED –

- (a) That the contents of the report and appendices be noted
- (b) That the Board supports City Development pressing for action at a national level in response to accidents caused by people stepping out without looking
- (c) That the requests for information be provided.

(Councillor P Wadsworth joined the meeting at 1.38pm and Councillor P Davey at 1.50pm during the consideration of this item.)

53 2014/15 Month 6 Finance Update

The Head of Scrutiny and Member Development submitted a report which presented information on the budget position up to the end of September 2014 for services falling within this Board's portfolio.

The following were in attendance for this item:

- Councillor Lucinda Yeadon, Executive Member for Digital and Creative Technologies, Culture and Skills
- Ed Mylan, Chief Officer for Resources and Strategy, City Development
- Simon Criddle, Head of Finance for Strategy and Resources, City Development.

The main areas of discussion were:

- Clarification whether changes to planning permissions / permitted development rights had impacted on planning income. The Board was advised that the impact of the changes was not that great and planning income was on target.
- Update sought regarding plans in place for Kirkgate Market. Members were advised that this issue was being addressed in the Board's budget report in January.

RESOLVED – That the contents of the report be noted

54 Leeds Let's Get Active Update Report

The Head of Sport and Active Lifestyles submitted a report which provided a progress update on the Leeds Let's Get Active Scheme following the first year of operation.

The following were in attendance for this item:

- Councillor Lucinda Yeadon, Executive Member for Digital and Creative Technologies, Culture and Skills
- Councillor Debra Coupar, Chair of Scrutiny Board (Health and Wellbeing and Adult Social Care)
- Mark Allman, Head of Service for Sport, City Development
- Susan Haigh, Active Lifestyles Manager, City Development
- Rachel Brighton, Leeds Let's Get Active Project Lead
- Cheryl Squires, Health Improvement Principal (Obesity and Healthy Living)
- Steve Zwolinsky, Research Officer at the Centre for Active Lifestyles, Leeds Beckett University.

The Board received a 5 minute Youtube video at the start of this item which highlighted the benefits of the Leeds Let's Get Active project.

The key areas of discussion were:

- Acknowledgement of the positive work undertaken as part of Leeds Let's Get Active project.
- A breakdown was sought in relation to the number of children involved with the project.
- Clarification sought regarding participation rates in areas of deprivation. The Board was advised that 22% of visits were from the most deprived areas.
- The need to develop closer links with Community Committees (particularly Community Committee Champions for Health) and Neighbourhood Networks.
- The importance of delivering programmes for schools and early years. Members were advised about the Active Schools Programme that was currently being developed.
- The benefits of outdoor gyms and ensuring that gym facilities were easily accessible and well publicised.
- The benefits of physical activity linked to the mental health agenda.
- Exploring opportunities to provide free swimming for young people, particularly throughout the school holidays.
- Suggestion that the Board be provided with a further update in summer 2015.

RESOLVED –

- (a) That the contents of the report be noted
- (b) That the requests for information be provided and that the Board receives a further update in summer 2015.

(Councillor A Hussain left the meeting at 3.05pm at the conclusion of this item.)

55 Work Schedule

The Head of Scrutiny and Member Development submitted a report which detailed the Scrutiny Board's work schedule for the 2014/15 municipal year.

The following information was appended to the report:

- The Scrutiny Board's work schedule
- Minutes of the Executive Board meeting held on 19 November 2014.

It was noted that the Board was to receive a further report on the possible European Capital of Culture bid in the New Year, and a further report on 20mph speed limits in March 2015.

RESOLVED – That the work schedule be approved, subject to the above additions.

56 Sport And Active Lifestyle Marketing Report

The Chief Officer for Resources and Strategy submitted a report which provided a summary of where the Sport and Active Lifestyle service would like to further develop its marketing activity.

The following information was appended to the report:

- Marketing building blocks
- Strategic marketing approach
- Marketing / Business improvement hub
- Sustainable business development opportunities
- Sport marketing scrutiny report (additional paper)

Appendix 4 and additional information forming part of appendix 4 to the report was designated as exempt under Access to Information Procedure Rule 10.4(3) and considered in private session.

The following were in attendance for this item:

- Councillor Lucinda Yeadon, Executive Member for Digital and Creative Technologies, Culture and Skills
- Mark Allman, Head of Service for Sport, City Development
- Cluny Macpherson, Chief Officer Culture and Sport, City Development
- Tim Quirke, Communications Manager, City Development
- Danni Brearley, Senior Communications Manager, Corporate Communications

The key areas of discussion were:

- Development of targeted marketing and social media.
- Exploring opportunities to publicise activities on the Council's website.
- The benefits of consulting with service users to develop the range of activities available.

RESOLVED – That the Board supports the department taking forward the proposals and requests a further report back in due course.

57 Date and Time of Next Meeting

Tuesday 13 January 2015 at 1.30pm (a pre-meeting will start at 1.00pm for Board members.)

(The meeting finished at 3.40pm)

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Report of Head of Scrutiny and Member Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 13 January 2015

Subject: 2015/16 Initial Budget Proposals

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to present the initial 2015/16 budget proposals relevant to the Scrutiny Board's portfolio.
2. Initial budget proposals were considered at the Executive Board meeting on 17 December 2014. The sections of the report relevant to this Scrutiny Board's portfolio are attached.
3. The Board will have the opportunity to raise any specific questions with regard to budget proposals that fall within its portfolio area. Executive Members, the Director and senior finance officers from City development will attend the Board meeting.
4. Any comments from this Scrutiny Board will then be forwarded to the Scrutiny Board (Resources and Council Services) in the first instance. Other Scrutiny Boards will undertake a similar exercise in relation to their portfolio areas.
5. Any conclusions, observations and recommendations that are made by Scrutiny Board (Resources and Council Services) will be fed back to Executive Board prior to full Council, and will incorporate the views of each of the Scrutiny Boards within a composite statement, as in previous years.

Recommendation

6. Members are asked to consider the initial 2015/16 budget proposals relevant to the Scrutiny Board's portfolio and agree any comments to be forwarded to the Executive Board through the Scrutiny Board (Resources and Council Services).

Background documents¹

None used

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

**Report of the Deputy Chief Executive
Report to Executive Board
Date: 17th December 2014**

Subject: Initial Budget Proposals for 2015/16

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report sets out the Initial Budget Proposals for 2015/16 within the context of the Medium Term Financial Strategy for the period 2015/16-2016/17. It has been developed within the ambition to be the best Council in the best City but recognises that there will be further significant reductions in the level of funding available to the authority.
2. The Council to date has been successful in responding to the challenging reductions to its funding since 2010 which has been in the region of £129m over the past 4 years. Based on the national spending totals announced in the 2013 Spending Review, and a subsequent technical consultation, the Council now anticipates that there will be a further reduction in funding from Government of around £74m over the two years 2015/16 and 2016/17. This reduction in funding is in addition to the need to meet the cost of inflation and continuing spending demands across a range of services.
3. Savings of around £250m have been achieved over the past 4 years and it is very likely that the next few years will bring further challenges and it is therefore important that there is a very clear direction to inform decision making. By the end of 2016/17 the Council will once again be a smaller organisation employing fewer staff. There will be a need to review many of the services we currently provide and consider how they will be provided in future. This may require many challenging decisions to be taken.
4. As such the proposals for next year need to be seen in this context and include significant reductions across a broad range of services totalling £76.1m and includes net reductions in staffing equating to 475 ftes by the end of 2015/16.

Recommendation

5. The Executive Board is asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders.

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 25th February 2015. This report sets out the initial budget proposals for 2015/16 in the context of the Medium Term Financial Strategy which was approved by Executive Board in October 2014.
- 1.2 Subject to the approval of the Executive Board, this report 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 11th February 2015. It will also be made available to other stakeholders as part of a wider and continuing process of consultation.
- 1.3 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 THE NATIONAL AND LOCAL CONTEXT

- 2.1 The Chancellor of the Exchequer announced the 2013 Spending Review on 26th June 2013. The Spending Review set out the Government's spending plans for central government departments, the NHS and local government for 2014/15 and 2015/16. This confirmed that the Government's initial 4 year deficit reduction plan would continue for a further 3 years to 2017/18 and that the scale of reductions in overall Government spending would be similar to those seen from 2010.
- 2.2 For Leeds, between the 2010/11 and 2014/15 budgets, funding from government reduced by £129m and the Council has also faced significant costs particularly within adult and children's social care as well as reductions in income due to the economic climate. This has meant that savings of around £250m have had to be found over the past 4 years and it is very likely that the next few years will bring further challenges and it is therefore important that there is a very clear direction to inform decision making. By the end of 2016/17 the Council will once again be a smaller organisation employing fewer staff. There will be a need to review many of the services we currently provide and consider how they will be provided in future. This may require many challenging decisions to be taken.
- 2.3 The Local Government finance settlement announced on the 18th December 2013 not only provided a provisional settlement for 2014/15, but also an indicative settlement for 2015/16. For Leeds the indicative settlement for 2015/16 was a cash reduction of 14.7% (£46.0m), compared to the national average reduction of 13.1%. Over the summer of 2014, the government conducted a technical consultation on aspects of the 2015/16 settlement but, in contrast to the previous year's technical consultation, the 2014 exercise has not revealed any further cuts in funding, but has confirmed the 14.7% reduction for the Council. In terms of the Government's preferred measure of Spending Power the figure quoted for Leeds is a 2.2% reduction. However, this includes £50.1m relating to the Better Care

Fund. This Fund does not provide any new money across the Health and Social care sector but it combines it into a pooled fund that will operate from 1st April 2015.

- 2.4 The 2015/16 indicative settlement was based on an assumption that RPI would increase by 2.76%. The actual figure (based on September 2014) is 2.3% which will result in less business rate income and for Leeds the impact is a reduction of £660k from the previously announced figure. The Chancellor's Autumn statement on 3rd December made no further changes to the overall level of funding in 2015/16 although the inflation-linked increase in business rates will again be capped at 2%. The shortfall in income will continue to be funded by a S31 grant, in addition to the funding received for the 2014/15 cap. The Local Government finance settlement for 2015/16 is expected to be announced later in December 2014.
- 2.5 Over the lifetime of this Parliament, local government core funding nationally will have fallen by about 40% in real terms. As yet, Departmental Expenditure Limits have not been set beyond 2015/16 which makes financial planning difficult although the direction of travel is clear. The Economic and Fiscal Outlook, published by the Office for Budget Responsibility alongside the recent Autumn Statement, includes projections for public sector expenditure as a whole, which if applied to local government would suggest a funding reduction of 10.4% for 2016/17. For Leeds, this would equate to a cash reduction of £27.7m for 2016/17, as shown in Table 1 below:

Table 1

	2014/15 £m	2015/16 £m	2016/17 £m
Settlement Funding Assessment	313.421	266.736	239.036
Reduction (£m)		-46.685	-27.700
Reduction (%)		-14.9%	-10.4%

3.0 Developing the Medium Term Financial Strategy

- 3.1 The council has already seen its levels of core funding from government (SFA and other grants) reduced by £129m over the last four years, and by the end of 2015/16 this will have increased to around £180m.
- 3.2 The Council is having to deal with the challenge of improving outcomes with a much smaller envelope of money. This means working differently, within the council as well as with our partners and with the public. We have been successful at doing this already by:-
- Staff reductions of over 2000 FTEs by the end of 2014/15, spending almost £50m less on employees
 - Savings of circa £30m through better procurement and demand management

- Increased income of £21m
- Increased income from Council Tax growth of £17.8m
- Reduced building maintenance by £1m
- Reviewing grants to the third sector including 15% reduction in grants to major arts
- New Homes Bonus which will earn £13.6m in 2014/15
- Closure of 7 residential homes, 12 day centres, 14 libraries, 2 sports centres, 2 community centres, 1 one stop centre and 3 hostels
- Reduced office accommodation space by almost 250,000 square feet
- Maintaining a significant Capital programme without increasing debt costs

but we know that we need to do more.

3.3 We have taken a proactive response to the cuts to local government funding, through our work on the Commission for the Future of Local Government which has influenced our strategic and financial planning. This means the Council becoming more enterprising, partners and business more civic and the public more engaged. Throughout this period, we have had some important principles that have guided our approach such as

- Councils should stimulate good economic growth, jobs and homes, so that increased council tax and business rates could offset some of the cuts in central government support and make local government more self-sufficient.
- Councils should work to develop a new social contract between the citizen and the local state whereby public services are provided differently, and co-designed with people.
- Councils should enable the infrastructure and utilities of the smart cities and towns of the 21st Century, such as superfast broadband, low carbon and social networks.

3.4 The strategy for addressing the funding reductions will see all areas of the council continuing to reduce budgets, but where possible frontline services and those for vulnerable children, young people and adults will be protected. What is clear is that whilst we have been successful in responding to the challenging reductions so far, the further reductions required in 2015/16 are a significant milestone for the Council. The level of reductions we have to make will impact on front line services which the Council has worked, and continues to work, extremely hard to protect.

3.5 The policy of 'civic enterprise' will continue with the council becoming smaller in size but bigger in influence, encouraging economic growth and working with business, communities and the third-sector to develop new ideas and ways of working and to deliver services in the best way possible.

4.0 Estimating the Funding Envelope for 2015/16

4.1 As outlined in Table 1 above, the indicative finance settlement for Leeds is a reduction of £46.7m (14.9%) in the Settlement Funding Assessment, but clearly this is subject to the Local Government Finance settlement which is expected later in December 2014.

4.2 Taking account of other funding sources in the Medium Term Financial Strategy, the forecast funding envelope reduction was £34.6m. The latest assessment is a reduction of £36.9m due to the following assumptions:

4.2.1 Business Rates Retention

The government introduced a new Business Rates Retention Scheme on 1st April 2013. The scheme was designed to allow growth in business rates to be shared equally between central and local government, and is portrayed as providing an additional incentive for local authorities to grow their local economies so that their communities can share the financial rewards of that growth.

Sustainable growth in business rates is achieved through new-builds coming on stream which increase the total rateable value. However, there is also a downside. Demolitions and conversions of premises to domestic use reduce rateable values, and businesses can also appeal to the Valuation Office Agency against their rateable values. In Leeds, at any one time around a third of the entire business rates tax base is subject to appeal, and successful appeals can lead to reductions in rateable value that are often backdated to 2010.

In recent months two trends have become clear:

- The gradual economic recovery is not resulting in significant volumes of new-builds in Leeds. Most new or expanding businesses are moving into existing premises that are already subject to empty rate charges, so the overall growth in rateable value is minimal.
- The benefit of any growth that does occur is being largely offset by the effect of demolitions, conversions and successful appeals. In 2013/14 Leeds benefited from the opening of Trinity Shopping Centre and the Leeds Arena, but even after taking those large new assessments into account, over the 20 months since the scheme was introduced the total rateable value for Leeds has grown by less than 0.7%.

For 2014/15, the projection of business rates has been revised downwards resulting in a deficit which will be brought forward to 2015/16. Although the budget provides for the inflationary uplift, this is reduced by a net £1m reflecting the 2014/15 deficit brought forward. It was noted in the Autumn Statement that the national yield from business rates for 2015/16 onwards is lower than forecast at the time of the Budget.

Given the level of appeals currently outstanding and the fact that appeals are backdated, the current estimate of income from business rates is subject to considerable uncertainty. Further work will take place on business rates projections, the outcome of which will be reported to Council in January 2015 as part of the Calculation of the Council Tax and Business Rates Tax bases report, but it is possible that projections included in this report will need to be revised further.

The Government will continue to provide funding for the compensation grant for capping increases to 2% in 2014/15 and 2015/16, the Small Business Rates Relief

scheme and the occupied retail property relief for low rateable value properties which has been increased from £1,000 in 2014/15 to £1,500 in 2015/16.

