

CONFIDENTIAL AND EXEMPT ITEMS

The reason for confidentiality or exemption is stated on the agenda and on each of the reports in terms of Access to Information Procedure Rules 9.2 or 10.4(1) to (7). The number or numbers stated in the agenda and reports correspond to the reasons for exemption / confidentiality below:

9.0 Confidential information – requirement to exclude public access

9.1 The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed. Likewise, public access to reports, background papers, and minutes will also be excluded.

9.2 Confidential information means

- (a) information given to the Council by a Government Department on terms which forbid its public disclosure or
- (b) information the disclosure of which to the public is prohibited by or under another Act or by Court Order. Generally personal information which identifies an individual, must not be disclosed under the data protection and human rights rules.

10.0 Exempt information – discretion to exclude public access

10.1 The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed provided:

- (a) the meeting resolves so to exclude the public, and that resolution identifies the proceedings or part of the proceedings to which it applies, and
- (b) that resolution states by reference to the descriptions in Schedule 12A to the Local Government Act 1972 (paragraph 10.4 below) the description of the exempt information giving rise to the exclusion of the public.
- (c) that resolution states, by reference to reasons given in a relevant report or otherwise, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

10.2 In these circumstances, public access to reports, background papers and minutes will also be excluded.

10.3 Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

10.4 Exempt information means information falling within the following categories (subject to any condition):

- 1 Information relating to any individual
- 2 Information which is likely to reveal the identity of an individual.
- 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 4 Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority.
- 5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- 6 Information which reveals that the authority proposes –
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment
- 7 Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

A G E N D A

Item No K=Key Decision	Ward	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, written notice of an appeal must be received 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 those parts of the agenda designated as 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.</p>	

Item No K=Key Decision	Ward	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 INTERESTS</p> <p>To declare any personal/prejudicial interests for the purpose of Section 81(3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct</p>	
5			<p>MINUTES</p> <p>To confirm as a correct record the minutes of the meeting held on 2nd November 2011.</p> <p><u>ENVIRONMENTAL SERVICES</u></p>	1 - 14
6 K			<p>DOG CONTROL ORDERS - PHASE 2</p> <p>To consider the report of the Director of Environment and Neighbourhoods reporting the outcome of consultation on changes to the dog control orders for Leeds and seeking approval to implement further specified powers under the Clean Neighbourhoods and Environment Act 2005 with effect from 1 January 2012. The report also seeks approval for an enforcement policy in relation to the walking of more than four dogs at one time.</p>	15 - 46

Item No K=Key Decision	Ward	Item Not Open		Page No
7 K			<p>RECYCLING STRATEGY</p> <p>To consider the report of the Director of Environment and Neighbourhoods seeking to secure approval to the principles to be adopted for the next phase of implementation of the Council's recycling collection strategy. In summary, the report presents the progress made against the existing recycling strategy, highlights the extent to which current, planned initiatives will contribute towards recycling performance, details the Council's medium and long-term targets for recycling and outlines the strategy which will enable the Council to move towards achievement of its medium-term and longer-term goals.</p>	47 - 64
8 K	<p>Armley; Beeston and Holbeck; Bramley and Stanningley; Burmantofts and Richmond Hill; Chapel Allerton; City and Hunslet; Farnley and Wortley; Garforth and Swillington; Guisley and Rawdon; Harewood; Killingbeck and Seacroft; Kippax and Methley; Kirkstall; Middleton Park; Moortown; Morley North; Morley South; Otley and Yeadon; Pudsey; Rothwell; Roundhay; Weetwood; Wetherby;</p>		<p>SOLAR PV INITIATIVE</p> <p>To consider a report of the Director of Environment and Neighbourhoods advising Executive Board of the government's proposed changes to the Feed-In Tariff (FIT), and the effect that these proposals have had on the Council's plans to install solar PV systems on a minimum of 1000 council houses and operate a private sector solar PV scheme. The report also seeks approval of a response to the government's consultation on the proposed changes, and approval of a cost neutral council house scheme for council housing and the private sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes are announced.</p>	65 - 82

Item No K=Key Decision	Ward	Item Not Open		Page No
9 K			<p><u>NEIGHBOURHOODS, HOUSING AND REGENERATION</u></p> <p>GYPSIES AND TRAVELLERS SITE OPTIONS - SELECTION CRITERIA</p> <p>To consider the report of the Director of Environment and Neighbourhoods seeking approval to use proposed site selection criteria for identifying potential sites to accommodate Gypsies and Travellers.</p>	83 - 92
10 K			<p>POLICE REFORM AND SOCIAL RESPONSIBILITY ACT 2011 - IMPLICATIONS OF ELECTED POLICE AND CRIME COMMISSIONER</p> <p>To consider the report of the Director of Environment and Neighbourhoods providing Executive Board with an overview of the Police Reform and Social Responsibility Act 2011, which received Royal Assent on 15th September 2011, and highlighting the initial implications to the city of the introduction of a publicly elected Police and Crime Commissioner.</p>	93 - 106
11			<p><u>CHILDREN'S SERVICES</u></p> <p>LEEDS YOUTH OFFER</p> <p>To consider the report of the Director of Children's Services providing background information about the broader vision for children and young people, and the proposed Leeds Youth Offer vision. The report also provides a summary of current issues in relation to service delivery, service outcomes and investment and suggested next steps.</p>	107 - 116

Item No K=Key Decision	Ward	Item Not Open		Page No
12			<p>THE OFSTED ANNUAL ASSESSMENT OF CHILDREN'S SERVICES IN LEEDS</p> <p>To consider the report of the Director of Children's Services presenting the findings of Ofsted's Annual Assessment of Children's Services in Leeds. The Assessment is reported in the form of a letter to the local authority, which was published on the Ofsted website on the 8th November 2011 and is attached as Appendix 1 to the covering report.</p>	117 - 126
13			<p>TRANSFER OF COUNCIL OWNED LAND AND BUILDINGS TO ACADEMIES</p> <p>To consider the report of the Director of Children's Services seeking approval in principal to the disposal of land by way of a 125 year lease to schools converting to academy status in accordance with the Academies Act 2010.</p> <p><u>LEISURE</u></p>	127 - 132
14			<p>SCRUTINY BOARD RECOMMENDATIONS - CEMETERIES AND CREMATORIA HORTICULTURAL MAINTENANCE</p> <p>To consider the report of the Director of City Development detailing the recommendations arising from the former Scrutiny Board (City Development) inquiry into 'Cemeteries and Crematoria Horticultural Maintenance' and setting out proposals in light of the recommendations made, with particular reference to recommendation 2 of the inquiry report.</p>	133 - 142

Item No K=Key Decision	Ward	Item Not Open		Page No
15 K			<p data-bbox="675 255 1235 288"><u>ADULT HEALTH AND SOCIAL CARE</u></p> <p data-bbox="675 360 1366 501">PROPOSED CHANGES TO PARTNERSHIP ARRANGEMENTS BETWEEN LEEDS CITY COUNCIL ADULT SOCIAL CARE AND LEEDS PARTNERSHIPS NHS FOUNDATION TRUST</p> <p data-bbox="675 544 1350 792">To consider the report of the Director of Adult Social Services proposing the integration of the specialist mental health assessment and care management function delivered by Adult Social Care with the secondary mental health services provided by the Leeds Partnerships NHS Foundation Trust.</p> <p data-bbox="675 869 1369 902"><u>RESOURCES AND CORPORATE FUNCTIONS</u></p>	143 - 158
16 K			<p data-bbox="675 972 1353 1039">FINANCIAL HEALTH MONITORING 2011/12 - MONTH 7</p> <p data-bbox="675 1081 1406 1330">To consider the report of the Director of Resources setting out the Council's projected financial health position after seven months of the financial year. The report reviews the position of the budget after seven months and comments on the key issues impacting on the overall achievement of the budget for the current year.</p>	159 - 180
17 K			<p data-bbox="675 1408 1142 1442">INITIAL BUDGET PROPOSALS</p> <p data-bbox="675 1485 1401 1771">To consider the report of the Director of Resources seeking agreement to the proposals for the allocation of available resources to support the delivery of the Council's spending priorities for 2012/2013, and agreement to the indicative position for the following two years. The final budget proposals will be presented to Full Council in February for approval.</p>	181 - 236

Item No K=Key Decision	Ward	Item Not Open		Page No
18			<p>2011/2012 QUARTER 2 PERFORMANCE REPORT</p> <p>To consider a report of the Assistant Chief Executive (Customer Access and Performance) presenting a summary of the Quarter 2 performance data for 2011-12 which provides an update on progress in delivering the Council Business Plan 2011-15 and City Priority Plan 2011-15. In addition, the report provides an update on the related work undertaken to implement an Outcomes Based Accountability approach within the Council.</p>	237 - 254
19			<p>RESPONSE TO SCRUTINY BOARD (RESOURCES AND COUNCIL SERVICES) INQUIRY REPORT INTO EMPLOYEES' REGISTER OF INTERESTS</p> <p>To consider the report of the Director of Resources responding to the recommendations arising from the Scrutiny Board (Resources and Council Services) inquiry into Employees' Register of Interests and outlining the actions proposed as a result.</p>	255 - 290
20 K			<p>EQUALITY IMPROVEMENT PRIORITIES 2011-2015</p> <p>To consider the report of the Assistant Chief Executive (Customer Access and Performance) presenting for approval the Equality Improvement Priorities 2011-2015 together with the revised Equality and Diversity Policy which sets out the council's continued commitment to equality, outlines the council's equality objectives, identifies how progress will be measured and how we will continue to improve and further embed the equality agenda.</p>	291 - 306

Item No K=Key Decision	Ward	Item Not Open		Page No
21			<p>COMMISSION ON THE FUTURE OF LOCAL GOVERNMENT</p> <p>To consider the report of the Assistant Chief Executive (Customer Access and Performance) providing an update on the work of the Commission on the Future of Local Government, which Leeds has initiated. The Commission is exploring the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government.</p> <p><u>DEVELOPMENT AND THE ECONOMY</u></p>	307 - 312
22 K			<p>LOCAL DEVELOPMENT FRAMEWORK ANNUAL MONITORING REPORT 2011</p> <p>To consider the report of the Director of City Development presenting for approval the Leeds Local Development Framework Annual Monitoring Report 2011 for the purposes of submission to the Secretary of State, pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.</p>	313 - 318
23 K			<p>THE COMMUNITY INFRASTRUCTURE LEVY - BACKGROUND INFORMATION, THE LEEDS CONTEXT, AND CONSULTATION RESPONSE TO THE GOVERNMENT'S DRAFT REGULATIONS FOR REFORM</p> <p>To consider the report of the Director of City Development setting out the Council's proposed response to the government consultation on the Community Infrastructure Levy (CIL). The report also provides a broad background to the CIL and its implementation in Leeds, to set out the issues for the consultation document and to gain consensus for officers to take this work forward. The report also addresses the recommendation of the Scrutiny Board (Regeneration) on the proportion of CIL that should go to local communities, which was previously considered at the Executive Board meeting held on 2nd November 2011.</p>	319 - 346

EXECUTIVE BOARD

WEDNESDAY, 2ND NOVEMBER, 2011

PRESENT: Councillor K Wakefield in the Chair

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

111 Exempt Information - Possible Exclusion of the Press and Public

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

- (a) Appendix 1 and Plan 2 to the report referred to in Minute No. 119 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it contains information relating to the financial or business affairs of a particular person and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations with the Developer, it is not in the public interest to disclose this information at this point in time.
- (b) Appendices B and C to the report referred to in Minute No. 123 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that they contain commercially sensitive information on the City Council's approach towards procurement issues, and commercially sensitive pricing and information about the commercial risk position of bidders, where the benefit of keeping the information confidential is considered greater than that of allowing public access to the information.

112 Late Items

There were no late items as such, however, it was noted that supplementary information had been circulated to Board Members following the despatch of the agenda as follows:-

- (a) An addendum to the report entitled, 'Informal Consultation on Housing Growth' (Minute No. 118 refers).
- (b) Correspondence received on 31st October 2011 regarding the report entitled, 'Response to Leeds Owl Trail Deputation' (Minute No. 127 refers).

- (c) Correspondence received on 1st November 2011 regarding the report entitled, 'Residual Waste Treatment PFI Project – Response to Leeds Friends of the Earth Deputation' (Minute No. 122 refers).

113 Declaration of Interests

Councillors Wakefield, R Lewis, Golton, Gruen, Ogilvie, Blake, Dobson and Yeadon all declared personal interests in the agenda item entitled, 'Leeds Initiative Sub Board Arrangements', due to their respective memberships of Leeds Initiative Boards and Partnerships (Minute No. 138 referred).

Councillors R Lewis, Finnigan and Ogilvie all declared personal interests in the agenda item entitled, 'ALMO Review Update', due to their respective memberships of ALMO Boards and Panels (Minute No. 124 referred).

Councillors Finnigan and Gruen both declared personal interests in the agenda items entitled, 'Land at Thorpe Park, Colton', 'Residual Waste Treatment PFI Project – Response to Leeds Friends of the Earth Deputation' and 'Waste Solution for Leeds – Residual Waste Treatment PFI Project', due to respective memberships of Plans Panel (East) (Minute Nos. 119, 122 and 123 referred).

A further declaration of interest was made at a later point in the meeting (Minute No. 124 referred).

114 Minutes

RESOLVED – That the minutes of the meeting held on 12th October 2011 be approved as a correct record.

115 Matters Arising from the Minutes

Minute No. 101 – Leeds Home Insulation Scheme

Responding to Members' enquiries, the Executive Member for Environmental Services provided the Board with an update in respect of the ongoing work being undertaken on the Home Insulation Scheme.

DEVELOPMENT AND THE ECONOMY

116 Deputation to Council 14th September 2011 - Residents of Farnley and Wortley opposing the supermarket development at Stonebridge Mills, Stonebridge Lane, Leeds 12

The Director of City Development submitted a report responding to the issues and concerns raised by the deputation to Council on 14th September 2011 from residents of Farnley and Wortley opposing the supermarket development at Stonebridge Mills, Stonebridge Lane, Leeds. In addition, the report provided an update on further planning applications received in respect of the site which were to be considered by Plans Panel in due course. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED – That the contents of the submitted report be noted.

117 Director's Response to Report by Scrutiny Board (Regeneration) on Housing Growth

Further to Minute No. 22, 22nd June 2011, the Director of City Development submitted a report setting out the response to the recommendations arising from the recent Scrutiny Board (Regeneration) inquiry undertaken into issues associated with housing growth. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Councillor J Procter, the Chair of the Scrutiny Board (Regeneration) attended the meeting to present the Board's findings, and highlighted several of the Board's recommendations. With regard to recommendation 4, emphasis was placed upon the fact that this recommendation was intended to refer to the production of monitoring data.

Members thanked the Scrutiny Board and officers involved for the detailed Inquiry report.

Consideration was given to recommendation 10 of the Scrutiny Board Inquiry report that 80% of the income raised through the Community Infrastructure Levy (CIL) be ring fenced for the benefit of local communities, and whether this level was appropriate.

In responding to enquiries regarding recommendation 6, it was acknowledged that a review would be undertaken in respect of this matter and the outcome reported back to the Scrutiny Board (Regeneration).

Further to Members' queries regarding the preparation of the Core Strategy and the associated resource implications, assurance was provided that good progress had been made on the Core Strategy, and a draft would be available in the new year.

RESOLVED –

- (a) That the Scrutiny Board's report be welcomed as a valuable contribution to the housing growth debate.
- (b) That the recommendations of the Scrutiny Board arising from the inquiry (including recommendation 4 on the basis that it relates to the production of monitoring data) be agreed, with the exception of recommendation 10, with a further report being submitted to the Board in December 2011 in respect of issues arising from recommendation 10.
- (c) That the conclusions arising from the Scrutiny Board inquiry and the Housing Growth Consultation, as detailed at paragraph 4.1 of the submitted report, be endorsed.

118 Informal Consultation on Housing Growth

Further to Minute No. 22, 22nd June 2011, the Director of City Development submitted a report outlining proposals regarding a set of draft housing growth principles for incorporation into the Core Strategy. In determining this matter,

the Board took into consideration all matters contained within the accompanying report.

Supplementary information in the form of an addendum detailing comments received on the draft housing principles had been circulated to Board Members for their consideration at the meeting.

Members raised concerns in relation to land banking and regeneration issues, which they felt were not fully addressed in the report. It was agreed that land banking issues should continue to be highlighted with central Government.

RESOLVED –

- (a) That the outcome of the informal consultation undertaken on housing growth be noted.
- (b) That the inclusion of appropriate principles within the Council's Core Strategy be supported.
- (c) That a further report be submitted to Executive Board in July/August 2012 in order to review the progress made.

119 Land at Thorpe Park, Colton, Leeds

The Director of City Development submitted a report detailing a number of development opportunities in East Leeds which would provide major commercial and housing economic growth opportunities for the City. In addition, the report sought approval to enter into an agreement with the Developer, as detailed within the submitted report, in order to facilitate part of this future development. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following consideration of Appendix 1 and Plan 2 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), which were considered in private at the conclusion of the meeting, it was

RESOLVED – That approval be given to the Council entering into a land agreement with the Developer, as detailed within the submitted report, on the terms set out within the exempt appendix to the report, with the necessary authority being delegated to the Director of City Development and City Solicitor to approve any amendment to these terms.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Carter required it to be recorded that he voted against the decisions taken above.)

120 Economic Growth Strategy

The Director of City Development submitted a report presenting for approval a new Economic Growth Strategy for the City, which was appended to the submitted report. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED –

- (a) That the Economic Growth Strategy for the City, as appended to the submitted report, be approved.
- (b) That further reports be submitted to Executive Board regarding progress on the delivery of the Economic Growth Strategy.

121 Developing a Response to Neighbourhood Planning in Leeds

The Assistant Chief Executive (Customer Access and Performance) and the Director of City Development submitted a joint report providing an overview in respect of neighbourhood planning provision, and highlighting the significant level of political interest and local debate which was currently occurring on this matter in many parts of the city. In addition, the report acknowledged the need to begin the development of a corporate response in line with the city's aspirations in order to help achieve the Council's strategic objectives in this area. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members considered the areas chosen for the pilot bids and the criteria which had been used, as well as the lessons that could be learned from the pilot process. Concerns were raised regarding the potential resource implications arising from such neighbourhood planning initiatives in the future.

RESOLVED –

- (a) That the submission of four pilots bids for Kippax, Otley, Boston Spa and Holbeck by the 4th November 2011 deadline be endorsed.
- (b) That the proposal to support on a pro-active basis, work within other parish and town councils and neighbourhood forums in order to help build capacity at a local level and help inform the site allocation process, be endorsed.
- (c) That Central Government be lobbied about the funding and resource implications arising from the neighbourhood planning process and associated referenda.
- (d) That the need for the Council to further consider the required arrangements for supporting the preparation of neighbourhood plans be noted.

(The matters referred to in this minute were not eligible for Call In, due to the 4th November 2011 submission deadline for the bids regarding neighbourhood planning frontrunner funding.)

ENVIRONMENTAL SERVICES

122 Residual Waste Treatment PFI Project - Response to Leeds Friends of the Earth Deputation

The Director of Environment and Neighbourhoods submitted a report providing a response to the issues raised by Leeds Friends of the Earth (FoE)

as part of the deputation presented to the Council meeting of 14th September 2011 entitled, "Why Leeds should not be chained to Waste Incineration?". In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Supplementary information in the form of correspondence received from the deputation had been circulated to Board Members for their consideration at the meeting.

RESOLVED – That the contents of the submitted report and its appendices, be noted.

123 Waste Solution for Leeds - Residual Waste Treatment PFI Project

Further to Minute No. 194, 12th February 2010, the Director of Environment and Neighbourhoods submitted a report providing Members with an update on the progress of the Residual Waste Treatment PFI Project since the last Executive Board update at the Detailed Solution Stage in February 2010, and advised on the outcome of evaluation of tenders received in respect of the Project. The report also identified the proposed, preferred bidder and requested authority to proceed to the Preferred Bidder stage, and described the programme and issues going forward into the preferred bidder and post contract signature stages. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Further to comments received regarding the possibility of increasing recycling targets, it was agreed that a report would be submitted to the Executive Board meeting in December 2011 regarding the Council's recycling strategy.

Both appendices B and C to the submitted report were designated as exempt under Access to Information Procedure Rule 10.4(3). Due to its confidential nature, appendix C was tabled and retrieved at the meeting. Following the consideration in private of both exempt appendices at the conclusion of the meeting, it was

RESOLVED –

- (a) That the contents of the submitted report, including its appendices, be noted.
- (b) That the revised price ceiling be noted.
- (c) That the outcome of the evaluation of tenders be noted.
- (d) That authority be given to proceeding to the Preferred Bidder Stage, including the formal appointment of the preferred bidder.
- (e) That a report be submitted to the December 2011 meeting of Executive Board regarding the Council's recycling strategy.

(Under the provisions of Council Procedure Rule 16.5, Councillor Golton required it to be recorded that he abstained from voting on the decisions taken above.)

NEIGHBOURHOODS, HOUSING AND REGENERATION

124 ALMO Review Update

Further to Minute No. 111 of the Executive Board meeting held on 3rd November 2010, the Director of Environment and Neighbourhoods submitted a report providing an update on the progress made regarding the implementation of the key reforms to the 3 ALMO model in Leeds. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Further to queries raised, assurance was provided that should there be a change in the decision making status of the Strategic Governance Board, this matter would be referred to Executive Board for approval. A response was also provided to a query regarding the progress made in delivering efficiencies of 2.5% through the creation of a shared service centre.

RESOLVED – That the progress made regarding the implementation of the key reforms to the ALMO model in Leeds be noted.

(Councillor Blake declared a personal interest in this item as a Board member of BITMO.)

CHILDREN'S SERVICES

125 Children's Services Improvement Update Report (November 2011)

The Director of Children's Services submitted a report providing an update on the improvement activity that was continuing across Children's Services in Leeds. The report particularly focussed upon improvement and inspection activity, together with a summary on the ongoing work to transform Children's Services. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members emphasised the importance of achieving consistency between the Cluster Partnerships, and in support of this it was proposed that a forum be set up for elected Members appointed to Cluster Partnerships.

On behalf of the Board, the Chair paid tribute to the Executive Member for Children's Services and the officers who had contributed to the improvements in partnership and locality working.

RESOLVED –

- (a) That the contents of the submitted report be noted, in light of the Ofsted inspection report considered at the Board's October 2011 meeting.

- (b) That the continuing direction of travel across Children's Services in Leeds be supported, as it comes to the end of the period of the government Improvement Notice.

126 Progress Report on the Leeds Education Challenge

The Director of Children's Services submitted a report summarising the progress made in establishing the Leeds Education Challenge (LEC). In addition, the report also provided a summary of the progress made and outlined the proposals for the next steps in developing and implementing the challenge, particularly in respect of the establishment of a Leeds Education Challenge Board and the proposed strategy to implement the LEC. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED – That the progress made to date on the Leeds Education Challenge be noted, whilst support be given to the proposals for future developments and the direction of such developments.

LEISURE

127 Response to Leeds Owl Trail Deputation

The Director of City Development submitted a report responding to the Deputation to Council made by the Leeds Owl Trail on 14th September 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Supplementary information in the form of correspondence received from the deputation had been circulated to Board Members for their consideration prior to the meeting.

In responding to Members' comments regarding the supplementary information submitted by the deputation, the Director of City Development advised that a response had been prepared. It was agreed that the response would be shared with Executive Board Members in order to determine whether further consideration should be given to this issue.

RESOLVED – That the response to the deputation, as detailed within the submitted report, be noted.

128 Design & Cost Report for the development of new changing rooms and associated facilities at Middleton Leisure Centre

The Director of City Development submitted a report which sought to bring together funding from the Sharpe Lane 106 scheme, Transforming Day Opportunities for Adults with Learning Disabilities programme and various revenue contributions, in order to deliver improvements to the facilities at Middleton Leisure Centre, as referred to within the 2011/12 revenue budget report. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members highlighted the positive effect of joint working on this initiative.

RESOLVED –

- (a) That approval be given to the utilisation of £455,300 from the Sharpe Lane Section 106 scheme and authority to spend £125,000 from the Transforming Day Opportunities for Adults with Learning Disabilities Programme (both of which already had Executive Board approval for injection into the capital schemes, with the authority to spend already being agreed for the section 106 funding).
- (b) That approval be given to an injection into the capital programme together with the authority to spend £158,000, comprising prudential borrowing of £115,000 and revenue contributions of £43,000.
- (c) That it be noted an additional funding bid has been submitted to the Sport England Inspired Facilities Fund for a further £145,000, in order to fund entrance, reception and studio works, together with additional sports equipment provision, making a proposed total scheme of £883,300 on the development of changing facilities, an Adult Social care area, improved heating system, car park and the demolition of the disused swimming pool.

129 Lotherton Estate Consultation Update

Further to Minute No. 35, 27th July 2011, the Director of City Development submitted a report advising of the outcomes arising from the public consultation exercise undertaken in respect of Lotherton Hall Estate and how such consultation had been used to refine the proposals for the Estate as previously considered by the Board. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In responding to comments made on the high number of price points in place at the Lotherton Estate, Members noted that a review of pricing structures was being undertaken in relation to such facilities across Leeds.

RESOLVED – That the new pricing structure, as detailed within the submitted report, be approved.

ADULT HEALTH AND SOCIAL CARE

130 The Government's Blue Badge reform programme - introduction of an administration charge for the issue of a blue badge

The Assistant Chief Executive (Customer Access and Performance) and the Director of Adult Social Care submitted a joint report informing of the main changes brought about by the Government's National Reform Programme to the Blue Badge disabled parking scheme, advising of the forthcoming changes to legislation in respect of the issuing of Blue Badge Disabled Parking Permits and recommending several proposals in light of such changes. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Further to queries raised, confirmation was received that the Council would not profit from the revised arrangements.

Regarding the new systems, concerns were raised in relation to their readiness, the associated implementation timescales, and the limited opportunity for testing.

RESOLVED –

- (a) That the changes to the Blue Badge Disabled Parking Permits Scheme be noted.
- (b) That approval be given to the introduction of an administration charge of £10 from 1st January 2012 for the issuing of each Blue Badge permit, as a result of the additional costs being incurred by the Council, with a £5 concessionary charge for lost/stolen badges, and no charge for children up to the age of 16, terminally ill people, war pensioners or armed forces personnel.
- (c) That a report be submitted to a future meeting of the Board regarding the revised process and its resource implications.

RESOURCES AND CORPORATE FUNCTIONS

131 Response to the Deputation to Council by the Leeds Fairtrade Steering Group

The Director of Resources submitted a report providing a response to the deputation made to full Council on 14th September 2011 by the Leeds Fairtrade Steering Group. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED –

- (a) That the good work already undertaken by the Council in support of fairtrade be noted.
- (b) That the city's application to retain its status as a 'Fairtrade City' be supported.
- (c) That appropriate officers, including representation from the communications and marketing team, engage with the steering group to develop promotional activities further.

132 Financial Health Monitoring 2011/12 - Month 6

The Director of Resources submitted a report setting out the Council's projected financial health position for 2011/12 at the half year stage of the financial year. The report included a section on the financial performance of other key financial indicators, including Council tax collection and the payment of creditors. The report also reviewed the position of the budget after six months and commented upon the key issues impacting on the overall achievement of the budget for the current year. In determining this matter, the

Board took into consideration all matters contained within the accompanying report.

Members received an update on the position relating to the fees paid to Leeds independent sector residential and nursing care homes.

The Director of Resources also provided an update on matters relating to ongoing claims with HMRC.

RESOLVED – That the projected financial position of the authority after six months of the financial year be noted.

