

SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

WEDNESDAY, 3RD APRIL, 2013

PRESENT: Councillor M Rafique in the Chair

Councillors J Akhtar, D Cohen,
P Wadsworth, M Ingham, J McKenna,
B Urry, J Chapman, A Lamb, C Macniven
and N Walshaw

122 Appeals Against Refusal of Inspection of Documents

There were no appeals against the refusal of inspection of documents.

123 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

124 Late Items

There were no late items submitted to the agenda. However three pieces of supplementary information had been circulated in relation to Agenda Item 8 'Call In – Kirkgate Market Strategy'. The Supplementary Information was as follows:

- (a) Evidence submitted to Sustainable Economy and Culture Scrutiny Board regarding the Kirkgate Market Call In. 3rd April 2013;
- (b) Kirkgate Market Investment Case; and
- (c) Kirkgate Market Management Options Appraisal.

(Minute No. 128 refers).

125 Declaration of Disclosable Pecuniary Interests

There were no Disclosable Pecuniary Interests declared to the meeting, however:-

In relation to the item entitled, 'Call In – Kirkgate Market Strategy', Councillor Lamb drew the Board's attention the fact that his business purchases produce from Kirkgate Market.

126 Apologies for Absence and Notification of Substitutes

Apologies for absence were received from Councillors M Lyons, R Harington and J Marjoram.

Also, in attendance was: Councillor C Macniven (as substitute for Councillor M Lyons); Councillor N Walshaw (as substitute for Councillor R Harington); and Councillor A Lamb (as substitute for Councillor J Marjoram).

127 Call In Decision - Briefing Paper

The Principal Scrutiny Officer informed Members of the Call In arrangements in accordance with the Council's Constitution and the options of action available to the Board. It was reported that the following options were available to the Board:

- Release the decision for implementation or; and
- Recommend that the decision be reconsidered.

128 Call In - Kirkgate Market Strategy

The report of the Head of Scrutiny and Member Development presented the background papers to a decision which had been Called In in accordance with the Council's Constitution. The decision was an Executive Board decision regarding the Kirkgate Market Strategy.

The Chair welcomed the following to the meeting:

- Councillor J Procter – Signatory to the Call In;
- Councillor B Anderson – Signatory to the Call In;
- Councillor R Lewis - Deputy Leader and Executive Board Member
- Councillor G Harper – Support Executive Member;
- Christine Addison – Acting Chief Asset Management Officer;
- Sue Burgess – Manager, Leeds Markets;
- Russell Stacher – representing Friends of Kirkgate Market; and
- Sarah Gonzalez – representing Friends of Kirkgate Market.

Councillors J Procter and B Anderson presented their arguments for calling in the decision. These included the following:

- The lack of stakeholder engagement in the planned changes to the market, specifically that consultation with market traders had not been sufficient and decisions on traders futures had been taken without their input;
- The lack of detail presented in the Executive Board report, particularly with regards to rents, compensation decanting and future numbers of traders;
- The lack of trader involvement in the evaluation process of the management options;
- Whether the Executive Board minute adequately reflected Members' wishes;
- Lack of detail in the Market Investment Case to underpin assumptions made;
- The failure of proposals to address the need for closer working between traders and management; and
- Concern over the effects of the changes to the market traders livelihoods.

Russell Stacher and Sarah Gonzalez outlined the importance of Kirkgate Market to Leeds and highlighted the value that can be achieved when shopping in the market. They questioned the viability of the market in terms of rents currently charged. They also considered that the loan of £12.3 million to fund changes to the market and the targets for its repayment were overly ambitious and suggested that this would require substantial rent increases which could cause hardship to traders. They questioned the methodology used in the Investment Case, and whether wider social and economic impacts had been properly considered.

Councillor R Lewis, Councillor G Harper and officers were invited to respond to the issues raised by Councillors Procter and Anderson and also to respond to questions raised by Members of the Scrutiny Board.

Specific discussion took place around the nature of the Executive Board report. It was stressed by Councillor Lewis and officers that the report presented to Executive Board set out a series of principles and that worked up options would need to go back to Executive Board at the appropriate time. This was the main reason for the lack of specific operational detail in a number of the areas raised by Councillors Procter and Anderson.

Other areas of discussion included:

- Consultation methods
- Management option appraisal
- Assignment rights of traders
- Relationships between management and traders
- Lettings policy
- Management experience and expertise
- Underlying causes of market decline
- The importance of the Market in terms of the City's retail offer and as a source of employment.

129 Outcome of Call In

Following a vote by Members present, it was:

RESOLVED

- (a) to release the decision for implementation; and
- (b) To make the following recommendations:
 - (i) That the right to assign leases be maintained for all new lease holders;
 - (ii) That under whatever alternative Leeds City Council management model is adopted the urgent need to address the perceived negative and sometimes confrontational nature of the relationship between management and traders; and
 - (iii) The need to reassess consultation methods and opportunities as the principles identified in the Executive Board report are progressed with the objective of ensuring greater 'buy in' and involvement of traders.

130 Date and Time of Next Meeting

10.00am Tuesday 9th April 2013. (A pre-meeting for Members will take place at 09:30am).