4.2.2 New Homes Bonus

The government introduced an incentive scheme in 2011 to encourage housing growth across the country; Councils receive additional grant equivalent to the Council Tax for each net additional property each year and is received annually for six years. An additional 2,800 band D equivalent properties per annum has been assumed, including both new builds and properties brought back into use. The Council not only benefits from the additional Council Tax raised from these properties, estimated to be £3.2m in 2015/16, but also through the New Homes Bonus which is estimated at an additional £4.1m per annum. However, taking account of the shortfall in the net increase in properties in 2014/15, the cash increase is reduced to £3m. It should be noted that whilst the New Homes Bonus is intended as an incentive for housing growth, the funding for this initiative comes from a top-slice of the Local Government funding settlement and the distribution of this funding benefits those parts of the country with the highest level of housing growth and is weighted in favour of properties in higher Council Tax bands. It has been estimated that whilst Leeds has received £44m through New Homes Bonus over the 5 years from 2010/11 to 2014/15 the loss to Leeds through top slicing the Local Government Finance Settlement is around £3.9m greater, equivalent to an additional 2,700 homes.

4.2.3 Council Tax

The Government has provided funding for the on-going effect of previous Council Tax freezes up to 2015/16. This is funding that would have otherwise fallen out of the grant system. The Government has announced that funding will be provided for those authorities who choose to freeze their Council Taxes for 2015/16, equivalent to an annual increase of 1%, or £2.9m for Leeds. In previous years the government has set a limit for Council Tax increases above which a Local Authority must seek approval through a local referendum and this was set at 2%. The referendum ceiling for 2015/16 has yet to be announced; when this information is known the Council will need to make a decision whether to accept the freeze grant or whether to propose a Council Tax increase. The difference between accepting the freeze grant and a 2% Council Tax increase amounts to £1.9m.

The funding envelope reflects an inflationary increase and net growth in the tax base, offset by the fact that the 2014/15 budget indicated a surplus on the collection fund brought forward from 2013/14.

4.2.4 Reserves

In the current year, the budgeted use of General Fund Reserves is £3.5m. In addition, a further £2m has been transferred to the Early Leavers Initiative reserve. This leaves a balance of general reserves at the end of 2014/15 of £21.9m as shown in Table 2.

Table 2

General Fund Reserves	2014/15 £m	2015/16 £m
Opening Balance 1st April	26.0	21.9
Budgeted usage	-3.5	-5.5
Superannuation saving	1.4	
Transfer to ELI reserve	-2.0	
Closing Balance 31st March	21.9	16.4

In order to support the 2015/16 budget it is proposed to increase the use of reserves to £5.5m. This would leave the level of general fund reserves at 31 March 2016 at £16.4m and is considered to be at the minimum level as determined by the risk based reserves policy and in addition it is dependent on achieving a balanced position in 2014/15 which is being closely monitored.

It should be noted that the forecast General Fund Reserves position at the end of March 2016 is very low and this puts the Council at significant risk in the event of overspends arising from slippage on savings planned or unexpected costs. Proportionate to its spend, Leeds has one of the lowest levels of reserves of all local authorities in the country. Further work will be undertaken before the budget is finalised in February in an attempt to enhance the level of General Reserves held.

4.3 The impact of these changes is shown in Table 3 below:

Table 3

Funding Envelope	2015/16 £m
Government Funding	
Settlement Funding Assessment	46.7
New Homes Bonus	-3.0
New Homes Bonus holdback refund	-0.7
Sub-total Government Funding	43.0
Locally Determined Funding	
Council Tax	-5.1
Business Rates reduction in growth	1.0
Change in use of reserves	-2.0
Sub-total Locally Determined Funding	-6.1
Total Funding Reduction	36.9

5.0 Developing the Council's Budget Plans - consultation

- 5.1 The council's approach to consultation on budget proposals has differed in 2014 compared to recent years, in large part due to; the wealth of consultation evidence gathered in recent years on residents' budget priorities; the low level of change in those priorities over time; and the significant involvement of residents and service users in ongoing service-led change projects, as the council commits further to working with communities.
- 5.2 This section of the report highlights the evidence from recent budget priority consultations, and key service-led consultations that have significant impact on priority setting and reducing costs/generating income.
- 5.3 Format of engagement for 2014 - a version of this summary will be widely promoted to the public to coincide with approval of the Initial Budget Proposals. Alongside this will sit a short, accessible summary of the council's budget proposals, with links to the detailed documents, and a range of online and offline feedback methods for residents and partners to have their say on the IBP. Promotion of this consultation will be through a wide range of council and partner-owned channels. The final date for comments will be Jan 18th 2015, and results will inform the final Budget.
- 5.4 What residents have told us so far - in 2012 a 'You Choose' campaign was launched to engage people in the budget challenges and set residents the challenge of balancing a significantly reduced council budget. A total of 2,747 formal responses were received by the council and a number of discussions took place on independent social media sites. This was the highest level of participation in a Leeds budget consultation and the results have provided a useful barometer of public opinion as to council spending priorities for a number of years.

The essential accuracy of the 2012 consultation results was confirmed by residents in the 2013 budget consultation. Residents were asked to consider whether the ten service areas most 'protected' from spending cuts in the YouChoose consultation were still their top priorities for the 2014/15 budget and asked for alternatives if this was not the case. A total of 946 formal responses were received by the council and a number of parallel discussions took place through community groups.

In terms of rank order, there are some differences to the 2012 YouChoose consultation. The most significant changes in rank order are for services for adults with a learning difficulty (higher in 2013) and community safety services (lower in 2013):

Service Area	Rank 2013	Rank 2012
Children's social care services	1	1
Special education needs and disability services for children	2	2
Services for adults (under 65) with mental health needs	3	3
Services for adults (under 65) with a physical disability	4	6
Services for adults (under 65) with a learning disability	5	10
Collecting and disposing of waste	6	9
Housing	7	8
Children's Centres and family support services	8	5
Services for young people and 'skills for life' services	9	7
Community safety services	10	4

Respondents understand that to do this we can't fund all our services at the current levels and are generally in favour of us exploring new ways to bring in money from charges. We have also listened to thousands of young voices to find out what's important to children and young people in Leeds which has led to the top 12 'wishes' they feel will make Leeds a child friendly city.

How people's views shape specific budget priorities - when we make decisions about the future of council services, we take into account evidence from a wide range of sources. Financial information, the law, changes in demand all play a part, as does the views and ideas of people who use local services. We listen to residents and service users both through formal consultations and throughout the year in conversations between staff, councillors and local people.

Key recent consultations include:

- Shaping adult care for the future

Residents have told us it's important we protect social services for adults, especially vulnerable adults, as much as we can. Adult social services make up a large part of our budget, so are under pressure as our funding is reduced, and as more people live longer in Leeds. We've listened carefully to hundreds of people who use residential, day care and other services, and their families and carers too.

As a result we've changed some of the plans to close centres and are exploring new options. We've also worked with local people to design new, fair, charges for support services. Again, what nearly 4000 people told us changed our plans, significantly in some cases.

- Smarter use of our libraries

We reviewed the library service in 2011, and some sites did close. We still need to save money but we know shutting more libraries will affect local communities. So over 7200 people helped us design new reduced opening times for local libraries. The result saves money and keeps the communities library service open when it's most needed.

- Finding new uses for underused facilities

We want to help people live healthy active lives, but some of our facilities are being used by fewer people each year – that means more subsidies to keep them going. We invited residents to explore new ways to use two council-run golf courses, and most people who took part were in favour of setting up new parkland, including 73% of those who play golf. This keeps open space available for local people and saves money at the same time.

- Building school capacity for the future

Even when there's limited budget, we have to plan ahead for things like having enough school places. We've consulted on 70 schemes to expand schools in the last four years over the 4 year course of the Basic Needs programme, delivering over 1200 reception places. We can also point to 6 schemes that did not progress due to feedback from consultations.

- Supporting vulnerable young people

Some children and young people need extra support to take part in education, including specialist school transport. We're working with hundreds of families to understand what impact any changes to these services might have, being honest that we have to save money too. We know the best way to do this is to work together with families to find the best solutions.

6.0 INITIAL BUDGET PROPOSALS 2015/16

6.1 This section provides an overview of the initial budget proposals for 2015/16. Table 4 below provides a summary of key costs and savings areas:

Table 4

	£m
Reduction in Resources	36.9
Inflation	8.6
Full Year Effects	-1.5
Demand/Demography	15.0
Grant Fallout	7.4
Capital Charges	-1.0
Other Budget Pressures:	
Adult Social Care	
- Care Act responsibilities	4.2
- Deprivation of Liberty costs	2.0
- other	0.5
Children's Services	
- Fallout of Social Fund income re S17 payments	0.5
- slippage on 2014/15 budget action plans	0.8
- social worker increments/residential review	0.7
City Development	
- income shortfall due to development of Kirkgate Market	0.9
- HS2/South Bank team and related expenditure	0.3
Environment and Housing	
- additional disposal costs & other net pressures	0.1
Citizens & Communities	
- Entertainment licensing	0.1
- Transactional web phase 2 borrowing costs	0.3
WY Transport Fund	0.3
Total Pressures	76.1
Best Council Objectives:	
Dealing effectively with the City's Waste	-1.4
Building a Child Friendly City	-0.1
Delivery of the Better Lives Programme	-0.2
Becoming an efficient and enterprising Council	
Assets	-2.1
Business Improvement	-2.5
Support Services	-3.1
Efficiencies	-23.4
Income Generation	-21.7
Service Changes	-21.6
Total Savings	-76.1

6.2 Further detailed information is provided in Appendix 1 as to how the proposals relate to individual directorates. The key pressures are as follows:

- 6.2.1 General price inflation of £8.6m – provision has been made for the nationally agreed pay award. Despite cost inflation currently running at 2.3% (October 2014), no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments and in the cost of utilities and landfill tax.
- 6.2.2 A general inflationary allowance has been applied to the level of fees and charges and this is estimated to generate an additional £2.2m.
- 6.2.3 Full Year Effects of previous decisions amounts to a saving of £1.5m. Of this £3m relates to savings through changes to employees' terms and conditions in respect of pay protection and travel arrangements. This saving is partly offset by costs in respect of Children's transport and lower than anticipated numbers following the introduction of charges for equipment services in Adults Social Care.
- 6.2.4 Demand/Demography

Within Adult Social Care the financial impact of demand and demographic pressures projected to be ongoing in 2015/16 is £14.5m. This takes account of the significant demand pressures experienced during both 2013/14 and 2014/15 over and above the budget provision available. In addition, £0.5m has been provided in Children's Services in 2015/16 to support and enhance those services that work with children and young people who are at risk of child sexual exploitation and those who go missing.

6.2.5 Grant Fallout - £7.4m

Within Children's Services provision has been made for the fallout of a number of grants. There will be a continued fall in the Education Support Grant due in the main to a £200m national reduction in the grant which will have an estimated impact of around £2.4m for Leeds in 2015/16. In addition the initial budget proposals assume further reductions in specific grant funding, e.g. Adoption Reform Grant and the Special Educational Needs and Disabilities implementation grant as well as the impact of non-recurrent funding to support the expansion of early education/childcare for vulnerable 2-year old children, reductions in the ongoing grant for the Troubled Families programme and the fall-out of funding to support the multi-systemic therapy service.

Within Citizens and Communities it is assumed that funding for the Local Welfare Support scheme will not be available from April 2015 with a net impact of £0.85m, although a Government announcement is awaited on a possible replacement scheme. In addition, a significant reduction in funding for the Local Council Tax Support scheme and Housing Benefits Administration grant amount to £0.61m.

- 6.2.6 Capital Charges – the financial strategy assumes a £1m reduction in the cost of the Council's external debt. This assumes that all borrowing is taken short term at 0.5% interest for the remainder of 14/15 and the first 6 months of 2015/16, rising to 0.75% for the remainder of the year and takes account of contributions from directorates towards the cost of invest to save schemes.

6.2.7 Other Budget Pressures

Other budget pressures amounting to £10.7m have been included in the proposals, of which £6.5m mainly reflects the ongoing pressures experienced in 2014/15 as described in Table 4 above. In addition, £4.2m has been included for the projected spend in 2015/16 resulting from the new Care Act duties, although it is anticipated that Government funding will be received to offset these costs (see income below).

6.3 Savings Proposals

6.3.1 In order to address the identified £76.1m budget gap, a number of savings areas have been identified in accordance with the Best Council Objectives highlighted in the Medium Term Financial Plan:

- Dealing effectively with the city's waste £1.4m

In November 2015 the Energy from Waste facility is expected to start to receive waste for commissioning. In accordance with the signed agreement, PFI grant is receivable from the Government once the facility is ready to accept waste. It is anticipated that we will receive £1.9m in 2015/16 with savings exceeding £6m from 2016/17.

Fall out of temporary staffing arrangements within Waste Management following the introduction of the new management structure will also result in savings.

These savings are partially offset by additional residual waste disposal costs being incurred due to a combination of an increasing number of households in the City and revised projections for savings derived from alternate week collections based on experience of operating the system. There are reductions in the market prices for some recyclable materials.

Provision has been made for the funding of the redevelopment of the Kirkstall Road Household Waste Site so that the facility can offer the same of recycling to members of the public as other re-developed sites across the City.

Income above budgeted levels is being received in 2014-15 for second collections, mainly from multi storey flats. It is assumed this continues in 2015-16.

- Building a child friendly city £0.1m

Leeds aspires to be the Best City for children & young people, a Child-friendly city that safeguards and promotes the well-being of children and young people from across the city. The Council is committed to taking a long term strategic approach to managing increasing demand for services caused by a range of socio-economic factors and demographic changes. By maintaining investment in preventative services and working with families restoratively (under a new "social contract"), the aim is to help more families help themselves and reduce the need for statutory intervention.

Children's Services continues to face significant demand pressures including an increase of approximately 5,000 in the number of children and young people across the city since 2009 as well as a changing demographic mix. These changes have increased demand across all the services that we provide and commission and present significant challenges in respect of the supply of school places, the number of referrals and potentially increase the cost of high level services such as children in need, special educational needs and children in the care of the authority. However, despite this increase in demand and in contrast to the national picture, Leeds has successfully, and safely, stabilised and reduced the number of looked after children.

- Delivery of the Better Lives programme £0.2m

The Better Lives service transformation programme aims to enhance the range, amount and quality of adult social care services available through delivering efficiencies within existing services. These efficiencies have included a reduction in the level of directly provided services where independent sector provision is more cost effective.

Going forward, the newly developed Assisted Living Leeds will facilitate earlier intervention and deployment of equipment, which will reduce the level and timing of home care requirement. Further savings are also included from Physical Impairment services reflecting the full-year effect of the closure of Mariners Resource Centre following the successful relocation of all service users to the Holt Park Active Service

- Becoming an efficient and enterprising council:

Support Services - between 2010/11 and 2014/15 savings of £12.6m were realised from support service budgets. Services have undergone re-design and are now in the process of implementing new and revised ways of working in order to generate further savings of £3.1m in 2015/16.

Better Business Management - the 2014/15 budget includes assumed savings of £3.2m in respect of Better Business Management. There are four areas under review:

- Business administration
- Mail and print
- Intelligence
- Programme and project management

Each of these projects is now in progress and further savings of £2.5m are to be delivered in 2015/16.

Asset Base – a programme of asset review and rationalisation is underway which will deliver significant running cost savings across the Council's asset portfolio. Phase 1 of this work has already seen city centre office accommodation reduced from 17 to 8 buildings, with this figure due to fall

further following the refurbishment and reoccupation of Merrion House in 2017. A saving of £2.1m is forecast for 2015/16.

6.3.2 In view of the severity of the funding reductions described above, the Medium Term Financial Plan indicated that a comprehensive review of the way services are delivered across the Council should be undertaken. These reviews have resulted in wide ranging and challenging proposals across all directorates, over and above the Best Council Objectives and these are detailed below:

6.3.3 Efficiencies

A range of efficiency measures totalling £23.4m have been identified. In addition to the savings from becoming an efficient and enterprising Council, directorates have identified savings through organisational redesign. This includes working more closely both within and across directorates and will result in a significant reduction in staffing including reducing the number of senior management posts.

Opportunities for joint working with the West Yorkshire Combined Authority and greater scope for greater efficiencies at City Region level have been identified.