133 Capital Programme Update 2011-2014

The Director of Resources submitted a report providing an update on the capital programme position for 2011/12 as at September 2011. The report included an update of capital resources, a summary of schemes which had been upgraded from 'Amber' status to 'Green' since the first quarter report, and provided a summary of progress made on some major schemes. In addition, the report sought specific approvals to allow some schemes to progress. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED –

- (a) That the latest position on the general fund and Housing Revenue Account (HRA) capital programmes be noted.
- (b) That the transfer of schemes from the Amber to the Green programmes, as set out within section 3.4 of the submitted report, be noted.
- (c) That the promotion of £400,000 from the reserved programme to the funded capital programme for works at Kirkgate Market, funded by a release from the capital contingency scheme, be approved.
- (d) That the injection into the capital programme of £738,700, funded by unsupported borrowing, for the demolition of surplus properties be approved.
- (e) That the reallocation of £3,510,000 from the Building Schools for the Future (BSF) programme to the capital contingency scheme, earmarked for Primary Basic Need and Children's Homes, be approved.
- (f) That the extension in the use of the existing capital programme provision for fire risk works to include asbestos removal works, be approved.
- (g) That the use of resources to develop the Assistive Technology Hub, as outlined within paragraph 3.5.5 of the submitted report, be approved.

- (h) That a release from the capital contingency scheme of £290,000 to re-provide the Millennium Square screen be approved.

134 Treasury Management Strategy Update 2011/12

The Director of Resources submitted a report providing a review and update of the Treasury Management Strategy for 2011/12, which was approved by the Board in February 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members were provided with details on the potential effect of the proposed changes to the Housing Subsidy system, further to queries raised.

RESOLVED – That the update on the Treasury Management borrowing and investment strategy for 2011/2012 be noted.

135 Local Government Resource Review Consultation

The Director of Resources submitted a report advising of the progress made in respect of the Local Government Resource Review and providing details of the consultation response submitted by the Council on 24th October 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members considered the potential impact of the changing arrangements for Leeds and the other West Yorkshire authorities. Concerns were raised in relation to the timescales relating to the implementation of the review, and the need to introduce safeguards to take account of global economic uncertainty.

RESOLVED –

- (a) That the details of the response submitted to Department for Communities and Local Government (DCLG) be noted.
- (b) That officers be authorised to continue dialogue with DCLG and others in order to improve and refine the proposals.

136 Large Casino - Approval of revised Gambling Act 2005 Statement of Licensing Policy 2010-2012

The Director of Resources submitted a report presenting the revised Gambling Act 2005 Statement of Licensing Policy which contained a statement of the principles the Council would apply when making the determination of the large casino licence. In addition, the report also presented the Consultation Report which was the proposed Council response to the public consultation on the large casino section in the Policy, and the draft application pack. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Copies of the revised Gambling Act 2005 Statement of Licensing Policy and the related Consultation Report had been provided to Board Members for their information, prior to the meeting.

RESOLVED - That having considered the revised Gambling Act 2005 Statement of Licensing Policy 2010-2012, together with the consultation report as the Council's response to the public consultation exercise, both documents be referred to Scrutiny Board (Resources and Council Services) for consideration.

(The matters referred to in this minute were not eligible for Call In, as the development of a Policy under the Gambling Act 2005 is a matter reserved to Council.)

137 Changing the Workplace - Development of the City Centre One Stop Design and Cost Report

Further to Minute No. 40, 27th July 2011, the Director of Resources and the Assistant Chief Executive (Customer Access and Performance) submitted a joint report providing an update on proposals to improve and modernise customer services delivered by Leeds City Council through the delivery of a single integrated one stop in the city centre. In addition, the report sought approval to spend £1,027,000 for delivery of the project. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members emphasised the importance of maintaining a face to face provision in respect of such services.

RESOLVED – That expenditure of £1,027,000 to deliver phase 1 of the integrated city centre one stop at 2 Great George Street, as detailed within the submitted report, be approved.

138 Leeds Initiative Sub-Board Arrangements

The Assistant Chief Executive (Customer Access and Performance) submitted a report which sought to establish a framework for the creation of sub-boards to support the work of the five Leeds Initiative Strategic Partnership Boards. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members raised several concerns in respect of matters regarding regeneration governance arrangements for East Leeds, and in response a detailed discussion ensued. In conclusion, it was recommended that a report be submitted to a future Executive Board meeting in order to provide clarity on such matters.

RESOLVED –

- (a) That the arrangements for the creation and cessation of Leeds Initiative sub board arrangements be endorsed.
- (b) That a further report be submitted to Executive Board in order to provide clarity in respect of the governance arrangements for South, East and West Leeds.

DATE OF PUBLICATION: 4TH NOVEMBER 2011

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 11TH NOVEMBER 2011 (5.00 P.M.)

(Scrutiny Support will notify Directors of any items called in by 12.00 p.m. on 14th November 2011)

Draft minutes to be approved at the meeting
to be held on Wednesday, 14th December, 2011

Report of : Director of Environment and Neighbourhoods

Report to : Executive Board

Date: 14th December 2011

Subject: Dog Control Orders – Phase 2

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 checked="" type="checkbox"/> Yes <input 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

In November 2010 Executive Board approved Dog Control Orders for the Leeds district. These orders required dogs to be placed on a lead whenever directed to do so by an authorised officer, excluded dogs from specified land (largely fenced off children’s play areas) and limited the number of dogs that could be walked at any one time by one person to 6.

Following strong representations from Scrutiny and in consultation with the Executive Member, an officer delegated decision later reduced that limit to 4. It was also agreed that an enforcement policy would be drafted which allowed the walking of 5 or 6 dogs by professional and responsible dog walking businesses without enforcement action being taken so long as the dogs remained fully under the control of the walker.

This report proposes that a Dog Control Order be made requiring a dog to be kept on a lead at all times on all carriageways and adjacent footpaths and grass verges and in cemeteries and crematoria. It further proposes that the dog exclusion order be amended to include other land designated for a specific purpose, such as remembrance and wildlife gardens and school grounds, where the schools have indicated the wish to have such an order.

It also proposes an enforcement policy relating to the walking of more than four dogs for Executive Board approval.

Recommendations

1. That Executive Board:

- 1.1. approve the making of a Dog Control Order requiring that on certain specified land dogs should be on a lead at all times on all carriageways and adjacent footpaths and grass verges within the Leeds City Council district and in cemeteries and crematoria.
- 1.2. approve amendments to the previous Dogs On Leads by Direction Order and the Dog Exclusion Order to:
 - ensure that the Dogs on Leads by Direction Order applies wherever the new Dogs On Leads at All Times Order does not; and
 - to update the list of prescribed areas to include other land designated for a specific purpose such as remembrance and wildlife gardens and school grounds where the schools have indicated the wish to have such an order.
- 1.3. approve the enforcement policy in relation to the walking of more than four dogs at one time.
- 1.4. agree the process for future review and consultation on the schedules of land within the Orders.

1 Purpose of this report

- 1.1 This report considers the outcome of consultation on changes to the dog control orders for Leeds and seeks approval to implement further specified powers under the Clean Neighbourhoods and Environment Act 2005 with effect from 1 January 2012. The report also seeks to approval for an enforcement policy in relation to the walking of more than four dogs at one time.

2 Background information

- 2.1 During 2008/2009, Environment and Neighbourhoods Scrutiny Board conducted a review of dog fouling enforcement. The board issued a statement in February 2009 setting out its conclusions and recommendations. One of the recommendations stipulated exploring the use of additional Dog Control Orders in the city.
- 2.2 A multi-agency Project Board was set up in 2009 to consider the options for adopting Dog Control Orders and to develop an action plan for progressing the Orders. The Board was constituted from representatives of Environmental Services, Legal Services, Parks and Countryside, Education Leeds, and the Strategic Landlord and West North West Homes Leeds (on behalf of the ALMOs).
- 2.3 The Project Board timetabled the project for delivery via a two stage process to facilitate early delivery of some aspects of the project. Phase 1 of the project was approved by Executive Board in November 2010. This report relates to Phase 2 of the project.

2.4 Dog Control Orders are available under Section 55(1) of the Clean Neighbourhoods & Environment Act 2005, which states:

“A primary or secondary authority may in accordance with this Chapter make an order providing for an offence or offences relating to the control of dogs in respect of any land in its area to which this Chapter applies.”

Leeds City Council is a primary authority for this purpose.

2.5 Dog Control Orders apply to any land which is open to the air and to which the public are entitled or permitted to have access (with or without payment).

2.6 Phase 1 of the project agreed the implementation of four Dog Control Orders covering:

- The enforcement of dog fouling;
- The exclusion of dogs from certain specified land;
- A requirement for dogs to be placed on a lead when the person in control of it is directed to do so by an authorised officer; and
- The restriction of the maximum number of dogs that may be walked by any one person to 4.

2.7 Currently, where a person is found committing an offence of failing to comply with a dog control order they could be issued with a fixed penalty notice as an opportunity to discharge liability for the offence. If they fail to pay the fixed penalty, the Council will proceed to prosecute for the offence. Such an offence carries a maximum fine of up to £1000. The fixed penalty charge is £75, which is discounted to £50 for early payment. In the majority of circumstances, the fixed penalty will always be offered as a first option. Whilst there is no appeal against an FPN, the Services does receive and respond to written enquiries as if they were appeals.

2.8 In making a decision on whether and how to enforce the Council has adopted the principles of the Enforcement Concordat which require the enforcement activity to be consistent but to be proportionate to the risks of the activity in question. In any decision to prosecute the council also applies a two stage test similar to that used by the Crown prosecution Service. There must be reasonable prospects of success based upon the evidence provided and it must be in the public interest to prosecute.

2.9 The enforcement of these orders is carried out by staff that are trained and authorised appropriately by the council. Whilst there are only six Dog Wardens currently enforcing the existing Orders, approximately 50 environmental enforcement staff within Environmental Services will be trained to enforce the new and existing powers in January. The council will also work with other council services to further expand authorisation to other officers such as Parks and Countryside staff. We will also look to negotiate with other external partner agencies to support the enforcement of the orders, for example by PCSOs and ALMO staff.

3 Proposals

- 3.1 Phase 2 of the project seeks to make a new Order stating that, on certain specified land, dogs should be on a lead at all times. It is proposed that this Order be applied to all carriageways and adjacent footpaths and grass verges within the Leeds City Council district and will ensure that any dog is kept under control at all times and doesn't run unexpectedly into a road causing traffic accidents or injury to the dog itself. It is also proposed that this Order be applied to cemeteries and crematoria to avoid disturbance to graves and lawned areas from roaming dogs whilst retaining access to dogs visiting graves under the control of their owners.
- 3.2 It is also proposed that the existing Order relating to dogs being required to be put on a lead as directed would be amended so that it applies to all land in the Leeds district not covered by the new Order. These proposals include land which is access land.
- 3.3 In addition the council proposes that the existing Dog Exclusion Order should be amended to add other land designated for a specific purposes such as remembrance and wildlife gardens where a dog may cause damage and disturbance to the area even when under close control. The council also proposes to include areas such as school grounds where it might not be possible to keep a dog under close control due to likely distractions which may endanger young and vulnerable people. The existing list of children's play areas has also been updated. A full list of all of these areas can be found at Appendix A.
- 3.4 Prior to introducing or amending any Dog Control Orders, the council must undertake a minimum 6 week consultation process and to advertise its intentions in the local media. The Council published its intention in the Yorkshire Post on 12 August 2011. To facilitate the consultation process Environmental Services developed a website (www.leeds.gov.uk/dogs) which contains information on the proposals and an online survey for responses to the consultation. Hard copies of the survey have also been distributed upon request. The consultation ran for 8 weeks to allow for as many responses as possible to be received.
- 3.5 In addition to the media all Elected Members, Parish and Town Councils, British Waterways, The Dogs Trust, The Kennel Club and the RSPCA were all contacted directly about the proposals. A wide range of council partners including housing ALMOs and housing associations were also contacted directly.
- 3.6 All Leeds schools have also been contacted in relation to the specific order in relation to exclusion from school grounds and asked to send the proposals to the Chair of their Governing Body and also the Chair of their PTA. Where schools have responded to ask that their grounds are included as part of the Exclusion Order we have included them in the revised schedule.

3.7 Consultation results

- 3.7.1 In total 372 responses to the consultation were received. 7 responses have been received from Collingham with Linton, Alwoodley, Otley, Barwick in Elmet, Aberford, Pool, Thorp Arch, Boston Spa Town and Parish Councils.

3.7.2 The following questions were asked in the consultation questionnaire and the response, in percentages, are listed alongside:

Consultation Question	% Responses In Agreement
Do you agree that the new children's play areas be added to the dog exclusion schedule?	85%
Do you agree that remembrance and wildlife gardens be added to the exclusion zone schedule?	74%
Do you agree that school grounds be added to the exclusion zone schedule?	85%
Do you agree that dogs should be kept on a lead at all times on roads, adjacent footpaths and adjacent grass verges?	75%
Do you agree that dogs should be kept on a lead at all times in cemeteries and crematoria?	90%

3.7.3 Whilst the level of responses to the consultation has not been as high as at Phase 1, we are pleased that the consultation has resulted in a good spread of responses from all wards and from residents with and without dogs. Around 53% of respondents were dog owners compared to the Phase 1 consultation where over 70% of respondents owned dogs.

3.7.4 As with the previous Phase 1 consultation the majority of respondents are in agreement with Dog Exclusion Orders on the extended list of specified areas such as new play areas, remembrance and wildlife gardens and school grounds (on an opt-in basis).

3.7.5 The majority of respondents (75%) also agree that the Order should be amended to include a requirement for dogs to be kept on leads at all times on roads and adjacent footpaths. An even greater majority (90%) agree that dogs should be kept on a lead at all times in cemeteries and crematoria.

3.7.6 Whilst there is large-scale support for the proposals as they stand it is clear from the consultation and recommendations from Scrutiny Board that a degree of common sense should be applied to enforcing the dogs on leads Order.

3.7.7 Several respondents asked that sites additional to those on the schedule were included in the orders. Where no further consultation is required to add these to the schedule, e.g. that they are clearly delineated play areas, these have been added to the schedule. If consultation is required, it is not possible for us to include these at present. We will however keep these on file until the next review of the schedules (see 3.8 below).

3.7.8 Scrutiny Board also asked the council to consider whether the Dogs on Leads at all Times Order could be extended to include areas of green space used by schools that have no on-site green space in order to help with dog fouling enforcement. Given that the current consultation process solely referred to the use of the Dogs on Leads at all Times Order to deal with public safety issues, a further consultation

would be necessary to gauge the level of public support for the extension of these powers to deal with dog fouling. We are not therefore recommending that such sites are included in this current extension of sites covered. However we will assess whether such powers could be used and if appropriate include this proposal in the next review of powers as per 3.8 below.

3.8 Future Review Process for Schedules

- 3.8.1 Given that many respondents have asked for additional pieces of land to be included within the schedules it is clear that a programmed approach to the review and amendment of schedules is required. In order to fulfil these requirements we propose that the schedules are consulted on once per year in order to include any new, amended, or withdrawn pieces of land.
- 3.8.2 Any future consultation would not amend the powers in place, just the land that the powers were applicable to. The consultation process could therefore be smaller scale and restricted to the recommended six weeks in length. Any new pieces of land nominated throughout the year would be added to the schedule and included in the consultation and, subject to any representations against, a new Order each January. Because the process would not amend the powers the process could be agreed under Delegated Powers of the Director of Environment and Neighbourhoods, rather than needing a full Executive Board decision to be made.
- 3.8.3 If agreed all respondents who nominated new pieces of land that could not be included at this stage, will be contacted to inform them of the future review process.

3.9 Enforcement Policy for the Walking of More Than Four Dogs (Dog Specified Maximum Order)

- 3.9.1 Whilst the consultation process did not propose changes to the Order that limits the number of dogs that can be walked by an individual to four, we have received feedback from professional dog walkers about a lack of clarity in relation to this Order and concern that the Order could adversely impact on their business. Following the consultation at Phase 1, it was clear that the majority of respondents wanted the maximum number of dogs to be set at four and the Order was made on this basis.
- 3.9.2 Having discussed proposals with a representative of the dog walking professional community in Leeds, and following recommendations from Scrutiny Board, we propose a revised policy in relation to the enforcement of the Order.
- 3.9.3 All enforcement action within Leeds is always subject to a public interest test, i.e. where it is not in the public interest to take enforcement action, because the issue is low risk or the resources required are not commensurate with the level of risk presented by the problem, the Council will not pursue offences. This common sense approach to enforcement is key to the credibility of all of the council's enforcement policies.
- 3.9.4 With that in mind the council proposes to formalise this public interest test into the enforcement policy in relation to the Dog Specified Maximum Order. The council proposes that, where the enforcing officer is happy that the person walking the dogs

is undertaking it as a professional service, it would not be deemed in the public interest to pursue action if the person was walking up to the DEFRA recommended maximum of six dogs. This test would be undertaken on a case by case basis when a problem was reported. When a member of the public is observed walking 5 or 6 dogs they would be asked to give their contact details and the name of the business they work for. The enforcing officer would then ask for details to prove that they were a legitimate and professional dog walker, for example that they have relevant insurance in place and that they hold a Home Boarders Licence where necessary. If the test is met, no action would be taken.

- 3.9.5 As part of this policy professional dog-walkers also recommended that the council seek to promote a Code of Practice for professional dog-walkers, which we have agreed to do as part of communications for the new powers and policy.
- 3.9.6 If agreed the original Order would therefore remain in place and enforcement action would still be taken where the public interest test is not met and the council does not deem the dog-walker to be appropriately qualified to walk more than four dogs or, or if the dogs breach any of the other Orders detailed above regardless of the number being walked or the professional status of the dog-walker.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Public consultation has taken place as required by the legislation as detailed in paragraphs 3.4 to 3.6 above.
- 4.1.2 Non-statutory consultation has taken place with Area Committees and with Head Teachers and Governing Bodies of Schools.
- 4.1.3 It was agreed in June 2011 that the Safer and Stronger Communities Scrutiny Board should play an active part in analysing the proposed options arising from the Phase 2 Dog Control Orders project before approval is sought from the Executive Board in December 2011 to implement further Dog Control Orders. In view of the need to conclude this piece of work by November, it was agreed that this would be considered via working group meetings.
- 4.1.4 An initial working group meeting was held on 18th August 2011 to enable Scrutiny Members to gain a better understanding of the aims of the phase 2 project and who has been targeted as part of the consultation process. A further meeting was held on 21st October to discuss the outcome of the consultation process and to address any outstanding issues. The views of the Scrutiny Board (Safer and Stronger Communities) on the Phase 2 Dog Control Order proposals were formally agreed by the Scrutiny Board on 14th November 2011 and are set out in appendix B.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality Impact Assessment screening of Phase 2 of the project has been completed (see appendix C).
- 4.2.2 It is a specific requirement of the Orders that they do not apply in relation to recognised assistance dogs.

4.3 Council Policies and City Priorities

- 4.3.1 The Enforcement Policy and new Orders will contribute to the City Priority Plan of Best City for Communities by helping to effectively tackle anti social behaviour and ensuring neighbourhoods are clean.
- 4.3.2 Dogs on Leads Order will result in safer streets for both pedestrians and dogs themselves and result in the ability to pursue additional enforcement action should dogs be allowed to stray.
- 4.3.3 The clarity given around the enforcement policy for the Dog Specified Maximum Order will protect the business interests of legitimate dog walking businesses whilst allowing the council to focus enforcement action where it will have the greatest impact.

4.4 Resources and Value for Money

- 4.4.1 The main resources implications are the advertising costs to bring the order into force and signage costs. Advertising costs are provided for within Environmental Services Dog Control Order project budget. Each sign costs approximately £11. The cost of signage will be borne by the organisation with responsibility for the land in question.
- 4.4.2 The legislation expects that signage must be in place 'where reasonably practicable'. Given that Dogs on Leads at all times powers are applicable to all highways, we do not propose to place signage on all streets. The communication of these powers will be done using the local media and a publicity campaign. Cemeteries and crematoria and any enclosed parks and play areas will be signed however.
- 4.4.3 In relation to Dog Exclusion Orders each piece of land will need to be signed. Parks and Countryside will bear the cost of this for sites under their control. Schools are expected to make arrangements for the provision of sites if they have opted in to the Order. The council will make template sign designs available for school use to minimise costs.
- 4.4.4 The adoption of these orders will provide better tools for council staff to ensure that dog ownership within the city is conducted responsibly without causing nuisance, distress or health hazards. The dog wardens would act as the hub for enforcement but would draw on colleagues in other service areas to support them where appropriate. Such staff could include other Environmental Services staff, Parks, ALMOs and others who are in positions where they come across dog activities regularly.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The adoption of this new legislation for the City is an Executive function on a city wide basis. As such the decision is eligible for Call In.
- 4.5.2 The process of making and amending, advertising and enforcing the orders is being undertaken in a manner compliant with regulations made under the Clean

Neighbourhoods and Environment Act 1990 to ensure the orders are legally enforceable.

4.6 Risk Management

- 4.6.1 The correct legal process and statutory consultation has been carried out in the development of these proposed new orders. There remains a theoretical risk of a legal challenge but this has been minimised through the process.
- 4.6.2 If the Enforcement Policy is not approved there is a risk of inconsistent application of enforcement powers resulting in complaints.

5 Conclusions

- 5.1 Given the level of public support received through the consultation process it is recommended that the proposed orders should be approved.
- 5.2 Having discussed proposals with a representative of the dog walking businesses in Leeds clarification is needed to the policy in relation to walking multiple dogs on leads. It is clear that the basic principle of the original order still holds, i.e. that we feel that walking any more than four dogs carries with it an increased risk, but that this risk is reduced if the person is trained and insured appropriately. We therefore recommend that the proposed enforcement policy in relation to this area be approved in principle and worked up in detail in consultation with dog walking professionals.

6 Recommendations

- 6.1 Members are asked to consider the outcomes of the consultation and:
 - 6.1.1 Make a Dog Control (Dogs on Leads at All Times) Order in the prescribed form requiring that on the specified land dogs should be on a lead at all times. The specified land will comprise all carriageways and adjacent footpaths and grass verges within the Leeds City Council district and in cemeteries and crematoria (see appendix A).
 - 6.1.2 Revoke the existing Dog Control (Dogs on Leads by Direction) Order (requiring dogs to be put on a lead when the person in control of it is directed to do so by an authorised officer) and make a new Order in the same terms which applies throughout the Leeds district on any land to which the Dog Control (Dogs on Leads at All Times) Order does not apply and to which the public are entitled or permitted to have access (with or without payment).
 - 6.1.3 Revoke the existing Dog Control (Exclusion) Order and replace it with a new Order with an updated schedule of land (see appendix A) including other land designated for a specific purpose such as remembrance and wildlife gardens and school grounds where the schools have opted in to have such an order.
 - 6.1.4 Agree the process for future review and consultation on the schedules of land within the Orders.
 - 6.1.5 Approve the proposed Enforcement Policy for the Dog Specified Maximum Order.

7 Background documents

7.1 Statement of Scrutiny Board (Environment and Neighbourhoods): Enforcement of Dog Fouling 19th February 2009:

7.2 DEFRA Guidance

Appendix A – Schedule of Land Subject to Dog Control Orders

Section 1 – Dog Exclusion (Leeds) Order

Table 1 – School grounds where Dog Exclusion (Leeds) Order applies

School Name	Type	Ward
Yeadon Westfield Infant School	Infant	Guiseley & Rawdon
Rothwell Haigh Road Infant School	Infant	Rothwell
Adel St John The Baptist Church of England Primary School	Primary	Adel & Wharfedale
Pool-in-Wharfedale Church of England Voluntary Controlled Primary School	Primary	Adel & Wharfedale
Highfield Primary School	Primary	Alwoodley
Blackgates Primary School	Primary	Ardsley & Robin Hood
East Ardsley Primary School	Primary	Ardsley & Robin Hood
Christ The King Catholic Primary School	Primary	Armley
Holy Family Catholic Primary School	Primary	Armley
Raynville Primary School	Primary	Armley
St Bartholomew's Church of England Voluntary Controlled Primary School	Primary	Armley
Beeston Hill St Luke's Church of England Primary School	Primary	Beeston & Holbeck
Cottingley Primary School	Primary	Beeston & Holbeck
Ingram Road Primary School	Primary	Beeston & Holbeck
Bramley St Peter's Church of England Voluntary Controlled Primary School	Primary	Bramley & Stanningley
Summerfield Primary School	Primary	Bramley & Stanningley
Whitecote Primary School	Primary	Bramley & Stanningley
All Saint's Richmond Hill Church of England Primary School	Primary	Burmantofts & Richmond Hill
Brownhill Primary School	Primary	Burmantofts & Richmond Hill
Richmond Hill Primary School	Primary	Burmantofts & Richmond Hill
St Patrick's Catholic Primary School	Primary	Burmantofts & Richmond Hill
St Peter's Church of England Primary School	Primary	Burmantofts & Richmond Hill
Calverley Church of England Voluntary Controlled Primary School	Primary	Calverley & Farsley
Chapel Allerton Primary School	Primary	Chapel Allerton
Mill Field Primary School	Primary	Chapel Allerton
Cross Flatts Park Primary School	Primary	City & Hunslet
Greenmount Primary School	Primary	City & Hunslet
Hunslet Carr Primary School	Primary	City & Hunslet
Hunslet Moor Primary School	Primary	City & Hunslet
Hunslet St Mary's Church of England Primary School	Primary	City & Hunslet
Grimes Dyke Primary School	Primary	Cross Gates & Whinmoor
Manston Primary School	Primary	Cross Gates & Whinmoor
St Theresa's Catholic Primary School	Primary	Cross Gates & Whinmoor

School Name	Type	Ward
Swarcliffe Primary School	Primary	Cross Gates & Whinmoor
White Laith Primary School	Primary	Cross Gates & Whinmoor
Five Lanes Primary School	Primary	Farnley & Wortley
Whingate Primary School	Primary	Farnley & Wortley
Ninelands Primary School	Primary	Garforth & Swillington
St Benedict's Catholic Primary School	Primary	Garforth & Swillington
Hovingham Primary School	Primary	Gipton & Harehills
Oakwood Primary School	Primary	Gipton & Harehills
St Nicholas' Catholic Primary School	Primary	Gipton & Harehills
Woodlands Primary School	Primary	Gipton & Harehills
Wykebeck Primary School	Primary	Gipton & Harehills
Rawdon Littlemoor Primary School	Primary	Guiseley & Rawdon
Tranmere Park Primary School	Primary	Guiseley & Rawdon
Barwick-in-Elmet Church of England Voluntary Controlled Primary School	Primary	Harewood
Shadwell Primary School	Primary	Harewood
Thorner Church of England Voluntary Controlled Primary School	Primary	Harewood
Brudenell Primary School	Primary	Headingley
Broadgate Primary School	Primary	Horsforth
Rawdon St Peter's Church of England Voluntary Controlled Primary School	Primary	Horsforth
Westbrook Lane Primary School	Primary	Horsforth
Blenheim Primary School	Primary	Hyde Park & Woodhouse
Little London Community Primary School and Nursery	Primary	Hyde Park & Woodhouse
Beechwood Primary School	Primary	Killingbeck & Seacroft
Cross Gates Primary School	Primary	Killingbeck & Seacroft
Grange Farm Primary School	Primary	Killingbeck & Seacroft
Our Lady of Good Counsel Catholic Primary School	Primary	Killingbeck & Seacroft
Lady Elizabeth Hastings Church of England Primary School, Ledston	Primary	Kippax & Methley
Methley Primary School	Primary	Kippax & Methley
Micklefield Church of England Voluntary Controlled Primary School	Primary	Kippax & Methley
Beecroft Primary School	Primary	Kirkstall
Burley St Matthias' Church of England Voluntary Controlled Primary School	Primary	Kirkstall
Kirkstall St Stephen's Church of England Primary School	Primary	Kirkstall
Kirkstall Valley Primary School	Primary	Kirkstall
Clapgate Primary School	Primary	Middleton Park
Middleton Primary School	Primary	Middleton Park
Middleton St Mary's Church of England Voluntary Controlled Primary School	Primary	Middleton Park
Sharp Lane Primary School	Primary	Middleton Park
St Philip's Catholic Primary and Nursery School	Primary	Middleton Park
Windmill Primary School	Primary	Middleton Park

