



SCRUTINY BOARD (CITY DEVELOPMENT)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Wednesday, 27th April, 2016 at 10.30 am

(A pre-meeting will take place for ALL Members of the Board at 10.00 a.m.)

MEMBERSHIP

Councillors

A Castle	-	Harewood;
D Cohen	-	Alwoodley;
P Davey	-	City and Hunslet;
R Harington	-	Gipton and Harehills;
J Heselwood	-	Bramley and Stanningley;
M Ingham	-	Burmantofts and Richmond Hill;
S McKenna	-	Garforth and Swillington;
C Townsley	-	Horsforth;
P Truswell (Chair)	-	Middleton Park;
P Wadsworth	-	Guiseley and Rawdon;
J Walker	-	Headingley;

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

Agenda compiled by:
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Scrutiny Support Unit
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Sandra Pentelow
Tel: 24 74792

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			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes.)</p>	
4			<p>DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS</p> <p>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.</p>	
5			<p>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p>MINUTES - 30 MARCH 2016</p> <p>To confirm as a correct record, the minutes of the meeting held on 30 March 2016.</p>	1 - 6
7			<p>INQUIRY INTO BUS SERVICE PROVISION - SESSION 4</p> <p>To receive a report from the Head of Scrutiny and Member Development which outlines the focus of the 4th session of the Scrutiny Inquiry into Bus Service Provision.</p>	7 - 52
8			<p>SCRUTINY INQUIRY REPORT - DIGITAL INCLUSION</p> <p>To consider a report from the Head of Scrutiny and Member Development with regard to the Scrutiny Inquiry into Digital Inclusion.</p> <p>Inquiry Report To Follow</p>	53 - 54

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			<p>WORK SCHEDULE</p> <p>To agree the Board's work schedule for the remainder of the municipal year.</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 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. 	55 - 70

SCRUTINY BOARD (CITY DEVELOPMENT)

WEDNESDAY, 30TH MARCH, 2016

PRESENT: Councillor P Truswell in the Chair

Councillors A Castle, D Cohen, P Davey,
R Harington, J Heselwood, S McKenna,
P Wadsworth and J Walker

68 Late Items

There were no late items.

69 Declaration of Disclosable Pecuniary Interests

There were no disclosable pecuniary interests declared to the meeting.

70 Apologies for Absence and Notification of Substitutes

Apologies for absence were submitted by Cllr M Ingham and Cllr C Townsley.

71 Minutes - 17 FEBRUARY 2016

RESOLVED – That the minutes of the Scrutiny Board (City Development) meeting held on 17 February 2016, be approved as a correct record.

72 Inquiry into Bus Service Provision - Session 3

The Head of Scrutiny and Member Development submitted a report which outlined the focus of the 3rd session of the Scrutiny Inquiry into Bus Service Provision.

The following information was appended to the report:

- Speech of the Bus Minister Andrew Jones which explains the government's forthcoming Buses Bill – 11th February 2016

The following representatives were in attendance and responded to Members' queries and comments:

- Andrew Hall – Head of Transportation
- Tom Gifford – Project Manager WYCA
- Neale Wallace – Bus Services Manager WYCA
- Cllr Richard Lewis – Executive Board Member, Regeneration, Transport and Planning.
- Phil Bown – Regional Officer, Unite

- Andy Dyer – Branch Secretary for First Bus Leeds, Unite
- Ray Wilkes – West Yorkshire Campaign for Better Transport
- Ian Williams – Leeds Chamber of Commerce
- Nigel Foster – Leeds Chamber of Commerce

The key areas of discussion were:

- Reducing the environmental impact and the carbon footprint of buses, Euro standards and regulating standards. The Board were advised that some current vehicles are over 30 years old and that there is currently no restriction with regard to standards however yellow and access buses will be converted to ensure better air quality.
- The potential low emission zone (clean air zone) in Leeds, similar to that in London and the development of hybrid technology by the main bus manufacturers.
- The lack of reinvestment of operator profits into bus operations and updating the fleet
- The importance of bus transportation to the local economy and the dependence of residents in the more deprived areas of the City on the bus as a mode of transport.
- The view of the members of the Chamber of Commerce, the need for a balanced transport strategy, transport integration, looking beyond the boundaries of Leeds to ensure the Leeds economy prospers.
- The challenges to scheduling such as congestion. The Board were advised that congestion is one of a number of problems and is not the only obstacle to providing effective services.
- The importance of proactive communication to the public about the bus services available and the increase of services on Sundays.
- Whether bus deregulation works in big conurbations. London was never deregulated and Edinburgh is run by the local authority. Unite highlighted that Sheffield has a working partnership with an integrated ticketing policy and has regulated services with operators working together. The network would need to be managed and integration would be required with operators working together to achieve this in Leeds.
- Concern regarding the removal of the 72 FTR service by First Bus at weekends.
- Quality Bus Contracts and the removal of competition on the road, offering improvement in services and in the quality of vehicles. Nexus and the question of whether the current guidance is workable. The need to deliver an outcome which supports economic growth.
- Safety and security whilst using or waiting for the bus and the partnership with West Yorkshire Police.

RESOLVED

- The report was noted and the evidence considered as part of the inquiry.

73 Local Flood Risk Management Strategy

The Director of City Development submitted a report which supported the scrutiny of flood risk management functions as required by sections 4 & 6 of the Flood and Water Management Act 2010.

The following information was appended to the report:

- Appendix 1 – Progress on the Local Flood Risk Management Strategy
- Appendix 2 – Updated version Local Flood Risk Management Strategy – List of Measures
- Appendix 3 - Updated version Local Flood Risk Management Strategy – List of Measures

The following representatives were in attendance and responded to Members' queries and comments:

- Wynne Floyd – Technical Services Manager, City Development
- Cllr Richard Lewis – Executive Board Member, Regeneration, Transport and Planning.

The key areas of discussion were:

- The level of damage to the City from Storm Eva, Linton Bridge and the level of funding direct from Government to the Leeds.
- Clarification regarding the list of measures stated and if that would resolve flooding in Leeds. The Board were advised that it is about managing risks and looking at options and solutions to mitigate and reduce risk.
- If more could have been done to alleviate flooding if funding had been provided. The Board were advised that the circumstances relating to Storm Eva challenged the thinking around what is needed, work to identify the solutions is on-going and more has to be done.
- Responsibility for the maintenance of vegetation in becks and waterways.
- The different approaches to managing the diversion of flood water onto areas of land.

RESOLVED

- a) The report was noted progress made with regard to the Strategy.
- b) Requested identification of the cost of the measures in future reports to the Scrutiny Board.

74 Draft Scrutiny Inquiry Report - Housing Mix

The Head of Scrutiny and Member Development submitted a report requesting the consideration and agreement of the draft Housing Mix scrutiny inquiry report.

The following information was appended to the report:

- Report of the Scrutiny Board (City Development) Housing Mix, March 2016

The following representatives were in attendance and responded to Members' queries and comments:

- Peter Marrington – Head of Scrutiny and Member Development

RESOLVED

- a) The Scrutiny Board agreed the report following the inquiry into Housing Mix.

75 A New Culture Strategy for Leeds

The Director of City Development submitted a report which provided an update on the approach taken to develop the new Culture Strategy for Leeds 2017 – 2030.

The following information was appended to the report:

- Appendix 1 – Initial Blog Posts

The following representatives were in attendance and responded to Members' queries and comments:

- Cluny MacPherson – Chief Officer, Culture & Sport,
- Leanne Buchan – Principal Officer

The key areas of discussion were:

- Methods of consultation and the range of stakeholders involved to date and that further information regarding the outcome of consultation can be provided at a later date
- The range of consultation with BME groups.
- Clarity about the process to be employed in order to produce a strategy where the priorities are clear as the approach is open and free flowing. The Board were advised that the strategy might not be a final document it could be something that is a framework of living documents based on city priorities. Assurance was provided that it will be formalised and will have focus.
- The need to highlight and shine a light on our cultural offer.

RESOLVED

- a) The content of the report was noted.
- b) A progress report is required at a time to be determined in the 2016/17 municipal year.

76 Work Schedule

A report was submitted by the Head of Scrutiny and Member Development which detailed the Scrutiny Board's draft work programme for the current municipal year.

The draft Scrutiny Board (City Development) work schedule for 2015/2016 and the Executive Board minutes for 10th February 2016 were appended to the report.

Sandra Pentelow, Principal Scrutiny Adviser, presented the report and responded to Members' queries and comments.

RESOLVED

- a) The Scrutiny Board noted the content of the report and agreed the revised work program.

77 Date and Time of Next Meeting

Wednesday, 27 April 2016 at 10.30am (pre meeting for all Board Members at 10:00am)

(The meeting concluded at 12:30pm)

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Report author: Sandra Pentelow

Tel: 0113 2474792

Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (City Development)

Date: 27 April 2016

Subject: Inquiry into Bus Service Provision – Session 4

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 Scrutiny Board at its meeting on the 17th of June 2015 resolved to undertake an inquiry to consider bus service provision.
2. The Board expressed a desire to have a clear understanding of current provision and how this supports our objectives as a Council to connect residents and visitors to employment, training, culture and leisure and support the economic prosperity of the city. Whilst undertaking the inquiry the Board also wish to understand the current and future options for bus service provision in the city and consider what would be most beneficial for Leeds.
3. The purpose of this inquiry is to make an assessment of and, where appropriate, make recommendations on the following areas:
 - The provision and connectivity of Bus Services in Leeds, including services into the Leeds area and sufficiency to meet the needs of people and business.
 - Current impact of bus services on social inclusion, poverty and the economy
 - Options for improving local bus services
 - Investment and the delivery of strategic and operational improvement in bus services
 - Consultation on the Bus Bill

4. The January, February and March Scrutiny meetings provided the opportunity to consider:
 - De-regulation and the West Yorkshire bus context
 - Key Achievements
 - Role of the Highway Authority & WYCA in the Bus System
 - Bus Services and the economy
 - Bus Strategy and Single Transport Plan, including Public and Stakeholder consultation.
 - Partnership and Quality Contract Legislation
 - The views of stakeholders

5. The focus of this session is to explore the view of operators and operator representatives. Three organisations have been invited to the meeting to provide advice, contribute to debate and answer questions; these are the Association of Bus Operators in West Yorkshire (ABOWY), Tower Transit and HTC Group.