Significant savings can be achieved through improved contract management arrangements which includes reviewing payments made under existing contracts, contract renegotiation and reducing areas of off contract spend.

A number of existing services have been identified which are undertaking public health related activities and are more appropriately charged to the public health function which transferred from the Primary Care Trust to the Council from 1st April 2013. This will result in income of £1.25m to the general fund.

In addition, a number of technical accounting measures will achieve savings of £4.7m in 2015/16.

6.3.4 Income Generation

Income generation proposals of £21.7m have been identified. Where appropriate, above inflation increases are proposed for fees and charges. Additional sources of income have also been targeted, for example advertising, temporary car parks, new commercial property income and maximising grant income.

The council has worked closely with health colleagues to develop plans for the Better Care Fund, which for 2015/16 will be a pooled budget of £54.9m (including £4.8m capital funding) to reconfigure the health and social care system across Leeds and maximise the value of the "Leeds £". It is recognised across the sector that the scale of the council's financial challenges will make it difficult for the council to fund the demand and demographic pressures outlined above. It is also recognised that without adequately resourced social care, timely hospital discharges will be adversely affected and people's conditions could necessitate more emergency hospital admissions. Government funding for the new Care Act responsibilities, some of which will be received via the Better Care Fund, has not yet been confirmed, although a number of the requirements feature strongly in the

current Leeds offer. The initial budget proposals include £12.3m to reflect the anticipated level of additional health and government funding.

6.3.5 Service Changes

Service changes amounting to £21.6m have been identified in the proposals and include some of the more difficult decisions affecting levels of service.

The initial budget proposals reflect the continued downsizing of the Community Support Services within Adult Social Care.

Within Children's Services, the 2015/16 financial year will see a fundamental re-design of the services that support children, young people and their families. A key principle will be the development and implementation of multi-agency and multi-disciplinary teams based in localities, working in close partnership and co-located with schools and clusters of schools.

There are a number of proposals in respect of those services that support young people. These will include further savings on the Youth Offer as well as proposed reductions in respect of funding for Targeted Information Advice and Guidance which is currently commissioned under the banner 'Connexions Leeds' and which works with priority groups of young people around the NEET (not in employment, education or training) agenda. This level of budget reductions across the Young People and Skills services would necessitate a fundamental change across the Council and partners in the city as to how the Council responds to young people at risk of becoming NEET.

In response to the reduction in the Education Support Grant, the ambition is to retain a 'Leeds Learning Improvement function' through the development and implementation of a business model that would generate an additional £1.7m of income through trading with schools and academies in Leeds and also with other local authorities.

Reduced spend on grants and contracts with the third sector is included within the budget proposals including significant reductions in grants to the Arts and the localisation of locality based grants. This will be delivered through a review of each payment in relation to the Council's priorities and will be implemented in consultation with the organisations affected.

A reduction in opening hours of facilities, e.g. sports centres, household waste sites is proposed to ensure the most cost effective service delivery.

A saving of £109k is proposed by ceasing the grant to Parish Councils (made in 2013/14 and 2014/15) to compensate Parishes for the reduction in their tax base as a result of the introduction of the Council Tax Support scheme in 2013/14.

6.4 Impact of proposals on employees

The Council has operated a voluntary retirement and severance scheme since 2010/11 which has contributed to a reduction in the workforce of 1,900 ftes at the

31st March 2014. The Early Leavers scheme, covering the period up to and including March 2016 is continuing and in the current year all services have been requested to maximise the number of staff who can leave under the scheme by 31st December 2014.

Many of the costs and savings identified in these proposals have significant implications for staffing, some of the main areas are outlined below:

- Continued downsizing of the Community Support Service in Adults Social Care
- Within Children's Services, a fundamental re-design of services that support children, young people and their families
- Further reduction in Support Services across the Council and a fundamental review of Business Administration
- Further reduction in JNC management posts
- Transformation programmes including a number of services working closer together

The initial budget proposals provide for a forecast net reduction in anticipated staff numbers of 475 ftes by 31st March 2016, as shown in Table 5 below:

Table 5

FTEs	Increases	Decreases	Net Movement
Adult Social care	17	-78	-61
Children's Services	20	-197	-177
City Development	3	-62	-59
Environment & Housing	4	-59	-55
Strategy & Resources	1	-96	-95
Civic Enterprise Leeds	30	-25	4
Citizens & Communities		-30	-30
Public Health		-3	-3
Total	75	-550	-475

Excluding the inflationary impact, staffing reductions of around £17m are included in the 2015/16 initial budget proposals. This includes savings from changes to employees' terms and conditions which will help reduce the risk of compulsory redundancies as the Council continues to tackle budget cuts and meet increased demand for some services. These changes include the withdrawal of pay protections and changes to travel arrangements.

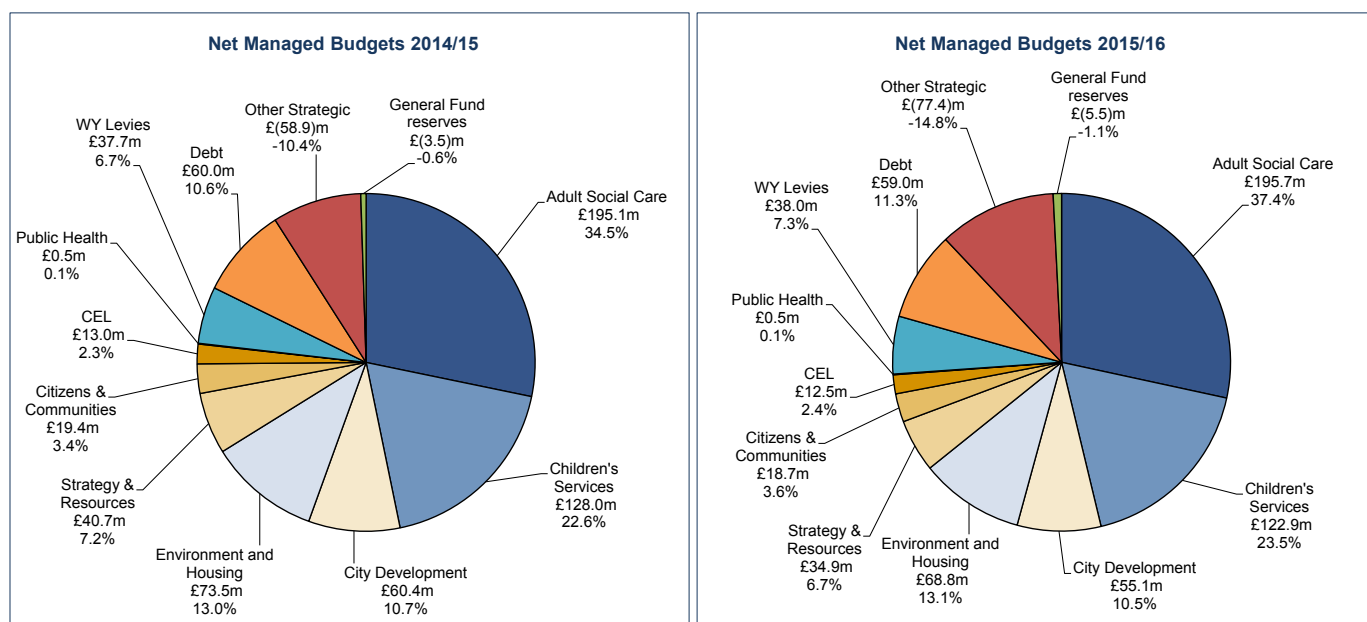
- 6.5 The proposals outlined above are reflected in table 6 below which gives a subjective breakdown of the Council's initial budget in 2015/16, compared to 2014/15.

Table 6

	Budget 2014/15 £m	Budget 2015/16 £m	%age Variation £m
Employees	434.2	422.7	-2.6%
Other running expenses	113.5	97.8	-13.8%
Capital Charges	60.0	59.0	-1.7%
Payments to external service providers	321.5	339.5	5.6%
Fees & Charges/Other income	-176.9	-204.1	15.4%
Specific Grants	-183.0	-186.3	1.8%
Use of reserves	-3.5	-5.5	57.1%
Net Spend before grants	565.8	523.1	-7.5%
Funded by:			
SFA/Business Rates	320.6	272.4	-15.0%
Council Tax	245.2	250.7	2.3%
Total Funding	565.8	523.1	-7.5%

- 6.6 The following pie charts show the share of the Council's net managed expenditure between directorates over the two years both in cash and percentage terms, although these are subject to amendments due to a number of corporately determined savings which are still to be allocated. Net managed expenditure represents the budgets under the control of individual directorates, excluding items such as capital charges and pensions adjustments. It can be seen that the proportion of the Council's spend on Children's Services and Adult Social Care has increased from 57.1% to 60.9% reflecting the Council's need to continue to prioritise spending in these areas.

Chart 1



7.0 THE SCHOOLS BUDGET

7.1 The Schools Budget as has been the case for a number of years is funded by the Dedicated Schools Grant (DSG).

7.2 The DSG for 2015-16 is funded as three separate blocks:

- The **early years block** will be used to fund free early education for 3 and 4 year olds and the early education of eligible vulnerable 2 year olds. For 3 and 4 year olds, the rate/pupil will be protected at the 2014-15 level. Funding for the 2 year old entitlement will be on a participation basis and initial funding will be allocated in June 2015 using January 2015 census data.
- The **high needs block** will be used to fund special schools (including academies and free schools), resourced SEN places in mainstream schools, pupil referral units and alternative provision. Published place numbers for the 2014-15 academic year will be rolled forward and used as the basis for 2015-16 allocations. Leeds has put forward an exceptional case to the Education Funding Agency (EFA) for additional high needs places but the outcome of this and the overall high needs block allocation will not be known until December 2014 at the earliest.
- The **schools block** funds the delegated budgets of primary and secondary schools for pupils in reception to year 11, and a number of prescribed services and costs in support of education in schools. The grant for 2015-16 will be based on pupil numbers in Leeds (including those in academies and free schools) as at October 2014, multiplied by the schools block unit of funding. The 2015-16 rate is expected to be confirmed in December. It is estimated that pupil numbers will increase by approximately 3,300 year on year (with approx. 1,000 of these due to the inclusion of non-recoupment academies and free schools).

7.3 Funding for post-16 provision is allocated by the EFA through a national formula. No changes to the formula are expected for 2015-16 but transitional protection will cease from August 2015.

7.4 Pupil Premium is paid to schools and academies based on the number of eligible pupils aged 5 to 15 on roll in January each year. The only rate change for 2015-16 is for primary pupils, which increases to £1320 (from £1300). An Early Years Pupil Premium (EYPP) will be introduced from April 2015 at a rate of £0.53 per child per hour which must be paid to providers. The initial allocation for Leeds is £0.89m.

The Primary PE grant will be paid in the 2014-15 and 2015-16 academic years to all primary schools at a rate of £8,000 plus £5 per pupil. The Year 7 catch-up premium will be paid in the 2014-15 and 2015-16 financial years at a rate of £500 for each pupil in year 7 who did not achieve at least level 4 in reading and/or mathematics (maximum £500 per pupil) at key stage 2.

7.5 The Government introduced the universal provision of free school meals for all pupils in Reception, Year 1 and Year 2 from September 2014. It is expected that for the 2015-16 academic year, census data from October 2015 and January 2016 will

be used and that the grant allocation will be in the order of £8.27m dependent on the number of pupils.

7.6 Schools funding summary

Estimated figures for 2014-15 and 2015-16 are shown below:

Table 7

	2014-15 £m	2015-16 £m (estimated)	Yr on yr Change
Schools Block	440.39	455.62	15.23
Early Years Block (3 & 4yr olds)	31.38	32.43	1.05
Early Years Block (2yr olds)	11.94	10.62	-1.32
High Needs Block	53.95	53.95	0.00
EFA Post 16 Funding *	18.00	16.88	-1.12
Pupil Premium	39.90	42.23	2.33
PE & Sport Grant	1.98	2.06	0.08
Summer Schools Grant	0.53	0.53	0.00
Yr 7 Catch up Premium	0.85	0.86	0.01
Universal infant free school meals	4.89	8.27	3.38
Total Schools Budget	603.81	623.45	19.64

(* figures include academies/free schools except for Post-16 where funding data is not available)

8.0 Housing Revenue Account

- 8.1 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.
- 8.2 As part of the June 2013 Spending Review the Government announced a new rent setting formula, to be fixed for ten years, from 2015/16. The formula of Consumer Price Index (CPI) +1% per year is a change from (RPI) +0.5% that was previously used. The September CPI figure, which the Government uses for the calculation of rent and benefit increases for the forthcoming financial year has been announced as 1.2%. Therefore this figure has been used as the basis to determine the rent increase for 2015/16.
- 8.3 Councils are free to depart from the formula detailed in 9.2 but must have a balanced and sustainable HRA. Rent increases continue to be subject to Government control through Limit Rents which is the rent at which the Government will pay the full subsidy for housing benefit. (If the average rent for the Authority is higher than the limit rent then housing benefit receivable is reduced proportionately). In keeping with previous financial years it is anticipated that Limit Rents for 2015/16 will not be announced until January 2015.
- 8.4 Whilst increasing rents by CPI +1% would generate additional income of £4.9m, there remains the option to mitigate the impact of the Government's rent policy by increasing rents to reflect the 2014/15 Limit Rent. This represents an increase of

2.88% and would generate additional income of £6.3m. This income is required to ensure the continued investment in the long term sustainability of the current housing stock, and deliver investment in other priority areas such as older person's housing and improving the environment of estates to ensure that they are safe and clean places to live.

- 8.5 It is therefore proposed that rents are increased by an average of 2.88% in 2015/16 which is less than half the level of increase from the previous two years.
- 8.6 Tenants in multi storey flats (MSFs) and in low/medium rise flats receive additional services such as cleaning of communal areas, staircase lighting and lifts. Since these tenants only pay a notional charge towards the cost of these services, other tenants are in effect subsidising the additional services received. Therefore to reduce this subsidisation and make charging arrangements more transparent, the intention is that consideration will be given to implementing and increasing service charges at a different rate to the proposed rent increase.
- 8.7 The increase in discount available to tenants to buy their own homes through the Government's Right to Buy legislation has resulted in a substantial increase in the number of sales and the subsequent reduction in the amount of rent receivable. Partially offsetting this is the planned £72.8m investment in new homes and the buying up of empty properties.
- 8.8 Savings realised from the transfer of the housing management function from the ALMOs back to the Council from the 1st October have been re-invested to resource the delivery of the Council's housing priorities.
- 8.9 The introduction of Universal Credit, as a part of the Government's welfare change agenda is yet to be fully implemented but when it is introduced, and based on the experience of authorities that are piloting it, it could have implications for the level of rent receivable.
- 8.10 All housing priorities are funded through the HRA and any variation in the rental income stream will impact upon the level of resources that are available to support the delivery of these priorities.

9.0 Capital Programme

- 9.1 Over the period 2014/15 to 2017/18 the existing capital programme includes investment plans which total £813m. The programme is funded by external sources in the form of grants and contributions and also by the Council through borrowing and reserves. Where borrowing is used to fund the programme, the revenue costs of the borrowing will be included within the revenue budget. Our asset portfolio is valued in the Council's published accounts at £3.4bn excluding the value of community assets such as highways and parks, and the Council's net debt stands at £1.4bn.
- 9.2 When capital investment is funded from borrowing, there is a cost to the revenue budget both in terms of interest and minimum revenue provision. When capital expenditure is funded by borrowing, councils are required to make an annual

minimum revenue provision (MRP) charge to the revenue accounts. This is the means by which capital expenditure which has been funded by borrowing is paid for by the council tax payer. In recent years the annual MRP charge has averaged around 4% of the amount borrowed to fund capital and for 2014/15 is around £42m.