School Name	Type	Ward
Immaculate Heart Of Mary Catholic Primary School	Primary	Moortown
Moortown Primary School	Primary	Moortown
Asquith Primary School	Primary	Morley North
Churwell Primary School	Primary	Morley North
Gildersome Primary School	Primary	Morley North
Morley Victoria Primary School	Primary	Morley North
Seven Hills Primary School	Primary	Morley South
Westerton Primary School	Primary	Morley South
Otley All Saints Church of England Primary School	Primary	Otley & Yeadon
Otley The Whartons Primary School	Primary	Otley & Yeadon
Queensway Primary School	Primary	Otley & Yeadon
Rufford Park Primary School	Primary	Otley & Yeadon
Lowtown Primary School	Primary	Pudsey
Park Spring Primary School	Primary	Pudsey
Pudsey Waterloo Primary School	Primary	Pudsey
Swinnow Primary School	Primary	Pudsey
Oulton Primary School	Primary	Rothwell
Rothwell Church of England Voluntary Controlled Primary School	Primary	Rothwell
Rothwell Primary School	Primary	Rothwell
Woodlesford Primary School	Primary	Rothwell
Kerr Mackie Primary School	Primary	Roundhay
Meadowfield Primary School	Primary	Temple Newsam
Weetwood Primary School	Primary	Weetwood
Bramham Primary School	Primary	Wetherby
Deighton Gates Primary School	Primary	Wetherby
St Mary's Church of England Controlled Primary School, Boston Spa	Primary	Wetherby
Swallow Hill Community College	Secondary	Armley
Cockburn School	Secondary	Beeston & Holbeck
Mount St Mary's Catholic High School	Secondary	Burmantofts & Richmond Hill
John Smeaton Community College	Secondary	Cross Gates & Whinmoor
Guiseley School Technology College	Secondary	Guiseley & Rawdon
Horsforth School Specialist Science College	Secondary	Horsforth
David Young Community Academy	Secondary	Killingbeck & Seacroft
Parklands Girls' High School	Secondary	Killingbeck & Seacroft
Abbey Grange Church of England High School	Secondary	Kirkstall
Bruntcliffe High School	Secondary	Morley South
Prince Henry's Grammar School Specialist Language College	Secondary	Otley & Yeadon
Pudsey Grangefield School	Secondary	Pudsey
Temple Moor High School Science College	Secondary	Temple Newsam

Table 2 – Playgrounds and Play Areas where Dog Exclusion (Leeds) Order applies

Playground Name	Location	Ward
Cookridge Lane Playground		Adel & Wharfedale
Holt Lane Playground	Holt Lane POS	Adel & Wharfedale
Cranmer Bank Playground	Cranmer Bank Recreation Ground	Alwoodley
King Lane Playground	Crag Lane	Alwoodley
Shadwell POS Playground	Shadwell Lane/Osprey Grove	Alwoodley
Forest Ridge Playground		Ardsley & Robin Hood
Heritage Village	Heritage Village POS	Ardsley & Robin Hood
Lofthouse Rec Playground	Lofthouse Recreation Ground	Ardsley & Robin Hood
Moor Knoll Lane Playground	Moor Knoll Lane	Ardsley & Robin Hood
Nottingham Close	Thorpe Lower Lane POS	Ardsley & Robin Hood
Ouzlewell Green Playground	Ouzlewell Green P.O.S	Ardsley & Robin Hood
Railway Terrace POS	Railway Terrace POS	Ardsley & Robin Hood
Sharpe Lane Rec Playground	Sharpe Lane Rec, Jarvis Walk	Ardsley & Robin Hood
Armley Park Playground	Armley Park	Armley
Lay Lane Playground	Ley Lane	Armley
Cross Flatts Park Jnr Playground	Cross Flatts Park	Beeston & Holbeck
Cross Flatts Park Playground	Cross Flatts Park	Beeston & Holbeck
Elland Road/Beggars Hill Playground	Beggars Hill	Beeston & Holbeck
Holbeck Moor Playground	Holbeck Moor	Beeston & Holbeck
Bramley Falls Wood Playground	Bramley Falls Wood Park	Bramley & Stanningley
Bramley Park Playground	Bramley Park	Bramley & Stanningley
Broadlea Mount/Terrace		Bramley & Stanningley
Broadlea Street/Road	Broadlea Street/Road	Bramley & Stanningley
Fairfield Play area	Fairfield Grove	Bramley & Stanningley
Ganners play area	Ganner Lane	Bramley & Stanningley
Rodley Rec Playground	Rodley Park Recreation Ground	Bramley & Stanningley
Stanningley Park Playground	Stanningley Park	Bramley & Stanningley
East End Park Playground	East End Park	Burmantofts & Richmond Hill
Lindsey Gardens		Burmantofts & Richmond Hill
Oxton Way Playground	Ebors POS	Burmantofts & Richmond Hill
Saxton Gardens Playground	Saxton Gardens (Railway St)	Burmantofts & Richmond Hill
Torre Pocket Park Playground	Torre Pocket Park	Burmantofts & Richmond Hill
Brookfield Gardens Playground	Brookfield Recreation Ground	Calverley & Farsley
Chatsworth Rec Playground	Chatsworth Recreation Ground	Calverley & Farsley
Farfields Rec Playground	Farfield Recreation Ground	Calverley & Farsley
Farsley Rec Playground	Farsley Recreation Ground	Calverley & Farsley
Hainsworth Park Playground	Hainsworth Park	Calverley & Farsley
Victoria Park Playground	Calverley Park (Victoria Park)	Calverley & Farsley

Playground Name	Location	Ward
Beckhill Play Area	Beckhill Grove	Chapel Allerton
Chapel Allerton Playground	Chapel Allerton Park	Chapel Allerton
Norma Hutchinson Park Playground	Buslingthorpe Recreation Grd	Chapel Allerton
Potternewton Park Playground	Potternewton Park	Chapel Allerton
Reginald Terrace Playground	Reginald Terrace	Chapel Allerton
Scott Hall Grove	Potternewton Playing Fields	Chapel Allerton
Duncombe Street		City & Hunslet
Tunstall Road Playground		City & Hunslet
Church Street Playground	Grove Road Recreaton (Hunslet)	City & Hunslet
Hunslet Lake Playground	Hunslet Lake	City & Hunslet
Hunslet Moor Playground	Hunslet Moor	City & Hunslet
Pepper Road Playground	Pepper Road Recreation Ground	City & Hunslet
Trentham Street Play Area	Trentham Street POS	City & Hunslet
Manston Park Playground	Manston Park	Cross Gates & Whinmoor
Clyde Grange and Court Multi Storey Flats		Farnley & Wortley
Farnley Hall Playground	Farnley Hall Park	Farnley & Wortley
Low Moorside Playground	Farnley	Farnley & Wortley
New Wortley Rec Playground	New Wortley Recreation Ground	Farnley & Wortley
Western Flatts Park Playground	Western Flatts Cliff Park	Farnley & Wortley
Wortley Heights and Towers Multi Storey Flats		Farnley & Wortley
Barley Hill Rec Playground	BarleyHill Park	Garforth & Swillington
Firthfields Playground	Firthfield POS	Garforth & Swillington
Glebelands Rec Playground	Glebelands Rec, Ninelands Lane	Garforth & Swillington
Glencoe Kippax	Glencoe Estate	Garforth & Swillington
Banstead Park Playground - Senior	Banstead Park	Gipton & Harehills
Banstead Park Playground - Toddler	Banstead Park	Gipton & Harehills
Conways Gia		Gipton & Harehills
Gipton Square	Gipton Square	Gipton & Harehills
Harehills Park Playground	Harehills Park	Gipton & Harehills
Hovingham Avenue Playground	Hovingham Avenue POS	Gipton & Harehills
Kirk Lane Park Playground	Kirk Lane Park	Guiseley & Rawdon
Micklefield Park Playground	Micklefield Park, Rawdon	Guiseley & Rawdon
Nethermoor Park, Guiseley	Nethermoor Park, Guiseley	Guiseley & Rawdon
Bardsey playground	Keswick Lane, Bardsey	Harewood
Barwick In Elmete Playground	Barwick Pos	Harewood
Bramham parish playground	Bramham	Harewood
Collingham children's play area	Collingham	Harewood
Collingham and Linton Sports Association play area	Play area within Collingham and Linton Sport Ass	Harewood
East Keswick playground	Moor Lane, East Keswick	Harewood

Playground Name	Location	Ward
Holywell Lane Playground	Holywell Lane Park	Harewood
Lotherton Hall Playground	Lotherton Hall Estate	Harewood
Scholes Playground		Harewood
Thorner children's play area	Millenium Green, Thorner	Harewood
Hippo Horsforth Playground	Horsforth Hall Park	Horsforth
Horsforth Hall Playground	Horsforth Hall Park	Horsforth
Layton Avenue Playground	Layton Avenue (Jubilee Hall)	Horsforth
Benson Court Playground	Benson Court	Hyde Park & Woodhouse
Burley Lodge Playground	Burley Lodge	Hyde Park & Woodhouse
Little Moor Playground	Woodhouse Moor Park	Hyde Park & Woodhouse
Oatland Drive Playground	Oatland Drive POS	Hyde Park & Woodhouse
Tennant Hall Playground - Junior	Tennant Hall POS	Hyde Park & Woodhouse
Tennant Hall Playground - Senior	Tennant Hall POS	Hyde Park & Woodhouse
Woodhouse Moor Playground	Woodhouse Moor Park	Hyde Park & Woodhouse
Ledston Luck Playground	Ledston Luck	Kippax & Methley
Millenium Village Playground		Kippax & Methley
Park Avenue Playground		Kippax & Methley
Allerton Bywater Playground	Allerton Bywater Sports Ground	Kippax & Methley
Blands Rec Playground	Blands Recreation Ground	Kippax & Methley
Brigshaw Rec Playground	Brigshaw Recreation Ground	Kippax & Methley
Coney Moor Playground	Coney Moor Recreation Ground	Kippax & Methley
Junction Rec Playground	Barnsdale Road POS	Kippax & Methley
Park Lane Playground	Park Lane Recreation Ground	Kippax & Methley
Saville Road Playground	Saville Road Recreation Ground	Kippax & Methley
Vandicourt Playground	Cliffe Terrace	Kippax & Methley
Burley Park Playground	Burley Park	Kirkstall
Cragside Rec Playground	Cragside Recreation Ground	Kirkstall
Kirkstall Abbey Playground	Kirkstall Abbey Estate	Kirkstall
Sandford Road Playground	Sandford Road	Kirkstall
Wolseley Road Playground	Rising Sun POS , off Kirkstall Road	Kirkstall
Cranmore Rise	Cranmore Rise	Middleton Park
Middleton Park Playground	Middleton Park	Middleton Park
Middleton Way	Ring Road Middleton	Middleton Park
Windmill Road Rec Playground	Windmill Road Rec. (near to The Clearings)	Middleton Park
Meanwood Park Hospital	Meanwood Hospital POS	Moortown
Meanwood Park Playground	Meanwood Park	Moortown
Churwell Park Playground	Churwell Park	Morley North
Drighlington Rec Playground	Drighlington Moor Park	Morley North
Gildersome Park Playground	Gildersome Park	Morley North
Springfield Mill Park	Arkwright Walk, Churwel	Morley North

Playground Name	Location	Ward
Dartmouth Park Playground	Dartmouth Park	Morley South
Hembrigg Park Playground	Hembrigg Recreation	Morley South
Hesketh Rec Playground	Hesketh Recreation Ground	Morley South
Millbeck Approach	Magpie Lane	Morley South
Scatcherd Park Playground	Scatcherd Park, Queensway, Morley (next to Leisure Centre)	Morley South
Wide Lane	Magpie Lane	Morley South
Caxton Road Playground	Caxton Road	Otley & Yeadon
Grove Hill Playground	Grove Hill Park, Otley	Otley & Yeadon
Henshaw Oval Playground	Henshaw Oval POS	Otley & Yeadon
Marshall Street Playground	Hawthorn Crescent POS	Otley & Yeadon
Newall Playground	Newall Playground POS	Otley & Yeadon
Riverdale Road Playground	Garnetts Field	Otley & Yeadon
Tarnfield Park Playground	Tarnfield Park, Yeadon	Otley & Yeadon
Wellcroft	Wellcroft	Otley & Yeadon
Weston Drive Park	Weston Drive Rec	Otley & Yeadon
Wharfemeadows Park Playground	Wharfemeadows Park, Otley	Otley & Yeadon
Earlswood Chase	Camberley Way POS	Pudsey
Pudsey Park Playground	Pudsey Park	Pudsey
Queens Park Playground	Queens Park, Pudsey	Pudsey
Tyersal Park Playground	Tyersal Park	Pudsey
Baines Terrace Playground	Baines Terrace POS	Rothwell
John O Gaunts Com Centre Playground	John O'Gaunts Recreation	Rothwell
Lawrence Villa Playground	Woodlesford Park	Rothwell
Queens Street Playground	Carlton Rec. Shayfields	Rothwell
Springhead Park Playground	Springhead Park	Rothwell
Chandos Gardens Playground	Chandos Gardens	Roundhay
Roundhay Park Playground	Roundhay Park	Roundhay
The Bumps Playground	The Bumps	Roundhay
Home Farm	Temple Newsam Estate	Temple Newsam
Neville Road Playground	Neville Road POS	Temple Newsam
Temple Newsam Playground	Temple Newsam Estate	Temple Newsam
Beckett Park Playground	Becketts Park	Weetwood
Silk Mills Playground	Silk Mill Bank	Weetwood
Tinshill Mount/Garth Play area	Tinshill Mount/Garth	Weetwood
Deepdale Playground	Deepdale Community Centre	Wetherby
Jubilee Gardens play area	Off Westgate	Wetherby
Mason Field play area	Hallfield Lane	Wetherby
Sandringham Park play area	Sandringham Road	Wetherby
Scaur Bank play area	Off Linton Road	Wetherby

Table 3 – Other Sites where Dog Exclusion (Leeds) Order applies

Site Name	Description
Lotherton Hall	Bird Garden
Roundhay Park	Tropical World
Roundhay Park	Canal Gardens
Temple Newsam Park	Home Farm

Section 2 – Sites where Keeping Dogs On Leads At All Times (Leeds) Order applies

Site Name	Description
St John's Cemetery	Cemetery
St Mathew's Church	Closed Church Yard
St Michaels Church	Closed Church Yard
St. Mark's Churchyard	Closed Church Yard
St. Stephens Church, Kirkstall	Closed Church Yard
Beckett Street Cemetery	Cemetery
Harehills Cemetery	Cemetery
St Hilda's, Cross Green	Closed Church Yard
St James Approach Church Yard	Closed Church Yard
St James, Seacroft	Closed Church Yard
St Saviour's Church, Cross Green	Closed Church Yard
Beeston Cemetery	Cemetery
Cottingley Hall	Crematorium
Holbeck Cemetery, Beeston Road	Cemetery
Hunslet Cemetery, Middleton Rd	Cemetery
Leeds Parish Church	Closed Church Yard
St Johns Churchyard	Closed Church Yard
St Luke's Church	Closed Church Yard
St Marys Church, Beeston	Closed Church Yard
St Matthews, St Matthews St.	Closed Church Yard
Armley Cemetery	Cemetery
New Wortley Cemetery	Cemetery
St Bartholomews, Armley	Closed Church Yard
St Peters Church	Closed Church Yard
Hall Tower Churchyard, Barwick	Closed Church Yard
Cragg Hill Baptist Church	Closed Church Yard
Guiseley Cemetery	Cemetery

Site Name	Description
Horsforth Cemetery	Cemetery
Lawnswood Cemetery/Crematorium	Crematorium
Otley Cemetery	Cemetery
Otley Congregational Church	Closed Church Yard
Otley Methodist Church	Closed Church Yard
Otley Parish Church	Closed Church Yard
Rawdon Crematorium	Crematorium
St John's Church, Yeadon	Closed Church Yard
St Margarets Church,	Closed Church Yard
St Oswalds Church	Closed Church Yard
Yeadon Cemetery	Cemetery
Garforth Cemetery	Cemetery
St Marys Church, Garforth	Closed Church Yard
St Marys Church, Kippax	Closed Church Yard
Whitkirk Cemetery	Cemetery
Site Name	Description
Chapel Hill, Morley	Closed Church Yard
Gildersome Cemetery	Cemetery
Lofthouse Cemetery	Cemetery
Morley Cemetery	Cemetery
Rothwell Haigh Cemetery	Cemetery
Zion Church, Morley	Closed Church Yard
Farnley Cemetery, Tong Road	Cemetery
Pudsey Cemetery	Cemetery
St John's, Wortley	Closed Church Yard
St Johns Church, Farsley	Closed Church Yard
St Lawrence Church, Pudsey	Closed Church Yard
Sunfield Methodist Church	Closed Church Yard
Upper And Lower Wortley Cemetery	Cemetery
Horsforth Hall Park	The Japanese Garden
Golden Acre Park	The Demonstration Garden
Golden Acre Park	Patio area
Temple Newsam Park	The Walled Garden
Temple Newsam Park	Courtyard
Lotherton Hall	Courtyard
Roundhay Park	Specialist Gardens/Gardens of the world
St Mary Magdalene, Moor Lane, East Keswick	Closed Church Yard

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Scrutiny Board (Safer and Stronger Communities)

Review of the Phase 2 proposed Dog Control Orders

Comments for inclusion into Executive Board Report

1.0 Introduction

1.1 It was agreed in June 2011 that the Safer and Stronger Communities Scrutiny Board should play an active part in analysing the proposed options arising from the Phase 2 Dog Control Orders project before approval is sought from the Executive Board in December 2011 to implement further Dog Control Orders. In view of the need to conclude this piece of work by November, it was agreed that this would be considered via working group meetings to which all Board Members would be invited to attend.

1.2 An initial working group meeting was held on 18th August 2011 to enable Scrutiny Members to gain a better understanding of the aims of the Phase 2 project and who has been targeted as part of the consultation process. A second working group meeting was held on 21st October 2011 to consider the initial findings from the Phase 2 consultation process, which concluded on 14th October 2011.

1.3 During these working group meetings, the following information was circulated by officers within Environment and Neighbourhoods and discussed with Scrutiny Board Members:

- Dog Control Orders - Project Timeline for Phase 2
- Copy of the Area Committee Report in March 2011 on the Phase 2 Dog Control Orders;
- Briefing note on the Dog Control Orders dated 9th August 2011;
- Copy of the Public Notice regarding the Dog Control Orders Consultation;
- Statistics of City Wide Dog Activities from April 2010 to March 2011;
- Statistics of City Wide Dog Activity from January 2011 to June 2011.
- A statistical analysis of the responses received from the Phase 2 consultation process.

The following related issues were also raised by Scrutiny Board Members:

- Reporting on dog activity;
- Enforcement of Dog Control Orders;
- Provision of Dog Waste Bins;
- Proposed Enforcement Policy for the Walking of More Than Four Dogs (Dog Specified Maximum Order).

1.4 This report presents the agreed view of the Safer and Stronger Communities Scrutiny Board. The Board has requested that these comments are

incorporated into the report to go before Executive Board on the proposed Phase 2 Dog Control Orders.

2.0 Observations, Conclusions and Recommendations

Phase 2 consultation process and response rates

- 2.1 The Scrutiny Board was happy with the Phase 2 consultation proposals and the level of media coverage given to promote the Council's online survey for respondents to the consultation. Prior to the consultation, individual schools were approached on an 'opt-in' basis in terms of their grounds being included as part of the proposed new Exclusion Order. The Scrutiny Board requested that those schools which had not responded prior to the commencement of the consultation be reminded to respond and for Parent Teacher Association (PTA) Chairs to be included in this reminder.
- 2.2 With a total of 386 respondents across the city, with 372 responses received to the consultation questions, the Scrutiny Board notes that this is low in comparison to the Phase 1 response rate. The Scrutiny Board was informed that the Phase 1 consultation had generated some concern initially and therefore many of the respondents were seeking clarification about Dog Control Orders in general. The Board was reassured that this was not a factor during the Phase 2 consultation process as the Council had taken steps to ensure that the lessons learned from the Phase 1 consultation had been adopted for Phase 2. The Scrutiny Board is particularly pleased to note that responses were received across the city and from residents with and without dogs (around 53% were dog owners).

Responses to the proposed new Dog Control Orders

- Dog Exclusion Orders
- 2.3 The Council proposed that the existing Dog Exclusion Order be amended with an extended list of other land designated for a specific purpose, such as remembrance and wildlife gardens, where a dog may cause damage and disturbance to the area even when under close control. The proposed extended list also included new children's play areas and school grounds where the schools have indicated the wish to have such an Order.
- 2.4 The consultation results show that the majority of respondents are in agreement with Dog Exclusion Orders on the extended list of specified areas. In view of this, the Scrutiny Board recommends that the Executive Board supports the proposal to revoke the existing Dog Control (Exclusion) Order and replaces it with a new Order with the proposed updated schedule of land.

Recommendation 1

That the Executive Board supports the proposal to revoke the existing Dog Control (Exclusion) Order and replaces it with a new Order with the proposed updated schedule of land.

- 2.5 As part of the Council's approach to review or amend schedules of land associated with Dog Control Orders, the Scrutiny Board recommends that the relevant Ward Members be approached to share their local knowledge of the designated areas to help identify any anomalies prior to finalising the schedule.

Recommendation 2

That as part of the Council's approach to review or amend schedules of land associated with Dog Control Orders, the Scrutiny Board recommends that the relevant Ward Members be approached to share their local knowledge of the designated areas to help identify any anomalies prior to finalising the schedule.

- Dog Control (Dogs on Leads at All Times) Order

- 2.6 The Council proposed to make a new Order stating that on certain specified land, dogs should be on a lead at all times. It is proposed that this Order be applied to all carriageways and adjacent footpaths and grass verges within the Leeds City Council district and is to ensure that any dog is kept under control at all times and does not run unexpectedly into a road causing traffic accidents or injury to the dog itself. It is proposed that this Order also be applied to cemeteries and crematoria.

- 2.7 The Scrutiny Board particularly welcomes this proposal and is pleased to note that the majority of respondents support this proposal too (75% in relation to carriageways and adjacent footpaths and grass verges and 90% in relation to cemeteries and crematoria).

Recommendation 3

That the Executive Board supports the proposal to make a Dog Control (Dogs on Leads at All Times) Order requiring that dogs should be on a lead at all times on the specified land, which is to include all carriageways, adjacent footpaths and grass verges within the Leeds City Council district and in cemeteries and crematoria.

- Dog Control (Dogs on Leads by Direction) Order

- 2.8 The Scrutiny Board also supports the proposal to amend the existing Dogs on Leads by Direction Order to ensure that it applies wherever the new Dogs on Leads at All Times Order does not.

Recommendation 4

That the Executive Board supports the proposal to revoke the existing Dog Control (Dogs on Leads by Direction) Order and make a new Order in the same terms which applies throughout the Leeds district on any land to which the Dog Control (Dogs on Leads at All Times) Order does not apply.

Effective enforcement of Dog Control Orders

- 2.9 Any breach of an Order is an offence that is punishable upon conviction by a maximum fine of up to £1000. However, the offence is often discharged through a fixed penalty of £75. In acknowledging that the Council retains the discretion to automatically pursue legal proceedings, particularly in relation to repeat offenders, the Scrutiny Board believes that more robust enforcement of repeat offenders is needed in order to act as a greater deterrent. The Scrutiny Board also recognises the need to ensure that non-payment of fixed penalty notices are actively pursued and for further legal action to be taken where required.
- 2.10 The Scrutiny Board also recognises a general need for greater resources to be focused around the enforcement of Dog Control Orders in order for them to be effective. In particular, utilising officers in other service areas to act as professional witnesses to any breaches of the Orders rather than specifically needing to be the enforcers of Fixed Penalty Notices (FPN). This potentially could include the role of PCSOs, Parks and Countryside and ALMO staff.

Recommendation 5

That non-payment of Fixed Penalty Notices in relation to Dog Control Orders are actively pursued and further legal action taken where required, particularly in relation to repeat offenders.

Recommendation 6

That further work is undertaken by the Council to significantly expand the level of staff resource available to enforce Fixed Penalty Notices and also act as professional witnesses to any breaches of the Dog Control Orders

- 2.11 The Scrutiny Board also believes that there needs to be a stronger message communicated to the public that these Orders will be rigorously enforced to act as a deterrent.
- 2.12 It is vital that the Council effectively communicates with the public regarding any new Orders, which includes the use of appropriate signage. However, the Board agrees that particular sensitivity would need to be given to areas such as cemeteries and crematoria and also remembrance gardens with regard to signage.

Recommendation 7

That any new Dog Control Orders are effectively communicated to the public, which includes the use of appropriate signage, and for the Council to reinforce the message that Dog Control Orders will be rigorously enforced.

- 2.13 Whilst acknowledging the level of support for the proposed Dog Control Orders as they stand, the Scrutiny Board recognises that a degree of common sense should be applied to enforcing such Orders, with particular reference to the Dogs on Leads Order. The primary aim of adopting Dog Control Orders is to enable the Council to ensure that dog ownership within the city is conducted responsibly without causing nuisance, distress or health hazards.

In doing so, the public interest test should be applied, i.e. where it is not in the public interest to take enforcement action, because the issue is low risk or the resources required are not commensurate with the level of risk presented by the problem, the Council will not pursue offences.

Proposed Enforcement Policy for the Walking of More Than Four Dogs (Dog Specified Maximum Order)

- 2.14 Whilst the consultation process did not propose changes to the Order that limits the number of dogs that can be walked by an individual to four, the Scrutiny Board learned that the Council received feedback from professional dog walkers about a lack of clarity in relation to this Order and concern that the Order could put legitimate businesses in jeopardy, especially in current times of economic hardship, if enforced to the letter.
- 2.15 In line with the public interest test approach to enforcement, the Scrutiny Board supports the proposal to formalise this into an Enforcement Policy in relation to the Dog Specified Maximum Order. This test should be undertaken on a case by case basis. The understanding is that where the enforcing officer is happy that the person walking the dogs is undertaking it as a professional service and can prove that they were a legitimate and professional dog walker, it would not be deemed in the public interest to pursue action if the person was walking up to the DEFRA recommended maximum of six dogs. If agreed, the original Order would remain in place and enforcement action would still be taken where the public interest test is not met and the Council does not deem the dog-walker to be appropriately qualified to walk more than four dogs or if the dogs breach any of the other existing Orders regardless of the number being walked or the professional status of the dog-walker.

Recommendation 8

That the Executive Board supports the development of an Enforcement Policy in relation to the Dog Specified Maximum Order.

Other observations made by the Scrutiny Board

- 2.16 The Scrutiny Board also made the following observations which may be of interest to Executive Board:

Future potential use of the Dog Control (Dogs on Leads at All Times) Order

- 2.17 Separate to the proposals set out in Phase 2 of the Dog Control Orders project, the Scrutiny Board also explored the future potential use of the Dog Control (Dogs on Leads at All Times) Order in relation to parks and playing pitches that are used by schools that have no on-site green space and are, as such, secondary facilities. A particular example cited was Calverley Park (Victoria Park) used by Calverley Park Side School. This was considered on the basis that better control on such land would help reduce dog nuisance and fouling potential and support stronger enforcement.