Recommendations

6. The Scrutiny Board is requested to note this report and information provided during discussion on the 27th April and make recommendations as deemed appropriate.

1 Purpose of this report

- 1.1 This report provides information about the focus of the 4th session and provides an overview of the organisations contributing to the inquiry at this session.

2 Main issues

- 2.2 The 4th session of the inquiry provides an opportunity for the Scrutiny Board to receive expert advice about bus services in Leeds, the current bus offer and options for improving local bus services. Representatives from three organisations have been invited to the meeting to provide advice, contribute to debate and answer questions.
- 2.3 ABOWY – ABOWY represents operators of all sizes including Arriva, BL Travel, Centrebus, First, Godsons Coaches, Harrogate Coach Travel, M Travel, Red Line Buses, Ross Travel, Stagecoach, TLC, Transdev and Utopia. Their aim is to ensure that the future of public transport in West Yorkshire is one that everyone can be proud of. ABOWY have produced a charter which defines three key objectives for the region. To inform the Scrutiny Board of their priorities this is attached as appendix 1.
- 2.4 Tower Transit – The Tower Transit operation in London is a part of the Tower Transit Group. Established in 2013, the Group currently employs 2,030 staff and operates 650 buses, with 1,700 staff and 450 buses operating within the TfL London operation. In May 2016, the Group will increase by a further 900 staff and 380 buses when the Tower Transit Singapore operation commences. Their vision is to be the best and most respected provider of London Bus Services.
- 2.5 HTC Group – HCT Group is a social enterprise in the transport industry, providing over 20 million passenger trips every year. They currently run access buses in Leeds and have a depot in the city. HTC deliver a range of transport services such as London red buses, social services transport, school transport and park and ride. They reinvest the profits from their commercial work into further transport services or projects in the communities they serve. Further information provided by HTC group to support the inquiry is attached as appendix 2 and 3.
- 2.6 All operators and operator representatives attending have been invited to provide written information which may support this inquiry therefore further supplementary information may be supplied in advance of the meeting.

3 Corporate Considerations

3.1 Consultation and Engagement

- 3.1.1 The purpose of this session is to obtain the views of bus operators and operator representatives. Should the Scrutiny Board consider that further engagement is required this will be undertaken during the next municipal year.

3.2 Equality and Diversity / Cohesion and Integration

- 3.2.1 Equality and diversity will be a consideration throughout the Scrutiny Inquiry and due regard will be given to equality through the use of evidence, written and verbal, outcomes from consultation and engagement activities. Where a potential impact has been identified this will be reflected in the final inquiry report, post inquiry.

3.3 Council policies and Best Council Plan

- 3.3.1 This inquiry will support objectives as defined in The Vision for Leeds 2011 – 2030 and the Best Council Plan 2015-20

3.4 Resources and value for money

- 3.4.1 This report has no specific resource and value for money implications

3.5 Legal Implications, Access to Information and Call In

- 3.5.1 This report has no specific legal or access to information implications

3.6 Risk Management

- 3.6.1 This report has no risk management implications.

4 Recommendations

- 4.1 The Scrutiny Board is requested to note this report and information provided during discussion on the 27th April and make recommendations as deemed appropriate.

5 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.



www.ABOWY.co.uk



The Association of Bus Operators in West Yorkshire (ABOWY) represents operators of all sizes, keen to play a part in the region's development.

Passionate about driving sustainable change, we're in the process of releasing information of our future plans and value your input and feedback.

Members have identified 3 key objectives as a regional team. These cover:-

1. Creating improved connectivity to support economic growth
2. Progressing further towards a low-carbon, sustainable, transport system
3. Enhancing the travel experience of customers

An overview of these can be downloaded at www.abowy.co.uk.

The areas to be worked on to achieve the above have been identified as:-

- (i) Partnership Governance & Collaboration;
- (ii) Vehicle Attributes;
- (iii) Ticketing & Fares;
- (iv) Network Development & Reliability;
- (v) Frontline Staff Customer Service;
- (vi) Infrastructure;
- (vii) Investment

Please do contact us if you'd like to discuss any elements mentioned here. We hope we can work together to develop the route to great public transport.



One. Partnership Governance & Collaboration

ABOWY believes that a Partnership Board is crucial to ensure accountability for delivering change from all parties involved. We also believe this to be essential to improve communication channels across the ITA, Metro, Councils and Operators and to provide stakeholders with a route of direct influence over key developments.

A more integrated approach could lead to the opportunity to explore with Metro a more generic brand identity to tie services together under a wider regional banner. This in turn could lead to a more positive, united, image of the bus service provision throughout West Yorkshire.

It would also provide an opportunity to promote entire services, corridors and networks by both area and on a county basis so the public have full information available to them on which to base their travel decisions.

What do you think? Let us know at info@abowy.co.uk

Two. Vehicle Attributes

ABOWY believes that improvement in vehicle attributes must be part of the wider commitment to improved services.

- Customer access is key, and we'd like to see an entirely low-floor fully accessible bus fleet throughout West Yorkshire
- Customer security is key and we'd like to see all vehicles fitted with on-bus CCTV
- Punctuality of services is key and we'd like to see all vehicles fitted with GPS vehicle location and real time equipment and an enhanced programme of 'bus priority measures
- Commitment to the environment is key and we'd like to see minimum vehicle emission standards adhered to, to provide better air quality and eco manager devices fitted to encourage fuel efficient driving

What do you think? Let us know at info@abowy.co.uk

www.ABOWY.co.uk

Three. Ticketing & Fares

Making the customer experience easier, and more streamlined is something we consider to be important in developing our services in the region.

- We fully support the enhancement of the range of Metrocard 'multi-journey, multi-operator, multi-mode' tickets to ensure that the integrated ticketing arrangements are continually improved
- We believe in more flexible Smartcard style ticketing systems region-wide, along with a better off-bus retail network for ticket sales
- We are keen to explore opportunities with new technologies – e.g. for systems that intelligently identify the optimum charge rate for customers and best value for money

We believe these advancements have a key part to play in creating a more productive, sustainable bus service for the future.

What do you think? Let us know at info@abowy.co.uk



Four. Network Developments & Reliability

ABOWY believes that investing in the infrastructure of our network is vital to provide customer confidence and a stronger backbone for our region's transport systems.

We'd like to see improvement and growth targets set across a number of key areas:-

- Limit network and service changes to once a year
- Introduction of a 'Hierarchical' quality assured 'kite-marked' route structure
- Continuous improvement programme for punctuality and journey times
- Greater integration with the region's train services
- Improve the delivery of bus priority measures to speed up journey times, improve punctuality and improve customer confidence

We believe this approach will strengthen our region's provision of services in many ways.

What do you think? Let us know at info@abowy.co.uk





Five. Frontline Staff Customer Service

ABOWY members are passionate about our region providing a service that the public really values. For customers to value it, they must enjoy it, so improved customer service must be at the forefront of our advancements.

We see investment in training as crucial, to bring all staff up to a minimum NVQ Level 2 standard, or equivalent.

We want to improve our relationship with customers and feel the following would be valuable:-

- Specialist training to equip staff with better skills for disability awareness, conflict management, and driving for fuel efficiency and improved customer comfort
- A single point of contact for customer enquiries, to be managed through Metro
- Customer consultation evenings and annual satisfaction surveys, with published results
- A Customer Charter including a 'no quibble' compensation policy

What do you think? Let us know at info@abowy.co.uk



Six. Infrastructure

ABOWY members are strong believers that we need to evolve the fundamental elements of how our industry operates, to ensure better provision of services all round.

We believe key areas to review are:-

The bus stop environments – With stakeholder partners we need to review and improve the bus stop environment making travelling with us a more enjoyable experience.

Bus station standards – In a similar manner we support a review of bus stations' arrangements and services with facility and service levels introduced.

We also feel that, as operators, we need to be better connected with the District Councils so we are closer to, and can better inform, decisions being made on highway issues to ensure we provide clear communications to our customers and improve the proactive management of our networks.

What do you think? Let us know at info@abowy.co.uk



Seven. Investment

None of the previous advancements will be made without significant investment levels. ABOWY members have committed to investing heavily in our proposed strategies over the next 5-6 years.

Highlighted as a key requirement is investment into new vehicle and ticketing technology, to offer customers more tailored, flexible, cost effective ticket choices. Investment proposed: £32million within 2 years.

This significant level of investment in the provision and expansion of services throughout West Yorkshire is earmarked to support economic, cultural and social prosperity of the region as a whole.

Our aim is to deliver a 'predictable and permanent' network to enable Metro and District Authorities to plan investment decisions relating to passenger facilities, bus priorities and marketing and promotional activities.

ABOWY is committed to driving sustainable change and excited about the possibilities for all.