- 9.3 The Council continues to work towards a funded capital programme which is less than or equivalent to the level of the minimum revenue provision so that the Council's debt is managed at its current level or in fact reduced. However, before this can be achieved there are a number of capital investment plans which are either contractually committed or are of strategic importance to the city which the Council will need to provide for, for example Flood Alleviation, Changing the Workplace, New Generation Transport and the Basic Needs programme in schools.
- 9.4 The financial strategy assumes a £1m reduction in the cost of the Council's external debt. This assumes that all borrowing is taken short term at 0.5% interest for the remainder of 14/15 and the first 6 months of 2015/16, rising to 0.75% for the remainder of the year and takes account of contributions from directorates towards the cost of invest to save schemes.
- 9.5 The strategy allows for capital investment above the MRP of £42m where the investment results in savings or avoids future costs. This capital investment will be subject to robust business cases being reviewed and approved prior to schemes progressing.

10.0 Prospects for 2016/17

- 10.1 The Chancellor of the Exchequer, George Osborne, delivered his Autumn Statement to the House of Commons on the 3rd December 2014. The statement sets out "*the next stage of the government's long-term economic plan*", and was accompanied by an update of the OBR's "*Economic and fiscal outlook*" which includes revised predictions for public sector borrowing and debt. The Chancellor stated that departmental budgets would not be reduced further in this parliament, but that in order to meet their target of bring the public finances back into surplus further reductions in public expenditure would be necessary to 2019/20, a further two years beyond the previous forecast. This is borne out by the Departmental Expenditure Limit (DEL) totals included in the statement. Whilst no analysis of spending impacts down to departmental level is provided in the statement, the summary information shows an increase in DEL in 2015/16 of £3.9 billion (presumably due mainly to the £3.5 billion announced additional health funding) then further reductions of 1%, 1.3% and 2% in each year afterwards. Comparing 2019/20 to 2015/16 DEL in the statement there is an overall 10% reduction (or a 3.9% annual reduction) in DEL. However, if as has happened previously some government departments financed from DEL are protected, the impact on local government is likely to be higher than this average cut, and some commentators are predicting that the reductions over the next five years for unprotected services will be at least as much as in the last five years.
- 10.2 Further reductions in government grant of the scale suggested by the Autumn Statement will fundamentally challenge the services provided by the Council. It is clear that if the Council is to meet this challenge, recognising that it will be

considerable smaller than it is now, the Council needs to quickly move forward in shaping what it will look like by 2019/20, developing the Council Plan, its workforce planning as well as its financial plans. This work is a critical priority over the next 12 months. In order for balanced and robust budgets to be delivered it is essential that the Council continues its service review programme and works closely with its partners to ensure the best use of resources available in the city. It is clear that further savings proposals will need to be identified and it is inevitable that these will impact on front line services.

- 10.3 An indicative position for 2016/17, based on updating the assumptions as to funding included in the Medium Term Financial Plan would suggest a reduction in our funding envelope for 2016/17 of around £28.5m taking account of the forecast reduction in government funding for 2016/17 and an assessment of the other locally determined elements of the funding envelope.

Table 8

Funding Envelope	2016/17 £m
Government Funding	
Settlement Funding Assessment	27.7
New Homes Bonus	-1.5
Sub-total Government Funding	26.2
Locally Determined Funding	
Council Tax - growth in taxbase	-3.2
Business Rates growth	0.0
Change in use of reserves	5.5
Sub-total Locally Determined Funding	2.3
Total Funding Reduction	28.5

- 10.4 When unavoidable pressures and the full year effects of savings proposals identified in 2015/16 are included, the total funding gap increases to £29.6m:

Table 9

	£m
Reduction in Resources	28.5
Inflation	9.9
Demand/Demography/Grant Fallout	4.0
Full Year Effects	-15.2
Capital Charges	2.0
WY Transport Fund	0.3
Total Funding Gap	29.6

- 10.5 The above figures do need to be treated with a high degree of caution, and as such should only be considered as indicative at this stage. It is unlikely that government grant figures for 2016/17 will be firmed up this side of the general election.

11.0 CORPORATE CONSIDERATIONS

11.1 Consultation and Engagement

- 11.1.1 As explained at section 5 above the initial budget proposals have been informed through the wealth of consultation evidence gathered in recent years on residents' budget priorities. Since 2012 there has been only minor changes to those priorities and, in addition, residents and service users have had significant involvement in on-going service-led change projects. Subject to the approval of the board, this report 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 11th February 2015.
- 11.1.2 Consultation is an ongoing process and residents are consulted on many issues during the year. It is also proposed that this report is used for wider consultation with the public through the Leeds internet and with other stakeholders. Consultation is on-going with representatives from the Third Sector, and plans are in place to consult with the Business sector prior to finalisation of the budget.

11.2 Equality and Diversity / Cohesion and Integration

- 11.2.1 The council continues to have a clear approach to embedding equality in all aspects of its work and recognises the lead role we have in the city to promote equality and diversity. This includes putting equality into practice taking into account legislative requirements, the changing landscape in which we work and the current and future financial challenges that the city faces.
- 11.2.2 As an example of the commitment to equality, scrutiny has confirmed a strong role in challenging and ensuring equality is considered appropriately within the decision making process.
- 11.2.3 The proposals within this report have been screened for relevance to equality, diversity, cohesion and integration and a full strategic analysis and assessment will be undertaken on the Revenue Budget and Council Tax 2015-16 which will be considered by Executive Board in February 2015. Specific equality impact assessments will also be undertaken on the implementation of all budget decisions as they are considered during the decision making process in 2015-16.

11.3 Council Policies and City Priorities

- 11.3.1 The initial budget proposals seek to ensure that the policies and priorities of the Council are supported by directing financial resources towards the Council's policies and priorities wherever possible. However, given the severe financial constraints within which the Council is operating, it is clear that the Best Council Plan objectives will need to be reviewed and refreshed.

11.4 Resources and Value for Money

11.4.1 This is a revenue budget financial report and as such all financial implications are detailed in the main body of the report.

11.5 Legal Implications, Access to Information and Call In

11.5.1 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 2015 meeting of this Board at which proposals for the 2015/16 budget will be considered prior to submission to full Council on the 25th February 2015.

11.5.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. The budget is a key element of the Council's Budget and Policy framework, but 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.

11.5.3 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.

11.6 Risk Management

11.6.1 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.

- Demand pressures in Adult Social care and Children's services could be greater than anticipated.
- Reductions in government grants are greater than anticipated. Specific grant figures for the Council for 2015/16 will not be known until later in the planning period
- The delivery of savings from the Council's transformation agenda and other saving options could be delayed or less than anticipated
- Reductions in staffing numbers from early leaver initiatives and natural turnover could be less than anticipated
- Inflation and pay awards could be greater than anticipated
- Other sources of income and funding could continue to decline
- Increase in the Council Tax base could be less than anticipated
- The business rates base could decline further
- Changes in interest rates could impact upon capital financing charges
- Asset sales could be delayed requiring the Council to borrow more to fund investment

- Failure to understand and respond to the equality impact assessment

11.6.2 A full risk register of all budget risks in accordance with current practice will be maintained and will be subject to quarterly review. Any significant and new risks are contained in the budget monitoring reports submitted to each meeting of the Executive Board, together with any slippage on savings.

12.0 CONCLUSIONS

- 12.1 This report has shown that the current financial position continues to be very challenging. The Council is committed to providing the best service possible for the citizens of Leeds and to achieving the ambition for the city of being the best in the UK. In order to achieve both the strategic aims and financial constraints, the Council will need to be more enterprising, working with business and partners to be more civic, and working with the public to be more engaged.
- 12.2 Based on the indicative settlement for 2015/16 there will be a further reduction in the Settlement Funding Assessment of £46.7m which means that core funding from government (SFA and other grants) will have reduced by around £180m by 2015/16. The initial budget proposals for 2015/16 set out in this document, subject to the finalisation of the detailed proposals in February 2015, will, if delivered, generate savings of £76.1m to produce a balanced budget.
- 12.3 Clearly savings of this magnitude will require many difficult decisions to be taken and these will not be without risk. The level of reductions required for 2015/16 will impact on front line services which the Council has worked, and continues to work, extremely hard to protect. In this context, it is important that risks are fully understood and the final budget is robust. As these proposals rely on the use of £5.5m of general fund reserves, which will leave reserves at the minimum prudent level, it is imperative that budget action plans are fully developed and implemented prior to the start of the financial year.
- 12.4 Given the significant risks outlined in this report proposals will be brought forward as part of the budget report in February 2015 to strengthen the Council's reporting regime in 2015/16 to ensure that any slippage in these plans is identified at an early stage and remedial action taken.

13.0 RECOMMENDATION

- 13.1 The Executive Board is asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders.

14.0 Background documents¹

None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

INITIAL BUDGET PROPOSALS 2015/16

CITY DEVELOPMENT DIRECTORATE

Service Context

The City Development Directorate is responsible for the Council's physical, economic and cultural services. The range of services and functions that it provides makes a significant contribution to the life, growth and vitality of the city.

Since 2010/11 the Directorate has managed significant reductions in spending and staffing including over £11m of savings in the 2011/12 budget and further savings in subsequent financial years. This has also been against the background of the difficult economic conditions which has impacted on the ability of the Directorate to meet some income targets. Staffing levels have reduced by over 25% over the last 5 years contributing staff savings of over £11m. In most services reduced staffing levels and an increase in workloads means that further staff savings will need to be clearly linked to service reductions and opportunities for efficiencies.

The level of the savings in 2015/16 identified by the Directorate amount to some £7.9m or 12% of the 2014/15 net managed budget. Delivering savings of this magnitude represents a significant challenge to the Directorate especially as this is on top of the savings already delivered since 2011/12. The Directorate has continued to review all service areas and has sought in these proposals to lessen the need for full service closures and to minimise the impact on frontline services and the citizens of Leeds. To this end the Directorate's budget strategy for 2015/16 is based on five overarching principles; enhancing our strategic use of assets, greater integration in service delivery, developing our business structure, growing the top-line of income to the Council and working collaboratively with and through partners. The budget proposals have been categorised under the following four areas; Council plan, efficiencies, income and service changes.

Budget Proposals

Council Plan

The Directorate has a key role in working with services across the Council to enhance the strategic use of assets and to deliver savings through reducing the number of buildings used by the Council and by better use of the remaining assets. A target saving of £2m for 2015/16 has been included in the budget proposals. This saving will be achieved across Directorates but for 2015/16 the majority of the saving will be in relation to Merrion House which will be closed for refurbishment and staff decanted to existing office buildings as part of the Changing the Workplace programme. A programme of asset review and rationalisation is underway which will deliver significant running cost savings across the Council's asset portfolio. Phase 1 of this work has already seen city centre office accommodation reduced from 17 to 8 buildings, with this figure due to fall further following the refurbishment and reoccupation of Merrion House in 2017. Phase 2 work on the review of locality office accommodation and operational property has been completed and identified further potential savings.

Efficiencies

A key element of the saving proposals is to continue to identify and realise efficiency savings across the Directorate. These proposals total over £2.15m. The Directorate will continue to review staffing levels with a target saving of £1.1m although some of these savings are included under the service changes section. Most of the savings will be achieved by promoting more flexible staffing arrangements across the Directorate and through an Early Leaver Initiative business case which is currently being developed covering all service areas and will also include a reduction in JNC posts. This is expected to deliver net savings of over £0.7m. During 2014/15 restructures have also been progressed in a number of service areas including Asset Management and Regeneration, Economic Development, Libraries and Heritage Services. Proposed savings also include £75k from a realignment of work in the Sports Development Unit and associated efficiencies. Staffing numbers in the Directorate are expected to reduce by approximately 59 FTEs and will be achieved through the deletion of a number of posts. Some key posts, particularly where these are income generating or contributing to the delivery of key projects and areas of work will need to be recruited to or structures reconfigured.

The budget proposals include savings of £950k from a review of opportunities for joint working with the West Yorkshire Combined Authority and scope for greater efficiencies at City Region level.

The Directorate will also continue to develop its business structure to be more flexible and responsive to priorities. This includes actively supporting and promoting the Better Business Management work stream across the Directorate and contributing to the overall saving target for this work stream. This will include continuing working with Environment and Housing following their relocation to Leonardo/Thoresby in 2014 to share and reduce administration/ directorate support and other back office costs.

Information Management Technology is being brought together across the Directorate and it is envisaged that this will enable initial savings of £50k to be realised. In Highways and Transportation further savings of £300k have been included to be achieved by extending the roll out of dimming and switch off programme for street lighting. Proposals for an extension to the current scheme will be submitted to Executive Board. The proposals include a saving of £50k anticipated from the consolidation of the Commercial Property Portfolio in City Development. This will enable a review of the portfolio to be carried out with the aim of improving the generation of non-core income across the portfolio. Savings of £100k in Economic Development are anticipated from a review of expenditure, markets staffing arrangements and from the full year saving of the move of the Leeds Visitor Centre to the Art Gallery.

Income

Growing the current income base of £83m is a key priority in the Directorate and the Initial Budget Proposals include a number of actions which will lead to increased income with a total of £1.8m included for new and increased income.

The Directorate will support greater integration across the Council in the delivery of key projects and work streams including the Breakthrough projects. The Directorate together with Environment and Housing will take a lead on housing growth through the establishment of the Housing Growth team. This team will pull together existing and new resources in a unified team and will consist of dedicated officers who will be located together to ensure the appropriate communication and synergies. A sum of £6m

has been included in the budget strategy for additional NHB income in 2015/16 and for the growth in the Council Tax base. Although this income is accounted for strategically the project team has a key role in ensuring that appropriate actions are taken to help secure this income. The budget proposals include £150k funding towards the cost of the newly established team.

The Directorate will also continue to seek to create the conditions for good economic growth in the city and to secure additional revenue income for the Council. This will include enabling further improvement to the retail offer in the city which has already seen the opening of the new Trinity retail centre; the Victoria Gate scheme including John Lewis and the redevelopment of Kirkgate Market. It is anticipated that the main contract works for the redevelopment of Kirkgate Market will commence in 2015 with John Lewis opening in 2016. Whilst the Market will continue operating the programmed works will inevitably mean a reduction in the trading area and in the number of stalls. As a result there will be a reduction in income from Kirkgate Market, the net impact on the budget is estimated at £850k in 2015/16.

The Directorate will also work with the Local Enterprise Partnership to maximise the impact of the city's growth potential including the establishment of the biggest Enterprise Zone in Europe in the Aire Valley. Services in the Directorate will continue to work closely together to deliver on other key development opportunities such as the East Leeds Extension, Leeds City Centre South, the South Bank and Holbeck Urban Village, the Leeds-Bradford Corridor and Leeds Bradford Airport. Support will also be provided to key sectors of the Leeds economy such as manufacturing, financial and professional services, health and innovation, creative and digital industries, visitor economy and housing, construction and infrastructure. These development opportunities will also help support the Council's revenue budget by increasing the income from business rates.

Supporting a modern day infrastructure in the city is also a key priority for the Directorate. This will include proposals to develop the New Generation Transport system, upgrade to the Leeds city rail station, working with Leeds Bradford Airport to increase global accessibility, a new flood relief scheme for the city, the City Cycle Ambition scheme and improving the technological infrastructure through the Superfast broadband scheme.

There has been some improvement in economic conditions and this has been evident in that the Directorate has seen an upturn in workloads across services and most external income targets are forecast to be met in 2014/15. In Planning and Sustainable Development the increase in planning and building fee income experienced in 2013/14 has continued in 2014/15. There is no proposed increase in planning fees for 2015/16 which are set by the government and it is not proposed to increase the overall income target for planning fees. However, the Service is looking to increase income from other sources and the budget proposals include additional income of £225k. An increase in income from Building Control of £75k is expected largely from increasing work from within the Council. An additional £50k is also anticipated from increasing charges for pre-application work in Planning Services. With the introduction of the Community Infrastructure Levy (CIL) in April 2015 a small proportion of the income will be available to fund the costs of administering and collecting it. The budget proposals include income of £100k from CIL to contribute to these costs.

Other income proposals include seeking to increase income from advertising through the opportunity for two new advertising towers subject to planning consent. Price increases and other income proposals across the Directorate are estimated to result in

an additional £650k of income with fees and charges being increased by around 3% although in some service areas such as Sport, prices will be largely held at 2014/15 levels.