- 2.18 This approach was therefore put forward to the Project Board during August 2011 for further consideration. After seeking legal advice, the Project Board concluded that whilst the use of this Order may assist with enforcement action, the stated purpose of this Order is one of public safety. The Order would also need to be enforced at all times and not just when schools are using the specified areas. In view of this, it was considered that the Order would be seen as disproportionate to enforce on safety grounds where there is no safety issue, e.g. the park was empty but for the person and their dog.
- 2.19 The Project Board's view reported back to the Scrutiny Board was that the problem is explicitly linked to the issue of effectively enforcing the existing Dog Control Order in relation to dog fouling. Where there is a significant problem within a particular park or field then more (or different) resources should be targeted into these areas.
- 2.20 The Scrutiny Board has already expressed its views in terms of needing more rigorous enforcement of Dog Control Orders in general. Where there are longstanding problems relating to breaches of the Dog Fouling Order, the Scrutiny Board believes that consideration should be given to how the Council can make best use of the full range of powers available to promote responsible dog ownership in those areas, particularly in terms of safeguarding the public health of children.
- 2.21 The Scrutiny Board acknowledges that any further changes made to existing Dog Control Orders would need to be subjected to full public consultation. As part of the ongoing review of Dog Control Orders, the Scrutiny Board believes that further work should be undertaken by the Project Board in relation to parks and playing pitches that are used by schools that have no on-site green space. This is to accurately assess the extent of the problems encountered in such areas in relation to dog fouling in particular and explore the best use of the full range of powers available to the Council in promoting responsible dog ownership in such areas that would be deemed proportionate to enforce and thereby be subjected to public consultation. The Scrutiny Board would like to see this piece of work undertaken as a matter of urgency and reported back to Scrutiny.

Recommendation 9

That the Project Board undertakes further work in relation to parks and playing pitches that are used by schools that have no on-site green space. This is to accurately assess the extent of the problems encountered in such areas in relation to dog fouling in particular and explore the best use of the full range of powers available to the Council in promoting responsible dog ownership in such areas. Such work should be undertaken as a matter of urgency, with an update report brought back to the Scrutiny Board by March 2012.

Statistical data on city wide dog activity

- 2.22 The Scrutiny Board considered statistical information on city wide dog activity during the period April 2010 to March 2011. Particular reference was made to

the numbers of dogs destroyed during this period and the reasons for this. It was highlighted that the vast majority of stray dogs taken into kennels are either reclaimed or re-homed (95%). Only when a stray dog is not reclaimed or re-homed within a certain period of time is this measure taken. In view of this, future dog activity reports should clearly show the numbers of dogs that have been successfully re-homed.

Greater provision and collection of dog waste bins

- 2.23 The Scrutiny Board agreed that greater provision and regular collection of dog waste bins is also needed to support responsible dog ownership, especially in parks and established dog exercise areas of open land.

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Equality, Diversity, Cohesion and Integration Screening



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

Directorate: Environment & Neighbourhoods	Service area: Environmental Services
Lead person: Tom Smith	Contact number: 22 43829

1. Title: Phase 2 Implementation of Dog Control Orders

Is this a:

Strategy / Policy

 Service / Function

 Other

If other, please specify

2. Please provide a brief description of what you are screening

The Council currently enforces dog fouling under dog control orders implemented under the Clean Neighbourhoods and Environment Act 2005.

Dog Control Orders are designed to tackle particular issues which are of concern to the general public.

Phase 1 of implementation consisted of excluding dogs from children’s play areas; limiting the number of dogs walked on a lead at a time by any one individual to 4; and allowing designated officers to direct a person to keep a dog on a lead. A separate Equality Impact Assessment was undertaken for the implementation of these powers.

Phase 2 of implementation consists of an extension to the powers and land included. Specifically, a Dog Control Order is to be made requiring a dog to be kept on a lead at all times on all carriageways and adjacent footpaths and grass verges and in

cemeteries and crematoria and the existing dogs on leads order is varied to accommodate that. The dog exclusion order will also be amended to include other land designated for a specific purpose such as remembrance and wildlife gardens and school grounds where the schools have indicated the wish to have such an order.

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background and education or skills levels).

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		X
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 		X X X

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

A full Equality Impact Assessment was undertaken at Phase 1 of the implementation. The extension of powers is unlikely to impact on any further stakeholders than previously. The main impact is on dog walkers and those who own dogs.

A thorough consultation has been undertaken which has shown significant support for the extended proposals. No representations have been received from any equality groups or forums expressing concern.

The only significant impact from an equality perspective would be on persons with disabilities who have dogs as support, e.g. guide dogs. However, the legal notice for Dog Control Orders is clear that support dogs for people with disabilities are excluded from the enforcement powers.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

The positive impact of the extension of powers under Phase 2 of the project is that there will be a further reduction in the impact of dogs on the cleanliness and safety of local areas.

The extension of powers will also yield cost savings to the council due to the ability to more robustly enforce stray dogs and save kennelling costs.

The proposed change to the enforcement policy in relation to the walking of 5 or 6 dogs will provide clarity to dog walking businesses and the public and protect businesses at a time of economic hardship.

There is a risk that some residents, particularly those from backgrounds who are less engaged with the council, will not know that the new powers are in force. This could adversely affect those from these communities.

- **Actions**

(think about how you will promote positive impact and remove/ reduce negative impact)

A communications plan to ensure that the new powers are well promoted will be developed and delivered.

Signage will be put up in all areas where it is appropriate to do so in order that it is clear where dog exclusion applies.

The legislation specifically exempts assistance dogs from exclusion areas, meaning that they and their owners can enter the zones.

The legislation specifically exempts all people with assistance dogs who because of their disability can not be expected to spot or pick up dog faeces, for example blind people or people in wheelchairs, to be exempt from dog fouling offences. The enforcement policy will take into account non-assistance dogs.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:	
--	--

Date to complete your impact assessment	
---	--

Lead person for your impact assessment (Include name and job title)	
--	--

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Tom Smith	Locality Manager (SSE)	9 th November 2011

7. Publishing

This screening document will act as evidence that due regard to equality and diversity has been given. If you are not carrying out an independent impact assessment the screening document will need to be published.

Please send a copy to the Equality Team for publishing

Date screening completed	
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Date sent to Equality Team	
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Date published (To be completed by the Equality Team)	
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Report of Director of Environment and Neighbourhoods

Report to Executive Board

Date: 14th December 2011

Subject: Recycling Strategy

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input 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. This report seeks Executive Board approval to the next phase of implementation of the Council's recycling collection strategy.
2. The report provides an update on progress against the recycling strategy agreed in 2007.
3. Based on current performance and the proposed future strategy, the report proposes a new, increased household waste recycling target of 55% by 2016, and a long-term target to exceed 60%.
4. The report sets out details of service improvements to be implemented during 2012/13 in order to ensure continued progress.
5. The report sets out a strategy for a range of medium to long-term improvements to kerbside recycling collections, including a pilot of fortnightly recycling and residual waste collections in 2012/13, and the roll-out of food waste collections to suitable properties city-wide, with the speed of roll-out in line with resource availability.
6. The report proposes a commitment to undertake technical options appraisal work to assess the potential for bringing forward an anaerobic digestion solution for Leeds.
7. Finally, the report provides an overview of the resources, planning and communications required in order to ensure an effective and seamless implementation of what represents a programme of radical changes to kerbside waste and recycling collections.

Recommendations

- a) Note the contents of this report and reaffirm the vision and key principles of the Integrated Waste Strategy for Leeds;
- b) Approve the proposed increases to the Council's household waste recycling target to 55% by 2016, with a long-term target to exceed 60%;
- c) Approve the proposed expansion of the Rothwell recycling collection service by up to 6,000 properties in 2012/13, including an injection into the Capital Programme of £27k for the purchase of food waste bins, and give authority to spend this amount;
- d) Approve the proposal to implement a pilot of fortnightly collections of recycling and residual waste during 2012/13;
- e) Reaffirm the aim to roll-out of food waste collections to suitable properties city-wide, with the speed of roll-out in line with resource availability;
- f) Note the need to procure a treatment solution for food waste alongside the city-wide roll-out of food waste collections, and the intention to undertake a technical options appraisal with a view to promoting the delivery of an anaerobic digestion solution for Leeds should this represent the best VfM and environmental option;
- g) Note officers' intention to seek further Member approvals regarding specific collection service roll-out plans.

1 Purpose of this report

1.1 The purpose of this report is to secure Executive Board approval to the principles to be adopted for the next phase of implementation of the Council's recycling collection strategy. The report considers the following:

- a) Progress against the existing recycling strategy;
- b) The extent to which current, planned initiatives will contribute towards recycling performance;
- c) The Council's medium and long-term targets for recycling;
- d) The strategy to enable the Council to move towards achievement of its medium-term and longer-term targets.

2 Background Information

2.1 Current approved strategy

2.1.1 The Integrated Waste Strategy for Leeds sets a vision of *"a zero waste city, whereby we reduce, re-use, recycle and recover value from all waste, waste*

becomes a resource and no waste is sent to landfill". 'Zero waste' is not an absolute figure, but a target to strive for that encourages new levels of innovation and efficiency. It sees waste as a resource to be exploited through re-use, recycling and recovering value. The vision is supported by the three key principles of:

- Developing and promoting sustainable waste management;
- Working in partnership with communities, businesses and other stakeholders to deliver sustainable waste management;
- Ensuring that the strategy remains realistic and responsive to future changes.

2.1.2 In September 2007, Executive Board approved updates to the Integrated Waste Strategy for Leeds 2005-35 to address the statutory recycling targets set out within DEFRA's Waste Strategy for England 2007 and to reflect the Council's commitment to achieving a combined recycling and composting rate in excess of 50% of household waste. The Council's relevant key Waste Strategy targets are as follows:

- To achieve a combined recycling and composting rate of greater than 50% of household waste by 2020;
- To recover value from 90% of all household waste by 2020.

2.1.3 Since setting this recycling target in 2007, the Council has made excellent progress, with current performance for 2011/12 at 40% as compared to 22.3% in 2006/7.

2.1.4 A benchmarking exercise with other local authorities, involving a number of the Core Cities and the West and South Yorkshire authorities, has been completed by the Waste Strategy and Policy team during October 2011 to inform the proposed strategy and to validate assumptions about collection systems, public acceptance, impacts on performance and costs associated with the various initiatives. Appendix A summarises the performance and collection strategies for these authorities.

2.1.5 In terms of performance, Leeds' overall recycling rate for 2010/11 of 34.7% compares favourably against most of the Core Cities, but lags behind some of the other Yorkshire authorities. Whilst there are similarities in the way collection services are offered by the various authorities, it is, however, important to consider on an individual basis what the components of the services are that contribute to the overall performance.

3 Main Issues

3.1 Introduction

3.1.1 Before moving on to the recycling strategy, it is first important to note that Waste minimisation and re-use, and working in partnership with Third Sector Organisations (TSOs), are key priorities within the Council's Integrated Waste Strategy for Leeds. Waste minimisation and re-use are highest in the Waste

Hierarchy and the Council's recycling strategy will always be in the context of its programme of work in these areas. The Council has implemented and continues to develop waste minimisation initiatives that are designed to encourage householders and businesses to consider how they manage their waste, and has invested substantially in this area. This has most recently included the development of a dedicated 're-use shop' at the East Leeds Household Waste Sorting Site, including the appointment of a voluntary sector tenant to operate this new facility. Overall, there has been a reduction in household waste generation in Leeds in recent years.

- 3.1.2 Based on the national picture in relation to recycling performance, the Council's current recycling rate of 40%, and the expectation that it will achieve its current targets earlier than anticipated, it is now timely to review the existing targets agreed in 2007, and to consider the longer-term aspiration for Leeds in respect of recycling.
- 3.1.3 In order to move forward towards the achievement of these longer-term recycling targets, the principles and approach for the next phase of the implementation of the recycling collection strategy now needs to be agreed.

3.2 Approved 2012/13 recycling initiatives

Extending garden waste collections

- 3.2.1 Over 207,000 dwellings across Leeds are now on a garden waste collection route, with collections provided on a fortnightly basis except from the end of November to the end of February due to the low yield of material during these months. This service has been highly successful, contributing 9.5% (i.e. percentage points) to the overall household waste recycling rate for Leeds in 2010/11.
- 3.2.2 It is estimated that another 28,000 properties may be suitable for a collection, enabling the capture of a further estimated 3,700 tonnes in a full year, and it has been agreed that this will be rolled out during 2012/13 as a part of the continuous improvement of recycling collections services. Based on its expected contribution to city-wide recycling performance of 1.4% (full year effect), it is recommended that this service improvement be prioritised over other potential roll-outs for 2012/13. The additional cost of the completion of the garden waste collection roll-out is estimated at around £100k for additional collections and this is provided for in the draft 2012/13 budget strategy. Disposal savings of around £130k will offset these additional collection costs.

Household Waste Sorting Sites (HWSSs)

- 3.2.3 Leeds currently operates nine HWSSs city-wide. The sites handle around 70,000 tonnes of waste per annum, of which just under 60% was recycled in 2010/11. This contributed just under 10% (i.e. percentage points) to the total recycling performance for the City, and the HWSSs therefore represent a key element of the Council's household waste recycling provision.

- 3.2.4 The sites are well distributed across the City and within a maximum twenty minute drive time for all householders. Eight of the nine sites have been significantly redeveloped to include easy access arrangements, split level reception bays, recycling opportunities for a wide range of materials, WRAP's national iconic signage, new staff amenity facilities and information points for customers.
- 3.2.5 Following the final closure of Gamblethorpe HWSS in August 2011 due to the expiry of planning permission, a joint working arrangement with Wakefield Council commenced to allow residents in the south east area of the City access to their Castleford site. This ensures that the maximum drive time of twenty minutes to a site is maintained for all residents.
- 3.2.6 Kirkstall Road HWSS is the only remaining site requiring modernisation, and a full design and cost report with business case will be brought to Executive Board for approval during 2012/13 in order to address this issue.
- 3.2.7 In addition, following the recent restructuring of the Waste Management operational service and implementation of extended opening hours from 1st November 2011, a target to reach an average 70% recycling performance across all sites has been set. Achieving this will add an estimated 1.2% to the overall recycling rate based on a full year effect.

Recycling from residual waste

- 3.2.8 In December 2010, the Council established a new, innovative framework contract for residual waste (and a range of other waste and recycling streams). One of the contractors currently allocated tonnages via the framework provides an element of recycling of residual waste, and this now makes an important contribution to the Council's recycling performance.
- 3.2.9 As regards the longer-term, the Council has now appointed a Preferred Bidder for the Residual Waste Treatment PFI contract whose facility will extract a minimum of 10% of the material that it processes for recycling. The facility is due to commence full operations in 2016, and this will ensure that, even after the implementation of the proposed, comprehensive recycling strategy, there is further capture of material for recycling from the residual waste.

3.3 Future service development opportunities

Recycling Improvement Plan – equality of access to recycling

- 3.3.1 Collections of mixed dry recyclables consisting primarily of paper, card, plastics and cans (known as SORT) are currently offered to over 95% of properties in Leeds.
- 3.3.2 The Recycling Improvement Plan, agreed in December 2009, was initiated in order to provide a systematic approach to addressing the issue of equality of access to recycling across the city. The Recycling Improvement Plan focuses in particular on survey and consultation work around city centre high rise, multi-occupancy and hard to reach communities with a view to tailoring services so as

to ensure that all residents in Leeds have access to recycling, whether that be a full suite of kerbside collections and recyclable materials or specialised communal reception points.

- 3.3.3 Since the start of this process, approximately 15,000 additional households now have access to kerbside recycling collections. Work will continue during 2012/13 to identify and close out any remaining gaps in terms of households without access to recycling.

Increasing the range of SORT materials collected

- 3.3.4 The Waste Strategy and Policy team has completed a market sounding of Materials Recycling Facility (MRF) operators during October 2011. The contents of the green (or SORT) bins are currently sent to a MRF in Beeston for separation back into the individual material streams prior to being transported to the reprocessors for recycling.
- 3.3.5 Feedback from MRF operators (and also indications from the reprocessors and successful schemes operated by other local authorities) has demonstrated the potential viability of co-mingling a greater range of dry recyclables in the SORT bins. These materials could potentially include glass, mixed plastics, textiles and tetrapaks. Inclusion of additional materials in the SORT bins would necessitate the increased capacity offered by fortnightly SORT collections, but would also alleviate pressure on residual waste bin capacity for residents.
- 3.3.6 Glass is of particular interest due to the proportion of the residual waste that it represents. The majority of glass recycled by Leeds is currently collected through a network of over 440 'bring bank' sites, some of which also have collection facilities for a wide range of other materials. In 2010/11, bring banks captured around 8,000 tonnes of glass, including banks located at household waste sorting sites (HWSSs). This contributed approximately 2.8% (i.e. percentage points) to the overall recycling rate for the City.
- 3.3.7 A small, but increasing number of multi-occupancy properties receive communal glass collections. Suitable properties receiving the mixed dry recyclables communal collections have been provided with separate glass bins which are collected on a weekly basis. In 2010/11, 650 tonnes of glass were captured by this service.
- 3.3.8 A report prepared for Leeds using support from WRAP ROTATE in 2011 supported the Council's current bring bank strategy, but highlighted the potential to expand kerbside collections into some areas where glass capture is particularly low. Low capture could be attributable to a number of factors such as failure to recognise certain types of glass packaging as suitable for bring banks, and socio-demographic factors, including the need to rationalise or increase bank sites in certain areas.
- 3.3.9 Compositional analysis of residual waste in Leeds undertaken between 2005 and 2009 indicates that there could be fairly significant tonnages of glass not being recycled. This is reinforced by the fact that the aforementioned report highlighted

Leeds' overall glass recycling performance as being some 4kgs below the national average at 17kg per head.

- 3.3.10 The costs of introducing a further separate collection of glass at the kerbside would obviously be high, and this is not considered to be value for money. However, its inclusion within the SORT bins represents a potential option to minimise the cost of capturing this material using existing infrastructure.
- 3.3.11 Whereas historically the co-mingling of glass was seen as negatively affecting the quality of the higher value materials such as paper, there are indications of growing acceptance of this practice from MRF operators and reprocessors. However, it should also be noted that by far the best environmental option for glass in terms of avoided carbon emissions, and therefore the Council's preference, is that it is reprocessed through re-melt rather than being used as aggregate, and the lower quality of materials recovered as a result of co-mingling rather than source-separating glass could potentially reduce the viability of this option. Market sounding responses were mixed in terms of contractors' indications of their ability to capture glass suitable for re-melt, although some contractors did claim a high proportion. It was also noted that the initial mechanical 'bag-splitting' phase of the MRF process, prior to material separation, may be a critical factor in dictating the ability to capture glass suitable for re-melt rather than for use as aggregate.
- 3.3.12 The Council's existing MRF contractor has shown willingness to consider a trial of glass in the SORT bins, and with this contract due to expire in May 2013, the Council could re-procure on the basis of the inclusion of this material provided that it could satisfy itself that the market would come forward with appropriate technical solutions, and that this would not result in a significant increase in MRF gate fee. Indications from the market sounding have been positive, however, further, more detailed analysis of the potential cost implications and procurement methodology is now required in order to determine the strategy.
- 3.3.13 Textiles are currently collected by the Council at a range of bring bank sites and at HWSSs. The textiles are donated to charities, with the majority going to support Yorkshire Air Ambulance. Given that textiles represent a relatively small proportion of the residual waste stream, and given the wide range of alternative options available to the public from the voluntary sector for re-use and recycling of textiles, it is recommended that the Council focus on promoting and supporting these sectors. WRAP are keen to understand better the optimum strategy for capturing textiles and have asked Leeds to participate in a project to look at all the options including a recovery bag system which could be utilised in the existing SORT collection, and how best to support the existing door-to-door and charity shop opportunities for textile re-use and recycling.
- 3.3.14 The inclusion of mixed plastics and tetrapaks in the SORT bins would make material separation simpler for the public and is likely to be well received, provided that this would be acceptable to MRF operators. However, this represents a relatively small proportion of the waste stream by weight and would therefore be unlikely to make a significant impact in terms of recycling performance. This option, similar to glass, should be further assessed in terms of

cost implications and in discussions with the market regarding its long-term sustainability.

3.3.15 As part of developing the MRF re-procurement strategy, officers also intend to consult on the extent to which environmental factors (e.g. carbon emissions) should be weighted within major, strategic waste related procurements of this kind.

Fortnightly SORT collections

3.3.16 As public participation in recycling increases, the Council is coming under increasing pressure to increase the frequency of SORT collections from the existing standard four weekly collection. However, to increase SORT collections city-wide to fortnightly, whilst expected to produce an increase in materials capture of around 35% compared to the standard service based on the experience of the pilot area in north-west Leeds (see Table 1 below), would cost the Council an estimated net £1.4m per annum (collection costs of £2.1m partially offset by £0.7m in disposal savings).

3.3.17 A strategy of increasing SORT collections in isolation would therefore be difficult to justify in the current public spending climate, and this option is not therefore recommended.

3.3.18 Alongside the demand for fortnightly SORT collections, there are also indications of a growing public acceptance that an increase in the frequency of these recycling collections would alleviate pressure on residual waste bin capacity, thus reducing the need for a weekly collection of residual waste.

3.3.19 In spite of high SORT participation in some areas, this is not the case city-wide, and residual waste composition data shows that there is still a fairly significant proportion of material which would be suitable for the SORT collection in the black bins. Performance data from the Rothwell area shows that the introduction of fortnightly residual waste collections alongside fortnightly SORT collections produces an increase in SORT performance well in excess of that observed from simply increasing the frequency of SORT collections, with a 78% increase in capture compared to the standard service (see Table 1 below).

Table 1

SORT collection	Estimated number of households	Tonnes collected for recycling (2010/11)	Kg/HH collected for recycling
4 weekly (with weekly residual)	278,400	21,111	76
2 weekly (with weekly residual)	30,000	3,094	103
2 weekly (with 2 weekly residual) - Rothwell	8,500	1,147	135

3.3.20 Three of the Core Cities, Manchester, Nottingham and Bristol, operate this collection regime, as do all of the West and South Yorkshire authorities, with the exception of Bradford. Whilst accepting that other factors will undoubtedly have

had some influence on performance levels for these authorities, the recent benchmarking responses received further confirmed that the introduction of fortnightly residual and recycling collections can be expected to produce an increase in recycling and a corresponding reduction in residual waste.

- 3.3.21 This strategy is strongly advocated by environmental organisations such as Friends of the Earth, and would serve to maximise the performance of what represents a substantial existing investment in terms of green bin infrastructure and collection services in Leeds.
- 3.3.22 In addition to this positive impact on performance, there are obviously also cost savings associated with the introduction of this collection regime.
- 3.3.23 It is proposed that a pilot of fortnightly SORT and residual waste collections be implemented in Leeds during 2012/13. The area of the pilot will be selected based on recycling participation data and in consultation with local Ward Members.
- 3.3.24 Clearly, the level of recycling participation observed in the Rothwell area will not reflect the city-wide position, with some higher and lower performing areas. It is recognised that some areas of the city with high levels of multi-occupancy properties and low levels of recycling participation would not be suitable for the fortnightly service. However, a city-wide roll-out of fortnightly recycling and residual waste collections to, for example, 80% of properties, would ultimately result in estimated savings in the region of £2.5m - £3m per annum, which would continue to increase in line with Landfill Tax rises. Additionally a potential increase in the overall NI 192 recycling rate of 2.5%, primarily based on increased SORT participation, could be achieved.
- 3.3.25 It must be emphasised that the implementation of any major change of this kind to kerbside collection services must be supported by adequate resources in terms of project management, route analysis, development of policies, resident consultation and communications to ensure maximum participation and that any disruption resulting from the transition is minimised. Some degree of provision of resourcing in these areas would be required to support the proposed pilot.

Food waste collections

- 3.3.26 Food waste collections were introduced in the Rothwell area of the City in February 2010 to around 8,500 properties. Residents are offered a complete kerbside recycling service based on an agreed model following an extensive option appraisal which was completed in September 2009. The Rothwell service consists of the collections shown in Table 2 below.

Table 2

Material	Collection Frequency	Bin Size Litres
Food waste	Weekly	23 or 47
SORT materials	Fortnightly	240
Residual waste	Fortnightly	240
Garden waste (to suitable properties)	Fortnightly	240

- 3.3.27 To ensure the success of the service, an extensive programme of resident communication was implemented, with specialist communications staff known as 'waste doctors' deployed to support the public and address any problems. Collection days were rescheduled to ensure residents had just one collection day each week for all waste types.
- 3.3.28 The service has been a major success and over 1,000 tonnes of food waste were recycled in 2010/11. In terms of overall recycling performance, Rothwell registered a kerbside recycling rate of 53%, as reported to Scrutiny Board in the 2010 evaluation report, which compared extremely favourably with the city-wide average of 28% achieved by the standard kerbside collection service.
- 3.3.29 A key element of the current recycling strategy involves the implementation of food waste collections, and the Council's waste flow modelling shows this as being essential to the achievement of existing targets for recycling of household waste. Food waste collections, together with treatment by anaerobic digestion of this waste (see later sections), are strongly promoted in DEFRA's Waste Strategy for England 2007 and their more recent Waste Policy Review 2011.
- 3.3.30 The Rothwell service, involving weekly food waste collections, fortnightly SORT, residual and garden waste collections, has been highly successful and has provided clear evidence that this model could be replicated in other areas of the City. It is estimated that extending food waste collections to suitable properties city-wide on the basis of the Rothwell model could enable the capture of approximately 30,000 tonnes of food waste per annum.
- 3.3.31 In the short-term, it is believed that there is scope within existing resources to extend the area covered by Rothwell food waste collection service through maximising service efficiencies. The extension would be subject to local resident and Ward Member consultation but would be based on the proximity of the existing food waste disposal contractor's facility in South Milford, and it is therefore proposed that this would be rolled out within either one or more of Garforth and Swillington, Ardsley and Robin Hood and Kippax and Methley wards in addition to Rothwell.
- 3.3.32 The main change to the original model will be the size of external collection bin offered. Rothwell model users were offered 2 bin sizes : a 47 litre and a smaller 23 litre container. Nearly all respondents with the 23 litre bin (94%) felt that it was the right size. 75% of those using the 47 litre bin said that it was either half full or less than half full. A survey of the 'fullness' of food waste bins also suggested that, on average, they were less than half full, suggesting that the smaller (23 litre) bin size would be adequate for the majority of households. Users and collection staff also found the 23 litre bin easier to handle generally. It is therefore proposed that the 23 litre bin be provided as standard for all future users.
- 3.3.33 It is proposed that this extension of service would be introduced during 2012/13 without a net cost impact on the budget. The additional costs of collection are for the provision of food bins and liners. Assuming a roll-out to 6,000 additional properties, food bins, based on offering 23 litre bins, will cost around £27k and will require an injection into the Capital Programme for this amount. The annual

revenue repayment (prudential borrowing) costs are £4k. Food liners will cost approximately £23k. However, based on the yields achieved in Rothwell, it is estimated that around £46k can be saved in disposal costs, rising to £69k in a full year.

3.3.34 As referred to above, part of the success of the Rothwell pilot was due to an extensive programme of communication with residents, therefore it will be necessary to invest in education and communication at a cost of approximately £20k.