FILM NATIONAL
MEDIATELEVISION
RADIOMUSEUMWEB
PHOTOGRAPHY

New name
Big experience
Still free

Bradford's National Museum

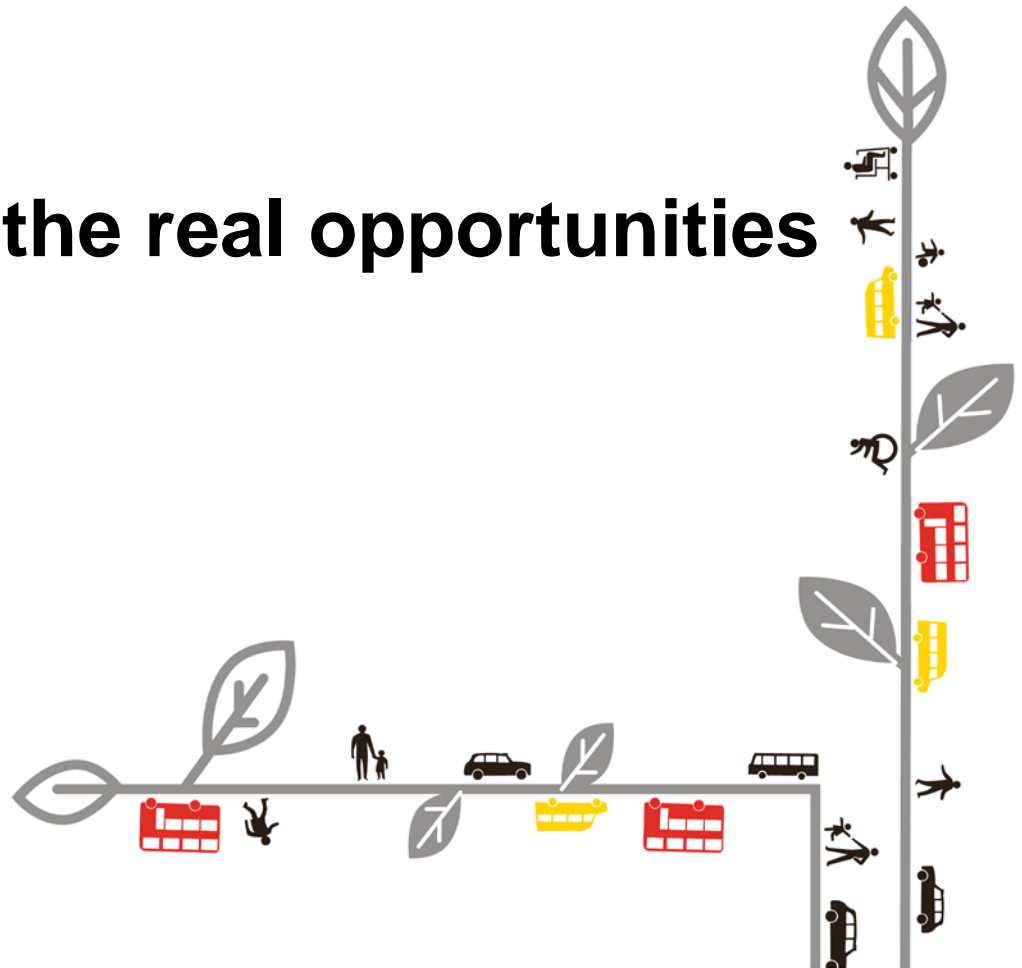
St Luke's
← College McMillan
Wibsey
University and College
main campus
Great Horton
Queensbury →

Bradford Framed

Bus franchising: the real opportunities

April 2016

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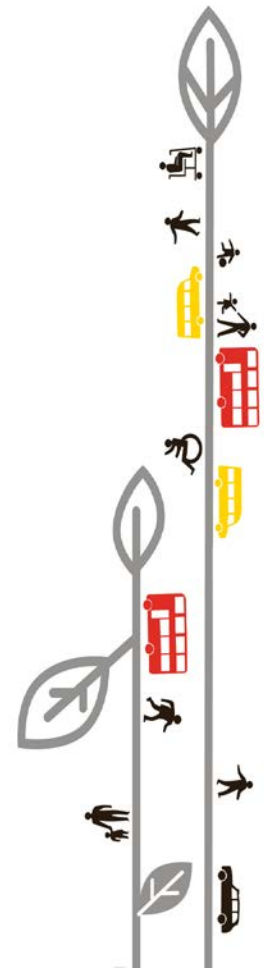
Executive summary

The Buses Bill will give Local Authorities the opportunity to introduce franchising.

Page 28

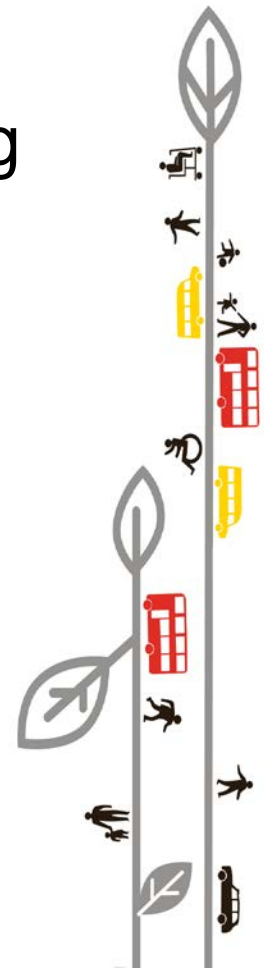
Franchising is:

- Better for passengers
- Better for Local Authorities
- Better for operators



Better for passengers

- Improved, integrated transport offering, responsive to community needs
- Socially essential routes maintained ensuring access for 5 key demographic groups:
 - Older people
 - Younger people
 - Unemployed
 - Low-income employees
 - Disabled people
- “No decision about me, without me” [NHS]
- Simplified ticketing and fares



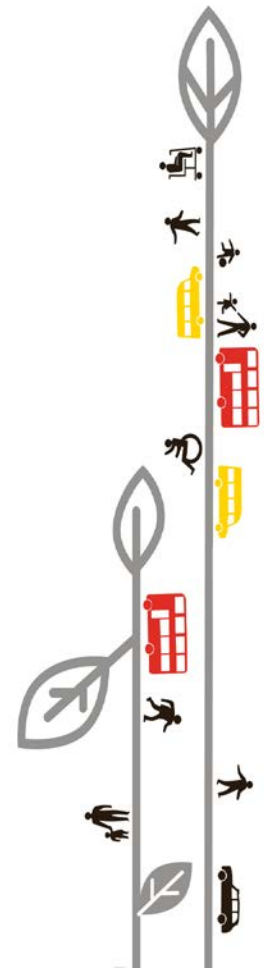
Better for Local Authorities

- Freedom to shape and deliver networks based on public need
- Increased efficiencies through funding reform, pooling and competition
- Opportunity to tender for innovation
- Responsibility for the delivery of an essential public service under democratic local accountability



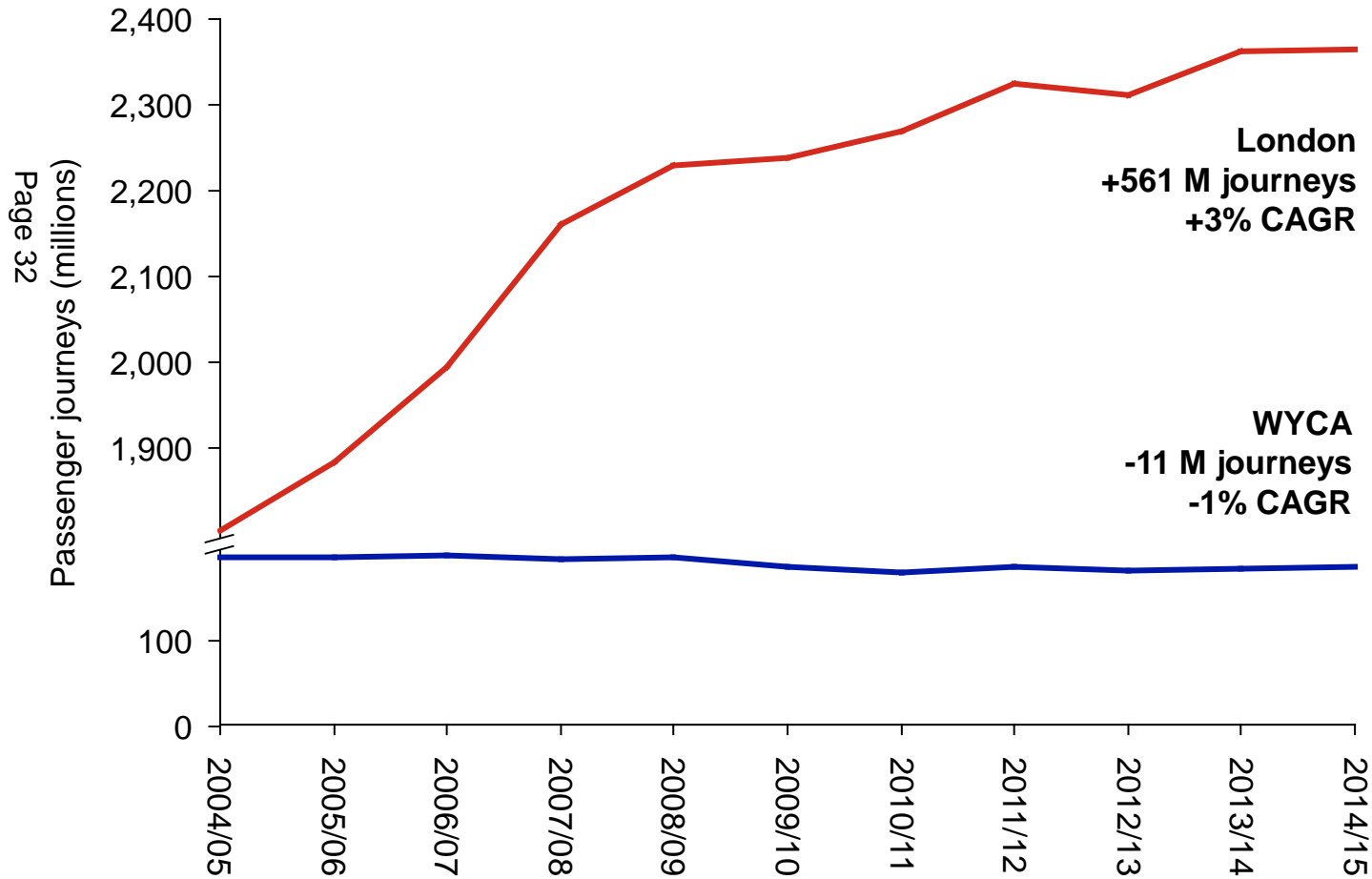
Better for operators

- Opportunity to manage for growth vs. managing decline
- Rebuild public trust
- Lower risk / greater visibility
- Restores competition
- Unlocks innovation
- Plays to operator strengths