As part of increasing the income from the Commercial Property Portfolio the acquisition of the lease of a multi-story car park has recently been approved by Executive Board and the budget proposals include an additional acquisition of the lease of another investment property. These acquisitions are anticipated to yield net additional income after borrowing costs of £280k. It is also proposed to extend short and medium stay car parking on the Leeds International Pool site which is estimated to produce £150k in additional income. Following a recent court case, the Council has pursued an exemption from VAT for entrance charges for Cultural activities with HMRC; this would result in an increase in income of approximately £200k.

Another important principle for the budget strategy is to continue working collaboratively with and through partners, commissioning more, securing external funding and income from the private sector. This will include continuing to work with the business sector in developing the Business Improvement District (BID). The establishment of the BID is subject to a ballot of businesses within the designated area and if successful would include the ability to levy additional business rates on occupiers to create funds earmarked for improvements to an area.

Service Changes

Whilst the closure of services has largely been avoided with the focus on the budget proposals on efficiencies and income generation, achieving the scale of savings required has inevitably meant that some reductions to services have been included in the proposals. Savings of just under £2m have been included.

As part of the 2015/16 proposals a saving of £500k has been included for a reduction to the overall Arts grant budget. Arts organisations have recently submitted funding bids covering the three year period 2015/16 to 2017/18. A further 5% reduction of £110k is planned for 2016/17.

Across Culture and Sport a target saving of £380k is proposed to be partly achieved by additional integration between the Culture and Sport services including staffing and expenditure savings, a reduction to the library IT budget £50k, Leeds Lights £40k and the acquisitions budget for museums £40k. A reduction in the events budget of £150k is also included although it is also proposed to establish an innovation fund which would be used to co-produce new events in the city with a range of partners. Proposals also include a reduction to the Breeze budget of £150k through a reduction in Breeze on Tour events from three to one with associated savings. A saving of £115k has been included for Yeadon Tarn and Pudsey Civic Centre. Community Asset Transfer proposals will be invited in the first instance. If this is unsuccessful then savings will be looked to be realised through service reductions. Other savings include £120k from reduced operating hours in Sport Centres. A £50k saving will be realised from the planned reduction to the gymnastics grant. The Directorate will also support the hosting of global events such as the British Art Show and Rugby Union World Cup in 2015. The service will develop a cultural strategy in the context of the challenges and opportunities facing the cultural sector and in this context progress discussions on a possible bid for European Capital of Culture in 2023. The Directorate will develop a Tour de France legacy programme following the hugely successful staging of the Tour de France in July 2014.

The proposals also include savings of £100k from the Projects and Programme support budget in Employment and Skills through a change in the delivery model for targeted employability to a more commissioned based service.

A reduction of £360k to the Highway Maintenance budget is included in the proposals. This represents a reduction of 6% on the 2014/15 budget. In order to manage this reduction some changes to the way that the remaining budget will be managed are proposed including taking a more strategic approach to the way the budget is spent.

Key Risks

The budget proposals assume further reductions in staffing. Some of the reduction is dependent on the implementation of other proposals around service reductions. There will also need to be a period of consultation around the individual service proposals and there is a risk that plans are changed or will take longer to implement.

The budget proposals also include the generation of additional income through a number of measures and there is a risk that the budgeted assumptions are not met.

City Development Directorate

Pressures/Savings	2015/16 £m	FTEs	Is this relevant to Equality & Diversity Y/N
Budget Pressures:			
Inflation			
Pay	0.72		
Price	0.91		
Income	-0.25		
Full Year Effects of previous decisions			
Funding the housing growth team	0.15	3	
Demand/Demography			
Other			
Impact of the development of Kirkgate Market - mainly income	0.85		
costs of HS2 and South Bank team and related expenditure	0.30		
Total Pressures	2.68	3	
Savings Proposals:			
Becoming an efficient and enterprising Council:			
Business Improvement Programme	-0.10	-3	N
Assets	-2.00		N
Efficiencies			
Consolidation of the Commercial Property Portfolio	-0.05		N
Economic Development efficiency savings	-0.10	-1	N
Increase dimming/switch off programme for street lighting	-0.30		Y
Net staff saving target through ELIs and other savings	-0.63	-43	Y
Realignment of work in Sports Development Unit and related efficiencies	-0.08	-1	Y
Review of opportunities for joint working with the West Yorkshire Combined Authority, and scope for greater efficiencies at City Region level.	-0.95		N
Savings from co-ordinated IMT approach across the Directorate	-0.05		N
Income			
Additional advertising income - 2 new advertising towers subject to planning	-0.27		N
Commercial Property Portfolio - new acquisitions	-0.28		N
Temporary carpark - LIP site	-0.15		N
Increased income in Planning and Building Control	-0.23		N
VAT exemption on entrance charges	-0.20		N
Increased income from price increases and other initiatives	-0.65		Y
Service Changes			
Reduction in Employment and Skills projects and programmes	-0.10		Y
Arts grants reduction - new funding agreements 2015/16 to 2017/18	-0.50		Y
Invite Community Asset Transfer proposals for Pudsey Civic Centre and Yeadon	-0.12	-5	Y
Tarn or make savings through service reductions			
Reduce events budget and establish an innovation fund	-0.15		Y
Planned reduction in gymnastics grant	-0.05		Y
Reduction in Breeze on Tour events from three to one with associated savings	-0.15	-1	Y
Savings from additional culture and Sport integration and other expenditure savings including Leeds lights £40k, IT budget £50k, acquisitions budget £40k	-0.38	-2	Y
Reduction in operating hours in Sport Centres	-0.12	-6	Y
Reduction to Highway maintenance budget	-0.36		Y
Total Savings	-7.95	-62	
Overall net Saving	-5.27	-59	



Report author: Mark Allman
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Report of Director of City Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 13th January 2015

Subject: Tour de France Legacy for Leeds - update

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. During 2013/14 the Scrutiny Board considered several reports on the preparations for the Tour de France Grand Depart. In February 2014, the Board agreed that it would consider the Tour de France legacy after the Grand Depart had actually taken place in July. Subsequently members of scrutiny board considered TDF legacy proposals and provided comments accordingly
2. There has been a lot of activity across of range of areas that is geared towards increasing access to cycling directly. Equally there is evidence of significant activity with an eye to the future, where plans are being put in place to improve access and facilities. By way of reminder the "Cycling Starts Here" legacy was considered at the Executive Board on 25 June.
3. This report provides a flavour of the range of work currently underway as part of the cycling starts here legacy proposals.

Recommendations

4. The Board is requested to consider the Tour de France legacy update and provide comments on progress to date.

1. Purpose of Report

- 1.1 To update scrutiny Board on progress on Tour De France Legacy and seek feedback accordingly.

2. Background information

- 2.1 Members of scrutiny Board considered Tour De France Legacy proposals “Cycling Starts Here” at their meeting on the 22nd July 2014. Officers undertook to produce a 6 month update for the Board consideration.
- 2.2 Considerable amounts of work have been ongoing across a broad range of cycling based initiatives since the last Board meeting. Rather than repeat content previously contained within the Executive Board report, this paper seeks to outline the breadth of key developments, projects and initiatives that are underway in order to provide an illustration of progress being made by a wide range of services across the Council despite the impacts of austerity.

The Report does not cover the economic value of the Tour, but members will recall the recent publication of “3 Inspirational days” which set out the impact of the tour overall. This included:

- £128m boost to the economies of Yorkshire, Cambridge, Essex and London
- 4.8m people lined the route
- 2 million people felt inspired by the Tour
- 1 million people have cycled more frequently since the race

- 2.3 The successful delivery of such a high profile world class sporting event has now also helped elevate Leeds’ reputation in delivering world class sporting events generally; this is an area to build on in the future. This report will focus on the aspect of legacy relating to getting more people cycling “Cycling Starts Here”.

3. Main Issues/Current Developments

3.1 Cycle Yorkshire

- 3.1.1 Members will recall that Cycle Yorkshire (CY) produced a regional cycle strategy that Local Authorities would work to over the years ahead. The CY objectives are embedded into the Cycling Starts here proposals for Leeds. Officers from Leeds have since been engaged in discussion about the future direction and role of CY. The organisation (under the auspices of Welcome to Yorkshire) is currently undergoing a review, having produced its Yorkshire wide cycling strategy last year, and officers have held discussions with a view to helping influence where CY can

add value (eg seeking commercial sponsorship) to the wider Yorkshire authorities and partners . At this stage the discussions are ongoing.

3.2 Work with Young People and Schools

- 3.2.1 Cycling is a focus sport in 2015 for the Active Schools (Children's Services/City Development) and the Sport and Active Lifestyles Teams and as such Officers are helping to develop clear pathways from grassroots, through to performance exit routes and wider recreation opportunities. Both teams are working with key partners (internal and external) to establish a coordinated approach to the delivery of Cycling across the City.
- 3.2.2 There is planned bikeability (cycle training) delivery of 6500 level 2, 500 level 3 and 3800 level 1 courses in this academic year; representing a substantial increase from the previous year's totals of 5701 level 2 & 157 level 3.
- 3.2.3 The Local Strategic Transport Fund (LSTF) "Access to Education" project will be continued in 2015/16 across five secondary schools and their feeder primary schools. These schools provide a model for engaging with pupils and their parent/guardians to show case sustainable travel behaviour on the school journey.
- 3.2.4 Officers are currently making plans to repeat the delivery of the Leeds School Cycle Challenge – building from the TdF celebration event at Temple Newsam last year which proved a tremendous success for all involved, with 550 children from 50 primary schools and 4 SILC's taking part. Ideas are being formulated together with budget requirements, subject to cross directorate agreement and funding with a CDD report being progressed.
- 3.2.5 Active Schools and the Sport and Active Lifestyles Team (in conjunction with Highways and British Cycling) are identifying key High Schools across the City that have equipment to promote the development of Cycling within the school and extend to feeder primary schools which will be supported by Continued Professional Development opportunities for Teachers. An example of this includes Carr Manor, using bikes from the school, looking to run a core skills session for girls, along with guided rides which ultimately will progress to the Sky Ride led programme. In addition, the Satellite Club programme is rolling out in Leeds and will provide key links between schools and local Cycling clubs, the plan is to establish 2 Cycling satellite clubs in Leeds.
- 3.2.6 Sportivate is a £56million Lottery funded London 2012 legacy project. The programme gives 14-25 year olds who are not particularly sporty access to 6 – 8 weeks of free coaching in a range of sports. A good example of this scheme supporting Cycling includes the Leeds BMX club which have 2 Sportivate projects which will be delivered by the 31st March 2015 and will see 20 – 25 young people from both the David Young Academy in Seacroft and the Co-Operative Academy in Burmantofts get access to a fleet of bikes and skill development training.

3.3 Infrastructure

- 3.3.1 Leeds has introduced a series of cycle measures over the last 25 years; a number of schemes were introduced including a number of substantial rural routes in partnership with Sustrans, cycle parking was introduced throughout the city centre and other district centres and a process of cycle auditing was also introduced whereby all highway schemes are subject to a cycle audit, to ensure that the needs of cyclists are considered.
- 3.3.2 In 2009 Leeds City Council's Executive Board approved the Leeds Core Cycle Network, a network of 17 largely radial routes, 7 of which have now been implemented.
- 3.3.3 In 2013 the Department for Transport announced the Cycle City Ambition Grant (CCAG) which amounted to a step change in capital funding. The Department were impressed by Leeds level of ambition which stated that over the next 10 years (from 2013) Leeds would develop; a network of 6 Cycle Superhighways (including the one in the initial bid), complete the Leeds Core Cycle Network, and the development of a City Centre Cycling Loop – *the Inner Tube*.
- 3.3.4 Leeds (along with Bradford) was successful in obtaining £20 million to implement:-
- Leeds to Bradford cycle super highway (14 miles long)
 - Public realm streetscape improvements through the centre of Stanningley
 - Leeds City Centre Cycle City Loop; improving the cycle connectivity of the city centre
 - High quality resurfacing of the Leeds Liverpool Canal towpath between Armley and Shipley
 - High quality cycle parking in Leeds City and at key points on the superhighway
 - 20 mph schemes in the areas adjacent to the route.
 - A new organisation is proposed to bring together partners to engage with communities in encouraging the take-up of cycling

After a successful contracting process this huge scheme will start site works in January 2015 and is due for completion by the end of 2015, including 14 miles of Super Highway and 38 x 20mph schemes. The towpath works will be complete in the spring 2015

On a separate but related matter cycle parking has already provided over 350 spaces in the city centre, including a dozen using the "car port" system, which provides attractive cycle parking at locations where footway width meant we had not previously been able to provide cycle parking.

- 3.3.5 Furthermore in November 2014 the Deputy Prime Minister announced a further £114 Million for the eight successful CCAG cities to develop further measures. The distribution of this is yet to be agreed, but it is envisaged that Leeds and the remainder of West Yorkshire will attain a significant proportion. Work is ongoing with partners sub regionally to assess the most appropriate response.
- 3.3.6 In terms of 20mph zones, and in addition to those referred to above as part of City Connect, the Council has implemented 95 zones to date, with a further 15 schemes on site at this moment in time. A further 40 are planned over the next 3 years.

3.6 Access to cycling facilities: Sport Facility development/Hubs/Cycling in Parks

- 3.6.1 Work has been ongoing with the aim of developing 3 cycle hubs in Leeds. The 3 provisional sites are Fearnville, Middleton Park / John Charles Centre for Sport and North Leeds (possible site of a proposed 1.5km closed road circuit). A cycle hub would pull together facilities to cycle, programme of activities, links to led rides / way marked routes, access to bikes and equipment, bike skills training, maintenance support and the training / development of ride leaders.
- 3.6.2 Fearnville Leisure centre site is the most developed in its planning and has a strong partner steering group in place with an agreed action plan. Open sessions at Fearnville during the summer had over 50 people taking part in weekly activity, of which 30 were aged between 6 and 15 years. All 3 levels of Bikeability training are offered at the site; a weekly drop in session was, through September, at capacity. 5 local Primary Schools have received specific bike skills / confidence training reaching 30 young people at each session. 2 of the Breeze trained leaders (British Cycling women's only programme) have started led rides from the site. The Fearnville Cycle festival is also a key feature of the Fearnville cycle hub with over 300 participants in 2014 with numbers expected to grow in 2015.
- 3.6.3 Middleton Park and the John Charles Centre for Sport will seek opportunities to develop programmes at Middleton Golf course to create a hub that focuses not only on mountain biking, but uses the road network around the JCCS and continues to build on the strong focus of work with people with a disability using the adapted bikes.
- 3.6.4 Work has been ongoing to develop a major closed road cycle circuit in the North of the City. Officers have been in discussion with British cycling with a view to them investing in a regional cycle centre. The proposed 1.5km closed road circuit would be a joint project between the University of Leeds, British Cycling and the Council and demonstrates the partnership working that is strengthening around Cycling and which is key to the longer term sustainability of the development of the sport. The discussions about future facilities has also touched on locating a second smaller community track, ideally in the south of the city. Discussions are ongoing and promising.
- 3.6.5 In addition to development of hubs, Officers and British Cycling are working together to look at Yeadon Tarn and how to better use the existing facilities and expand the offer to young people and families; the Disability Sports Officer is working with the site management team to specifically develop the cycle offer to people with a disability.
- 3.6.6 The potential to develop cycle friendly zones and/or shared usage areas in a number of community parks is being explored. The aspiration would be to support this process with a programme of parks focussed cycling activities including BMX skills, 'bikeability' training, bike maintenance with added potential for young people to attain an AQA qualification. This scheme is being developed in partnership with Public Health and third sector organisations, with a view to launching in spring 2015.