3.3.35 The Council's full, long-term kerbside recycling strategy remains to roll-out food waste collections based on the Rothwell model to all suitable areas of the City. It is estimated that a roll-out of this service to 80% of properties city-wide would enable the capture of approximately 30,000 tonnes per annum, equating to an additional contribution of 8% to the overall household waste recycling rate for Leeds.

3.3.36 However, even taking into account the avoided landfill costs, separate collections of food waste on the Rothwell basis still involve a substantial additional cost to the Council over the standard service. Each additional food route would cost in the region of £230k (including the cost of bins and liners). Savings in disposal costs (based on the expanded Rothwell area) would be an estimated £90k per route, resulting in a net operational cost of £140k per new food waste collection route. Extrapolating this cost would mean that around £2.8m per annum would be required for a city-wide roll-out of this service.

3.3.37 The speed of roll-out of food waste collections is subject to the availability of resources. However, the combination of the potential to release resources through fortnightly SORT and residual waste collections and the increasing level of Landfill Tax represents a realistic opportunity to deliver this strategy.

Future recycling targets

3.3.38 Currently, city-wide recycling performance is at 40% for 2011/12 as compared to 34.7% in 2010/11. The Council has already committed to the following service developments for 2012/13.

- completing the Recycling Improvement Plan, providing access to recycling for all residents;
- providing garden waste collections to remaining suitable properties; and
- increasing the recycling performance at HWSSs.

3.3.39 The implementation timescales for the full kerbside recycling strategy have yet to be determined and remain subject to the outcome of the pilot of fortnightly SORT and residual waste collections, and the level of resources available for food waste collections in the medium-term. However, Table 3 below provides a summary of the potential recycling performance in 2016 (when the Residual Waste Treatment PFI facility is scheduled to commence full operations) based on the contributions to performance of the roll-out of the main recycling opportunities outlined above.

Table 3

Service development	Estimated NI-192 performance contribution (2016)
Baseline performance (at Sept 2011)	40.0%
HWSS improvement (70% average performance)	1.2%
Garden waste roll-out completion	1.4%
Rothwell food waste expansion	0.3%
SORT Changes (Fortnightly and additional material)	3.1%
Food waste roll-out (50% of suitable properties)	4.0%
Sub Total	50.0%
Residual Waste Treatment PFI	5.0%
Total	55.0%

3.3.40 Based on the estimated performance impacts of the above range of opportunities, and assuming the level of service roll-outs indicated, the Council believes that a household waste recycling rate of 55% is achievable by 2016. It is therefore proposed that this be set as a new target.

3.3.41 Taking account of potential for developments in the recycling market and assuming progressive improvements in public participation in recycling, it is proposed that a long-term target to exceed 60% recycling also be approved.

Anaerobic digestion of food waste

3.3.42 Anaerobic digestion (AD) involves the composting of organic matter in the absence of air, with the main outputs a digestate that can be used as a soil improver and spread on agricultural land, and biogas that can be used in various ways as a source of energy. As previously mentioned, DEFRA is explicitly promoting food waste collections with AD due to the environmental performance of this option. There is also significant interest from other Government departments and sectors due to this technology's potential contribution to providing clean vehicle fuels and renewable energy.

3.3.43 The food waste collected in Rothwell is currently sent to an in-vessel composting (IVC) facility at South Milford to the south east of Leeds. This process is relatively simple, involving the composting of the material in an enclosed building to produce a product suitable for use on agricultural land, and is relatively cheap in itself compared to a more capital intensive AD facility. However, an increasing level of financial incentives is emerging for energy from AD, and the extent to which this may make AD more competitive than IVC and improves the economics of food waste collections needs to be considered. Opportunities for using the biogas arising from the process include combined heat and power, supply of gas to the grid and production of biofuels for use in vehicles. This latter option has the potential to meet the fuel requirements of the Council's fleet of waste collection vehicles, thus providing a 'closed loop' environmental solution for the City.

3.3.44 Although there is limited existing merchant AD treatment capacity in Leeds (and limited experience within the UK of AD of municipal waste), there is undoubtedly keen interest from the market. Research undertaken by CO2Sense has

demonstrated that there may be in the region of 70,000-80,000 tonnes per annum of food waste in Leeds suitable for treatment (including the estimated 30,000 tonnes of domestic food waste), and the Council is keen to explore whether it could act as a catalyst for bringing forward an AD solution for the City by working in partnership with other sectors.

3.3.45 To this end it is proposed that the Council complete a technical options appraisal during 2012/13, securing external funding where possible, to assess formally the technical, procurement and partnership options that would best enable the delivery of an AD solution for Leeds.

4 Corporate Considerations

4.1 The importance of resident communication and engagement to success of the recycling strategy has been highlighted within this report. The identification of sufficient resources to develop and implement the necessary communications plans is of critical importance, and this has been discussed with the Corporate Communications team.

5 Consultation and Engagement

5.1 The Integrated Waste Strategy for Leeds was subject to extensive public consultation prior to adoption in 2006. The vision and objectives of the strategy remain unchanged, and a detailed action plan from 2009 through to 2012 has been developed and is publicly available.

5.2 It is proposed that a series of locality based consultations are undertaken to confirm the prioritisation of areas to receive fortnightly recycling and residual waste collections and food waste collections. This consultation will also be used to ensure that all residents have the required and appropriate access to recycling and any unresolved issues with collections are addressed prior to implementing further change.

5.3 As part of this staged consultation process, input into the detailed implementation plans and waste policies will be sought from Members, residents and other relevant stakeholders.

6 Equality and Diversity Cohesion and Integration

6.1 An Equality Impact Assessment has been completed on the proposed recycling strategy. Further, more detailed impact assessments will be required for the detailed kerbside collection implementation plans.

7 Council Policies and City Priorities

7.1 Reaffirmation of the Council's Integrated Waste Strategy 2005-2035 and approval of the proposals for the next phase of implementation of the recycling strategy all support wider aspirations for Leeds set out in the new Leeds Vision, City Priority Plans, Directorate Priorities and Cross Council Priorities.

7.2 The five new City Priority Plans developed by the Partnership Boards cover the period 2011 to 2015 with the most relevant in relation to the Waste Strategy being:

- *Safer and Stronger Communities - including city-wide cleanliness*
- *Regeneration - including sustainable growth*
- *Sustainable Economy - including low carbon economy*

7.3 This report also seeks approval of proposed increases to the Council's recycling targets which, if approved, will see Leeds stretch its long-term aspirations for recycling. This further supports the Council's vision that by 2030 Leeds will be locally and internationally recognised as the best city in the UK.

8 Resources and Value for Money

8.1 Summary of the financial implications of the proposals

8.1.1 The base budget for waste disposal costs in 2011/12 is £15.5m. As a result of Landfill Tax rising by £8 per tonne, inflation on Waste Disposal contracts, a reassessment of the optimum disposal points and a review of total waste tonnages next year, the Council faces an increase in disposal costs of £1.2m before any proposals to improve recycling further in 2012/13.

8.1.2 The proposals outlined in this report will actually reduce this cost to the Council next year by around £220k and will generate improved recycling performance.

8.1.3 Table 4 below shows the impact on costs of the proposals to be introduced in 2012/13, based on the assumption that the completion of the garden waste collection roll-out and the expansion of the Rothwell area is introduced from July 2012, and the pilot of fortnightly SORT and residual waste collections from October 2012.

Table 4

		Collection (£000)	Disposal (£000)	Total (£000)
Uplifted Base	Landfill Tax rising £8/tonne + gate fees	-	1,185	1,185
2012/13 initiatives	Garden waste	100	(131)	(31)
	Expansion of Rothwell area	46	(46)	0
	Fortnightly collections pilot	(103)	(87)	(190)
	Total net additional costs	43	921	964
	Variance from uplifted base	43	(264)	(221)

8.1.4 The draft 2012/13 budget for waste management services assumes the realisation of the savings summarised in Table 4 above.

9 Legal Implications, Access to Information and Call In

- 9.1 There are no direct legal implications arising from this report. Any decisions to implement service changes such as new or revised collection arrangements will be subject to existing decision making and governance arrangements including potential call in as appropriate.

10 Risk Management

- 10.1 The primary risks relating to the proposed strategy are those associated with disruption to refuse and recycling collections as a result of service changes. Detailed identification of risks and mitigations will be undertaken for the individual implementation plans.

11 Conclusions

- 11.1 Based on the above, it is proposed that the Council's strategic vision of 'zero waste' be reaffirmed, together with the principles of sustainability, partnership and flexibility and responsiveness to future changes.
- 11.2 Based on current and potential future performance, it is proposed that the current Waste Strategy target be increased to 55% by 2016, with a long-term target to exceed 60%.
- 11.3 In addition to continued work to close out the few remaining gaps city-wide in basic recycling provision, the main opportunities to enable Leeds to meet these targets are as follows:
- 11.3.1 Completing the roll-out of garden waste collections to remaining suitable properties;
 - 11.3.2 Increasing the recycling performance of Household Waste Sorting Sites city-wide;
 - 11.3.3 Introducing a pilot of fortnightly recycling and residual waste collections during 2012/13;
 - 11.3.4 Rolling out weekly collections of food waste to suitable properties city-wide, with the speed of roll-out in line with resource availability;
 - 11.3.5 Assessing the potential to increase the range of materials collected at the kerbside in the SORT bins where economically viable and environmentally sustainable.
- 11.4 Alongside the city-wide roll-out of food waste collections, there will also be a need to procure a treatment solution for food waste, and it is proposed that technical options appraisal work be completed during 2012/13 to assess the potential for bringing forward an anaerobic digestion solution for Leeds should this represent the best VfM and environmental solution.
- 11.5 The requirement for adequate resources, planning, phasing and communications in order to ensure an effective and seamless implementation of what represents a

programme of radical change to kerbside waste and recycling collections should be noted and emphasised.

12 Recommendations

12.1 Members of the Executive Board are recommended to:

- a) Note the contents of this report and reaffirm the vision and key principles of the Integrated Waste Strategy for Leeds;
- b) Approve the proposed increases to the Council's household waste recycling target to 55% by 2016, with a long-term target to exceed 60%;
- c) Approve the proposed expansion of the Rothwell recycling collection service by up to 6,000 properties in 2012/13, including an injection into the Capital Programme of £27k for the purchase of food waste bins, and give authority to spend this amount;
- d) Approve the proposal to implement a pilot of fortnightly collections of recycling and residual waste during 2012/13;
- e) Reaffirm the aim to roll-out of food waste collections to suitable properties city-wide, with the speed of roll-out in line with resource availability;
- f) Note the need to procure a treatment solution for food waste alongside the city-wide roll-out of food waste collections, and the intention to undertake a technical options appraisal with a view to promoting the delivery of an anaerobic digestion solution for Leeds should this represent the best VfM and environmental option;
- g) Note officers' intention to seek further Member approvals regarding specific collection service roll-out plans.

13 Background documents

- 13.1 Integrated Waste Strategy for Leeds 2005-2035
- 13.2 Recycling strategy – report to Executive Board - September 2007
- 13.3 Rothwell recycling pilot evaluation - report to Scrutiny Board – July 2010

APPENDIX A

Local Authority Benchmarking - Performance Summary 2010/11							
Authority	Authority Type	NI191 Residual household waste per household (kg/household)	NI192 Percentage of household waste sent for reuse, recycling or composting	NI193 Percentage of municipal waste sent to landfill	AWC	Food	Kerbside Garden
Leeds	Unitary	615.38	35%	66%			Yes
Core City							
Newcastle	Unitary	597.86	33%	60%	-	-	Yes
Manchester City	Collection	631.43	26%	-	Yes	Yes	Yes
Sheffield City Council	Unitary	623.16	29%	16%	-	-	Yes
Liverpool City Council	Collection	654.22	27%	-	-	-	Yes
Nottingham City Council	Unitary	567.28	36%	14%	Yes	Yes	Yes
Birmingham City Council	Unitary	682.70	31%	10%	-	-	Yes
Bristol City Council	Unitary	536.24	37%	58%	Yes	Yes	Yes
West Yorkshire							
Kirklees	Unitary	626.19	34%	5%	Yes	-	-
Wakefield	Unitary	613.21	40%	64%	Yes	-	Yes
Bradford	Unitary	632.79	34%	67%	-	-	Yes
Calderdale MBC	Unitary	495.89	41%	54%	Yes	Yes	-
South Yorkshire							
Rotherham	Unitary	569.72	42%	30%	Yes	-	Yes
Doncaster	Unitary	626.76	42%	54%	Yes	-	Yes
Barnsley	Unitary	589.09	39%	51%	Yes	-	Yes

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Report of the Director of Environment & Neighbourhoods

Report to Executive Board

Date: 14th December 2011

Subject: Solar PV Initiative

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Armley, Beeston and Holbeck, Bramley and Stanningley, , Burmantofts and Richmond Hill, Chapel Allerton, City and Hunslet, Farnley and Wortley, Garforth and Swillington, Guiseley and Rawdon, Harewood, Killingbeck and Seacroft, Kippax & Methley, Kirkstall, Middleton Park, Moortown, Morley North, Morley South, Otley and Yeadon, Pudsey, Rothwell, Roundhay, Weetwood, Wetherby		
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. The government have recently announced proposals to reduce the Feed-In Tariff for domestic size solar PV installations by at least 50%, with a further 20% reduction for 'aggregated' schemes (which would apply to the Council's proposals).
2. The proposed changes affect all installations registered on or after the 12 December 2011.
3. As a result both the scheme to install solar PV systems to Council houses and the developing private sector PV scheme are no longer economically viable and are on hold indefinitely.
4. It is anticipated that government will issue further proposals for 'genuine community schemes' in the new year. This may offer an opportunity for the Council to develop cost-neutral council house schemes, subject to further details being announced.

Recommendations

1. It is recommended that Executive Board note the contents of this report and the reasons for putting both PV schemes on hold.
2. It is also recommended that Executive Board approve the attached formal response to the DECC consultation (Appendix 1).
3. It is further recommended that Executive Board request that officers continue to investigate the development of cost-neutral renewable schemes for council housing and the private sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes are announced.

1 Purpose of this report

- 1.1 To advise Executive Board of the government's proposed changes to the Feed-In Tariff (FIT) for Solar PV.
- 1.2 To advise of the effect these proposals have had on the Council's plans to install solar PV systems on a minimum of 1,000 council houses and operate a private sector solar PV scheme.
- 1.3 To seek approval of a response to the government's consultation on the proposed changes.
- 1.4 To seek approval from Executive Board to undertake further work on cost-neutral renewable schemes for council housing and the private sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes are announced.

2 Background information

- 2.1 In December 2010 the Executive Board approved a proposal to establish a partnership with Community Energy Solutions (CES) 'to install at least 1,000 PV systems to Council homes before March 2012'¹. The main reasons cited for the formation of a partnership were that:
 - there would be no capital cost to LCC;
 - given the time-pressure to install systems, and relative inexperience with PV within LCC, the partnership approach offered the highest value short-term; and
 - the partnership could be used to build skills within LCC, with a view to operating an in-house scheme in the future.
- 2.2 Following this decision work began on developing a full business case and on negotiating Heads of Terms with CES and their funding partners, Empower Community Management (ECM). A full business case, recommending 5,000 installations, was approved by the Project Board in mid-February 2011 and reported to Executive Board in March 2011².
- 2.3 Heads of Terms were also signed in mid-February 2011. These committed all partners to work together 'to define and agree the necessary contractual terms to be included within a Roof Access Agreement to undertake the installation of PV panels on roofs of eligible buildings within the Local Authority estate, and/or aggregated by the Local Authority'³.

¹ LCC Executive Board Minutes, 15/12/10, minute 125a.

² LCC Executive Board Report on Solar PV, 30/3/11, s2.13.

³ CES/Empower Community PV for Leeds City Council – Heads of Terms, 10/2/11, s4.

- 2.4 Regular project development meetings with partners and ALMO representatives began in March 2011. These focused on the identification of suitable properties and communications with tenants.
- 2.5 An initial analysis of council housing across the city identified 43 letting areas, incorporating c11,000 properties, as having the best potential for PV installations. This was based on the proportion of roofs which were aligned within +/- 45° of due south; the proportion of roofs which were non-hipped (i.e. large enough for the PV panels); and the proportion of roofs which were free from obstruction (e.g. dormer windows, large chimneys etc).
- 2.6 These properties were then subjected to a more detailed desk-top analysis by ECS, which assessed the exact orientation, estimated roof dimensions and likely maximum PV installation size possible on each. It also assessed whether there were shading or obstruction issues that might prevent successful PV installation. This exercise reduced the 11,000 properties down to c7,300 which, allowing for a further 30% drop-out rate due to technical unsuitability at detailed survey stage, tenant refusals etc, would result in c5,000 installations.
- 2.7 The process of making formal 'G83' applications for these properties began in early April 2011. These require assessment and approval from the Distribution Network Operator (DNO – operators of the electricity 'grid'⁴). This is to ensure there is capacity within the grid infrastructure (electric mains cables, sub-stations etc) to take the potential additional loads generated by PV installations when electricity is exported back to the grid from individual properties.
- 2.8 Negotiations were also ongoing with ECM over the precise terms of the Roof Access Agreement (RAA). The RAA would have been the primary legal agreement between the Council and the Special Purpose Vehicle set up to deliver the PV scheme.
- 2.9 The RAA is a complex document, designed to satisfy the potentially conflicting requirements of the Council, as landlords, the scheme managers (ECM) and the investors (with their investment repaid through FIT income). Alongside the more standard legal, financial and technical contractual arrangements it had to consider, and cover-off, the potential impacts of all possible scenarios over the 25 year term of the contract, including changes to the ownership of the properties, changes in applicable laws etc. It was also reliant on technical and price agreement with ECM's preferred contractor.
- 2.10 A suite of consultation materials were also developed with ALMO colleagues. These included letters for issuing at various stages of the programme, a tenant information booklet, newsletter articles etc. On 27 July, the Project Board approved sending initial letters to Leeds tenants ahead of formally signing the RAA. This was to reduce the lead time from RAA signature to first installation. Letters have been sent to c2,900 tenants (in properties with formal G83 approvals) informing them of the scheme and inviting them to a series of tenant information events (which have now been held).
- 2.11 We had agreed a final date for RAA signature with ECM of the 17 October 2011.

⁴ DNO's name changed from CE Electric to Northern Powergrid on 1/11/11.

2.12 A private sector scheme was also in development. Negotiations were ongoing with Leeds City Credit Union to provide loans to individual householders to pay the installation costs. The loans would have been repaid via the FIT.

3 Main issues

3.1 In February 2011 the Department for Energy and Climate Change (DECC) announced a review of FITs that would be split between a 'fast track' and 'comprehensive' review. Consultation on the fast track review started soon after, with the outcome published in June 2011. The consultation proposals were essentially implemented unchanged, despite significant opposition to the proposals from consultation respondees⁵.

3.2 With regards to the comprehensive review, up until the 31 October 2011, the DECC website stated the 'We will consult on the comprehensive review later this year. The review will be completed by around the end of 2011, with tariffs remaining unchanged until April 2012 (unless the review indicates the need for greater urgency)⁶'.

3.3 On Wednesday 12th October we were informed by ECM that they had credible information that DECC were planning to announce a much larger reduction in new FIT rates (c20% to 40%+ rather than 8.5% anticipated) much sooner than planned (possibly January 2012, rather than April 2012). As a result ECM asked to put the solar PV scheme on hold, pending clarification from government.

3.4 On the 31 October 2011 DECC published Phase 1 of the comprehensive review of FITs for consultation, focussed entirely on PV. The main proposals are:

- to reduce the FIT for retro-fit installations of up to 4kW by 50% to 21p/kWh (from 43.3p/kWh);
- that the new tariff applies to all PV installations with an 'eligibility date'⁷ on or after 12 December 2011 (such installations would receive the current rate for the rest of the financial year before moving to the lower tariff on 1 April 2012); and
- the introduction of a lower multi-site tariff of 16.8p/kWh for 'aggregated' schemes where 'a single individual or organisation receives FIT payments from more than one PV installation on different sites'⁸.

3.5 The main points of the argument for the reductions are:

- the rapid increase in PV installations and the effect on the FIT budget;
- the falling cost of PV systems; and
- the high rates of return received by investors in PV.

⁵ E.g. Q2 asked if respondents agreed with the proposed new FIT tariffs - 81% of respondents said that they didn't agree but the changes were implemented as planned. Q3 asked if the respondents agreed with the timing of the changes - 73% of respondents disagreed but they were implemented as planned.

⁶ See

http://webarchive.nationalarchives.gov.uk/20111013142435/http://www.decc.gov.uk/en/content/cms/meeting_energy/renewable_ener/fe edin_tariff/fits_review/fits_review.aspx

⁷ Eligibility date is the date that the installation is registered for FIT payments i.e the system must have been installed and then registered with a FIT licensee.

⁸ Likely to be applicable to LCC council house scheme proposals.

- 3.6 The FIT reductions are an attempt to rebalance the returns derived from PV installations to 'around 5% for well located installations' (4.5% for domestic size installations under 4kW). This is in line with the original intentions of the scheme and reflects the current 'investment climate'.
- 3.7 The lower rate for multi-site installations is designed to reflect 'the economies of scale associated with aggregated projects'.
- 3.8 The proposals also include:
- reduced rates for other sizes of PV installations, including further reductions for installations over 50kW, which were originally reduced as part of the fast track review; and
 - a linking of FITs to energy efficiency from 1 April 2012, whereby the new rates can only be claimed for buildings with an Energy Performance Certificate rating of C or higher. Properties without this rating would only be eligible for a FIT rate of 9p/kWh.
- 3.9 Consultation on the Phase 1 proposals closes on the 23 December 2011.
- 3.10 The proposals mention that a second phase of the consultation will consider 'whether more could be done to enable genuine community projects to be able to fully benefit from FITs and whether, for example, a definition of community scheme is required and, if so, how this should be defined'. The Phase 2 consultation will also examine tariffs for non-PV technologies, new cost control mechanisms and administrative aspects of the scheme. Consultation on this phase is due to 'be announced before the end of the year, with changes expected to be implemented in the first half of 2012'.

Effects of Proposals on LCC Council Housing Scheme

- 3.11 DECC's proposals have been discussed with ECM & ECS. They had previously indicated that they might be able to accommodate a FIT reduction of up to 20% but the current proposals make the scheme financially unviable. They have asked to keep the scheme on hold pending further clarification on community schemes.
- 3.12 Recent financial modelling indicated that a self-financed scheme could break-even if FITs were reduced no lower than c31p/kWh (c28% reduction). Indicative analysis suggests that a self-financed 5,000 property scheme at a FIT rate of 16.8p/kWh would make a loss of c£35m over the 25 year life of the FIT payments (average loss of c£280 per property p.a.).
- 3.13 As a result the solar PV scheme for council houses is now on hold indefinitely.
- 3.14 Some sort of workable PV proposal might be able to be developed in the future, but this would be dependant on the outcome of the second phase of consultation and the final definition of, and FIT rates for, a community PV scheme.

Effects of Proposals on Private Sector Scheme

3.15 The private sector scheme is similarly affected and will not be economically viable if the proposals are implemented as set out.

Proposed Response to DECC Consultation

3.16 A formal response to the consultation has been drafted and is attached at Appendix 1.

3.17 In summary the response states that the Council:

- disagree with the proposed level of new FIT tariffs (including the multi-site tariff) and the timing of their implementation;
- agree with the proposal to make FIT eligibility contingent on meeting minimum energy efficiency requirements for all buildings;
- favour using the measures identified as being financeable under the Green Deal as a suitable proxy for the minimum energy efficiency requirements, and disagree on the proposed use of EPC rating of C or above for this;
- agree with the use of a 12 month grace period following PV installation to carry out any works required to meet these minimum energy efficiency requirements; and
- disagree that this grace period should only apply during a transitional period for installations with an eligibility date on or before 31 March 2013 and consider that this should instead be an ongoing part of the FIT regime.

4 Corporate Considerations

4.1 Consultation and Engagement

4.2 As noted above, letters have been sent to c2,900 tenants (in properties with formal G83 approvals) informing them of the scheme and inviting them to a series of tenant information events (which have now been held).

4.2.1 ECM's proposed contractors have handled over 700 telephone enquiries from interested tenants.

4.2.2 A letter was sent to all affected tenants on the 7 November 2011, informing them of the proposals and that the scheme has been put on hold.

4.2.3 No consultation had taken place on the private sector scheme as it was not sufficiently advanced.

4.3 Equality and Diversity / Cohesion and Integration

4.3.1 An EDCI was carried out in August 2011. This concluded that a full impact assessment was not required as inclusion/exclusion is based entirely on property characteristics rather than any personal or group characteristics.

4.4 Council Policies and City Priorities

- 4.4.1 Putting the scheme on hold will have a direct impact on the Regeneration City Priority Plan, specifically the priority to 'Improve housing conditions and energy efficiency' and the headline indicator to 'Increase the number of properties improved with energy efficiency measures'.

4.5 Resources and Value for Money

- 4.5.1 The Council's have incurred some financial costs in developing these schemes, over and above staff costs. This primarily relates to the legal input into negotiating the RAA but also includes design, printing and postal charges for tenant communications, venue hire for tenant information events and some IT charges for bespoke reports. The total expenditure, excluding staff costs, is c£20k.
- 4.5.2 This will not now be recouped from the income that the schemes would have generated.

4.6 Legal Implications, Access to Information and Call In

- 4.6.1 There are no legal implications arising.
- 4.6.2 There is no confidential information within this report.
- 4.6.3 The decision is open to call-in.

4.7 Risk Management

- 4.7.1 A formal risk register was drawn up for the council housing scheme and approved by the Project Board. This identified the possibility of the FIT system changing and classified it as a high risk.
- 4.7.2 One suggested mitigating action was to lobby government about any proposed changes that had a negative impact on our proposals.

5 Conclusions

- 5.1 Based on the experience of the comprehensive FIT review it seems reasonable to assume that the government's proposals will be implemented as set out. If they are, then both schemes discussed in this report are economically unviable. Neither the Council or ECM are in a position to proceed. The announcement of the proposals, even though they are still open for consultation, effectively stopped our plans on the 31 October.
- 5.2 Responding to the consultation would be one way of lobbying government about the proposals. Members may also want to make representation to government via other routes open to them.
- 5.3 It is estimated that 27% of private sector households in Leeds were in fuel poverty in 2010. The problem is subtly different between social housing and the private sector. Social tenants typically live in more energy efficiency housing, but have a lower

income, and vice-versa in the private sector. Therefore we assume that the relative proportion of fuel poverty is similar between the two sectors.

- 5.4 Assuming that 27% of council houses receiving PV systems were in fuel poverty, 1,350 of the properties assisted would have been in fuel poverty. Our analysis shows that for every 1% increase in fuel bills, 0.4% of our population becomes fuel poor. Running this calculation in reverse, reducing electricity bills by £120 a year (approximately a 10% decrease) would have lifted 200 of the homes assisted out of fuel poverty.
- 5.5 The scheme would also have reduced CO₂ emissions by c5,000 tonnes pa, making a small contribution to the Council's target to reduce emissions by 40% by 2020.
- 5.6 Alongside the jobs created in manufacturing the panels, inverters, meters and switch-gear it is also estimated that the scheme would have directly created over 200 short-term jobs carrying out the installations. A smaller number of longer-term jobs would also have been created in monitoring and maintenance roles.
- 5.7 It can therefore be seen that any renewables schemes that can be implemented at scale not only have the direct benefits of reducing fuel poverty and carbon emissions but more indirect benefits in terms of job creation. As such, it may be prudent to consider the benefits of any future proposals for renewables schemes in the widest possible sense.

6 Recommendations

- 6.1 It is recommended that Executive Board note the contents of this report and the reasons for putting both PV schemes on hold.
- 6.2 It is also recommended that Executive Board approve the attached formal response to the DECC consultation (Appendix 1).
- 6.3 It is further recommended that Executive Board request that officers continue to investigate the development of cost-neutral renewable schemes for council housing and the private sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes are announced.