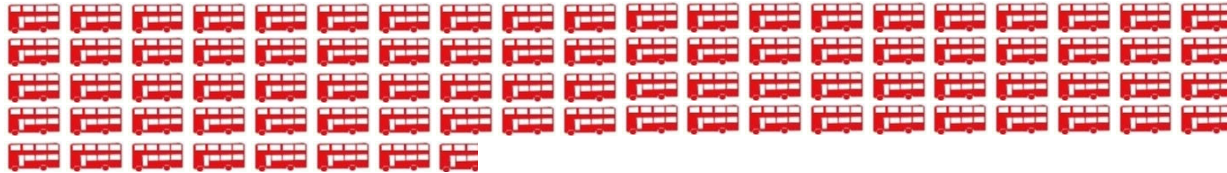
Local bus journeys originating in the area¹



1. Source: DfT Buses Statistics [Table BUS0109b]

 =25

London franchise competition



2192



1648



1546



1220



1007



697



424



110

WYCA market leader (Est)



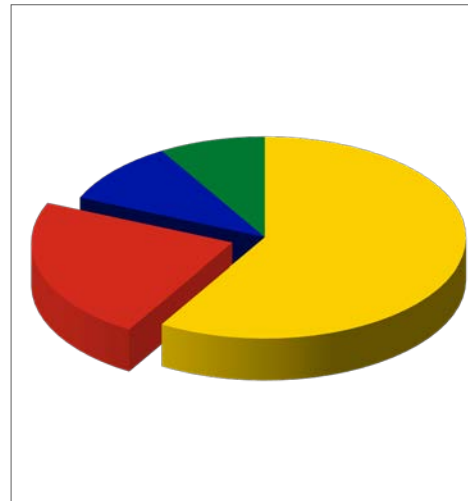
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Franchising options: Jersey

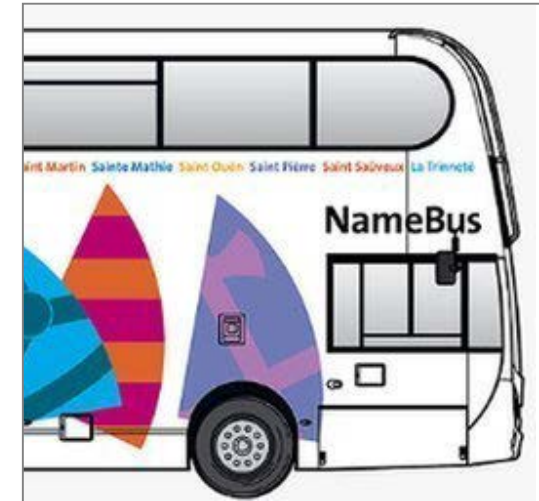
Network design



Profit Share



Community Involvement



Please also see our accompanying report: *Practical Bus Franchising*



Franchising options: Netherlands¹

Background:

- Local authorities contracting under **competitive tendering since 2001** (legislation passed in 2000)
- Franchising introduced to **improve efficiencies** and to allow private sector expertise to generating more customer focus and service innovation
- LAs have the freedom select from a **wide variety of contractual formats** including:
 - Net cost
 - Gross cost
 - Superincentive
- Funding is centrally distributed rather than locally raised
- Pooled budgets have been piloted
- Similar population density to the UK



Outcomes:

- **Quality has improved**
- **Passenger satisfaction has increased**
- Tendering has led to **increased efficiency** and mostly attract two to four bidders
- **Falling costs of provision**
- **Significant innovation and diversity** in approaches to contracting
- Ticketing system allows for **tailor-made regional fares**, whilst **retaining nationwide ticketing integration**
- **Clever contract management and skilled authorities** necessary for the development of a **trusted partnership** with the operators
- Regional bus **patronage remains stable**

If you would like to discuss these ideas further, please contact:
businessdevelopment@hctgroup.org

Thank you





hct group

practical bus franchising the Jersey model



working with our partners

www.hctgroup.org





acknowledgements

HCT Group would like to thank Antoni Miziolek and Craig Miller at the Department for Infrastructure, States of Jersey, who both gave generously of their time and expertise during the research phase of this project – setting out their in-depth knowledge of the process Jersey followed.

We would also like to express our thanks to John Rogers and Tristen Dodd at the States of Jersey, who gave their kind permission for us to tell Jersey's story on their behalf.

introduction

The forthcoming Buses Bill is likely to introduce a range of new powers for Local Authorities to re-order how bus services are delivered in their communities. For those that choose to use these powers to their fullest extent and apply a franchised model, it will represent the most dramatic shift in how bus services are delivered since deregulation in 1985.

As a consequence, Local Authorities have already begun the process of weighing up these new powers, assessing both their desirability and their practicality. Will franchising allow them to grow ridership? How will the ability of operators to innovate be maintained? Will operators even compete for franchises? Will authorities need to develop 'TfL-style' teams to manage franchises? Will the costs of franchising outweigh the benefits? These are all legitimate concerns and the Authorities that we speak to are exploring them with due seriousness.

the challenge

With the exception of London and the TfL franchising system, there are few places in the UK for Authorities to look for direct examples of good practice. Whilst the TfL model has many advantages, the fact that it is unique in the UK makes it significantly more challenging for Authorities to gain the evidence they need to make informed decisions on the most appropriate course to chart.

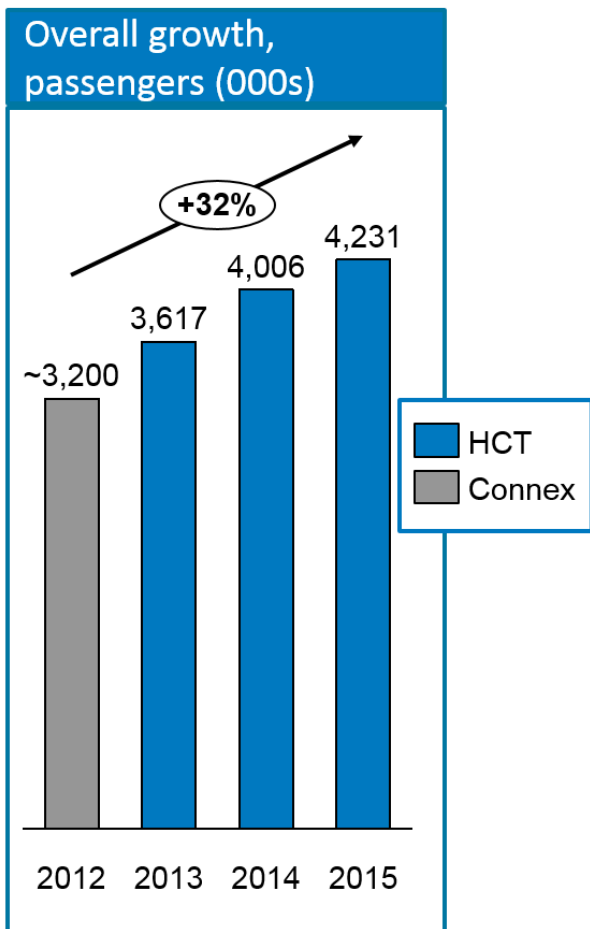
In addition, whilst some Authorities may consider the TfL system appropriate for their needs, for others it may prove too expensive or too difficult with their current levels of in-house expertise.

a new example

Jersey is the largest of the Channel Islands and a Crown Dependency, free to order its bus service as it sees fit. Jersey first regulated its bus service in 2002, so their Department for Infrastructure has close to 15 years' experience – both good and not so good – in this type of network-level contracting. Their direct experience of franchising has led them, over time, to develop a practical model that has proved an unqualified success.

Jersey's results with their procurement process have been impressive. Since the start of the new contract in 2013 – the first full application of the model – passenger ridership has increased by 32%, the levels of subsidy have reduced by £800k per year - on a service with a Peak Vehicle Requirement (PVR) of approximately 80, customer satisfaction has increased by 5%, five new routes have been introduced and frequencies have been improved on key corridors.

Jersey has also seen some progress on its strategic modal shift objectives – 57% of those who use the bus in peak time have access to a car but choose not to use it. All of this has been achieved without the Department for Infrastructure needing to add any additional management resource.



Ridership growth, Jersey 2012-15

about this publication

HCT Group is a social enterprise in the transport industry, safely providing over 20 million passenger trips on our buses every year. We deliver a range of transport services – from London red buses to social services transport, from school transport to Park and Ride, from community transport to education and training. We reinvest the profits from our commercial work into further transport services or projects in the communities we serve.

As a social enterprise, we share the values of our commissioning partners – and a part of what that involves is freely sharing our experience and expertise with Authorities. As franchising approaches in the UK, several Authorities have invited us to talk about what we think it might mean. HCT Group operates the bus service franchise in Jersey under its LibertyBus brand, so we have experience of working in a franchise environment. However, we think that our best answer is not to tell our own story, but to tell that of our Commissioner.

This publication will set out how Jersey used the power of franchising to reach its strategic goals of increased ridership, lower costs, modal shift, innovation and partnership-working with their operator.

To support us in this, our partners at the Department for Infrastructure have been kind enough to share with us the full process from their own perspective as Commissioners, providing a window into their reasoning and decision making. Our aim is not to prescribe the Jersey model as a panacea – each locality is different – but rather to present a new example, inspire debate and encourage innovation.

the Jersey journey

It's different in Jersey. This section will explore the background of the current bus services contract – what makes Jersey different, their experiences with de-regulated services and their first steps in contracting out their bus network.