3.7 Access to Bikes

- 3.7.1 There are a number of social enterprises underway in the city in various stages of development these include Otley, The Peddlers Arms and the Leeds Bike Mill. The Works Skatepark in Hunslet is a really good example of a social enterprise providing a wide range of cycling opportunities with a focus on young people such as accredited cycle maintenance courses, Bikeability training all year round and a 30 week programme of cycling activities. The Works “Christmas bike scheme”, will see the distribution of 82 bikes, along with Bikeability and maintenance training, provided to young people from the most deprived areas of the City. The launch of the scheme is on Tuesday 16th December.
- 3.7.2 A brand new bike libraries scheme has been developed in association with Cycle Yorkshire and Yorkshire bank and is set to deliver a county wide cycling legacy for all generations and abilities, realising the ambition for every child to have access to a bike. Unwanted bikes will be repaired, or parts used and fully tested bikes will then find a new home in the community with supporting opportunities to learn to cycle. The concept will work on the basis of securing funds to run both a bike amnesty project as well as work to expand the number of enterprises across the county. The Yorkshire Bike Amnesty opens in Spring 2015.
- 3.7.3 Our proposed work with bike hubs may provide a useful platform for social enterprises to base their offer, with the majority looking to the Council for land, buildings and/or rate relief. The offer may include bike hire, storage, changing facilities and a retail offer.

3.8 Cycling Events

3.8.1 British Cycling/Sky Ride/Leeds Velofest

The Council has a partnership agreement with British Cycling, which is currently reviewed on an annual basis. In 2014 the mass participation Sky Ride event reported 8,500 people took part with 75% of those from the Leeds area. The Sky Ride Local (led ride programme which ran from July to October) saw 453 participants, 80% of those where from the Leeds area. The Breeze programme (women only rides) had 118 participants.

The gender split across Sky Ride Event and Sky Ride Local was 45% female and 55% male. The number of under 16's taking in the Sky Ride event was 33% and in Sky Ride local 27%; suggesting both are popular family events and something Officers are looking to build on with British Cycling next year.

The partnership agreement with BC for 2015 is currently being agreed – with the Sky Ride event planned for the 14th June and 50 led rides being planned as part of Sky Ride local. The partnership with British Cycling is progressing and this year there will be, as a key piece of work in the National Governing Body Place Pilot (a Sport England funded project to help land NGBs Whole Sport Plans effectively at a local level), better mapping of data and share of information to help extend the

reach and accessibility of all British Cycling programmes to the most deprived areas/communities within the City.

As part of the British Cycling agreement the City receives annual training opportunities for ride leaders; this year this will be a Continued Professional Development (CPD) opportunity centred on key skills needed to lead rides from some of the priority areas of the City.

Officers including Active Schools, Public Health, Transport and Sport & Active Lifestyles are working closely with British Cycling to produce a city wide 1 year action plan to be agreed for 31st January 2014 which will identify key work areas including facilities / hubs, access to and maintenance of equipment, workforce training, skill development and confidence, club support and have a specific focus on young people, girls and women and people with a disability.

Part of the discussions with British Cycling have included the possibility of creating a Cycling festival over one weekend. Discussions are at an early stage, but the Leeds Velofest could be built upon existing events such as the Leeds Sky Ride and would include an element of elite racing, similar to the Ride London event.

3.8.2 Tour De Yorkshire

A major new international cycle race for Yorkshire has been confirmed by the sport's world governing body, the Union Cycliste Internationale (UCI).

The provisionally titled Tour de Yorkshire – run by Welcome to Yorkshire and the Amaury Sport Organisation (which operates the Tour de France) and backed by British Cycling - has been officially added to the world cycling calendar for 2015.

May 1-3 will see the new 2.1 Europe Tour world-class cycle race take place across Yorkshire – with plans to potentially include parts of the county that the momentous Yorkshire Grand Départ didn't visit.

3.9 **Cycling Clubs and Cycling Sports Development**

- 3.9.1 There are 18 British Cycling affiliated cycling clubs operating in Leeds, the majority of the clubs are road based with predominately adult membership.
- 3.9.2 Club Development Officers within the Sport and Active Lifestyles Service, in conjunction with British Cycling, focus work with the 4 Go Ride Clubs – Alba Rosa, Leeds BMX (Fearnville), Leeds Mercury (based at Carr Manor PS) and Otley; all are currently undertaking an audit and mapping of resources / capacity and current provision, in addition to specifically looking at their support and offer to young people. For example, Alba Rosa, based at Allerton Grange HS, has over 50 young people regularly attending Club sessions and Officers are working directly with the Club to offer a package of support to grow and develop the junior section.
- 3.9.3 Seacroft Wheelers is one of the largest and longest established clubs in the city with approximately 100 members who ride on a regular basis; historically an adult focus

but the Club is now working closely with the Club Development Officer to look at getting more qualified ride leaders to run family led rides.

- 3.9.4 A Level 1 Ride Leader course will be delivered on 14th March 2015 at Fearnville Leisure Centre; this is a joint funded project between West Yorkshire Sport and the Council (NGB Place pilot monies). The course will be offered free of charge to key clubs and community organisations that are central to helping the City establish a cycling legacy and include, for example, Fearnville hub, Black Riderz Initiative and the Hunslet Club; this will ensure 20 new ride leaders in the city with a commitment to deliver between 14 – 18 hours of community coaching.
- 3.9.5 “Club Matters” is a Sport England funded initiative lead by Price Waterhouse and Coopers (PWC) which aims to build “better business skills for sport”, Leeds BMX club is part of the programme and most recently received support around marketing and PR.
- 3.9.6 “Inspire a Generation” legacy funding has enabled Officers to directly support Clubs and influence how they can help grow participation in cycling, for example, Airedale Cycle Club received funding to run a ride leaders course to up skill their volunteers and better engage with new members; in addition Leeds BMX have purchased 15 bikes allowing outreach work to schools and providing more access opportunities for young people at the Fearnville hub.
- 3.9.7 Otley Cycle Club is a key partner in establishing a legacy for the city and continues to build on its strong development work and key events it delivers such as the Otley Cycling festival and time trial race series; most recent discussions with the Club are focussed around increasing offers to young people and specifically in the Yeadon area.
- 3.9.8 A group of cycling activists and Town / City Councillors have expressed an ambition for Otley to become a cycle friendly town. Highways and Transportation are currently working to identify and install additional cycle parking in the town, and are investigating opportunities for Wharfe Meadows Park to become a cycle friendly zone.

3.10 Marketing and Promotion

- 3.10.1 There has been some good progress in establishing a new dedicated web site within Leeds.gov which can help people interested in cycling to understand what is in development or available as well as links to existing web sites such as Cycle Yorkshire and Sky Ride events. In terms of the latter the Sky Ride Local events have now all been mapped and a link will be included within the new web site. The web site will continue to develop over time and can be located at www.leeds.gov.uk/cyclingleeds.
- 3.10.2 January 2015 will also see the start of a national campaign called “This Girl Can” – which aims to break down key barriers in terms of girls and women’s’ attitudes and behaviours towards being active; it is aimed at girls and women aged 14 – 40 years old. Sport Leeds will drive, through a city wide partnership approach, this campaign

at a local level and NGBs including British Cycling will be heavily involved. British Cycling has an ambitious target of getting one million more women cycling by 2020 and this type of joint working will help progress.

3.10.3 Furthermore through the aforementioned NGB Place Pilot and SkyRide, work is ongoing with British Cycling to use information/data to drive up participation. British Cycling's SkyRide participation data has been mapped according to the ACORN segmentation tool which have been used to analyse, map and understand participation. This market insight has highlighted areas of low participation and engagement with the SkyRide product which will effectively inform and drive forward programming for 2015, in terms of location of rides and links with other cycling initiatives to support the development of cycling. This approach will allow us to take an informed approach to both effective targeted marketing to chosen segments and demographics by understanding key marketing methods, but also programme development to ensure there are local opportunities through partnership working to take part in cycling locally.

3.11 Achieving Step change- Strategic Development of Cycling and Active Lifestyles

3.11.1 There has been considerable discussion about the scope of content of the city cycle strategy. Clearly it needs to be based on the foundations laid by "Cycling Starts here", however it became apparent that developing a long term vision/strategy (20+ years) and a 3 year plan required different approaches. Therefore discussions have focussed on work streams that the soon to be formed "Cycling Starts Here" programme Board will focus upon. This rationale is outlined below:

1. In developing a long term strategy various pro cycling stakeholders expressed views about the city needing to think longer term and much bigger, bringing Leeds into line with some other European Cities. Attempting to develop an action plan for the next 3 years whilst also developing future policy direction on this "blue Sky" is very difficult as the latter can hold up the former.
2. It is therefore proposed to run 2 parallel but separate work streams that will be overseen by the programme board;
 - a) Develop a 3 year plan/strategy to run from 2015-2018.
 - b) Conduct a city debate about the future of cycling in the city focussing on long term outcomes. This area of work will inevitably draw in policy issues particularly relating to:
 - (i) Transport policy generally (including low carbon/emissions)
 - (ii) Health policy priorities relating to increasing levels of physical activity in the city, especially deprived areas.

3.11.2 The Programme Board is yet to meet but draft terms of reference have been developed together with a list of potential members of the board. These discussions are ongoing.

- 3.11.3 It is also proposed to seek the appointment of a specialist cycling consultant in order to accelerate the production of the 3 year city cycle strategy/plan, as there is insufficient capacity within services to drive this work at the pace required.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 A wide and detailed programme of consultation and debate will take place with stakeholders across the city, including the stakeholders involved and engaged in the development of the LEP.
- 4.1.2 A major consultation is/has been carried out around the City Connect programme with a key target of engaging with 10,000 people throughout the project development process and beyond. It is divided into seven geographic sections, of which five have been consulted on so far. The approach has included social media, an interactive website, face to face events, both formal and informal. So far just under 5000 people have contributed to date, either via attending an event, completion of a questionnaire, liking the Facebook page or following on Twitter with 4800 unique visitors to the web site with over 27,000 page views.
- 4.1.3 A long established cyclists' forum, chaired by an elected member of the Council, meets regularly with cyclists - including Leeds Cycling Campaign - to discuss issues affecting cycling infrastructure and provision. It will be vital to build on the conversations and consultations which are already contributing significantly to the development of cycling across Leeds. For example, the Leeds Cycling Campaign are passionate advocates of cycling in the city as well as being active in providing lead weekend rides and as being strong advocates and campaigners for cycling they and other cycle organisations such as CTC and will continue to be crucial to the consultation process.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An EDCI Screening report was completed for the Executive Board report. The ambitions link to the Best Council Plan 2013 – 2017 whose priorities are improving outcomes for children and families, getting people active and enjoying healthy lifestyles, and developing a low carbon infrastructure for the city. There will be a particularly strong focus in the Leeds strategy on encouraging women and girls to cycle, expanding the established programme of accessible cycling for people with disabilities, taking cycling initiatives to all communities, including faith groups, in the city and on enabling more people to have access to a bicycle.

4.3 Council policies and City Priorities

- 4.3.1 The legacy of the Tour de France will help make Leeds the Best City in the UK and raise the city's profile nationally and internationally. It will support sustainable and inclusive economic growth by encouraging businesses to grow and by encouraging cycling tourism. Improvements to the highways infrastructure will help deliver a more efficient and inclusive transport infrastructure which includes cycling.

- 4.3.2 Leeds will play a role working with the West Yorkshire Combined Authority and the city region building on the relationships already in place around the Tour and the Regional Legacy.
- 4.3.3 Increasing cycle use for local travel and improving conditions for cyclists will contribute to a better local environment including air quality and carbon reduction.
- 4.3.4 Through work in the communities to encourage cycling, the legacy will increase a sense of belonging. A programme of consultation and stakeholder engagement will take into account the needs of local communities.
- 4.3.5 The legacy will have a special focus on the benefits to young people from cycling and the contribution this will make to a Child Friendly city through listening to the needs of young people, and encouraging participation.
- 4.3.6 Improving people's health and well-being by promoting healthy travel and active lifestyles will be at the heart of the legacy planning. A legacy that helps achieve an increase in physical activity will directly support the Joint Health and Wellbeing Strategy, and its' five outcomes, most especially the outcome "People will live longer and have healthier lives".

4.4 Resources and value for money

- 4.4.1 The original Executive Board report did not place a firm cost on a long- term legacy – as understanding these details will be a priority for the proposed Programme Board. The report did however request that development costs are identified and secured to enable the programme to move forward including the establishment of the Programme Board and the necessary work streams . to that end £50k has been identified to help accelerate work in this area.
- 4.4.2 Significant investment has already taken place over the last six years around cycling in the city, particularly in terms of capital investment from the West Yorkshire Local Transport Plan and the Local Sustainable Transport Fund with the support of Department for Transport grant funding and more recently scheme specific funding secure from Sustrans. This year's success in securing Cycle City Ambition Grant for the City Connect project is the single largest investment yet in cycling in the city. A further bid has been made for cycling investment as part of the Strategic Economic Plan bid to Government for Local Growth Fund monies.
- 4.4.3 Revenue resources are also being committed to various promotional and supporting initiatives such as the Sky Ride programme with complimentary investment in road safety and sustainable travel promotion.
- 4.4.4 A new regional bid, 'Go:Green for growth', has been submitted to the Local Sustainable Transport Fund (LSTF) which includes four packages; of particular interest to the legacy programme are:
 - Go:cycling Promotion of cycling through engagement activities; and
 - Go:walking Expansion of the City Connect Best Foot Forward project.

- 4.4.5 In developing our ambitions and strategy for the future due regard will need to be given to the sources of funding open to the Council for supporting investment in the infrastructure, development of our facilities and for the community engagement, outreach and promotion needed to secure a longer term cycling culture in the city.
- 4.4.6 It is intended that in drawing together a strategy and establishing a Programme Board these issues will be investigated in depth to provide a sustainable basis for long term growth of cycling.
- 4.4.7 With the commitments now being made to City Connect and previous investment over the last ten years by 2015 capital investment in the cycle network will be nearly £30 million. Looking forward the All Party Parliamentary Cycling Group in report last year suggested a figure of at least £10 per head per annum (i.e. c£7.5 million p.a. in Leeds) as appropriate for the long term development of local cycling plans and this figure has also been endorsed by British Cycling. At present with City Connect coming on-stream Leeds will begin to approach this figure. Looking to the long term therefore, whilst City Connect is a one-off, investment will be needed for the long term. Sustaining and increasing present levels of funding will be an ongoing challenge for the city and its partners. Looking to London and elsewhere in Europe - for example Denmark - a 20 year investment strategy would not be unreasonable for creating cycle networks capable of attracting 5% or more journeys by cycle. There will also be the challenge of supporting a sporting and recreational legacy which remains similarly unquantified.
- 4.4.8 British Cycling is a key and supporting partner of Leeds City Council. Its 10 point manifesto – Choose Cycling - was presented by Chris Boardman MBE to the Commons Transport Select Committee in February. It recommends that local and central Government accommodate cycling in road designs through providing “meaningful and consistent” funding and by setting measurable targets on increasing the number of cyclists on our roads. Leeds City Council responded that it “wholeheartedly supports” ‘Choose Cycling’.
- 4.4.9 Looking to the future the development of the cycling programme will continue to rely on funding through the Local Transport Plan and more scheme specific grants from the Department for Transport as they are launched. In the meantime the importance of cycling has been recognised in the LEP Strategic Economic Plan which contains a further four cycling superhighways of a value of £60 million, for which a key decision will be Local Growth Fund settlement expected during the summer. The Council has also worked closely and successfully with Sustrans to develop the cycle network programme and secure important match funding for projects.
- 4.4.10 Future investment will to a great extent depend on national government policies and also the degree to which synergies with the developing West Yorkshire Plus Transport Fund investment programme can be harnessed. It is nevertheless acknowledged that in the present revenue funding climate that the challenge of funding the essential promotional and behavioural change programmes need to lock in the benefits of the infrastructure benefits and capture the latent potential for major cycling growth will be demanding.

- 4.4.11 Work is ongoing to identify the Council's most appropriate approach to the recently published Department of Transport Cycling Delivery Plan. There is a fund of £114m nationally.