7 Background documents

- 7.1 Solar PV Executive Board Report – 15 December 2010
- 7.2 Solar PV Executive Board Report – 30 March 2011
- 7.3 Feed-In Tariffs Scheme: Consultation on Comprehensive Review Phase 1 – Tariffs for Solar PV (available from http://www.decc.gov.uk/en/content/cms/consultations/fits_comp_rev1/fits_comp_rev1.aspx)
- 7.4 Proposed formal LCC response to DECC consultation (see Appendix).

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Comprehensive Review Phase 1: Consultation on Feed-in Tariffs for Solar PV

Please use the table below as a template to respond to the consultation. It will help us to record and take account of your views.

Also, please provide evidence for your answers and comments where possible.

PERSONAL DETAILS
<p>Respondent Name: Phillip Charlton</p> <p>Email Address: phil.charlton@leeds.gov.uk</p> <p>Contact Address: Sustainable Development Unit, City Development, Leonardo Building, 2 Rossington Street, Leeds, LS2 8HD</p> <p>Contact Telephone: 0113 2476063</p> <p>Organisation Name: Leeds City Council</p> <p>Would you like this response to remain confidential? Yes/No (Delete as appropriate)</p> <p>If yes, please state your reasons:</p>
CHAPTER 2: PROPOSED TARIFF CHANGES FOR SOLAR PHOTOVOLTAICS
<p>Q1: Do you agree or disagree with the proposed new tariffs for solar PV? Give reasons to support your answer.</p> <p>Agree/Disagree Disagree</p> <p>Comments: The proposed tariffs for installations under 4kW of 21p/kWh (and 16.8p/kWh for aggregated schemes), and associated return on capital of 4.5%, make any domestic installation funded through borrowing economically unviable. Even an organisation as large as Leeds City Council can only access borrowing at an interest rate of c4.5%. Clearly a return on capital of 4.5% would only cover the interest incurred and not cover repayment of the sum borrowed, operational costs (such as monitoring and maintenance etc) or</p>

lifecycle costs (such as inverter replacements). We understand that interest rates for individuals wishing to borrow c£8-10k to fund PV installation might be c8%. As such, the proposals mean that only those with sufficient funds available to cover installation costs are likely to even consider investing in PV. This is acknowledged in the CEPA/PB document informing the proposals (p10).

We consider that the vast majority of 'middle Britain' will not have ready access to the funding required and are therefore excluded from installing PV systems on their homes (although they will probably still be able to pay their fuel bills).

The poorest members of society, who are most likely to be in fuel poverty, and who could derive most benefit from the free electricity generated, are also effectively excluded. They are also contributing to the FITs paid out. The Impact Assessment for these proposals notes that under a 'do nothing' scenario the additional cost of FITs to individual fuel bills in 2012 is £3.90. This should be compared to the potential annual saving of c£120 for households with PV installed. This seems highly inequitable and we would like to see a way of redressing the balance, through a re-focussing of the remaining FIT budget to those in social housing and/or the fuel poor.

Also given the lack of 'liquidity' in a PV investment, and the relative inability to withdraw the funds invested if required, we consider PV is likely to be an unattractive investment for those with sufficient funds, who are far more likely to continue investing in more standard products such as savings and bonds.

Q2: Do you agree or disagree with the proposal of applying the new tariffs to all new solar PV installations with an eligibility date that is on or after a reference date that comes before the legal implementation of those tariffs? Give reasons to support your answer.

Agree/Disagree

Disagree

Comments:

Applying the new tariffs to all new solar PV installations with an eligibility date that is on or after a reference date that comes before the legal implementation of those tariffs leaves potential installers in an extremely difficult and confusing situation. Installations with an eligibility date after the proposed reference date will be left in a policy vacuum, with nobody knowing what FIT rate will apply from the 1 April 2012 until the outcome of the consultation is announced (in late January/early February 2012?).

We expect this to cause a significant run on PV installations in the lead-up to the reference date (and the potential for significant short-term price

increases due to high demand) followed by a significant crash, with very few installations being conducted after the reference date due to the uncertainty about future FIT rates. We also anticipate that this will result in significant job losses in the solar industry. This volatility would appear to be directly at odds with the Ministers stated intentions of putting 'the solar industry on a firm footing so that it doesn't fall victim to boom and bust.'

Q3: Do you agree or disagree with the proposed reference date of 12 December 2011? Give reasons to support your answer.

Agree/Disagree
Disagree

Comments:

Allowing just 6 weeks between announcing the consultation and the effective implementation of the proposed FIT reductions has meant that proposals for a large PV scheme for council housing in Leeds have had to be put on hold indefinitely. We anticipate that the vast majority, if not all, of the other social housing schemes in development are similarly affected.

No consideration seems to have been given to the lengthy legal and financial negotiations required to get social housing schemes 'off the ground', nor to the lengthy lead-in times associated with ordering and installing PV systems in volume. Our understanding is that the statutory timescale for a Distribution Network Operator to respond to a G83 Stage 2 application for multiple PV installations is 45 working days (or 9 weeks) alone.

We had G83 Stage 2 approvals in place for c3,000 installations but, as noted above, our scheme is now on hold.

Q4: Do you agree or disagree with the proposal to introduce new multi-installation tariff rates for all new solar PV installations that meet the definition set out above and have an eligibility date of on or after 1 April 2012? Give reasons to support your answer.

Agree/Disagree
Disagree

Comments:

We understand the government's rationale for introducing a further 20% reduction for the new multi-installation FIT rates is to reflect the economy of scale available to aggregated scheme operators. Applying a 20% reduction on the £9,000 cost of installing a 2.6kWp system quoted in the consultation equates to c£2,769/kWp installed. While these economies may be

achievable for commercial 'rent-a-roof' operators, offering multiple one-off installations for the most economically beneficial (large, directly south facing) roofs over a wide geographical area, it is not our experience that these savings can be realised on aggregated social housing schemes in concentrated areas.

Some discounts may be available for purchasing materials in bulk but these are likely to be off-set by the additional costs of, for example, engaging with the DNO and making formal G83 applications ahead of installation (rather than a simple notification process as for individual installations), providing an intensive tenant liaison function during the survey and installation stage or providing extensive warehousing facilities.

We also consider that government should make a more subtle distinction than aggregated or non-aggregated schemes to differentiate between the treatment of, and FIT rates for, commercial PV offerings generating a financial return for private sector interests and the community schemes being developed by Local Authorities and Registered Providers which focus on community benefits, energy efficiency and alleviating fuel poverty.

Q5: Do you agree or disagree with the proposed multi-installation tariff rates? Give reasons to support your answer.

Agree/Disagree
Disagree

Comments:

Based on our principle that FITs should cover the costs of purchasing, installing and operating the PV systems over the life of the FIT, we estimate that a FIT of c31p/kWh would allow aggregated social housing schemes to break-even. This is based on capex costs of 6% p.a. over 25 years (to allow for interest and repayment of capital) and annual opex costs at c£85 p.a. for a 2.6kWp system (or 10% of the original fit rate - ie 4.33p/kWh) – which is the mid-point between the medium (£70) and high (£110) opex costs quoted in the CEPA/Parsons Brinckerhoff document supporting the consultation proposals.

We therefore urge DECC to set FIT rates at 31p/kWh for community schemes under Phase 2 of the consultation. This rate can be reviewed and reduced further in a controlled manner in the future as capital costs reduce further.

AND FITS

Q6. Do you agree or disagree with the proposal that for solar PV attached to a building, eligibility for the standard tariffs proposed in chapter 2 should be contingent on a minimum energy efficiency requirement being met? Do you have views on whether such a requirement should apply in relation to all buildings or just to dwellings or non-domestic buildings? Give reasons to support your answer.

Agree/Disagree

Agree

Comments:

We consider the proposal to make eligibility for standard FITs dependent on meeting a minimum energy requirement is sensible and will ensure a 'whole-building' approach to energy performance and conservation.

We think that the requirement should be applied to all buildings. This is because we believe that fundamental energy efficiency measures should be prioritised in all buildings before considering renewables such as PV.

Q7: Which of our two lead options for the energy efficiency requirement – requiring a building to achieve a specified EPC rating , or requiring the installation of all measures that are identified on an EPC as potentially financeable under the Green Deal - do you prefer for (1) dwellings, and (2) non-domestic buildings? Give reasons to support your answer.

Comments:

We prefer the application of the Green Deal approach for both dwellings and non-domestic buildings (assuming that the Golden Rule is still applicable to the overall cost of measures installed). We believe that the Green Deal approach offers more flexibility and is less arbitrary than the EPC rating, as it will take into account the potential for, and cost of, installing different measures.

Both options would also require some form of assessment of the property to be carried out to determine which measures are required (EPC survey or Green Deal assessment). Another assessment will need to be made at a later date to confirm that the relevant measures have actually been installed. This will add to the cost, and administrative burden, of installing PV but could be minimised if structured in a co-ordinated way with other professional visitors to each installation, such as building control or the Micro-generation Certification Scheme, for example.

We would also like to see an assessment of the *practicality* of carrying out Green Deal financeable measures. This would deal with possible issues

relating to, for example, installing dry-lining to a solid walled property with an elderly resident, where the level of disruption is unjustified and works might be better carried out when the property is re-let/sold.

Q8: Under the first option for the energy efficiency requirement, do you agree or disagree with the proposal that the EPC rating required to be achieved should be level C or above? Give reasons to support your answer.

Agree/Disagree

Disagree

Comments:

As noted above we are not supportive of an EPC based approach and consider it arbitrary and inflexible. We note that this proposal would require energy efficiency works to be carried out to most dwellings (86%). We have concerns about the additional costs involved to householders (even if financed via the Green Deal) becoming a barrier to those households where investment in PV is economically marginal.

We are also particularly concerned about the effective exclusion of hard-to-treat properties where EPC C cannot be achieved economically (e.g. because the works do not meet the Golden Rule of the Green Deal and/or are too expensive for the landlord or owner to finance independently) or practically (due to planning issues or the disruption to residents for example). We estimate that in Leeds 30% of households in pre 1919 stock and 35% of households on 1900-1918 stock are in fuel poverty. They will all effectively be excluded from the benefits of PV as it is unlikely that their properties could be brought up to EPC level C economically.

Q9. Do you agree or disagree with the proposal that, for a transitional period only, all solar PV installations attached to a building should initially qualify for the standard tariff, and their continued eligibility for that tariff should be conditional on the building to which the PV installation is attached achieving the energy efficiency requirement within a specified period? Give reasons to support your answer.

Agree/Disagree

Disagree

Comments:

We believe that incorporating a 'grace period' into the proposals in this way is a rational approach. It will avoid introducing another potential disincentive to PV installation at the same time as implementing the reduction in FIT rates. We believe the grace period will provide the time required for PV installers to

assess options and conduct energy efficiency works. FITs may even provide the funding required to finance those works.

We do not believe that this should be for a transitional period but that it should form part of the ongoing operation of the FIT scheme.

We do however have concerns over the potential cost and administrative complexity involved in checking buildings pre-installation to determine the energy efficiency measures required and then post-installation to ensure they have been carried out.

Q10. Do you agree or disagree that this transitional arrangement should apply to installations with an eligibility date on or before 31 March 2013, and that the specified period should be 12 months from the installation's eligibility date? Give reasons to support your answer.

Agree/Disagree

Agree

Comments:

As noted above, we believe that the arrangements should form an ongoing part of the FIT scheme rather than being introduced for a transitional period. If a transitional period is implemented then the dates above would seem to give sufficient time for the Green Deal to bed-in and for PV installers to use this route to finance energy efficiency works (regardless of the method chosen for qualifying for different FIT rates).

Q11. Can you identify any other issues, besides those discussed in this chapter, in relation to the implementation of an energy efficiency requirement for (1) dwellings, and (2) non-domestic buildings?

Comments:

We consider the proposal sensible in principle but have concerns as to how it is implemented. Care needs to be taken in the detailed implementation stages to ensure it does not exclude large parts of the population and housing stock from benefitting from PV.

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Report of Director Environment and Neighbourhoods

Report to Executive Board

Date: 14 December 2011

Subject: Gypsy and Travellers site options – selection criteria

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

Summary of main issues

1. The Executive Board in July 2011 approved the recommendation to instigate a search for a new accommodation site or sites for Gypsies and Travellers. A project group, comprising officers from the Environment and Neighbourhoods and City Development (both Planning and Asset Management Services) Directorates, has been established to carry out this search. Officers believe that the first key action in the search process is to develop and secure approval for prescribed site selection criteria.
2. Prior to the assessment of any site's suitability, and in order to establish a sound rationale for site selection, a set of criteria and assessment process has been developed for Executive Board approval.
3. The site selection criteria proposed pays due regard to government guidance on housing Gypsies and Travellers and reflects Council priorities relating to this group and the best use of Council owned land assets. The site selection criteria consists of two parts: categorisation of sites by type and status, and assessment of sites against set housing, planning, technical and asset management criteria.

Recommendations

4. To approve the use of the proposed site selection criteria for identifying potential sites to accommodate Gypsies and Travellers.

1. Purpose Of This Report

- 1.1. To secure approval to use proposed site selection criteria for identifying potential sites to accommodate Gypsies and Travellers.

2. Background Information

- 2.1. In July 2011 Executive Board gave approval for officers to instigate a search for a new accommodation site or sites for Gypsies and Travellers. The outline principles that would underpin this search were set out in paragraphs 3.9 and 3.10 of the report to the July Executive Board.
- 2.2. The report submitted to the July Executive Board placed an emphasis on addressing the housing needs of the current 12 core Leeds based 'roadside' Gypsy and Traveller families with the aim of reducing the number and impact of unauthorised encampments by these families. Each family would require one pitch. A pitch is defined as being a plot of land on a site where a family has exclusive access to station their mobile homes/other vehicles and exclusive access to the amenities located within the boundaries of the pitch.
- 2.3. A project group, comprising representatives from the Environment and Neighbourhoods and City Development (both Planning and Asset Management services) Directorates, has been established to progress the search.
- 2.4. The first key action of the search process is to develop criteria that will be used to assess the suitability of potential sites to accommodate Gypsies and Travellers.
- 2.5. The site assessment criteria has been developed taking into account appropriate current and emerging government guidance on providing sites to accommodate Gypsies and Travellers, reflects Council priorities relating to Gypsies and Travellers and the Council's wider plans for the best use of its land assets.

Government Guidance

- 2.6. The CLG published a good practice guide on designing Gypsy and Traveller sites in 2008. According to this guidance sites should be:
 - 2.6.1. Sustainable, safe and easy to manage and maintain.
 - 2.6.2. Of a decent standard: equitable to that expected for social rented housing.
 - 2.6.3. Able to support harmonious relations between Gypsies and Travellers and the settled community.
- 2.7. The guide includes standards that should be taken into account when it comes to the location of sites. These include:
 - 2.7.1. Sites should have easy access to major roads, public transport, health care, schools, shops and local services.

- 2.7.2. Unless there are exceptional circumstances, sites should not be located on land that is deemed unsuitable for general housing: contaminated land, adjacent to a rubbish tip, landfill site, and heavy industry or electricity pylons.
- 2.7.3. Caravans are deemed to be a 'highly vulnerable' form of accommodation and should not be located in high risk (Zone 3) flood areas.
- 2.7.4. Where possible, sites should be located near to housing for the settled community in order to promote better relations.
- 2.7.5. Sites must have access to mains water, electricity, drainage and sanitation that conform to British standards.
- 2.8. The Council will need to have regard to current planning guidance, which at present is ODPM Circular 1/06, on planning for Gypsy and Traveller sites. The guidance was published in 2006 and reflects the aim of giving everyone the opportunity to live in a decent home. In summary, Circular 1/06 intends to address the under-provision of sites, to reduce the number of unauthorised encampments and to promote the nomadic way of life of many Gypsies and Travellers whilst respecting the interests of the settled community. The Circular also seeks to ensure that housing and planning authorities adopt a strategic approach, both locally and (sub) regionally, to better meeting the housing needs of Gypsies and Travellers. The Housing Act 2004 requires authorities to include Gypsies and Travellers in their accommodation strategies and to develop plans covering how these needs will be met.
- 2.9. Circular 1/06 describes a three stage planning process. Firstly, the Gypsy and Traveller Accommodation Assessment (GTAA) which assesses need and identifies pitch requirements for each local authority. The next stage is to check pitch numbers provided by the GTAA from a regional perspective using the Regional Spatial Strategy (RSS). Finally, the Development Plan Document (DPD) is used to identify specific sites to match pitch numbers from the RSS.
- 2.10. The West Yorkshire GTAA was completed in May 2008 and the findings are set out in more detail in paragraphs 2.13 and 2.14. Whilst in July 2010, the government announced the abolition of Regional Spatial Strategies, the courts have confirmed that the RSS remains part of the development plan pending its anticipated abolition in the spring of 2012 and that this is a 'material consideration' that planning authorities should consider in making decisions. Policy H6 of the RSS (May 2008) says that the region needs to make additional provision to meet the housing needs of Gypsies and Travellers to address a shortfall of pitches across the region (86 pitches in West Yorkshire). The Local Development Framework (LDF) comprises Development Plan Documents and Supplementary Plan Documents. The LDF will gradually replace the Unitary Development Plan. There is no current Development Plan Document covering the number of/identified sites required for Gypsies and Travellers. The Planning Act 2004 permits Central Government to intervene if it is felt that a local authority is not adequately addressing Gypsy and Traveller site requirements in its area. Work will commence on Leeds Site Allocations Development Plan Document once the Core Strategy is adopted. The Site Allocations DPD will consider the longer term need for further

gypsy and traveller sites, up to 2028. It is unlikely that this DPD will be adopted before 2014. Given this timescale, officers believe it is important that the Council progresses the current site search without delay and in advance of the adoption of the Core Strategy and Site Allocations DPD.

- 2.11. Circular 1/06 states that there is a general presumption against inappropriate development within Green Belts and this includes sites for Gypsies and Travellers. The Circular also states that alternative options should be explored before Green Belt locations are considered and that use of Green Belt can usually be avoided if an authority identifies alternative sites within its LDF.
- 2.12. In April 2011, the Government published a consultation document, proposing new planning guidance on site development for Gypsies and Travellers which is intended to replace Circular 1/06. The consultation period ended in August 2011. The consultation document suggests that to date the perception across the country has been that planning applications for Gypsy and Traveller sites located on Green Belt land have been treated more favourably than those for other forms of housing. In future, the Government wants to see a re-balancing of this position whereby all housing related planning applications on Green Belt are treated the same way. The draft guidance recommends that wherever possible Gypsy and Traveller sites should be developed on brownfield sites. The document reaffirms many of the principles set out in the 2008 good practice guide: including not locating sites in high risk flood areas, locating sites where there is ready access to local services/facilities and promoting good relations between Gypsies and Travellers and the settled community.

West Yorkshire Gypsy and Traveller Accommodation Assessment

- 2.13. The West Yorkshire Gypsy and Traveller Accommodation Assessment (GTAA) identified that there was an unmet need of 40 pitches in Leeds in 2008 rising to 48 by 2015. The GTAA assumes each pitch would be used by a specific family. 8 of the 40 pitches were to cover families who live on unauthorised encampments. The evidence presented to the Scrutiny Board Inquiry, and ongoing monitoring of unauthorised encampments, has identified a current need for 12 pitches relating to families who live on unauthorised encampments.
- 2.14. The GTAA report categorises the remaining 32 pitch need as covering 'concealed households' and 'movement between sites and housing'. This primarily relates to households who would describe themselves as being of Gypsy or Traveller ethnic origin and who live in settled housing. The Scrutiny Board Inquiry did not identify, nor has ongoing monitoring, significant instances of unauthorised encampments of Gypsies and Travellers who live in settled housing. The concept of 'cultural aversion to conventional housing' has emerged through case law relating to suitable accommodation for Gypsies and Travellers. Whilst every case would need to be assessed on its individual merits, it is reasonable to conclude that households who have chosen to live in 'bricks and mortar' housing would find it more difficult to sustain an argument that they have a 'cultural aversion' to such housing. There is no legal duty on local authorities to provide sites for Gypsies and Travellers and current planning guidance has been framed around the principle that all people should have the opportunity to access decent housing.

- 2.15. It is the view of officers that, following consideration of the GTAA findings, relevant guidance and case law, the short/medium term focus should be placed on addressing the housing needs of the 12 Leeds based 'roadside' families who have a housing need of 12 pitches.

Asset Management

- 2.16. From an asset management perspective, the option of using land assets to accommodate Gypsies and Travellers will need to be weighted against other potential land uses. Opportunities to use land assets for purposes other than a Gypsy and Traveller site to promote social/economic benefits, and/or to raise capital receipts for the Council, in the short, medium or long term, will continue to be taken if that is considered the best use of the site. The wider economic and social impacts of locating an accommodation site for Gypsies and Travellers in a particular locality will be considered. If it is proposed to use part of a site to accommodate Gypsies and Travellers then the impact on the remaining part of the site, in terms of its use options, will also be considered.

Funding Application

- 2.17. Paragraph 3.10 of the report to the July 2010 Executive Board advised that officers intended to submit a bid to the Homes and Community Agency (HCA) for capital funding to develop new accommodation for Gypsies and Travellers. This bid was made and has been shortlisted for further consideration. There is a reasonable chance that the HCA will approve a funding allocation; if this is the case then funding will be available to be drawn down until March 2015.

3. Main Issues

- 3.1. The site assessment criteria can be broken down into two parts:

3.1.1. Type and status of site.

3.1.2. Assessment of each site against agreed housing, planning, technical and asset management criteria.

Type and status of sites

- 3.2. The assessment of type/status of sites has been restricted to Council owned land assets. This is because whilst officers are optimistic that HCA funding will be available (see paragraph 2.17); it is unlikely that money will be available to purchase non-Council owned land: the expectation of the HCA is that land will be a contribution made by the Council.

- 3.3. The type of sites has been categorised and listed in order of priority as follows:

1. Prospective residential sites – brownfield
2. Prospective residential sites – greenfield
3. Prospective industrial/employment sites

4. Prospective commercial (leisure/retail/town centre uses) sites
5. Green space/sports pitch sites
6. Green belt sites

3.4. The status of sites has been categorised and listed in order of priority as follows:

- a) Available
- b) On the market or being prepared for marketing in the next year
- c) Under offer
- d) Allocated for a Council scheme
- e) Occupied/tenanted

The status of sites is not fixed. Sites will be subject to ongoing review to meet the priorities and requirements of the Council.

3.5. Sites will be prioritised as follows:

Category	Description
1 A	Prospective residential brownfield site and available
1 B	Prospective residential brownfield site on the market or being prepared for marketing in the next year
2 A	Prospective residential greenfield site and available
2 B	Prospective residential greenfield site on the market or being prepared for marketing in the next year
3 A	Prospective industrial sites and available
3 B	Prospective industrial sites on the market or being prepared for marketing in the next year
4 A	Prospective commercial sites and available
4 B	Prospective commercial sites on the market or being prepared for marketing in the next year
5 A	Green space/sport pitches and available
5 B	Green space/sport pitches on the market or being prepared for marketing in the next year
6 A	Green Belt and available
6 B	Green Belt on the market or being prepared for marketing in the next year

3.6. Officers believe that there is limited value in considering sites that are under offer, allocated for another purpose or occupied/tenanted given the alternative value that they represent to the Council.

3.7. This method of categorising land type reflects current and emerging Government guidance in terms of prioritising brownfield sites over greenfield and Green Belt, makes it more likely that sites would be located close to services and amenities and means that sites are less likely to be located in areas that are not considered suitable for general housing. The method of categorising land status supports the Council's wider asset management objectives: the initial focus on available sites will mean that there is no impediment on alternative use decisions to promote social or economic benefits or to generate capital receipts through disposal.

- 3.8. Prospective residential brownfield sites that are currently available for use are considered to be the optimum site options under this method of categorisation. Higher priority would be given in the rating of such sites against the site assessment criteria.

Site Assessment

- 3.9. The site assessment criteria comprises four elements: housing, planning, technical and asset management. Sites will be assessed against the four elements in the sequential order of housing, planning, technical and asset management. Only sites that are considered to be acceptable when considered against all four elements will be taken forward as potential site options. A site will be discounted if it is not considered to be acceptable when considered against any of the four elements.
- 3.10. The housing assessment will consider each site against the standards set out in the CLG Good Practice Guide: whether a site option would be sustainable, safe and easy to manage and whether it would support harmonious relations between Gypsies and Travellers and the settled community.
- 3.11. The planning element comprises consideration of the site's designation on the UDP Review set out in paragraph 2.10 and a range of sub-criteria: site type (brownfield/greenfield), flood risk rating, accessibility to services, facilities, and public transport.
- 3.12. The technical element comprises sub-criteria relating to access for vehicles and pedestrians, land contamination, noise pollution, if the site is rated as a medium (Zone 2) flood risk whether these risks can be alleviated without increasing flood risk on surrounding land, and availability of utilities such as gas, electricity and water supply. The technical element will also cover land ownership, likely cost and timescales for delivery. Given the limitations on funding availability then land ownership, development and cost and delivery timescales will be key criteria for assessing site viability.
- 3.13. The asset management element comprises sub-criteria relating to potential options for site use and value of the site. If only part of the site was to be considered for accommodating Gypsies and Travellers then an assessment would be made of the impact on using the remaining land for other purposes: this may include opportunities to contain the site into a specific area or to screen the site.

4. Next Steps

- 4.1. If Executive Board approve the use of the site selection criteria, then officers will categorise and order all available sites by size/type as described in paragraphs 3.2 to 3.9. Sites that meet the type/status criteria will then be rated against the site assessment criteria set out in paragraphs 3.10 to 3.14. This process will identify sites that are potentially viable as accommodation options for Gypsies and Travellers.

5. Corporate Considerations

5.1. Consultation and Engagement

5.1.1. The process of identifying potential accommodation site options for Gypsies and Travellers is at an initial stage; with this report solely asking for approval to assess site options against set criteria. The report to the July Executive Board set out the intention to present potential site options to the Executive Board for consideration when a robust assessment process has been completed. A proactive and comprehensive consultation exercise will take place with local communities prior to any planning applications being made. The preferences of Gypsies and Travellers in relation to potential site location will be a factor to consider. This will not represent an absolute mandate for Gypsies and Travellers to determine where potential sites should be located. Government guidance states that accommodation standards for Gypsies and Travellers should be commensurate to that offered to social housing tenants. The Council's Lettings Policy offers housing applicants some degree of choice in applying for council housing: register bids for properties advertised to let. Nevertheless, the choice offered to housing applicants is naturally restricted by the availability of properties to let that the Council owns.

5.2. Equality and Diversity / Cohesion and Integration

5.2.1. An equality, diversity, cohesion and integration screening exercise has been carried out. This has affirmed that equality, diversity, cohesion and integration considerations have been effectively considered in relation to developing site selection criteria. The distinct housing needs of Gypsies and Travellers (that a nomadic lifestyle is part of many Gypsy and Traveller's cultural expression), the need to ensure that accommodation options for Gypsies and Travellers are commensurate with the standard of housing offered to social housing tenants in conventional accommodation and the need to promote harmonious relationships with settled communities have all been highlighted in this report. The site selection criteria has been framed around government guidance on site development. The principles of recognising the distinct housing needs of Gypsies and Travellers, treating all community groups equitably and promoting harmonious relationships between settled communities and Gypsies and Travellers are firmly embedded in government guidance. A further screening exercise, to determine whether an equality impact assessment should be carried out, will be undertaken before any potential site options are submitted to the Executive Board.