Jersey – facts and figures

Jersey sits in the Bay of St Malo – just 19 miles from the French coast and 85 miles south of the English coast. With a population of 100,800¹ and dimensions of 9 miles by 5, it is the largest of the Channel Islands. Approximately one third of the population live in the capital, St Helier, with the most significant concentrations of population found along the south coast. Jersey's principal industry is financial services (42% of GVA) and has a GDP of £37,000 per capita (UK: £27,500²). This high level of economic development has implications for the bus service as there are currently almost as many cars (70,429³) as people.

As a British Crown Dependency, Jersey is self-governing and has its own financial and legal systems and its own courts of law. It has a States Assembly made up of 49 elected members and its Government is collectively known as the States of Jersey (or 'the States' for short). The brief for transport falls under the Department for Infrastructure, which is headed by a Minister.

a different model of regulation

For the greater part of its history, Jersey's bus service has been de-regulated. Operators competed against each other without any regulation at all until a fatal incident led to the introduction of bus and driver licencing in 1935. The bus service continued to develop as a commercial proposition, focussing heavily on the needs of the tourist economy. This included strongly seasonal timetables, making bus travel in winter much more difficult for the resident population.

The commercial service continued until the late 1990s. With demand in decline, commercial operators requested additional public subsidy to support both public and school services. Whilst the States of Jersey could agree with the necessity of subsidy to secure a network outside of the key corridors and a robust school service, no agreement could be reached on the extent of the subsidy. The States was left with no alternative but to put the network out to tender.

¹ www.gov.je

² www.ons.gov.uk

³ Jersey 2011 Census, www.gov.je

the first contract

With the need to tender emerging as a last resort after negotiations broke down, the States had to act swiftly. The contract was let on a cost-plus basis where the States would keep the fare-box revenue and this would allow them to commission a more developed network over time. In 2002, Connex were awarded the bus contract on a competitively tendered basis for ten years, with the length of the contract set to ensure that their new operator could invest in new vehicles.

Cost-plus contracts have their strengths and weaknesses. They can be ideal for where the future is uncertain and the Commissioner wishes to have the easy freedom to assemble additional services or routes. However, they provide a mismatch of incentives to the operator:

- There is a strong disincentive to reduce unit costs through innovation – or to even have a close interest in cost control.
- There is no incentive whatsoever for the operator to deploy their entrepreneurial skills and experience in network design, scheduling, ticketing, marketing and so on – as the revenue earned from such innovation goes entirely to the Commissioner.

The first contract did act to secure a robust, reliable network and new vehicles for the service. However, there was a growing realisation at the States that the way the service had been contracted was not allowing them to take the network forward. The full public burden of delivering the bus service was on the States and the contract had not allowed the operator to use their skills in the service of the public.

a strategic approach

In 2010 the States launched its Sustainable Transport Policy. This new policy sought to address severe traffic congestion in Jersey. It called for, amongst a range of policy measures, a significant increase in bus ridership. This heightened the need for a change in the contract model as, under cost-plus, the additional mileage required would be financially prohibitive. The States were going to have to solve the problem in another way.

the Jersey process – before the start

The 2010 Sustainable Transport Policy had significantly raised the bar for what the bus service needed to achieve. Before the tendering process could begin, there was a clear articulation of what this ‘raised bar’ might look like in practice, what the lessons learned were from the previous contract and as a consequence, what the tendering process might look like.

what the States wanted

In order to achieve modal shift, the States set out to make Jersey’s bus service a practical alternative to the car for the majority of Islanders 364 days of the year – a service for the public of the island which the visitor could use, rather than the other way around. There was a clear desire to increase ridership at the same time as reducing the overall level of subsidy.

learning the lessons

Achieving these goals – social and economic – would require a combination of the States thinking and acting strategically and the full power of a commercial operator’s ability to innovate. In short, it was going to need a high-functioning partnership where both parties stood to benefit.

This would involve both sides sharing elements of risk, but also rewards. The method chosen for this was a minimum subsidy contract for a defined network, with the operator taking receipt of fares.

time

With the new contract due to start on 2 January 2013, the States gave themselves two full years, ensuring that they had time not only to run a comprehensive process but also time to give the successful operator the space to get all the new measures in place. One of the reasons the States chose an extended timeframe was their view that they needed to start at the very beginning – with an in-depth research phase.

committing resources

At the States, the day-to-day management of the Jersey bus contract falls to one member of staff with direct expertise in the PCV industry. The States knew that significant additional expert resources were required to manage the process if their goals were to be achieved.

For the length of the commissioning process, they appointed an experienced project manager with a proven track record in major procurement projects outside of transport, supported by a transport specialist consultant from Mott

Macdonald. They set a project budget of £150,000 (including staff), which is a not inconsiderable investment.

However, they were able to translate that into an £800,000 annual saving on their subsidy with no additional ongoing management resources required.

a clear structure

To ensure the smooth operation of the project, the States put in place a structure to support, challenge and hold it to account. The project team reported to a project board consisting of senior civil servants who could ensure that work was on track. This in turn reported to a political steering group, chaired by the Minister and included elected representatives with a clear stake in the outcome. This group provided both a sounding board for new ideas as they emerged and a means of establishing political legitimacy for the actions of the project team.

the Jersey Process – step by step

With clear objectives for success and a project plan in place, Jersey ran a competitive tender process that sought to find a partner for their bus service.

discovery phase – with a twist

The project team began with an in-depth research and discovery phase, seeking to identify what it could learn about good practice in transport commissioning and strategic network development. This was conducted through interviews with a range of stakeholders – PTEs, Authorities, TfL, and a huge range of bus operators – large, small and international.

The discovery phase had a second, equally important objective. The project team knew that each research meeting with a stakeholder was also a sales meeting – promoting the opportunity that was coming up in Jersey, raising awareness and interest in the forthcoming tender. The combination of a discovery phase with a market development phase would prove instrumental in creating the competitive environment sought.

Expression of Interest

Through a combination of the work done to promote the tender and the fact that, despite protestations to the contrary, the bus industry is well equipped to respond to this kind of opportunity, Jersey received 22 Expressions of Interest in the contract.

Expressions of Interest came from all over the world. Four out of the UK ‘big five’ operators, European state-owned operators, Asian and Middle Eastern operators, smaller UK operators, local Jersey operators, the incumbent operator, private equity investors, global government contract specialists – even one of the UK’s leading social enterprises... It was clear that Jersey would be able to run a highly competitive process.

PQQ – with a twist

All of those who expressed an interest were asked to submit a Pre-Qualification Questionnaire (PQQ). The PQQ asked respondents to provide standard information – financial details, organisational structures, operational capabilities. However, it also asked two more searching questions:

- Please provide an example of where you have driven change in a bus service
- Tell us about a bus service that you provide of which you are particularly proud

The reasons behind these additional questions were clear. It signalled to the market what success in Jersey would look like – and the kind of relationship the States wanted to have with their operator – one where both parties wanted the same things, which is the basis for a relationship based on trust. This provided an early method to differentiate between competitors.

The States received 11 completed PQQs. Interestingly, there was no particular pattern in which type of organisations pulled out at this stage – it represented a tithe of the categories set out above. Each of the 11 were invited to Jersey to discuss their PQQ. This not only allowed the operators to explore their standard information with the project team, but also to explore their answers to the two questions – almost their philosophy of providing a service to the public.

Seven out of 11 operators could demonstrate clearly how they had championed change and innovation to the benefit of the travelling public and also met the necessary financial criteria. Each of these seven was sent the full first-phase Invitation to Tender pack.

the first phase – a model network

At the heart of the first phase tender was the request to price a model network. The model network had been developed with Mott Macdonald and was intended to apply good practice to Jersey's status quo – the work had already identified operational efficiencies of around 12%. Whilst this would not be enough for States to be able to reach their ambitious targets, what it did do was provide a level playing field for all of the tenderers to price against. Those evaluating the tenders could see exactly how prices had been obtained, could explicitly compare one with another and could evaluate how operators had gone about their operational strategy.

The responses to the model network also enabled the States to develop a working picture of how much it might cost if they needed their operator to do more, in line with the States final goals of an all year round service.

the first phase –getting the incentives right

A mismatch of incentives between operator and contractor had been at the heart of first contract's issues. The States took the view that the best people to know what motivated operators were the operators themselves. The tender asked operators to set out an incentives plan that spoke to their own interest whilst responding to the States' strategic aspirations.

All responding operators suggested a programme of profit-share of one sort or another. If operator profits exceed a certain level, they are shared with the States for the explicit purpose of transport investment. This actively incentivises the States to be significantly pro-bus, investing in new roadside infrastructure, bus priority measures, curtailing town centre parking and so on. This then leads to greater operator profits, leading to a greater profit share for the States and round it goes – a virtuous circle.

The underpinning idea was to develop a partnership that both sides could really invest in, based on respect. A long-term bus operating contract is not a one-off transaction, it has to work for the life of the contract and both parties have to believe that it's equitable.

For the service to deliver on its objectives, the States aimed to commission a contract based on trust. It is not-straightforward to tender for abstract nouns, but nevertheless it was a theme throughout the process, from the initial PQQ to the full tender – and ensuring the incentives worked for both parties was a key element of this.

the first phase – a focus on quality

The States were clear from the start how the tender would be scored – 60% on quality, 40% on cost. Operators were free to propose their ideas and expertise on vehicle specifications, marketing and promotions, customer experience strategies and so on – areas where operators frequently excel.

the first phase – a detailed assessment

Five bidders submitted detailed first phase tenders based on the model network. Each was invited to Jersey to explore their proposal over the course of a full day. This would be both in terms of how they addressed the model network and their plans to improve quality. The idea was to enable the assessing panel to really understand what was being proposed, preventing any chance of miscommunication and to allow the bidders to show the thinking that had gone into their proposals.

unlocking innovation – the second phase

The challenge with relying on a model network is that whilst it gives a comparable pricing structure, it locks out the most important success factor of all – operator innovation in scheduling and network design. The States used the first phase to compare like with like – put simply: are they any good and can we afford them if they are? The idea was to use the first phase to select two finalists⁴ for the next stage.