4.5 Legal Implications, Access to Information and Call In

- 4.4.1 There are no legal implications

4.6 Risk Management

- 4.6.1 The key areas of risk relating to the unlocking the Cycling Legacy relate to the following areas:
- 4.6.2 Reputational risk in terms of expectations raised by the Tour de France and by the step change in funding achieved by success of the funding bid for City Connect.
- 4.6.3 Managing expectations of stakeholders. It will take time to consolidate the city's position and legacy programmes and it will be necessary to carry stakeholders along with this work and ensure their full engagement in the plans.
- 4.6.4 Lack of resources to develop and deliver a meaningful legacy and this will be to a great extent dependent on the ability of the city and partners to attract funding and create new partnerships for delivery.
- 4.6.5 Managing expectations of stakeholders
- 4.6.6 Lack of resources to develop and deliver a meaningful legacy

5. Conclusions

- 5.1 Good progress is being made on a range of cycling initiatives, but the momentum needs to be maintained for the longer term. The establishment of the "Cycling Starts Here Programme Board" will help maintain that momentum.

6. Recommendations

- 6.1 The Board is requested to consider the Tour de France legacy update and provide comments on progress to date.

7. Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Report of Head of Scrutiny and Member Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 13 January 2015

Subject: Work Schedule

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Board's work schedule is attached as appendix 1. The work schedule reflects discussions at the Board's December meeting. It will be subject to change throughout the municipal year.
2. Also attached at appendix 2 are the minutes of the Executive Board meeting held on 17 December 2014, for the Board's information.
3. At the request of the Executive Board in July 2014, the Sustainable Economy and Culture Scrutiny Board agreed to have an input into the current review of the most appropriate future management and governance arrangements for the Leeds Grand Theatre and Opera House Trust Ltd (LGTOH). It was agreed by the Scrutiny Board that this work would be carried out by a working group.
4. The working group met several times in December, including meeting with members of the LGTOH Board and with the consultants advising the Council. A summary of the working group's conclusions and recommendations will be circulated in advance of the meeting for confirmation by the Board.

Recommendations

5. Members are asked to:
 - a) consider the work schedule and make amendments as appropriate; and

- b) confirm the Board's response to the Executive Board in relation to the future management and governance arrangements for the Leeds Grand Theatre and Opera House Trust Ltd.

Background documents¹

None used

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2014/2015 Municipal Year

Area of review	Schedule of meetings/visits during 2014/15		
	1 July	22 July	August
Asset Management	Terms of reference SB 1/7/14	Session One SB 22/7/14	
Tour de France Legacy		Legacy report SB 22/7/14	
20 mph speed limits			
Leeds Let's Get Active Scheme			
Cultural offer			
Sport and Active Lifestyles			
Employment and Skills pathways			Scoping session WG 5/8/14 WG 21/8/14
Requests for scrutiny			
Pre-decision Scrutiny			
Budget & Policy Framework Plans	Minerals Policies SB 1/7/14		
Recommendation Tracking			
Performance Monitoring	Quarter 4 performance report SB 1/7/14		
Contribution to the work of other Scrutiny Boards			Leeds Housing Standard (Led by Housing & Regeneration) WG 28/8/14

Key: SB – Scrutiny Board (Sustainable Economy and Culture) Meeting

WG – Working Group Meeting

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2014/2015 Municipal Year

Area of review	Schedule of meetings/visits during 2014/15		
	September	October	November
Asset Management	Session Two SB 9/9/14		
Tour de France legacy			
20 mph speed limits			Evidence gathering SB 18/11/14
Leeds Let's Get Active Scheme			
Cultural offer	Events programme WG 12/9/14		European Capital of Culture SB 18/11/14
Sport and Active Lifestyles		Initial meeting WG 2/10/14	
Employment and Skills pathways	Terms of reference SB 9/9/14	Session One SB 21/10/14	Community Learning Scheme WG 20/11/14
Requests for scrutiny			
Pre-decision Scrutiny		District Heating SB 21/10/14	Grand Theatre visit 28/11/14
Budget & Policy Framework Plans			
Recommendation Tracking			Young People's engagement in culture SB 18/11/14
Performance Monitoring			
Contribution to the work of other Scrutiny Boards		European funding and investment (led by Resources & Council Services) 27/10/14	

Key: SB – Scrutiny Board (Sustainable Economy and Culture) Meeting

WG – Working Group Meeting

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2014/2015 Municipal Year

Area of review	Schedule of meetings/visits during 2014/15		
	December	January	February
Tour de France Legacy		Progress Report SB 13/1/15	
Leeds Let's Get Active Scheme	Session Three SB 16/12/14		
Cultural offer			European Capital of Culture SB 17/2/15
Sport and Active Lifestyles	Marketing SB 16/12/14		
Employment and Skills pathways	Re-making Leeds Visit 3/12/14 Community Hub Visit 3/12/14 Job Centre Visit 15/12/14	Work Related Activity Visit Date TBC	Inquiry Session Two SB 17/2/15 District Heating Employment & Skills Potential SB 17/2/15 Digital divide WG (Date tbc)
Requests for scrutiny			
Pre-decision Scrutiny	Grand Theatre WG (2/12/14, 11/12/14 and 19/12/14)	Grand Theatre conclusions and recommendations to Executive Board SB 13/1/15	
Budget & Policy Framework Plans		Executive Board's initial budget proposals SB 13/1/15	Site Allocations DPD SB 17/2/15 (Date TBC) Aire Valley Action Plan SB 17/2/15 (Date TBC)
Recommendation Tracking			
Performance Monitoring	Quarter 2 performance report SB 16/12/14 Budget update SB 16/12/14		
Contribution to the work of other Scrutiny Boards			

Key: SB – Scrutiny Board (Sustainable Economy and Culture) Meeting

WG – Working Group Meeting

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2014/2015 Municipal Year

Area of review	Schedule of meetings/visits during 2014/15	
	March	April
Asset Management	Progress Monitoring SB 17/3/15	
20mph speed limits	Further report SB 17/3/15	
Cultural offer	Events Marketing SB 17/3/15	
Sport and Active Lifestyles		Commissioning Support for Leeds Sport and Active Lifestyles 14/4/15 (Timing subject to confirmation)
Requests for scrutiny		
Pre-decision Scrutiny		
Budget & Policy Framework Plans	Local Flood Risk Management Strategy Annual scrutiny review SB 17/3/15	
Annual review of Partnership		To undertake “critical friend” challenge 14/4/15
Recommendation Tracking		
Performance Monitoring	Maximising Powers to Promote Influence and create Local Employment and Skills Opportunities – Annual report Quarter 3 performance report Budget update SB 17/3/15	
Contribution to the work of other Scrutiny Boards		

Unscheduled

Community Infrastructure Levy – apportionment of spending and spending priorities – (to include representative from Housing & Regeneration SB)

City Centre Design – pre-decision Scrutiny (agreed December 2014) – timing TBC

Leeds Let's Get Active – further progress report in summer 2015 (agreed December 2014)

Sport and Active Lifestyle Marketing – progress report (agree December 2014) – timing TBC

Key: SB – Scrutiny Board (Sustainable Economy and Culture) Meeting

WG – Working Group Meeting

EXECUTIVE BOARD

WEDNESDAY, 17TH DECEMBER, 2014

PRESENT: Councillor K Wakefield in the Chair

Councillors S Golton, J Blake, M Dobson,
P Gruen, R Lewis, L Mulherin, A Ogilvie
and L Yeadon

SUBSTITUTE MEMBER: Councillor J Procter

121 Substitute Member

Under the terms of Executive and Decision Making Procedure Rule 3.1.6, Councillor J Procter was invited to attend the meeting on behalf of Councillor A Carter.

122 Exempt Information - Possible Exclusion of the Press and Public

RESOLVED – That, in accordance with Regulation 4 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the 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) Appendix 1 and Plan 1 to the report entitled, 'East Leeds Extension: Acquisition of Land between Wetherby Road and York Road', referred to in Minute No. 134 are designated as exempt in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that the information contained within the appendix and plan relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through initial one to one discussions for the acquisition of the property/land then it is not in the public interest to disclose this information at this point in time.

Also, it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and

consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time.

- (b) Appendix 1 to the report entitled, 'Design and Cost Report for Playing Pitches and Land at Woodhall Lane, Pudsey', referred to in Minute No. 136 is designated as exempt in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that the information contained within the appendix and plan relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in relation to certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the purchase of the land/property referred to then it is not in the public interest to disclose this information at this point in time. Also the release of such information would or would be likely to prejudice the Council's commercial interests in relation to and undermine its attempts to acquire by agreement similar properties in the locality in that owners of other similar properties would be aware about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be available from the Land Registry following completion of the purchase and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time.

123 Declaration of Disclosable Pecuniary Interests

There were no declarations of Disclosable Pecuniary Interests made during the meeting.

124 Minutes

RESOLVED – That the minutes of the meeting held on 19th November 2014 be approved as a correct record.

DIGITAL AND CREATIVE TECHNOLOGIES, CULTURE AND SKILLS

125 Smart Cities: Delivering a Sustainable City in the Digital Age

The Deputy Chief Executive submitted a report providing details on the drivers for a Smart Cities approach for Leeds and which recommended a particular strategic approach towards its delivery. In addition, the report also provided an update on what had been delivered to date through temporary and loose arrangements in what has been a "prototype" year. Finally, the report detailed where the Council aimed to be and the main issues to be resolved, whilst also providing practical recommendations in terms of progressing from the current position, including the formalising of a Smart Cities Team.

Responding to an enquiry, emphasis was placed upon the need to ensure that the relevant expertise located throughout the city was fully engaged in the delivery of the Smart Cities approach and how the benefits from the proposed

Capital Innovation Fund could be maximised. As such, acknowledging the consultation events which had already taken place, it was suggested that moving forward, a panel incorporating the relevant expertise could be established as part of the associated engagement process, with a follow up report being submitted to the Board in the next six months on the involvement of the digital community in this area.

Members highlighted how Leeds continued to lead nationally on the development of smart methods in the field of health and wellbeing, the importance of working with schools and young people on this agenda and emphasised the significant opportunities which existed in areas such as future economic growth and job creation.

RESOLVED –

- (a) That the Smart Cities approach and direction as detailed within the submitted report be endorsed;
- (b) That the formalising of the Smart City Team from existing resources under the leadership of the Chief Information Officer, be supported;
- (c) That support be given to the creation of a Capital Innovation Fund of £150,000 which can be used to support “Civic Enterprise” type prototypes as a basis for informing wider business cases, with spending against this fund to be recommended by the Smart Cities lead and associated sign off from Chief Information Officer and the Executive Member for Digital and Creative Technologies, Culture and Skills;
- (d) That the direction to all managers and services to commit to making all non-person sensitive data open and published on the Leeds Data Mill, be supported;
- (e) That a follow up report be submitted to the Board in the next six months on the involvement of the digital community in this area.

HEALTH AND WELLBEING

126 Building a 'Mentally Healthy' Leeds

The Director of Public Health and the Director of City Development submitted a joint report outlining the learning and outputs which had arisen from the 'Mentally Healthy City' event held in June 2014. The report helped to place such outputs into the context of wider ongoing work around health and strategic planning which was currently being undertaken within Leeds, whilst the report also made recommendations for further crosscutting work which could be undertaken in order to promote wellbeing across a growing city.

The Board welcomed the fact that the report highlighted and prompted discussion on the issue of mental health. In addition, Members emphasised the vital role of Ward Councillors in progressing the 'Mentally Healthy' Leeds initiative in their respective areas and reiterated the need to ensure that associated community infrastructure accompanied future housing growth in the city.

Responding to an enquiry, Members received information on the practical elements of this initiative, and how it would impact upon the planning process for example.

RESOLVED –

- (a) That the positive outputs and ideas arising from the ‘Mentally Healthy City’ workshop, held with cross city partners in June 2014, be recognised and supported;
- (b) That the extensive work currently taking place to integrate health and wellbeing considerations into future planning for the built environment and housing, be recognised and supported;
- (c) That the benefits identified by this conference of Public Health and planning colleagues, applying a cross-cutting approach to issues in breakthrough projects (such as housing growth, making the City a good place to grow old, and reshaping health and social care), and building on the process of consultation and engagement, as outlined within the submitted report, be recognised and supported.

FINANCE AND INEQUALITY

127 Financial Health Monitoring 2014/15 - Month 7

The Deputy Chief Executive submitted a report presenting the Council’s projected financial position for 2014/2015 after seven months of the financial year. In addition, the report also highlighted the key issues impacting upon the overall achievement of the budget for the current year and provided details on the measures which had been established to reduce the current level of overspend.

RESOLVED – That the projected financial position of the authority after seven months of 2014/2015, be noted.

128 Initial Budget Proposals for 2015/16

The Deputy Chief Executive submitted a report which sought approval of the Council’s initial budget proposals for 2015/2016, as detailed within the submitted paper, and also which sought agreement for those proposals to be submitted to Scrutiny and used as a basis for wider consultation with stakeholders.

In presenting the submitted report, the Deputy Chief Executive informed the Board that to date, confirmation of the 2015/16 Local Government finance settlement and also the 2015/16 Council Tax referendum ceiling was still to be received. As part of the development of the proposals, it was also noted that further work would continue to ensure that the proposals were robust, whilst work would also be undertaken with a view to strengthening the Council’s level of financial reserves.

The Board considered the cumulative impact upon the Council arising from the challenging funding reductions it had faced since 2010, with tribute being paid to the key role played by Council employees for their continued efforts throughout this period.

RESOLVED – That the submitted report be approved as the initial budget proposals and for such proposals to be submitted to Scrutiny for consideration and also be used as a basis for wider consultation with stakeholders.

(In accordance with the Council's Budget and Policy Framework Procedure Rules, decisions as to the Council's budget are reserved to full Council. As such, the resolution above is not subject to call in, as the budget is a matter that will ultimately be determined by full Council, and the submitted report is in compliance with the relevant Procedure Rules as to the publication of initial budget proposals two months prior to adoption).

(Under the provisions of Council Procedure Rule 16.5, Councillor Golton required it to be recorded that he abstained from voting on the decisions referred to within this minute. Also, in relation to such matters, as Councillor J Procter was in attendance as a non-voting Member, he drew the Board's attention to the fact that if he were able to, he would abstain from voting on the decisions referred to within this minute)

129 Local Welfare Support Scheme (LWSS) 2015/16

Further to Minute No. 199, 5th March 2014, the Assistant Chief Executive (Citizens and Communities) submitted a report which presented proposals for a Local Welfare Support Scheme from April 2015 and which detailed how the scheme could continue in order to support the Citizens@Leeds approach to tackling poverty and deprivation.

The Board noted that the proposals detailed within the submitted report were based upon there being no Government funding allocated for 2015/16. However, it was highlighted that a Government announcement following a review of local welfare provision funding for 2015/16 was expected imminently, and that should any Government funding be announced, an updated scheme would be developed based upon a minimum budget of £800k or an amount higher than this figure, should specific Government funding be forthcoming which was greater than £800k.

RESOLVED –

- (a) That the development of a scheme based on the outline scheme proposals for emergency provision for 2015/16, as set out within the submitted report, be approved subject to the approval of funding;
- (b) That it be noted that the Chief Officer (Welfare and Benefits) will be responsible for the implementation of an approved scheme.

130 Consultation Outcomes on the Local Council Tax Support Scheme 2015/16

Further to Minute No. 50, 16th July 2014, the Assistant Chief Executive (Citizens and Communities) submitted a report outlining a number of options for a 2015/2016 local Council Tax Support Scheme which reflected both the consultation feedback obtained and also the budget position facing the Council. In addition, the report also invited the Board to consider making a

recommendation to Council to adopt such a scheme prior to 31st January 2015.