5.3. Council Policies and City Priorities

5.3.1. Action to address the impact of unauthorised encampments of Gypsies and Travellers in the city specifically reflect two of the aims of the Vision for Leeds: 'Leeds will be fair, open and welcoming' and 'All Leeds' communities will be successful'. This work will especially contribute to the 'Safer and Stronger' Communities Plan priority around 'Increasing a sense of belonging that builds cohesive and harmonious communities' and those relating to reducing crime and anti-social behaviour.

5.4. Resources and Value for Money

5.4.1. From a resources perspective, the development of new accommodation sites for Gypsies and Travellers will be dependent upon securing HCA funding. No alternative Council funding has been identified or has been requested if the HCA funding is not secured.

5.4.2. Between 2003 and 2010, the Council incurred costs of £1.994m in responding to unauthorised encampments.

5.5. Legal Implications, Access to Information and Call In

5.5.1. There is no legal requirement for the Council to provide sites for Gypsies and Travellers although the Council does have a duty to consider and make reasonable provision for the accommodation needs of this group.

5.5.2. It is intended that viable site options will be submitted to Executive Board for consideration and approval at a later point. If site options are approved by Executive Board, then planning applications will need to be made. This is a wholly separate process: planning applications will be assessed on their individual merits and will not be influenced by decision making by the Executive Board.

5.5.3. The report does not contain any exempt or confidential information.

5.5.4. The report is open to call-in.

5.6. Risk Management

5.6.1. Applying standard criteria to the assessment of site options will enable the Council to demonstrate that it has adopted a consistent approach to the site assessment and selection process.

6. Conclusions

6.1. The proposed site selection criteria takes into account current and emerging Government guidance on accommodating Gypsies and Travellers and reflects Council priorities concerning this group and the best use of its land assets.

7. Recommendations

7.1. To note the content of the report and to approve the site selection criteria.

8. Background documents

8.1. Equality, Diversity, Cohesion and Integration Screening Document.

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Report of : Director of Environment and Neighbourhoods

Report to : Executive Board

Date: 14 December 2011

Subject: Police Reform and Social Responsibility Act 2011 – Implications of Elected Police and Crime Commissioner

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 checked="" type="checkbox"/> Yes <input 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. To provide the Executive Board with a summary of the Police Reform and Social Responsibility Act 2011, which received Royal Assent on 15th September 2011.
2. Highlight the initial implications to the City of the introduction of an elected Police and Crime Commissioner (PCC).

Recommendations

3. Executive Board is asked to:
 - 3.1 Note the main strands of the Police Reform and Social Responsibility Act 2011 which has now received Royal Assent.
 - 3.2 Consider the implications of the introduction of an elected Police and Crime Commissioner.
 - 3.3 Note the role that the West Yorkshire Police Authority will play, in overseeing the transitional arrangements in preparation for the introduction of the Act.

1 Purpose of this report

- 1.1 The purpose of this report is to provide the Executive with an overview of the Police Reform and Social Responsibility Act 2011, which received Royal Assent on 15th September 2011, and to highlight the initial implications to the city of the introduction of a publically elected Police and Crime Commissioner.

2 Background information

- 2.1 Following the publication of the Home Office Consultation Paper 'Policing in the 21st Century: Reconnecting the police and the people', the coalition government put forward legislation that will alter the policing governance for England and Wales. The Police Reform and Social Responsibility Bill was introduced to the House of Commons on 30 November 2010. It received Royal Assent and therefore became an Act of Parliament, on 15th September 2011.
- 2.2 The Act contains two distinct measures with implications for the local authority.
 - It replaces police authorities with directly elected Police and Crime Commissioners, with the aim of improving police accountability.
 - It amends and supplements the Licensing Act 2003 with the intention of 'rebalancing' it in favour of local authorities, the police and local communities.
- 2.3 A separate review is currently investigating the impacts of changes to the 2003 Licensing Act, and this will form the basis of a future report to Executive Board.
- 2.4 This report aims to outline the initial implications of the introduction of a publicly elected Police and Crime Commissioner for the West Yorkshire Police Force region.

3 Main issues

- 3.1 The Police Reform and Social Responsibility Act received Royal Assent of 15th September 2011. A central theme within the Act is police governance and accountability. In an attempt to strengthen both, the Government will do the following:
 - Replace police authorities with directly elected Police and Crime Commissioners
 - Introduce Police and Crime Panels, to scrutinise the Police and Crime Commissioner's decisions and actions and assist them in carrying out their functions
 - Re-allocate Home Office funding from Community Safety Partnerships to the Police and Crime Commissioner
- 3.2 The role of the Police and Crime Commissioner (PCC) will be to:
 - Secure an efficient and effective police force for their area
 - Appoint the Chief Constable and hold them to account
 - Produce a five year Police and Crime Plan

- Set the annual force budget and police precept
- Produce an annual report setting out progress against the Police and Crime Plan
- Allocate crime and disorder reduction grants to any organisation or person in their force area
- Decide how much funding is spent on policing and how much funding is spent on community safety services (services that sit outside direct policing).

3.3 The appointment of the PCC will be made through a public election which will take place in November 2012. The post is open to any person who considers themselves able to undertake the role of the PCC, subject to relevant checks. Once elected, the PCC will hold office for a period of 4 years (3.5 years in relation to 1st term).

3.4 The PCC will be held to account by a Police and Crime Panel (PCP). The PCP will have the power to:

- Require the commissioner, a member of their staff or the chief constable to attend the panel
- Veto the commissioner's proposed precept if 2/3 of the panel agree to do so
- Veto the commissioner's proposed appointment of a Chief Constable if 2/3 of the panel agree to do so
- Review the PCC's draft police and crime plan
- Review the commissioner's annual report
- Hold confirmation hearings for the PCC's proposed chief executive, chief finance officer and deputy PCC.
- Deal with any complaints made about the PCC

3.5 In relation to resources, from April 2013 all funding to support police force costs will come directly through the office of the PCC. The PCC will determine the allocation of all resources to support police activity. This will be undertaken with the support of the force Chief Constable.

3.6 Home Office funding, currently channelled through local Community Safety Partnerships will also be pooled within the office of the PCC. Leeds benefits from a number of Home Office grants specifically aimed at addressing crime and offender behaviour. At present, the allocation of these funding streams is determined through local partnership arrangements. These include:

- Community Safety Fund (CSF) - £1.4m to 31st March 2013
- Drugs Intervention Programme (*DIP) – approx. £900k for 2011/12

*This does not include DIP funding aligned to the ring-fenced pooled treatment budget for drugs which is allocated through the Dept of Health's National Treatment Agency (NTA).

- 3.7 The Safer Leeds Executive is the city's statutory Community Safety Partnership (CSP), that oversees the use of the CSF. The partnership allocated £1.3m of the CSF to address Burglary, the city's main priority in relation to community safety. This decision was ratified by the Council's Executive Board in July 2011.
- 3.8 The DIP funding supports activity to assess and case-manage drug using offenders and ensure referrals are made to appropriate treatment services. The DIP funding is also aligned and supports the Integrated Offender Management (IOM) programme delivered from Mabgate Mills. The allocation of this funding is determined through a commissioning process overseen by the Joint Commissioning Group.
- 3.9 The above list is not comprehensive, and further information is currently being sought from the Home Office on the landscape of funding that will become part of the PCC's pooled budget.
- 3.10 From April 2013, all Community Safety related funding derived from the Home Office will be pooled within the PCC's budget. The PCC will be responsible for determining how these funds are allocated across the West Yorkshire region. The allocation of funding will be informed by the contents of the Police and Crime Plan, and determined through local commissioning arrangements.
- 3.11 The PCC will be responsible for determining local commissioning arrangements. They will be entitled to offer grants to any organisation they deem appropriate to support the delivery of the Police and Crime Plan.
- 3.12 There will be a mutual duty to co-operate between the PCC and the CSPs, and to have regard to each other's priorities and plans. To some extent the CSPs will be accountable to the PCC, as the PCCs can request reports from the CSP and convene meetings should they feel it necessary.

4. Initial Implications For Leeds

4.1 Election of the police and Crime Commissioner

- 4.1.1 The PCC will hold office for 4 year term. Public elections for the 1st term of office will take place on 15th November 2012, and the term of office for the PCC begins 7 days after i.e. at midnight on 22 November 2012. Thereafter, public elections will take place alongside local elections in May.
- 4.1.2 Each force area is required to nominate a host city, to house the office of the PCC. It has been agreed that Wakefield will be the hosting city for the West Yorkshire Force.
- 4.1.3 Every local authority will conduct their area count and then the results will be assimilated by Joanne Roney, Chief Executive of Wakefield Metropolitan Council, as Police Area Returning Officer (PARO). District Returning Officers will need to consider the availability of polling stations on Election Day and any other resources that may be needed to support the process, i.e. staffing.

- 4.1.4 The government has allocated an additional £25m to support local authorities in the running of public elections on 15 November 2012 (this is in addition to the £50m already allocated to undertake subsequent May PCC elections). The approximate cost of running a local election in Leeds is £686,000. However, the cost of running the election for the PCC, is expected to be slightly higher due to seasonal variations for example higher heating and lighting bills in polling stations. Also, due to existing commitments at the Town Hall, an alternative venue will have to be identified for the verification and count which will incur an additional cost.
- 4.1.5 The Government have advised Returning Officers that funding to support the delivery of the PCC election in November, will be fully reimbursed through the Home Office.
- 4.1.6 If there are only two candidates then the commissioner is returned under the simple majority system. If there are three or more candidates the commissioner is returned under the supplementary vote system. Appendix 1 provides an explanation of this voting system.
- 4.1.7 At this stage no further details are known, but the PARO's recommendation is that the count begins the morning after the elections have taken place to allow for the possibility of a complex and lengthy counting process, i.e. if no candidate receives 50% of the total vote.
- 4.1.8 This view is supported by the Returning Officer in Leeds due to the potential volume of postal votes in Leeds that will need to be opened and verified before they can be introduced into the count. Conducting the count on the following day allows sufficient time for the verification of postal votes handed in to polling stations at close of poll.

4.2 Police and Crime Panels

- 4.2.1 The local authorities for a police area must establish and maintain a Police and Crime Panel (PCP). For a multi-authority police area like West Yorkshire, the PCP will be a joint committee of the local authorities. The panel will be responsible for holding the PCC to account. The powers of the PCP are outlined in section 3.4. The PCP meeting at which the PCP review the PCC's annual report, must be open to the public, and as a joint committee, it is likely that other provisions relating to access to information will apply. Reports or recommendations made by the PCP to the PCC must be published.
- 4.2.2 The PCP for this area must have 10 elected members, appointed by local authorities, and a minimum of 2 co-opted members co-opted by the PCP. The PCP can co-opt additional members up to a total membership of 20, though the additional number of co-opted members must be approved by the Home Secretary. A councillor cannot be a co-opted member of the PCP, unless there are at least two other co-opted members who are not councillors.

- 4.2.3 The Act requires the local authorities for an area to make panel arrangements for the establishment and maintenance of the panel. These must cover:
- which authorities should appoint the extra members of the panels, where there are nine or fewer authorities;
 - payment of allowances;
 - administrative arrangements;
 - support and guidance to members and officers;
 - how the authorities will meet the costs of the panel;
 - how funds paid to meet the costs of the panel are to be paid to, or distributed between the relevant authorities; and
 - provision about co-optees (including their terms of office)..
- 4.2.4 Leeds' is currently allocated three seats on the West Yorkshire Police Authority (WYPA), the current representatives being two Labour and one Conservative elected member.
- 4.2.5 The West Yorkshire Police Authority has played a key role in supporting the Leeds Community Safety Partnership over the years. The key statutory duty of the authority is to secure the maintenance of an efficient and effective police force for the West Yorkshire area and hold the Chief Constable to account for the delivery of policing services. In addition the Authority is also responsible for the publication of a rolling three-year Policing Plan, setting out objectives for the year and proposed arrangements for the three year period, and monitor the performance of the Force against the Policing Plan.
- 4.2.6 Leeds has benefited enormously from its close working relationship with the WYPA, for example the Authority and the Council currently co-funds the city's 324 Police Community Safety Officers. The introduction of the Act will see the demise of the authority, with the WYPA ceasing to operate after 31st March 2012, after which time all staff and powers held by the authority will be transferred to the office of the PCC from 1st April 2012.
- 4.2.7 Authorities must ensure that the "balanced appointment objective" is met in relation to the PCP. That is, that the local authority members of the panel taken together:
- represent all parts of the police area;
 - represent the political make up of the authorities (when taken together); and
 - have the skills knowledge and experience necessary for the panel to discharge its function effectively .

"Local authority members" in this context include any co-opted members of the PCP who are members of the relevant local authorities.

- 4.2.8 In co-opting members who are not councillors, the PCP must ensure that (so far as reasonably practicable), the appointed and co-opted members of the PCP (when taken together) have the skills, knowledge and experience necessary for the PCP to discharge its functions effectively.

- 4.2.9 Discussions on the structure of the West Yorkshire PCP have been taking place with Council Leaders and Chief Executive Officers (CEO) through the West Yorkshire Leaders Board. They have suggested that a shadow PCP be established from May 2012, and that secretariat support to the PCP be provided by the Association of West Yorkshire Authorities (AWYA). However, the make-up of the West Yorkshire PCP has not been determined yet.
- 4.2.10 Representatives on the PCP will provide the main route into the PCC for each local authority. Subject to agreement, the Terms of Reference for the Safer Leeds Executive (CSP) will be changed to reflect that a representative from the PCP becomes a statutory member.
- 4.2.11 Leeds, Bradford and Wakefield, will be required to hold referendums in May 2012 to establish if residents wish to appoint an elected mayor. If Leeds residents vote to appoint a mayor, the successful candidate will automatically be allocated a seat on the PCP.
- 4.2.12 The Home Office have specified that it will be for the responsibility of each PCP to determine their governance arrangements. The WYPA is overseeing the transitional arrangements in preparation for the introduction of the Act for the West Yorkshire sub-region. They have established 11 project Boards to consider the complex issues that the introduction of the Act will produce. Representatives from each of the 5 districts will be asked to sit on relevant Boards to determine how the West Yorkshire arrangements will operate.

4.3 Police and Crime Plan

- 4.3.1 All resources currently allocated to support the West Yorkshire Police Force will, from 1st April 2013, come through the office of the PCC. They will be responsible for deciding the police budget, in consultation with the Police Chief Constable.
- 4.3.2 Following appointment, the PCC will have until 1st April 2013 to develop a 5 year police and Crime Plan. The plan will be refreshed annually and run to the 1st year of the term of the next PCC. The plan must take regard for the priorities of district Community Safety Partnerships (CSP), and in return district CSP plans, must take regard for the objectives set out in the Police and Crime Plan, when formulating and implementing their own.
- 4.3.3 Funding that is currently channelled through the City Council to address local Community Safety priorities, as set out in section 3.7, will be pooled within the budget of the PCC. The PCC will determine how this funding is allocated across the West Yorkshire sub-region.
- 4.3.4 The PCC will be responsible for consulting with the general public about their policing priorities, to inform the development of the Police and Crime Plan. They will also be required to produce an annual report outlining how they have spent their resources and what outcomes they have achieved.

- 4.3.5 In order to qualify for funding, Community Safety Partnerships will need to ensure their local priorities are reflected in the Police and Crime Plan. It is therefore imperative that the city ensures its community safety priorities are articulated clearly, and that it can demonstrate the effectiveness of the activity it wishes the PCC to support.
- 4.3.6 As mentioned in section 3.12, the PCC will determine the local commissioning arrangements for all community safety activity across the force area. The Home Office does not intend to issue guidance to the PCC to inform the commissioning process. PCC's will be required to adhere to financial regulations and procurement legislation, but other than this, the PCC will be entitled to allocate Community Safety grants, to any organisations they deem appropriate.
- 4.3.7 The removal of resources previously determined through local partnership arrangements, could significantly reduce the amount of funding available to support local priorities.

4.4 Multi Agency Working

- 4.4.1 Through the City's partnership arrangements, Leeds has developed a number of successful multi-agency projects, which bring together a range of different organisations to support the delivery of the City's priorities. Within the area of Community Safety, the City Council and West Yorkshire Police (WYP) have invested large sums from their mainstream budgets to support joint working between the two organisations. These include:
- Safer Leeds – LCC Officer and Police resources, including sharing the cost of the WYP seconded Chief Community Safety Officer
 - Police Community Support Officers (PCSO's)
 - Leeds Anti Social Behaviour Team (LASBT)
 - Youth Offending Service
 - Integrated Offender Management Service at Mabagte Mills
- 4.4.2 The total sum of investment from the authority into these initiatives is significant; support for the City's PCSO service alone is over £1.5m per annum.
- 4.4.3 All funding for local policing from April 2013 will come through the office of the PCC, this includes funding to support local partnership initiatives as outlined above. It will be the decision of the PCC, whether or not they continue to provide resources to support local multi-agency work in the future.
- 4.4.4 The Council will require a commitment from the PCC that any resource it provides to support local multi-agency work with the police, will be agreed in partnership and ring-fenced to address activity within the city, and not subsumed within the overall West Yorkshire Policing budget.
- 4.4.5 Further investigation needs to take place with the Police and other agencies, to understand the scale and potential implications of any significant shift in resources from local multi agency work from April 2013.

5. Next steps

5.1 There is much for the city to consider in relation to the introduction of a Police and Crime Commissioner, it is therefore suggested that a project group will be established to undertake more detail investigations on the implications, and report back to the Safer Leeds Executive and the Council's Executive Board. Representation is sought from the following service areas/partners:

- Safer Leeds
- Commissioning and Strategy – DIP/IOM programme
- Democratic and Central Services
- City solicitor / or nominee
- West Yorkshire Police
- West Yorkshire Probation – Integrated Offender Management
- Association of West Yorkshire Authorities

5.2 The main purpose of the project group will be to consider and make recommendations on:

- The potential withdrawal of activity currently funded by the CSF and DIP/IOM, and any other funds currently allocated via local partnership arrangements
- The potential withdrawal of funding which supports local multi-agency activity e.g. PCSO, LASBT, YOS, Safer Leeds
- The robustness of the existing performance management arrangements and collation of evidence to demonstrate the effectiveness of activity
- Ensure that the city's existing community safety partnerships are fit for purpose to enable strong links to be forged between the PCC and the CSP at the local level
- Better understand the role of local scrutiny arrangements and how these will link into and inform the work of the Police and Crime Panel
- Consider and make plans to mitigate any potential risks associated with the introduction of the PCC
- Provide support and advice to the Executive Board and Senior Officers on strategic issues if required
- Provide regular updates to Executive Members and partners on new developments as the Act is put in to practice
- Link in to the wider West Yorkshire transitional arrangements where appropriate

5.3 The Project group will be initially time limited to November 2012. It will be accountable to the Safer Leeds Executive Board, with issues of strategic / major significance escalated to the Council's Executive Board.

6. Corporate Considerations

6.1 Consultation and Engagement

6.1.2 West Yorkshire Police and Leeds City Council Services undertake regular consultation with residents through a wide range of means to assess local needs and priorities. The methods include community forums, PACT meetings, resident surveys, face to face meetings, local patrols and events, Area Committee meetings, newsletters and other media publications.

6.1.3 The Home Office is currently undertaking consultation at national level on the introduction of the Act. A Deep Dive exercise took place in West Yorkshire from 31st October – 4th November. Council, Police and Elected representatives, took part in detailed discussion with senior officers from the Home Office on the introduction of the PCC. West Yorkshire is one of four force areas across the county where Deep Dive exercises are taking place. The findings of the exercise will be published in December, prior to further national consultation taking place across the country in the New Year.

6.1.4 A national Home Office media campaign on the introduction of the PCC will commence in December. This is expected to continue right up to the election next November.

6.1.5 Local force areas will be required to develop local media strategies, in order to engage with the public prior to the vote taking place.

6.2 Equality and Diversity / Cohesion and Integration

6.2.1 Both LCC and WYP follow Equality procedures which ensure that their services are accessible to all the residents of Leeds. Services are developed and delivered in response to need and intelligence information, which aims to address inequality and improve lives.

6.2.2 The Home office has published equality impact assessment relating to the various elements of the Act. However, further work is required to understand the equality implications for Leeds.

6.3 Council Policies and City Priorities

6.3.1 The introduction of a PCC will have implications on the Safer and Stronger Partnership Board's priority to 'Make Leeds an attractive place to live, where people are safe and feel safe, and the City is clean and welcoming'.

6.4 Resources and value for money

6.4.1 The introduction of a Police and Crime Commissioner is likely to have significant resource implications from April 2013. All funds currently allocated to deliver police activity, including multi-agency work, will be determined by the commissioner in consultation with the Chief Constable.

6.4.2 Funds currently allocated through the Home Office to support local Community Safety activity, will also be pooled within the office of the PCC. This funding currently totals over £1m per annum, and is determined through local partnership arrangements.

6.4.3 In preparation for the introduction of the PCC, it is imperative that Leeds has a robust performance management process in place, and that clear evidence of outcomes, impact and value for money can be demonstrated.

6.4.4 Further work needs to take place to look at the current performance arrangements to ensure that these are fit for purpose.

6.5 Legal Implications, Access to Information and Call In

6.5.1 Implementation of the Act has implications for the Council's governance arrangements, not least the establishment of a new joint committee, the PCP. Constitutional amendments will follow from this, and from the abolition of the police authority. However, further investigation on this matter will take place through the project group, and reported back to the Safer Leeds Executive, the Councils Executive Board or General Purposes Committee where appropriate.

6.6. Risk Management

6.6.1 Further work needs to take place to fully understand the potential risks to the city's Community Safety Partnership and the delivery of its priorities. The project group will undertake this piece of work and report back to the appropriate Executive Board.

7. Recommendations

7.1 Executive Board is asked to note that the Police Reform and Social Responsibility Act received Royal Assent on 15th September, and that a public election will take place in the city in November 2012 to appoint Police and Crime Commissioner for the West Yorkshire Police Force area.

7.2 Note the initial implications associated with the introduction of an elected Police and Crime Commissioner from November 2012 set-out within this report.

7.3 Note that the West Yorkshire Police Authority will oversee the transitional arrangements in the preparation for the introduction of the Act, and recognise the excellent work that has taken place between the city and the Police Authority over the years.

7.4 Agree that a project group is established, to consider and make recommendations to the Safer Leeds Executive and the Councils Executive Board, on a range of issues as outlined in section 5 of this report in preparation for the appointment of the Police and Crime Commissioner.

8. Background documents

8.1. Police Reform and Social Responsibility Act 2011

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Supplementary Voting

Supplementary Voting (SV) is an instant run-off system for electing a person to just one vacancy, in which electors can cast two preferences. To win, a candidate must achieve at least 50% plus one of the first-preference votes. If that doesn't happen any second preferences will come into play (see below). The winner will be the candidate with an absolute majority of the votes remaining in the contest.

With SV there are only a maximum of two preferences, marked with a cross for each choice in side-by-side voting columns. You don't use number preferences. You can't have more than two crosses.

All but the top two candidates are eliminated simultaneously. So after verification, the count only has two more stages at most. With only two candidates left in play, by definition one of them will have the required majority (except in the unlikely event of a dead heat!)

If no-one has 50% and you've got a close finish between second and third, a recount is a real possibility because third place is eliminated instantly along with everyone below you.

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Report of Director of Children’s Services

Report to Executive Board

Date: 14 December 2011

Subject: Leeds Youth Offer

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 checked="" type="checkbox"/> Yes <input 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. Leeds Children’s Trust Board has set out a clear vision for children and young people as part of the overall vision to be the best city in the UK and the best city for children. Leeds is working towards being a child-friendly city where the voices, needs and priorities of children and young people are heard and inform the way we make decisions and take action.

2. There is ambition to ensure that all young people in Leeds have access to high quality enjoyable opportunities and challenging experiences, together with information, advice, guidance and support to enable them to achieve their aspirations and ambitions and develop their skills, abilities, self esteem, value and identity in their transition to adult life. In particular the most vulnerable young people and those with the greatest need must have access to the types of intensive targeted support that can change their lives for the better. There is a strong recognition in the city of the value of both preventative services as well as services for young people, both of which are essential building blocks if Leeds is to deliver its ambition as being the best city in the UK.

3. This needs to be seen in the context of changes to the duties on local authorities and the challenging financial circumstances in which Children’s Services and its partners are operating. Nationally, many Local Authorities have made significant reductions to youth provision in response to funding reductions. The Confederation of Heads of Young People’s Services (August 2011) indicate that a survey of 41 of its members found some councils cutting 70%, 80% or even 100% of youth services. There is evidence that investment in effective young peoples services can improve outcomes for young people, particularly those who are most vulnerable. This can lead to a

reduction in the numbers of young people coming into care, estimated by the NSPCC as £57,385 per year .

4. As part of the wider vision for children's services there is a need to develop more integrated services and to develop a new Leeds Youth Offer. This needs to build on successes, respond to dissatisfaction, make best use of resources across partners and demonstrate good outcomes and positive impact. This can be best achieved by developing a service that is based on feedback from young people, brings together all the opportunities and support available across the city in a coherent way and aligns resource to specific needs identified in localities.
5. Major transformation of services on the scale proposed is a complex enterprise that will need a staged approach and robust programme management. Further work based on extensive consultation, led by members and involving young people and all stakeholders, will be required to develop the detail underpinning the new vision for services for young people in Leeds.
6. The proposed outline model for the Leeds Youth Offer is:
 - **Universal Youth Offer** –supporting all young people to be active, well informed and engaged. Building on Breeze and maximising the diversity of partnerships and organisations in the city;
 - **Targeted Youth Offer** – enabling young people who are vulnerable or who have specific needs to access the range of opportunities available;
 - **Specialist Youth Offer** – ensuring that the most vulnerable young people are able to be on a path to success and contribute positively to society through the provision of restorative services for them, their families and communities.

Recommendations

- Indicate support for the proposed outline vision and next steps for delivery of a bigger, bolder, better offer for the young people of Leeds.

1.0 Purpose of this report

The purpose of this report is to:

- Provide background information about the broader vision for children and young people, and how the proposed Leeds Youth Offer fits with that vision. The paper also provides a summary of current issues in relation to service delivery, service outcomes and investment and suggested next steps.

2.0 Background Information – National Context

- 2.1 The statutory basis for Youth Work is set out in Section 6 of the Education and Inspections Act 2006. This sets out a duty on local authorities to “secure access to positive activities” for young people, which in practice needs to incorporate four key elements: access to sufficient education and leisure-time activities where they are for the improvement of their well-being and personal and social development, sufficient facilities for such activities, publication of these activities, and young people at the heart of decision making. The Secretary of State has intervention powers if local authorities fail to fulfil their statutory duties under Section 507B.
- 2.2 The national agenda regarding the provision of youth services and the requirement for general efficiency savings has led to extreme cuts in youth provision across the country. The Confederation of Heads of Young People’s Services (August 2011) indicate that a survey of 41 of its members found some councils cutting 70%, 80% or even 100% of youth services. There is evidence that investment in effective young peoples services can improve outcomes for young people, particularly those who are most vulnerable. This can lead to a reduction in the numbers of young people coming into care, estimated by the NSPCC as on average at least £57,385 per year.
- 2.3 The Localism Bill (introduced to Parliament December 2010) aims to devolve power downwards and outwards as close as possible to individuals, neighbourhoods, professional and communities as well as local councils and other local institutions.
- 2.4 The duties of the local authority are changing with respect to Information, Advice and Guidance (IAG) services. The local authority will no longer be expected to deliver a Connexions service, but instead deliver targeted services to support young people’s progression and participation.
- 2.5 The current national government is reducing the role of local authorities in delivering services for young people and has reversed the steer of the previous government in seeking local authority strategic development of integrated youth support services. This is clearly demonstrated by the transfer of responsibility and funding for universal IAG provision from local authorities to schools. In respect of the universal youth offer the government expects ‘big society’ responses with a greater emphasis on voluntary sector providers, volunteers and social enterprise to ensure that there is a rich menu of positive activities to support young people. There are a number of other services particularly in the leisure and cultural area who are providing services, support and activities to young people, some of which have a statutory duty to do so. These services are also facing financial challenges, providing even more impetus to look anew at the youth offer.