The second stage took off the restrictions of the model network, asking operators to apply their own expertise to propose a network and schedules that met the strategic objectives set out by the States – a year round network for modal shift. The only restrictions were the requirement to apply the costing model set out in the first phase.

The winning bidder was able to identify several measures that would strongly enhance the network and Jersey was able to commission a network that much more closely reflected their ideas and aspirations.

the result

The States awarded the contract in 2013 to HCT Group. The new service launched on schedule on 2 January 2013 under the LibertyBus brand – a brand chosen through a direct public poll (one of many operator-proposed innovations).

⁴ In practice, the winning bidder was already sufficiently far ahead in terms of both price and quality that the second placed operator

was asked to be a reserve only. The first placed bidder went onto the second phase alone.

the LibertyBus contract

The process has led to a contract that is the basis for a working partnership between the States and HCT Group. It has a variety of provisions in place to cement the partnership, incentivise both parties and provide protections for the community in the event of service failure.

The key principles of the contract are:

- **A year round service**
To provide a practical all year around public and school bus service, reducing the extent of the historic winter reductions whilst ensuring capacity for visitors in summer. This required a new, higher capacity fleet.
 - **Shared incentives**
Risk is shared through a minimum subsidy contract (managing down-side risk to the States) with the operator keeping fare revenue (providing up-side incentive to the operator). The up-side is also shared after a certain point with a profit-share arrangement, incentivising the States to take positive, pro-bus steps. There are also financial penalties should the core service not be delivered to the agreed standard.
 - **No room for complacency**
The contract is a seven year term – sufficiently long to make a new fleet practical. However, incentives for contract extensions are in place in the form of three possible ‘bankable’ extensions. These are based on KPIs being achieved in the middle-late period of a contract (when complacency might
- set in), providing strong incentives for ongoing performance. The States also retained the discretion to agree extensions in the event that the operator was able to create a singular degree of value – acting as a further spur to innovation.
 - **Better tech**
The contract specifies the use of smart ticketing and trackable vehicles.
 - **Open data**
The States require full access to passenger data and transparent operating costs.
 - **No free rein**
The operator would deliver meaningful consultation with both the States and the public on routes and timetables. There is no 56 day notification period in Jersey – which has significant advantages in responding quickly to issues or opportunities. The function of a UK Traffic Commissioner in this regard is replaced by both the Commissioner and, more importantly, the travelling public.
 - **Part of the community**
There would be Island reinvestment in social/community transport⁵.
 - **Failsafe**
The States retain step-in rights for fleet and equipment in the event of service or organisational failure, ensuring that the public are protected.

⁵ Whilst this ‘comes with’ when commissioning a social enterprise, traditional operators can also

make a difference in their communities through CSR-style initiatives.

- Facilities

The States provide depot and terminus facilities free of charge.

- Final word

Whilst we all know this can never be fully achieved, the aim of both parties is to leave the contract in a drawer and forget about it. True contracts are about partnerships.



conclusion: ongoing management

The process set out above may seem quite intensive, requiring a great deal of investment in time and resources – particularly for an operation that requires only 80 PVR. In all fairness, it *was* intensive and it *did* take resources – both for the States and the bidding operators. But the results speak for themselves.

Many Authorities are concerned that managing a franchised operation will be expensive and technically challenging, particularly when they look at the work in contract management performed by TfL. By putting in both the strategic thinking and the effort at the tendering stage, the States have shown that ongoing management can be delivered with existing resources. ‘TfL’ in Jersey is just one transport professional.

The shared incentives make the relationship one of partnership. The contract terms and the effective use of technology make the day-to-day contract management straightforward. The contract specifies open data as well as open book – the States have a login to our ticket machine and RTI software – they see the same data as we do and in real time. This means there are not two parties demanding reports from one another, but a team working on the same data to improve services and increase revenue.

We believe that the Jersey model is fundamentally scalable – in fact, it would almost certainly be more cost effective at a larger scale. As a consequence, we believe that sharing Jersey’s story with Authorities as they consider the powers given by the Buses Bill is both timely and useful.

If you would like to talk with someone at HCT Group about our experience of the franchising process in Jersey – and how that might be applicable for Authorities in the UK, please feel to contact us on businessdevelopment@hctgroup.org.

About HCT Group

HCT Group is a social enterprise in the transport industry, safely providing over 20 million passenger trips on our buses every year. We deliver a range of transport services – from London red buses to social services transport, from school transport to Park and Ride, from community transport to education and training. We reinvest the profits from our commercial work into further transport services or projects in the communities we serve.

www.hctgroup.org

Written by: Frank Villeneuve-Smith
Photography: © Colin Garnier

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Report author: Sandra Pentelow
Tel: 24 74792

Report of Head of Scrutiny and Member Development

Report to Scrutiny Board (City Development)

Date: 27 April 2016

Subject: Scrutiny Inquiry into Digital Inclusion

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 At the meeting in June 2015, the Scrutiny Board (City Development) considered its work programme for the 2015/16 municipal year and resolved to undertake and inquiry into Digital Inclusion

- 2 Terms of reference for this inquiry were agreed in September 2015 when the Scrutiny Board stated that the purpose of the inquiry would be to make an assessment of and, where appropriate, make recommendations on the following areas:
 - The city approach to reducing the digital divide and enhancing the economic prosperity of individuals and small enterprises.
 - Infrastructure, internet access and connectivity across Leeds
 - Improving digital literacy. The provision of education, learning and equipment to provide the necessary skills, confidence and support to embrace technologies.
 - Partnership working including the co-ordination of activity, identifying what adds value and the management of practice and spend to minimise fragmentation and duplication.
 - To inform the development of a Digital Inclusion Strategy that supports the city's aspirations for the citizens and communities in Leeds.

- 3 The inquiry was conducted over three evidence gathering sessions which took place between October 2015 and December 2015.

- 4 Scrutiny Board Procedure Rule 13.2 states that "where a Scrutiny Board is considering making specific recommendations it shall invite advice from the appropriate Director(s) prior to finalising its recommendations. The Director shall consult with the appropriate Executive Member before providing any such advice. The detail of that advice shall be reported to the Scrutiny Board and considered before the report is finalised". Any advice received will be reported at the Board's meeting for consideration, before the Board finalises its report. Advice is currently being sought therefore the inquiry report will be presented as late substantive information but will be circulated in advance of the meeting on the 27th of April 2016.
- 5 Any advice received will be reported at the Board's meeting for consideration, before the Board finalises its report.
- 6 Once the Board publishes its final report, the appropriate Director(s) will be asked to formally respond to the Scrutiny Board's recommendations within three months.

Recommendations

- 7 Members are asked to consider and agree the Board's report following its inquiry into Digital Inclusion .

Background documents

- 8 None used¹

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 Head of Scrutiny and Member Development

Report to Scrutiny Board (City Development)

Date: 27 April 2016

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

1 Purpose of this report

- 1.1 The purpose of this report is to consider the Scrutiny Board's work schedule for the remainder of the municipal year.

2 Main Issues

- 2.1 A draft work schedule is attached as appendix 1. The work programme has been provisionally completed to incorporate the calling of a meeting in May 2016.
- 2.3 Also attached as appendix 2 is the minutes of Executive Board for 16 March 2016

3. Recommendations

- 3.1 Members are asked to:
- Consider the draft work schedule and make amendments as appropriate.
 - Note the Executive Board minutes

4. Background papers¹ - 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.

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Draft Scrutiny Board (City Development) Work Schedule for 2015/2016 Municipal Year

Schedule of meetings/visits during 2015/16			
Area of review	17 June	22 July	August
Inquiries		Housing Mix – Terms of Reference	
Annual work programme setting - Board initiated pieces of Scrutiny work (if applicable)	Consider potential areas of review	Work Programming	
Budget	Budget Update 2015/16 update		
Pre Decision Scrutiny			
Policy Review			
Recommendation Tracking			
Performance Monitoring	Performance Report	Housing on Brownfield Land – 5 year land supply East Leeds Extension and Orbital Road Progress	
Working Groups			

*Prepared by S Pentelow

Draft Scrutiny Board (City Development) Work Schedule for 2015/2016 Municipal Year

Schedule of meetings/visits during 2015/16			
Area of review	9 September	14 October	18 November
Inquiries	<p>Agree scope of review for **</p> <p>1) Digital Divide and High Speed Broadband Provision.</p> <p>2) Operation of Bus Services</p>	<p>Evidence Gathering</p> <p>Inquiry – Digital Inclusion</p>	<p>Evidence Gathering</p> <p>Inquiry – Digital Inclusion</p>
Pre Decision Scrutiny		<p>Sustainability of council leisure facilities and how accessible they are to residents to promote inclusivity</p> <p>To Include:</p> <ul style="list-style-type: none"> • Leeds Let's Get Active evaluation – Scheduled for Ex B 21 October 	<p>Sustainability of council cultural facilities and how accessible they are to residents to promote inclusivity</p> <p>European Capital of Culture – The Culture Strategy – Developing approach and outline draft.</p>
Policy Review	Road Safety, death and serious injury reduction and 20mph zones. (to conclude 20mph work from 2013/14)		
Recommendation Tracking			
Performance Monitoring			
Working Groups	Inquiry - Housing Mix (with Scrutiny Environment and Housing)		

* Prepared by S Pentelow

Draft Scrutiny Board (City Development) Work Schedule for 2015/2016 Municipal Year