RESOLVED –

- (a) That the information detailed within the submitted report be noted, and that full Council be recommended to adopt a Local Council Tax Support Scheme that:-
 - (i) Continues with the scheme of protection for vulnerable groups as set out in paragraph 2.4 of the submitted report;
 - (ii) Continues the current local scheme of disregarding in full Armed Forces Compensation Payments;
 - (iii) Continues to provide a budget of £49.6m, which is the same budget as provided in 2013/14 and 2014/15;
 - (iv) Reduces from 26% to 25% the amount of Council Tax due from non-protected working age customers eligible for council tax support, and;
 - (v) Introduces new arrangements for non-protected job seekers that requires after a period of 6 months that they take up additional support to help people them into work in order to continue to receive Council Tax Support.
- (b) That support be given to the proposal that a proportion of any Scheme underspend in 2015/16 should be re-invested in activity to support people into work in order to support the successful implementation of this new initiative;
- (c) That should full Council support the adoption of the proposed scheme, it be noted that the decision will be implemented by the Assistant Chief Executive (Citizens and Communities) and will take effect from 1 April 2015. Implementation will commence in the first week of March 2015 as part of the annual billing process in order for the new Scheme to be effective from 1 April 2015.

131 Calverley Workhouse Allotment Charity

The City Solicitor submitted a report which sought approval to a modification of the purposes of the 'Calverley Charity – The Workhouse Allotment', so as to enable the charity to be of more use to the residents of Calverley. The report also sought approval in principle to dispose of part of the land owned by the 'Calverley Charity – The Workhouse Allotment', with the proceeds of the sale becoming part of the charity's funds for use in the delivery of the modified purposes of the charity, including the construction of a playground on land retained by the charity.

RESOLVED –

- (a) That the contents of the submitted report be noted, and on being satisfied that it is expedient in the interests of the charity for the purposes to be modified, approval be given to the trusts of the charity being modified by replacing the existing purposes of the charity (the prevention or relief of poverty of residents of the former Manor of Calverley) with the new purposes of preventing or relieving need or hardship of persons living within the former Manor of Calverley. Given

this resolution, the City Solicitor be requested to notify the Charity Commission of the resolution within fourteen days.

- (b) That in principle approval be given to the disposal of the charity's land at Dawson's Corner and retaining sufficient land in order to construct a playground, subject to the necessary consultation with the local community and to a report setting out the detailed proposals being submitted to Executive Board in due course. Given this resolution, the City Solicitor and the Director of City Development be requested to liaise with Ward Members as to the exact nature of the proposals and the required consultation, with a view to submitting a further report to Executive Board within the next six months.

132 Safeguarding in Taxi and Private Hire Licensing

The Assistant Chief Executive (Citizens and Communities) submitted a report which provided assurances on the robustness of the Council's existing safeguarding controls for taxi and private hire licensing. In addition, the report provided an overview of the additional measures being taken to improve safeguarding issues in Taxi and Private Hire Licensing and detailed the progress which had been made to date in this area.

In considering the report, the Board highlighted the need to ensure that a consistently robust approach towards taxi and private hire licensing was adopted across all Local Authorities via the establishment of legislation, and it was agreed that representations on such matters should be submitted to Government on behalf of the Board.

Responding to a specific enquiry regarding the checking measures already in place, it was noted that legal advice was currently being sought in relation to the options available to impose more robust procedures in Leeds for applicants newly arrived in the UK. As such, it was agreed that a further report be submitted to the Board in due course following the receipt of related legal advice, which provided further details on proposals around more robust checks, and which responded to the specific enquiries raised during this discussion.

RESOLVED –

- (a) That representations be made on behalf of Executive Board to Government about the need to establish legislation which will ensure a consistent approach towards taxi and private hire licensing, without reducing the high standards already recognised in Leeds;
- (b) That a further report be submitted to the Board in due course following the receipt of legal advice currently being sought, which provides further details on proposals around more robust checking measures for applicants newly arrived in the UK and which also responds to the specific enquiries raised during this discussion;
- (c) That the direction officers and Members of Licensing Committee are taking with regard to improvements for safeguarding in Taxi and Private Hire Licensing, be endorsed;

- (d) That it be agreed that Elected Members, MPs and senior officer references should no longer be considered as part of taxi and private licensing decision making processes.

TRANSPORT AND THE ECONOMY

133 Response to Sir David Higgins report: 'Rebalancing Britain from HS2 towards a national transport strategy'

Further to Minute No. 162, 22nd January 2014, the Director of City Development submitted a report which provided a response to Sir David Higgins' report entitled, 'Rebalancing Britain from HS2 towards a national transport strategy'. The report presented the main principles for the development of the Council's policy in relation to HS2 and HS3 and considered how the Council could realise the regeneration and economic growth benefits of enhanced connectivity.

Members highlighted the significance of the HS2 project when considering the future long term economic competitiveness of the Leeds City Region.

RESOLVED – That in noting the in principle support for HS2 provided by Executive Board on 15th February 2013, together with the Board's approval of the formal representation to the HS2 Phase Two proposed line of route consultation in January 2014, the following be approved:-

- (i) The Board welcomes the support for the Eastern leg and strategic proposition of HS2 and HS3, provided for by the Sir David Higgins report 'Rebalancing Britain from HS2 towards a national transport strategy';
- (ii) The Board agrees to the Council taking a leading role in the Sir David Higgins Leeds station working group, in order to find the optimum solution for the arrival and integration of, HS2 and HS3 into Leeds City Centre, which supports both the growth of rail through the creation of a major rail interchange in Leeds City Centre, and meets our local connectivity, place making and regeneration ambitions;
- (iii) The Board requests that officers continue to work with the West Yorkshire Combined Authority (WYCA) and district partners to develop an integrated HS2 transport connectivity package, which spreads the benefits of HS2 across the Leeds City Region;
- (iv) The Board requests that officers continue to develop a Masterplan for the area surrounding the HS2 station location, in order to inform the development of the Council's policy position that will maximise both the social, physical and economic benefits from the arrival of HS2;
- (v) The Board requests that officers continue to press HS2 Ltd and the Government on the mitigation of the line of route and to review compensation arrangements for those adversely affected by the line of route;
- (vi) The Board requests that officers work with the Local Enterprise Partnership (LEP) in order to develop a HS2 jobs and skills legacy through the City Region Skills Network;

- (vii) The Board requests that officers work in partnership with Northern City Region colleagues on the development of proposals for formalising co-operation across the North through 'Transport for the North';
- (viii) The Board requests that officers work collaboratively with HS2 Ltd and Central Government in order to develop proposals for a Council led regeneration delivery vehicle that has the appropriate funding powers and flexibilities to deliver the city's vision for HS2;
- (ix) The Board instructs the Director of City Development to co-ordinate the work as resolved above and to submit a progress report to Executive Board in 2015, outlining the progress from the Sir David Higgins Leeds Station working group, subsequent response to the Government's request for HS2 Growth Strategies, together with the Council's next steps.

(Under the provisions of Council Procedure Rule 16.5, Councillor Golton required it to be recorded that he abstained from voting on the decisions referred to within this minute)

134 East Leeds Extension: acquisition of land between Wetherby Road and York Road

The Director of City Development submitted a report which recommended that the Council progressed negotiations for a land acquisition in order to enable the delivery of the Northern Quadrant (NQ) section of the East Leeds Orbital Road (ELOR) within the East Leeds Extension (ELE).

Responding to a specific enquiry, a Member received clarification on the method by which local Ward Members had been notified of the proposals detailed within the submitted report.

Following consideration of Appendix 1 and Plan 1 to the submitted report, both designated as exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which were considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That approval be given for the Director of City Development to enter into negotiations in order to seek to agree terms for the purchase of the land interest, as defined within the exempt appendix to the submitted report, owing to it forming a strategic interest within the NQ within the ELE that will facilitate the delivery of ELOR;
- (b) That a further report be submitted from the Director of City Development to Executive Board on the terms to be provisionally agreed, at which time an injection into the Capital Programme will be requested together with a request of 'Authority to Spend' the monies for its purchase;
- (c) That it be noted that the Head of Land and Property will be responsible for the implementation of the actions, as set out within the submitted report.

(As Councillor J Procter was in attendance as a non-voting Member, he drew the Board's attention to the fact that if he were able to, he would vote against the decisions referred to within this minute)

135 Review of Inward Investment in Leeds City Region

The Director of City Development submitted a report which presented the findings from a Review of Inward Investment into Leeds City Region. Furthermore, the report sought the Board's approval of the conclusions and recommendations arising from the Review.

The Board discussed the background and context to the review being undertaken, highlighted the key role which continued to be played by inward investment within the Leeds City Region economy and in moving forward, considered the principle aims of the proposals detailed within the submitted report.

RESOLVED –

- (a) That the recommendations of the Review of Inward Investment in Leeds City Region, as set out within the Final Report of the Review, detailed in Annex 1 to the submitted report, be agreed;
- (b) That approval be given to the transfer of the Leeds and Partners inward investment, and supporting and marketing and communications functions, to be overseen by the Leeds City Region Local Enterprise Partnership (LEP), with the West Yorkshire Combined Authority being the employer of the relevant staff and the legally responsible organisation;
- (c) That the transfer of the Leeds and Partners visitor economy function to Leeds City Council, be approved;
- (d) That support be given to the proposals for considering over the longer term a future city region or cross-boundary approach towards the visitor economy, linked potentially to commissioning of Welcome to Yorkshire;
- (e) That subject to the agreement of the West and North Yorkshire Chamber of Commerce, approval be given to the winding up of Leeds and Partners as a separate organisation;
- (f) That officers be instructed to support the transition process, including dealing with the relevant legal, financial and staffing issues;
- (g) That agreement be given to put in place appropriate resources and capacity within Leeds City Council, in order to enable Leeds to work with the LEP to secure inward investment, to develop growth sectors and market and promote the city;
- (h) That it be noted that the new arrangements will be put in place by April 2015, and that the Chief Economic Development Officer will be responsible for the implementation of such matters.

136 Design and Cost Report for Playing Pitches and Land at Woodhall Lane, Pudsey

Further to Minute No. 114, 19th November 2014, the Director of City Development submitted a report providing an update on progress made for the proposed disposal of part of the site to Albion Sports. At the previous

meeting in November 2014, the Board approved the acquisition of the various playing pitches and grazing land, as identified on the appended plan to the submitted report, from Bradford University. In addition, the Board also agreed to sell the long leasehold interest of part of the site to Albion Sports Juniors Football Club. The submitted report noted that Albion Sports had subsequently withdrawn from the terms previously agreed, and it was now proposed to fund the acquisition from an alternative source, as detailed within the exempt appendix to the submitted report.

Following consideration of Appendix 1 to the submitted report, designated as exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That it be noted that Albion Sports has subsequently withdrawn from the terms, as previously agreed;
- (b) That the funding of the acquisition, as detailed within the exempt appendix to the submitted report, be approved;
- (c) That it be noted that the necessary authority to negotiate with local football, sports clubs and local schools with regard to the terms for the use of the pitches is delegated to the Director of City Development, in accordance with Part 3 of the constitution;
- (d) That the disposal of the properties, as identified within the exempt appendix to the submitted report be approved, and that approval also be given to ring fencing their capital receipts so that they can be used for funding the acquisition of the Woodhall playing pitches;
- (e) That it be noted that the Head of Asset Management will be responsible for the implementation of such matters, with transactions to complete within six months.

CHILDREN AND FAMILIES

137 Outcomes of statutory notices to increase primary school provision in Roundhay

Further to Minute No. 64, 17th September 2014, the Director of Children's Services submitted a report which contained details of a proposal brought forward to meet the local authority's duty to ensure sufficiency of school places. The report described the outcome of a statutory notice in relation to the expansion of primary provision in Roundhay and also sought a final decision on the proposal to expand Gledhow Primary School from September 2016.

RESOLVED –

- (a) That the expansion of Gledhow Primary School, by increasing its capacity from 420 pupils to 630 pupils, and increasing the admission limit in reception from 60 to 90 from September 2016, be approved;
- (b) That it be noted that the responsible officer for the implementation of such matters is the Capacity Planning and Sufficiency Lead.

(The Council's Executive and Decision Making Procedure Rules state that a matter may be declared as being exempt from the Call In process, if it is deemed as being urgent and that any delay would seriously prejudice the Council's, or the public's interests. It has been deemed that the resolutions detailed above are exempt from Call In due the critical nature of the date by which an Executive Board decision must be made. Executive Board must make a decision within two months of the expiry of the statutory notice period, otherwise the proposal must be referred to the School Adjudicator for a final decision. The statutory notice period closed on 24 October and therefore a final decision must be made by 23 December 2014, and if a decision is not made, then the additional school places required for 2016 would not be secured).

NEIGHBOURHOODS, PLANNING AND PERSONNEL

138 Holt Park District Centre Planning Statement

Further to Minute No. 49, 17th July 2013, the Director of City Development submitted a report providing a summary of the responses arising from the associated consultation exercise for the Holt Park District Centre Planning Statement, outlining the changes made to the Statement and which sought approval of the Statement. In addition, the report also sought approval to enter into discussions with Asda in order to explore the company's interest in acquiring Council owned land to enable the redevelopment of the existing Holt Park supermarket.

RESOLVED –

- (a) That the draft Planning Statement for the Holt Park District Centre, be approved.
- (b) That officers be authorised to enter into discussions with Asda in order to explore the company's interest in acquiring Council owned land to enable the redevelopment of the existing Holt Park Asda supermarket. In the event of Asda and the Council not being able to agree redevelopment proposals that achieves best consideration for the Council, then officers be requested to advertise sites C and E, as presented within the submitted report and appendices, for sale on the open market;
- (c) That the Director of City Development, in consultation with the Executive Member for Transport and the Economy, bring forward proposals for the development and disposal of the brownfield residential sites in order to identify the most appropriate use;
- (d) That it be noted that the Head of Land and Property will be responsible for the implementation of resolution (b) above, in consultation with the Executive Member for Transport and the Economy.

CLEANER, STRONGER AND SAFER COMMUNITIES

139 Low Emission Zone (LEZ) Feasibility Study

The Director of Environment and Housing, the Director of City Development and the Director of Public Health submitted a joint report presenting the background to, and the key findings arising from a study undertaken into the

feasibility of introducing a Low Emission Zone (LEZ). The study considered air quality in Leeds, the main contributors and scenarios to bring about reductions of key pollutants and the associated health and economic implications. In addition, the report also presented the initial response to the study, describing measures which were currently being taken to improve air quality and pointing to further areas where progress could be made.

Responding to a Member's enquiry, further context was provided to the Board around the short term actions proposed within the submitted report which would look to develop a strategic approach towards the improvement of air quality. Members noted the intention to submit a further report on this matter to Executive Board in the summer of 2015.

Emphasis was placed upon the need for the level of public transport emissions to be improved, and it was acknowledged that Quality Bus Contracts was one of a number of potential options available which could help improve such emission levels.

The Board highlighted how the devolution of greater powers to the Local Authority would enable the development of a truly strategic approach on such issues, and with this in mind, it was suggested that the Council's 'wider ambition' for the improvement of air quality form part of the report to be submitted to the Board in summer 2015.

RESOLVED –

- (a) That dialogue with key interest groups in the transport sector be commenced in order to agree a range of practical measures with timescales for their introduction that will bring about improvements to air quality and health. The aim being to deliver changes by dialogue where possible, but with the clear understanding that improvements could be achieved ultimately via a Low Emission Zone.
- (b) That the findings of this work be shared regionally with the other West Yorkshire Authorities and the Combined Authority in order to assist in providing a regional solution to the air quality challenge that the whole of West Yorkshire faces. In addition, it be noted that air quality is a trans-boundary issue and can only be effectively addressed across West Yorkshire by all partner authorities and organisations working together, and wherever possible it be recommended that any measures introduced reflect the regional situation rather than dealing with issues in isolation.
- (c) That the key findings of the LEZ study be used to influence future funding bids as they become available (for example the Office for Low Emission Vehicles (OLEV) Green Bus Fund);
- (d) That any future decision to introduce a Low Emission Zone be taken in the context of a wider Leeds Low Emission Strategy that is expected in 2015;
- (e) That an update report on this matter be submitted to the Board in summer 2015, which also provides further information on the Council's 'wider ambition' for the improvement of air quality.

DATE OF PUBLICATION: FRIDAY, 19TH DECEMBER 2014

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00PM, TUESDAY 6TH JANUARY 2015

(Scrutiny Support will notify Directors of any items called in by 12.00noon on Wednesday, 7th January 2015)