Schedule of meetings/visits during 2015/16

Area of review	16 December	27 January	17 February
Inquiries	<u>Evidence Gathering</u> Inquiry - Digital Inclusion	<u>Evidence Gathering</u> Inquiry – Bus Services	<u>Evidence Gathering</u> Inquiry – Bus Services
Budget and Policy Framework		Initial Budget Proposals 2016/17 and Budget Update	
Pre Decision Scrutiny			
Policy Review			
Recommendation Tracking			
Performance Monitoring		Performance Report - Quarter 2 Flooding Update	Tour de France Legacy Review (SEC Board 2014/15) Flooding Update
Working Groups		Inquiry - Housing Mix (with Scrutiny Environment and Housing)	

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Draft Scrutiny Board (City Development) Work Schedule for 2015/2016 Municipal Year

Area of review	Schedule of meetings/visits during 2015/16		
	30 March	27 April	May – date tbc
Inquiries	<u>Evidence Gathering</u> Inquiry – Bus Services <u>Reports</u> Agree Housing Mix Inquiry Report	<u>Evidence Gathering</u> Inquiry – Bus Services <u>Reports</u> Agree Digital Inclusion Inquiry Report	
Budget and Policy Framework	Local Flood Risk Management Strategy Annual scrutiny review		Aire Valley Action Plan
Pre Decision Scrutiny	European Capital of Culture – The Culture Strategy – Consultation with the Scrutiny Board		
Recommendation Tracking			
Performance Monitoring			
Working Groups			

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Unscheduled - required:

- ECOC and the new city cultural strategy – Scheduled for Executive Board approx August 2016. Pre-decision Scrutiny required in 2016 new municipal year before submission
- Vision for Leisure Centres
- SAP

Updated – April 2016 *Prepared by S Pentelow

Key: SB – Scrutiny Board (City Development) Meeting

WG – Working Group Meeting

EXECUTIVE BOARD

WEDNESDAY, 9TH MARCH, 2016

PRESENT: Councillor J Blake in the Chair

Councillors A Carter, D Coupar, M Dobson,
S Golton, J Lewis, L Mulherin, M Rafique
and L Yeadon

APOLOGIES: Councillor R Lewis

144 Declaration of Disclosable Pecuniary Interests

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

145 Minutes

RESOLVED – That the minutes of the meeting held on 10th February 2016 be approved as a correct record.

RESOURCES AND STRATEGY

146 European Structural and Investment Funds Programme 2014-2020 Update

The Director of City Development submitted a report providing an update on the European Structural Investment Fund (ESIF) programme for the Leeds City Region and which provided information on progress made by the Council in developing projects. The report also sought approval to enter into a contract for two early projects currently being considered by the ESIF managing authority, namely the 'Ad:Venture Enterprise Growth Programme' and the 'Digital Enterprise Project', and sought the relevant 'authorisation to spend'.

Responding to an enquiry, assurances were provided that Opposition Groups would be kept informed of any future outline applications for ESIF which were intended to be submitted.

In addition, it was requested that further information be provided to Executive Members detailing the extent to which other organisations and partners across the city had accessed such funding streams.

RESOLVED -

- (a) That the summary of the European Structural and Investment Funds (ESIF) programme and the progress made to date in developing projects within the Council, be noted.
- (b) That Council expenditure for Ad:Venture Enterprise Growth Programme of £345,000 and for the Digital Enterprise Project of £70,000, a total of £415,000, be authorised.

- (c) That the Director of City Development be authorised to enter into contract with the relevant ESIF Managing Authority for the Ad:Venture Enterprise Growth Programme and the Digital Enterprise Project.
- (d) That it be noted that future outline applications for ESIF projects will be submitted by the relevant Director under their delegated authority and in consultation with the Executive Member, and that Executive Board approval will be sought prior to entering into any contracts for successful ESIF applications.

HEALTH, WELLBEING AND ADULTS

147 Leeds City Council Health Breakthrough Project “Early Intervention to Reduce Health Inequalities”

The Director of Public Health submitted a report outlining the need for an Integrated Healthy Living Service (IHLS) and Locality Community Health Development and Improvement (LCHD/I) services in Leeds. In addition, the report described how related services currently worked and how the commissioning of future services were planned as part of the Health Breakthrough project and as a contribution towards the Best Council Plan. Finally, the report sought the Board’s approval to procure an IHLS and LCHD/I services for Leeds.

Members welcomed the consideration of this matter at Executive Board.

Responding to a specific enquiry, the Board was assured of relevant local Ward Members’ involvement in the consultation exercises associated with any future procurement processes. In addition, it was requested that the relevant Community Committees also be involved in such consultation, as appropriate.

In conclusion, it was requested that regular updates be provided on the progress being made in the delivery of such services.

RESOLVED –

- (a) That the progress being made by the Health Breakthrough project be noted.
- (b) That the Director of Public Health be authorised to procure an Integrated Healthy Living Service for Leeds and Locality Community Health Development/Improvement Services, with contracts to be awarded in April 2017 and September 2016 respectively.

CHILDREN AND FAMILIES

148 The Annual Standards Report 2014-2015

The Director of Children’s Services submitted a report which summarised the achievement of learners at all Key Stages throughout 2014/15. In presenting the achievements and challenges over the course of that academic year, it provided recommendations for the future and outlined the actions being taken

by the Council to support, monitor, challenge and intervene in this area, as necessary.

Responding to a Member's specific enquiry, the Board was provided with information on the attainment levels in Leeds at Key Stage 2 and Key Stage 4 respectively, when compared with other Core Cities.

RESOLVED –

- (a) That the data in the submitted report illustrating the outcomes of Leeds children and young people in 2014 and 2015 be noted.
- (b) That the actions recommended for each priority in order to enable the effective delivery of the Best City for Learning strategy, be supported.
- (c) That in noting the comments made during the meeting, consideration be given to the Board making recommendations, as deemed appropriate, on the future provision of ongoing support, challenge and intervention in Leeds in order to ensure that progress continues to be made.
- (d) That the vision, as presented within the submitted report, as to where the Council wants to be by 2020 in order to further improve learning across Leeds, be approved.
- (e) That it be noted that the Head of Learning Improvement is responsible for the implementation of such matters.

149 The Best City for Learning Strategy

The Director of Children's Services and the Director of City Development submitted a joint report presenting the Best City for Learning Strategy, which looked to outline a 4 year plan to improve learning across Leeds from 2016 - 2020.

Whilst acknowledging the strategic nature of the documents which had been submitted to the Board, Members received details of the range of actions being taken by the Council in collaboration with schools, partners and other local authorities to build upon the progress that was currently being made and also to meet those key priorities, as set out within the strategy. Also, in highlighting the key importance of effective relationships between schools and the Council, Members received information on the actions being taken to continue to develop such relationships.

Furthermore, it was requested that a briefing note be submitted to Executive Board Members which provided details and specific examples of the 'traded' supportive services provided by the Council to schools and the extent to which such services were currently being utilised. In addition, it was requested that the Board be provided with updates in respect of any changes to school funding arrangements, as and when appropriate.

In conclusion, the Board paid tribute to and thanked Paul Brennan, Deputy Director for Learning, Children's Services, for his services to the Council, as this would be the final Board meeting in which he would be in attendance prior to his retirement.

RESOLVED -

- (a) That each of the seven priorities, as detailed within the Strategy, be noted.
- (b) That the implications listed under each priority, together with the vision for success in learning across Leeds, be noted.
- (c) That the actions recommended for each priority in order to enable the effective delivery of the strategy be supported.
- (d) That in noting the comments made during the meeting, consideration be given to the Board making recommendations, as deemed appropriate, on the future provision of ongoing support, challenge and intervention in Leeds in order to ensure that progress continues to be made.
- (e) That it be noted that the Head of Learning Improvement is responsible for the implementation of the strategy.

150 Outcome of statutory notice on proposals to expand primary provision in Pudsey/Swinnow

Further to Minute No. 115, 16th December 2015, the Director of Children's Services submitted a report detailing proposals submitted to meet the local authority's duty to ensure sufficiency of school places. Specifically, this report described the outcome of a statutory notice regarding proposals to expand primary school provision at Greenside Primary School and which sought a final decision on such proposals.

RESOLVED –

- (a) That the expansion of Greenside Primary School from a capacity of 315 pupils to 420 pupils, increasing the admission number from 45 to 60 with effect from September 2017, be approved.
- (b) That it be noted that the responsible officer for the implementation of such matters is the Head of Learning Systems.

151 Outcome of statutory notice on proposals to expand primary provision and establish SEN provision at Carr Manor Community School

Further to Minute No. 95, 18th November 2015, the Director of Children's Services submitted a report detailing proposals brought forward to meet the Local Authority's duty to ensure sufficiency of both school and Special Educational Needs (SEN) places. Specifically, this report detailed the outcome of a Statutory Notice regarding proposals to increase primary places and establish SEN provision at Carr Manor Community School, and

recommended that Executive Board approved the withdrawal of the proposals at this stage.

RESOLVED –

- (a) That the recommendation to withdraw the proposal to expand Carr Manor Community School and to establish SEN provision at this stage be approved.
- (b) That it be noted that further consultation may be required in order to ensure that the authority meets its duty to provide primary and SEN places in the Meanwood area and that a further report may be submitted to Executive Board.
- (c) That it be noted that the Head of Learning Systems and the Head of Complex Needs are the responsible officers for such matters.

152 Outcome of consultation to increase Primary School Places and establish Special Educational Needs provision at Bramley Primary School

The Director of Children's Services submitted a report detailing proposals brought forward to meet the local authority's duty to ensure sufficiency of both mainstream primary provision and primary aged Special Educational Needs (SEN) places. Specifically, the report described the outcome of the consultation that had taken place regarding proposals to expand primary school provision and establish SEN provision at Bramley Primary School and which sought permission to publish a statutory notice in respect of such proposals.

RESOLVED –

- (a) That approval be given to the publication of a Statutory Notice to expand primary provision at Bramley Primary School from a capacity of 280 pupils to 420 pupils, with an increase in the admission number from 40 to 60, with effect from September 2017, and also to establishing provision for pupils with Complex Communication Difficulties including children who may have a diagnosis of ASC (Autistic Spectrum Condition) for approximately 6 pupils, with effect from September 2017.
- (b) That it be noted that the responsible officers for the implementation of such matters are the Capacity Planning and Sufficiency Lead and the Head of Complex Needs.

153 Outcome of Consultation on a Proposal to cease to provide complex social, emotional and mental health provision under the West Oaks SEN Specialist School and College (Oakwood Lane site) and Providing for these needs under the Wellspring Academy Trust

Further to Minute No. 93, 18th November 2015, the Director of Children's Services submitted a report detailing the outcome of a consultation exercise regarding a proposal to cease to provide complex SEMH (Social, Emotional and Mental Health) provision under the West Oaks SEN (Special Educational

Needs) Specialist School and College (Oakwood Lane site) and providing for those needs under The Wellspring Academy Trust. Furthermore, the report sought permission to publish a statutory notice in respect of such proposals.

RESOLVED –

- (a) That the publication of a Statutory Notice to cease to provide behaviour, emotional and social difficulty (BESD) provision under the governance of the West Oaks SEN Specialist School and College (Oakwood Lane site) from 31 August 2016, be approved. (This is conditional on the conversion of the existing BESD Specialist Inclusive Learning Centre (SILC) into a 4 – 19 SEMH sponsored academy. The provision at the Oakwood Lane site would become part of the new academy from 1 September 2016. If the academy conversion is not in place, then the provision would continue at Oakwood Lane under the governance of West Oaks SEN Specialist School and College).
- (b) That it be noted that the officer responsible for the implementation of such matters is the Head of Learning Systems.

COMMUNITIES

154 Establishing a Council Lettings Agency and the future policy direction for the regulation of the Private Rented Sector

Further to Minute No. 44, 23rd September 2015, the Director of Environment and Housing submitted a report setting out proposals to establish a Council Lettings Agency and also detailing proposals regarding the regulation of the Private Rented Sector (PRS).

In considering the submitted report, Members welcomed the proposals detailed within it.

In conclusion, the Board paid tribute to and thanked John Statham, Head of Housing Partnerships, Environment and Housing, for his services to the Council, as this would be the final Board meeting in which he would be in attendance prior to his retirement.

RESOLVED -

- (a) That the proposal, in principle, to establish a Council Lettings scheme managed by Housing Leeds be approved.
- (b) That the proposal to establish a Leeds Rental Standard, supported by self-regulation, be approved.
- (c) That the proposal to establish a Rogue Landlord Unit be approved.
- (d) That the proposal to commit the Leeds Neighbourhood Approach (LNA) to a longer term multi-agency programme of work within Holbeck be approved.

- (e) That the Director of Environment and Housing be requested to bring forward proposals for a Selective Licensing Scheme.
- (f) That the proposals, as set out within the submitted report, to implement a range of charging proposals, be approved.
- (g) That the implementation of all of the resolutions, as detailed above, be delegated to the Director of Environment and Housing.

155 Leeds Social Value Charter

The Assistant Chief Executive (Citizens and Communities) submitted a report which sought endorsement of the Leeds Social Value Charter and requested that Council directorates seek to enhance existing activities in order to promote social responsibility, build social capital, deliver social value and maximise the social return on the Council's investment in all aspects of policy and practice.

Members highlighted the importance of ensuring that appropriate structures were in place within the Council and across the city to enable the third, private and public sectors to work alongside each other and local communities, for the overall benefit of Leeds. In response, emphasis was placed upon how the Council's role in this area had developed, with the aim that it would continue to do so in order to maximise the impact of social value in Leeds.

In conclusion, it was requested that Executive Members and also relevant local Ward Members receive updates on the development of new initiatives in this area.

RESOLVED -

- (a) That the contents of the submitted report be noted.
- (b) That the Leeds Social Value Charter be endorsed, that the establishment of the cross-sector implementation group be supported and that the Council's directorates be encouraged to explore opportunities to deliver on the social value ambitions.
- (c) That the Assistant Chief Executive (Citizens and Communities) be requested to maintain an overview of Charter developments and implement its principles within the Council and across the city.

ENVIRONMENTAL PROTECTION AND COMMUNITY SAFETY

156 Police Community Safety Officers (PCSOs)

The Director of Environment and Housing submitted a report providing Executive Board with details of the outcome of discussions which had been undertaken with the Police and Crime Commissioner (PCC) about Police Community Safety Officers (PCSO) numbers, funding and allocation in Leeds. In addition, the Board was invited to determine the future distribution of Leeds City Council funded PCSO posts from 2016/17.

In considering the submitted report, the crucial role played by PCSOs in communities across Leeds was highlighted. In acknowledging that although the submitted proposals would mean that there would be changes to the way in which PCSOs were allocated, it was highlighted that there would be an increase of 20 PCSOs in Leeds funded by the PCC and the Council, compared to the current number in post.

In response, concern was raised, with specific reference made to the fact that under such proposals, the current minimum allocation of 5 PCSOs per Ward would be reduced to 3.

With regard to the proposals on the revised allocation arrangements, it was requested that regular updates be provided on such matters, as and when appropriate.

RESOLVED – That the future distribution of Leeds City Council funded PCSO posts from 2016/17 be approved on the basis of equal distribution of two PCSOs per ward.

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

ECONOMY AND CULTURE

157 Storm Eva - Recovery Plan Update

Further to Minute No. 120, 20th January 2016, the Assistant Chief Executive (Citizens and Communities) submitted a report which provided an update on the impact of Storm Eva in Leeds, specifically with regard to the recovery response and developments regarding flood alleviation proposals for the city.

Members received an update on several issues including:

- the current position regarding the establishment of flood defence measures, with specific reference to the scoping exercise which continued to be undertaken, whilst it was also noted that currently there was no funding arrangements in place for the associated feasibility study;
- the actions being taken by the Council to pursue the issue of insurance provision for affected properties and businesses;
- the recent announcement regarding the closure of the Thyssenkrupp Woodhead factory was highlighted.

In noting that as regular dialogue with Government continued and the fact that the Secretary of State for Environment, Food and Rural Affairs had confirmed that Leeds would receive the flood defences it required, it was agreed that a letter, jointly signed by those Group Leaders on Executive Board, be submitted to Government which outlines the Council's commitment to pursue

the funding required for Leeds to establish appropriate flood alleviation measures in the short term and appropriate flood defences in the longer term.

With regard to the establishment of appropriate flood defences, emphasis was placed upon the importance of ensuring that such measures covered the entirety of the affected areas.

Responding to an enquiry, Members received clarification on the statistics regarding the number of flats which had been flooded as a consequence of Storm Eva.

RESOLVED –

- (a) That the updates, as detailed within the submitted report be noted, including the update on the progress made against the resolutions from the 20th January 2016 Executive Board meeting (as detailed at annex 1), together with the ongoing progress made on the citywide Strategic Recovery Plan (as detailed at annex 2).
- (b) That a further update be provided to Members of the Executive Board in June 2016.

EMPLOYMENT, ENTERPRISE AND OPPORTUNITY

158 Equality Framework

Further to Minute No. 69, 21st October 2015, the Assistant Chief Executive (Citizens and Communities) submitted a report setting out the outcome of the Council's reaccreditation against the Equality Framework for Local Government at the level of 'excellent'.

RESOLVED –

- (a) That the reaccreditation of the Council as an 'Excellent' local authority in the Equality Framework for Local Government, be noted.
- (b) That the development of an Equality Framework Improvement Plan be noted, with the delivery of the plan being overseen by the Assistant Chief Executive (Citizens and Communities) with support from the Equality and Diversity Board and the Member Champions Equality Group.

REGENERATION, TRANSPORT AND PLANNING

159 Leeds District Heating Network Local Development Order (LDO 3)

Further to Minute No. 141, 10th February 2016, the Director of City Development submitted a report which set out for the purposes of adoption and subsequent submission to the Secretary of State for Communities and Local Government a proposed Local Development Order (LDO) in respect of the Leeds District Heating Network.

RESOLVED –

- (a) That the adoption of the Leeds District Heating Network Local Development Order (LDO3), as set out in Appendix 1 to the submitted report, be approved.
- (b) That approval be given for the Chief Planning Officer to submit a copy of the Leeds District Heating Network Local Development Order (LDO3), together with the statement of reasons, to the Secretary of State for Communities and Local Government.

160 Holbeck Urban Village, South Bank Supplementary Planning Document

Further to Minute No. 81, 18th November 2015, the Director of City Development submitted a report which sought approval to undertake consultation upon a draft Supplementary Planning Document (SPD) to replace and update the Holbeck Urban Village Revised Planning Framework (2006). This was in the light of major inward investment proposals, substantial changes to the national and local Planning Policy context since 2006, the emergence of the vision for the South Bank, the opening of Leeds Station Southern Entrance, the post global recession market place, the completion of a number of successful developments in the area and the worsening condition of the Grade I listed and 'at risk' Temple Works.

RESOLVED –

- (a) That the Chief Planning Officer be authorised to undertake a 6 week public consultation exercise in order to seek views on the draft Supplementary Planning Document to inform development proposals in the Holbeck Urban Village.
- (b) That once the consultation is complete and comments addressed, the Chief Planning Officer be requested to report back to the Executive Board in the summer of 2016 in order to enable the Board to consider the formal adoption of the SPD.

DATE OF PUBLICATION: FRIDAY, 11TH MARCH 2016

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00 P.M., FRIDAY, 18TH MARCH 2016

(Scrutiny Support will notify Directors of any items called in by 12.00noon on Monday, 21st March 2016)

Draft minutes to be approved at the meeting
to be held on Wednesday, 20th April, 2016