- 2.6 The reaction to budget reductions and the direction of government policy in some local authorities has been to drastically cut spending on Youth Work and IAG services. In some cases this has led to an almost complete withdrawal from delivery of services and in other cases a focusing entirely on a service targeting the most vulnerable.
- 2.7 There is evidence of the impact of preventative nature of universal (more appropriately referred to as “open access”) youth work and IAG services. Services for young people which include a mix of open access and targeted services have shown to be the ones most appreciated by young people and their families or carers. The recent House of Commons Education Committee investigation into services for young people concluded that open access services can sometimes be as effective as targeted ones in reaching disadvantaged young people.
- 2.8 Following these changes in national policy in relation to youth work, in the last year there has been a significant reduction in national funding, including grants, that normally support the delivery of Youth Work and IAG services for young people. All previous funding streams have now been amalgamated into a new Early Intervention Grant (EIG), where there is no ring fence. The impact of these changes significantly reduces the revenue funding envelope to provide services for young people.

3 Local Context

3.1 Leeds Children’s Trust Board has set out a clear vision for children and young people as part of the overall vision to be the best city in the UK and the best city for children. Leeds is working towards child-friendly city status where the voices, needs and priorities of children and young people are heard and inform the way we make decisions and take action. The Children and Young People’s Plan sets out a clear vision and priorities to deliver improved outcomes for children and young people. This can only be achieved by partners working differently and aligning resources and services. The delivery of high quality services for young people has the potential to impact on these priorities and the three CYPP ‘obsessions’;

- improving behaviour and attendance;
- increasing numbers within employment, education or training; and
- reducing the need for children and young people to be Looked After.

The delivery of effective and high quality services for young people, both targeted provision and the broader universal offer, is important for delivery of these ‘obsessions’. The Children’s Trust Board has agreed that the ‘cluster’ arrangements are its local delivery mechanism to achieve improved outcomes, reporting bi-annually to Area Committees, and working within broader locality arrangements that have been established with the three area leadership teams.

- 3.2 This clear vision for Leeds and for children and young people requires a different approach to service planning and delivery in order to achieve the ambition of a child friendly city. The broader and clearer approach to partnership, with a wider range of contributors, offers an opportunity to achieve the ambitions in a different way.
- 3.3 There have been a number of reviews of Youth Work in Leeds over recent years and whilst aspects of services are well regarded , there is inconsistency of impact

and limited evidence value for money as well as a level of member dissatisfaction; this has been heightened, at times, by ineffective communication. Previous service reviews have not resulted in significant and sustained change that is owned by all stakeholders, and that has led to improved outcomes for young people. Vitally, there has not been a culture of celebrating success.

- 3.4 This challenge, alongside current financial pressures, requires a different response. In part, this will be supported by the new integrated Children's Services directorate. However, in order to ensure the maximum benefit of collective investment in the young people in Leeds, it is important that services for young people are also shaped by Area Committees and by other service areas, (e.g. sport and culture), other sectors, clusters, localities and vitally young people themselves. Work is underway to benchmark investment and provision against core cities and statistical neighbours to present a full picture of the current arrangements.

4. Current Issues

4.1 Service Delivery

There currently is a wide range of models of service provision. Youth Work funded through the Council is delivered through a combination of Leeds City Council (LCC) in-house Youth Service delivery and activity commissioned through 24 Voluntary, Community and Faith Sector (VCFS) organisations. Delivery takes place in a wide range of settings including; LCC Youth Hubs, around 60 Voluntary, Community and Faith Sector (VCFS) buildings and other community centres, schools, 12 mobile units, parks, libraries and on the street. It includes support for individuals, work with small groups and learning through experience. It is mainly focused on young people aged between 13 and 19, but in some cases such as Breeze extends to babies, and children as young as aged 8 and for certain activity young people as old as 24. Other services also play a key part and view services for young people as high priority, such as culture and leisure where the ambition is to enable young people to live healthy and culturally active lives. There are also opportunities for the delivery of a range of health services through the youth offer, for example contraception sexual health services.

- 4.2 Given the complexities of the current youth delivery model it is often difficult to clearly establish value for money and evidence of outcomes. Resource is currently allocated based on a 2005 population model rather than matching the level of identified need in particular areas. There is understandable increasing frustration from key partners, the voluntary, community and faith sector (VCFS), regarding the lack of progress on developing and agreeing a new model for the provision and commissioning of services for young people in the city.

4.3 Service Outcomes

In many cases there is considerable data that demonstrates good levels of participation in various types of activity, and areas where service delivery and standards are high. However, there is no consistent approach to assessing the actual impact services are having in enabling young people to make better informed choices and to make changes in their activity and behaviour in order to improve their outcomes. There is no robust overarching outcome measurement framework to enable the relative impact and value for money of services to be compared. Information is starting to become available through the increasing use of the

Outreach database, but this is only currently available for the activity delivered through the in-house Youth Service with plans for other providers to be all be fully using the system within the next few months. There is also the valuable data beginning to emerge in terms of levels of participation via Breezecard which 161,000 young people now have. This is a key tool for measuring access, take up and engagement and which will soon begin to provide information on gaps in services and impact of provision.

4.4 Whatever service and delivery models are implemented in the future there needs to be robust performance management frameworks in place to enable assessment of quality and cost effectiveness of delivery. Non sensitive data needs to be open and willingly shared between agencies and organisations to enable a full picture to be developed. Only with this sharing will there be a true picture of engagement of young people, which can then lead to service development and improvement.

4.5 Investment

The current investment for services for young people is not consolidated as it spread between 14-19, commissioning and the youth service. The current budget is allocated in a way that does not enable an easy assessment of spend in open access/universal, targeted and specialist areas. The gross 2011/12 budgeted service expenditure for this service is just over £9m. Further detailed work is required on current total investment and spend on youth provision.

5. **Proposed Vision for the Leeds Youth Offer**

5.1 It is proposed that all services for young people in Leeds should be based around a set of principles;

- Services deliver a positive impact on outcomes for young people and focuses specifically on targeted and specialist service delivery against the 3 obsessions as set out in the CYPP, *improving behaviour and attendance; increasing numbers within employment, education or training; and reducing the need for children and young people to be Looked After.*
- Services are based upon strong evidence of 'what works', using the best national and international practice to shape services for young people in Leeds;
- Equality of access across the city for young people with identified needs;
- Services are planned in partnership with young people and local communities, fully utilising the Area Committee, cluster and locality structures;
- Services are prioritised to those with greatest need and the most vulnerable;
- Services are delivered in genuine partnership with a range of stakeholders;
- Robust processes are in place for delivering quality and safeguarding and to ensure that outstanding service are delivered;
- services for young people need to be seen in the broader context of contributing to Safer Community priorities;
- All services provided can demonstrate value for money;

- 5.2 In preparing this outline vision views and opinions of young people have been sought through two surveys; one for existing users around what they think of current services and the other of all young people around the type of services they would like to see in the future. Subject to approval of this outline proposed vision there will need to be extensive engagement and consultation, led by members, with a wide range of stakeholders including schools and other partners to develop a detailed service vision and models of delivery.
- 5.3 The proposed outline vision for services for young people is to provide young people with enjoyable opportunities, challenging experiences, together with information, support and guidance to enable them to achieve and develop their skills, abilities, self esteem, value and identity in their transition to adult life. The overall offer would consist of:

Universal Youth Offer: supporting all young people to be active, well informed and engaged. Building on Breeze and maximising the diversity of partnerships and organisations in the city.

- Young people are very positive about the Breeze brand that they helped build and all that it offers. This should become the focus for a wide range of activity for all young people. Culture, leisure and sporting opportunities are fundamental to this offer and they should drive the development of this brand to provide access for all young people to a wide range of cultural, creative, sport and leisure activities linking to, or in partnership with public, voluntary, community, faith and private organisations.
- There would be detailed exploration of the locality as a key focus for both service delivery and commissioning of universal services for young people. A joint review with Area Committees, localities and clusters of current commissioned universal youth services would ensure effectiveness and alignment with local priorities;
- Building on the current partnerships to explore the possibilities of three 'area' arrangements. This could provide a platform for the governance and management of youth work at an area level in the future; and create opportunities for aligning resources and generating match funding
- The role of schools and setting such as libraries will be crucial in determining the provision of local information advice and guidance services as the funding for IAG is to devolved directly to schools from April 2012.

Targeted Youth Offer: enabling young people who are vulnerable or who have specific needs to access the range of opportunities available.

- For young people who are vulnerable or who have specific or additional needs there needs to be the maintenance, development and communication of opportunities to access services within the Universal Youth Offer, as close to home as possible. This is essential to enable vulnerable young people and those with special needs to feel fully integrated.
- A review of targeted and specialist Youth Work currently commissioned through VCFS organisations would help to ensure effectiveness and alignment with local and Leeds wide priorities;

- Integrating targeted youth work and information, advice and guidance functions to create an integrated workforce managed through the Children's Services targeted services area structure;

Specialist Youth Offer: *ensuring that the most vulnerable young people are able to be on a path to success and contribute positively to society through the provision of restorative services for them, their families and communities.*

- Focusing on the provision of specialist restorative services for the most vulnerable young people and families in order to impact positively and constructively on their lives and the lives of those around them;
- Leading work across partners and across the city to build on the success of such developments as the Safer Schools partnerships to have positive impacts on antisocial behaviour and outcomes for young people.

6.0 Suggested Next Steps

6.1 This paper proposes an outline vision for the improvement of services for young people. Key next steps that need to be taken are;

- A clear, member led engagement plan to be developed as part of the communication strategy. This needs to include engagement by young people, partners and stakeholders;
- It is proposed that Children's Services lead the effective governance of this change programme under existing Children's Trust Board arrangements on behalf of the wider Vision for Leeds partnerships, working collaboratively with appropriate stakeholders;
- Establishment of a multi agency planning and implementation group to oversee the strategy development, all aspects of implementation and the change management required to deliver the vision;
- Undertaking detailed financial modelling to re-profile existing spend on services for young people against agreed service models, including resource allocations. This will need to be underpinned by rigorous and robust programme management processes.

7.0 Corporate Considerations

As outlined above, the development of this work needs to be undertaken within a corporate context because of wider implications across other directorates and partnerships, and a strong link to the council Area Committee's.

7.1 Consultation and Engagement

There has been consultation through two surveys to obtain the views of young people. It is proposed that further detailed consultation and engagement with key stakeholders will take place commencing in January 2012.

7.2 Equality and Diversity / Cohesion and Integration

Equality Impact Assessments have been undertaken in relation to the Youth Work and IAG contract proposed for 20012/13. Further Impact assessments will be undertaken in relation to the proposed delivery model for 2013 onwards.

7.3 Council Policies and City Priorities

The proposals in this report support the city priorities and in particular the obsessions and priorities contained in the Children and Young People's Plan, the Leeds Education Challenge and the priorities of the Sustainable Economy and Culture Partnership.

7.4 Resources and Value for Money

There are no specific financial implications from this report.

7.5 Legal Implications, Access to Information and Call In

The report is subject to call in.

7.6 Risk Management

Risk management and assessment will be undertaken by the multi agency and disciplinary planning and implementation group.

8.0 Recommendations

Executive Board is asked to:

- Indicate support for the proposed outline vision and next steps for delivery of a bigger, bolder, better offer for the young people of Leeds.

9.0 Background Papers

9.1 There are no background papers to this report.

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Report of the Director of Children’s Services

Report to Executive Board

Date: 14th December 2011

Subject: The Ofsted Annual Assessment of Children’s Services in Leeds

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. This report presents the findings of Ofsted’s Annual Assessment of Children’s Services in Leeds. The Assessment is reported in the form of a letter to the local authority, which was published on the Ofsted website on the 8th November 2011 and is attached as appendix 1 to this covering report.

2. The Annual Assessment does not relate to one specific inspection, but is derived from the performance profile of the quality of services for children and young people in each local area. This performance profile includes findings from across all Ofsted’s inspections and regulation of services and settings for which the local authority has strategic or operational responsibilities, either alone or in partnership with others, together with other published data.

3. This year Leeds has been assessed as ‘performing adequately’. Following the positive outcome of the announced re-inspection of safeguarding in Leeds (reported to Executive Board on 12th October) this is another significant milestone highlighting the improvements made since children’s services was rated ‘performs poorly’ in the Annual Assessment in 2010.

4. This assessment mirrors the view of the Children’s Services Improvement Board and our own self assessment work by indicating that Leeds Children’s Services are moving forward positively and making the improvements needed, but with still much more to do to reach the consistently high standards of service we want for all our children and young people. As such this assessment provides a further building block in creating the confidence and recognition of progress within the service to enable us to continue our improvement.

5. This assessment also has wider implications as it will be an important contributing factor to the Department for Education's (DfE) judgement as to how Leeds is performing against the Improvement Notice placed on Children's Services early in 2010. Discussions about the status of this Improvement Notice along with the ongoing role of the Improvement Board are currently taking place and more information will be shared with members as this becomes known.

Recommendations

6. Members are recommended to note and consider the content of the Ofsted Annual Assessment letter attached at appendix 1 and to support the ongoing improvement work taking place across the service.

1.0 Purpose of this report

1.1 This report presents the findings of Ofsted's Annual Assessment of Children's Services in Leeds. The Assessment is reported in the form of a letter to the local authority, which was published on the Ofsted website on the 8th November 2011 and is attached as appendix 1 to this covering report.

2.0 Background information

2.1 In line with their guidance published in April 2011, Ofsted produce an Annual Assessment for Children's Services in each local authority across the country. These assessments have been published annually for several years. This year the format of the annual assessment letter has changed because some of the evidence that previous letters were drawn from is no longer available or no longer statutory, such as the National Indicator Set and the Children and Young People's Plan. As such, this year the assessment letter is based principally on the Ofsted local authority performance profile (discussed below) and on the following sources of evidence:

- Notes of Ofsted link HMI visits
- Information from substantiated complaints received by Ofsted, including through whistleblowing.
- Judgements and evidence from Ofsted assessments, inspection, monitoring Visits and surveys
- Inspection evidence from the other inspectorates, for example, Her Majesty's Inspectorate of Probation inspections of youth offending services
- Information from the local authority website, for example, local scrutiny reports, consultation arrangements, any recent review and/or any existing self-evaluation
- Information from local authorities on services commissioned from private and voluntary sector providers.

2.2 The performance profile has been used as the key measurement tool for annual assessments by Ofsted since 2009, the profile is drawn from all the inspections of settings and services that Ofsted carry out during a year, along with key performance information. There are three 'blocks' to the profile:

- Block A: inspected services, settings and institutions – including schools and colleges, children's centres, childcare providers and children's homes.
- Block B: safeguarding and looked after children inspections; unannounced inspections of contact, referral and assessment arrangements; inspection of private fostering arrangements; and evaluation of serious case reviews
- Block C: the impact indicators and other published data

2.3 Within this profile Ofsted give particular weighting to those inspections in block B and especially to the unannounced inspection of contact, referral and assessment arrangements and the announced inspection (or re-inspection) of safeguarding and looked after children's services. These usually act as limiting judgements on the annual assessment outcomes (as was the case in Leeds in 2010), which is why the

improvements made in the unannounced and announced inspections carried out in Leeds this year are so important in this context.

3.0 Main issues

3.1 This year Leeds has been assessed as 'performing adequately'. This is a positive development since 2010 when Leeds was assessed as 'performs poorly'. However, it also indicates that there is still much development and improvement work still to be done. Leeds has a clear ambition to become a child friendly city and this means providing more services that are consistently rated as outstanding.

3.2 The overall tone of the assessment letter is positive. Ofsted note that in Leeds *'the majority of services, settings and institutions inspected by Ofsted are good or better. The very large majority of provision supports children and young people well in staying safe and the large majority helps them to enjoy their learning'*.

3.3 Drawing on Ofsted inspection reports previously published, the letter also notes that:

- Arrangements to ensure children are safeguarded are now secure.
- The large majority of early years and childcare provision is good or better.
- The local authority has been effective in helping to bring about improvement in schools in Ofsted categories of concern.
- Behaviour in secondary schools continues to improve well.
- The very large majority of special schools are good or better.
- The local fostering and adoption agencies are good.
- The large majority of the provision that Leeds commissions in children's homes outside its own settings is good or better.
- The number of young people from low-income families achieving qualifications at the age of 16 and by the age of 19 has improved well.

3.4 However, in highlighting the opportunities for further improvement the Annual Assessment letter also highlights several areas that require further improvement and these include:

- Addressing the ongoing challenges highlighted in the announced re-inspection of safeguarding around quality of assessment and recording, timescales for child protection conferences, better use of the Common Assessment Framework and better information sharing arrangements in relation to domestic violence incidents.
- Making sure that more of our secondary schools, sixth forms and further education colleges are rated as good, or better in their future inspections.
- Reducing the amount of persistent absence in schools.
- Increasing the pace of improvement in educational attainment to bring Leeds closer to other places across the country.
- Improving the quality of our children's homes.

3.5 For each of these issues there is work already underway in Leeds to help us address the challenges and deliver the ambitions of the Children and Young People's Plan: an action plan that sets out how we will respond to the issues raised in the announced inspection; the Leeds Education Challenge to drive our shared

improvement agenda with schools; and a review underway to improve the quality of residential home provision for children in care in Leeds.

- 3.6 The assessment letter has been shared with all children's services staff and partners across the city.

Wider Considerations: Children's Services Improvement Notice

- 3.7 As discussed briefly in the improvement update report submitted to Executive Board in November 2011, this Ofsted assessment also has wider implications as it will be an important contributing factor to the Department for Education's (DfE) judgement as to how Leeds is performing against the Improvement Notice placed on Children's Services early in 2010. Discussions about the status of this Improvement Notice along with the ongoing role of the Improvement Board are currently taking place and more information will be shared with members as this becomes known.

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 There are no specific considerations under this heading.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no specific considerations under this heading.

4.3 Council Policies and City Priorities

- 4.3.1 Improvements in children's services and particularly in services for vulnerable children and young people are a key priority for the city as reflected in key plans. This assessment is therefore an important measure of progress in this area that will shape the future prioritisation and direction of travel for this work.

4.4 Resources and Value for Money

- 4.4.1 There are no specific resource implications to this report, other than to note that the Council's investment in safeguarding services has played an important part in contributing to the improvements that have informed this assessment.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no specific considerations under this heading.

4.6 Risk Management

- 4.6.1 There are no specific considerations under this heading.

5.0 Conclusions

- 5.1 The Council and its partners have invested significant focus and resource on making improvement across children's services since 2009. This assessment reflects positively on the impact made by that work and focus, but also highlights

that there is still more to do to reach the consistently high standards we want across services for children and young people in Leeds. Following on from the unannounced and announced inspection outcomes this year the assessment provides the basis for the continuing improvement that the service is looking to make into 2012 and beyond.

6.0 Recommendations

- 6.1 Members are recommended to note and consider the content of the Ofsted Annual Assessment letter attached at appendix 1 and to support the ongoing improvement work taking place across the service.

7.0 Background documents

- 7.1 Children's Services Assessment for 2011: Ofsted Arrangements and Guidance – published April 2011 and available on the Ofsted website: www.ofsted.gov.uk
- 7.2 Children's Services Improvement Arrangements – report to Executive Board, 10th March 2010.
- 7.3 Children's Services Improvement Update Report – Executive Board 2nd November 2011.

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8 November 2011

Mr Nigel Richardson
Director of Leeds Children's Services
Leeds City Council
6th Floor, East Merrion House
110 Merrion Centre
Leeds
West Yorkshire LS2 8DT

Dear Mr Richardson

Annual children's services assessment

Ofsted guidance published in April 2011 explains that the annual assessment of children's services is derived from the performance profile of the quality of services for children and young people in each local area. This performance profile includes findings from across Ofsted's inspection and regulation of services and settings for which the local authority has strategic or operational responsibilities, either alone or in partnership with others, together with other published data.

In reaching the assessment of children's services, Ofsted has taken account of inspection outcomes including the arrangements for making sure children are safe and stay safe and performance against similar authorities and/or national measures. More weight has been given to the outcomes of Ofsted's inspections and regulatory visits (Blocks A and B in the performance profile).

The annual assessment derives from a four point scale:

4	Performs excellently	An organisation that significantly exceeds minimum requirements
3	Performs well	An organisation that exceeds minimum requirements
2	Performs adequately	An organisation that meets only minimum requirements
1	Performs poorly	An organisation that does not meet minimum requirements

Within each level there will be differing standards of provision. For example, an assessment of 'performs excellently' does not mean all aspects of provision are perfect. Similarly, an assessment of 'performs poorly' does not mean there are no adequate or even good aspects. As in 2010, while the performance profile remains central to Ofsted's assessment, meeting or not meeting the minimum requirements alone does not define the grade. The assessment has involved the application of inspector judgement.

Leeds City Council children’s services assessment 2011

Children’s services assessment	Performs adequately (2)
---------------------------------------	--------------------------------

Children’s services in Leeds City Council perform adequately. A full inspection of safeguarding and services for looked after children in December 2009 found safeguarding services to be inadequate. As a result of this inspection, children’s services were judged to be inadequate in 2010. In January 2011, an unannounced inspection of front-line child protection services found one strength and four areas for development. There were no areas for priority action and all areas for priority action identified at the previous inspection of contact, referral and assessment arrangements had been addressed. A follow up inspection of safeguarding took place in September 2011 and the overall effectiveness of safeguarding services in Leeds was judged to be adequate. Capacity for improvement was judged to be good. This year’s children’s services assessment recognises the improvements made.

The majority of services, settings and institutions inspected by Ofsted are good or better. The very large majority of provision supports children and young people well in staying safe and the large majority helps them to enjoy their learning. Areas of strength and areas for development remain largely similar to last year. Previous judgements for secondary schools that have become academies have been taken into account in making this assessment.

Strengths

- The follow up inspection of safeguarding found that arrangements to ensure children are safeguarded are now secure. It also noted that almost all areas for development from previous inspections had been addressed. Leadership and management were judged to be good. This positive outcome builds on the considerable improvement in front-line child protection services reported in the unannounced inspection of January 2011.
- The large majority of early years and childcare provision is good or better overall, showing improvement from the previous assessment. There has been a good improvement in the quality of registered day-care provision and none is inadequate. In addition, the large majority of the 15 children’s centres inspected over the last year are good or better.
- The quality of provision for children under five in nursery and primary schools has been maintained, with the large majority judged to be good or better on inspection. Similarly, the large majority of primary schools continue to make good provision for all children.
- Monitoring visits to schools in an Ofsted category of concern show that the local authority has been effective in helping to bring about improvement. These improvements include to two secondary schools, a

number of primary schools and a pupil referral unit. Behaviour in secondary schools continues to improve well.

- A previously inadequate further education college has improved and is satisfactory, and the sixth form college remains outstanding.
- As last year, the very large majority of special schools are good or better and the local fostering and adoption agencies are good. The large majority of the provision that Leeds commissions in children's homes outside its own settings is good or better.
- The most recent published results show that the number of young people from low-income families achieving qualifications at the age of 16 and by the age of 19 has improved well. This was an area for development in the previous assessment. In addition, the published results show that gaps in attainment have narrowed by the age of 19.
- A recent inspection of the youth offending service noted very strong outcomes in the key areas for performance.

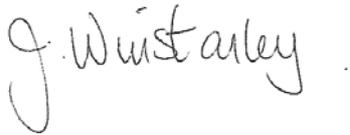
Areas for further improvement

- A number of areas for improvement have been identified in the recent follow up inspection of safeguarding. These include improving: the arrangements for sharing information about domestic violence between the police and the social care service; the quality of assessments; the timescales for initial child protection conferences; and increasing the use of the common assessment framework to provide coordinated early intervention to children and families who need this support.
- Only around half the local authority's secondary schools and sixth forms are good or better and this was an area for development last year. Although the secondary school persistent absence rate continues to improve, it is still higher than that in similar areas. Only two of the five further education colleges are good.
- Although almost all published educational attainment indicators are in line with similar areas and the national average, the trend of improvement is slower than that found elsewhere. After a rise last year the provisional Key Stage 2 results for 2011 show a decline in performance. For Key Stage 4, provisional data suggest that results have improved at around the same rate as in 2010. The gaps in attainment between children from low-income families and their peers in Leeds at both the end of the Early Years Foundation Stage and Key Stage 4 reduced slightly this year but have not reduced over time.
- The quality of provision in local authority children's homes is not as strong as last year. Only half are good and two are inadequate.

- One special school for children with behavioural, social and emotional difficulties has recently been found to require significant improvement. The local authority was aware of the school's performance and the Director of Children's Services had issued a warning notice several months before the inspection.

This children's services assessment is provided in accordance with section 138 of the Education and Inspections Act 2006.

Yours sincerely

A handwritten signature in black ink that reads "Juliet Winstanley". The signature is written in a cursive style with a large initial 'J' and a trailing dot.

Juliet Winstanley
Divisional Manager, Children's Services Assessment



Report author: Nigel Bamford
Tel: 43053

Report of: Director of the Director of Children’s Services

Report to: Executive Board

Date : 14 December 2011

Subject: Transfer of Council owned land and buildings to academies

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

Summary of main issues

1. Under the Academies Act 2010 (“the Act”) the Council is required to make available certain land for nil consideration to schools converting to academy status (“Academy Schools”). The requirements of the Act override the Council’s duty under section 123 of the Local Government Act 1972 to secure best consideration.

2. An effect of an Academy Order is that the local authority must cease to maintain the school in question on the date (the “conversion date”) on which the school, or a school that replaces it, opens as an Academy.

3. Leeds City Council does not approve a conversion to an Academy nor the need to grant a lease – the Council is not party to this process and the decision lies with a school’s governing body and the Department for Education (“the DfE”). The Council can not challenge the decision to become an Academy or the DfE’s order to grant a lease. It is an instruction that must be followed.

4. The land to be leased to the Academy School will in usual circumstances include the land and buildings used by the school prior to the consultation period.
5. In the cases of PFI schools, the schools remain in Council ownership and are leased to the PFI company for the term of the PFI contract. Conversion can not be prevented just because they are PFI.
6. Executive Board has previously been notified of individual disposals to schools converting to Academy status, however the timescales for the Council to comply with the requirements of the DfE for the disposal of land to a new academy are very restrictive and do not always fit within the cycle of meetings of Executive Board.
7. The Department for Education has produced a model 125 Lease at a peppercorn rent, which it expects all Local Authorities to use and does not expect the Lease to be amended except for site specific issues. The land being disposed of is required by the Academy in accordance with the Act and the Authority is required to make this land available for nil consideration. In default of agreement between the Council and the Academy School the matter would be referred to the Secretary of State.
8. An Academy will be responsible for insuring the school and for internal and external repair and maintenance of the school (in the case of a PFI school, the Academy will only be responsible for repair and maintenance on expiry of the PFI contract, but will remain liable for the cost of rectifying deliberate damage/vandalism for the duration of the PFI contract).
9. Given the above and the number of schools that are now proposing to convert to academy status, it is therefore now proposed that Executive Board approve the principle of disposing of land to Academy Schools at less-than-best consideration on the following basis (in line with the model Lease prepared by the DfE):
 - that the land being disposed of is required by the Academy in accordance with the Act;
 - that the Academy will be granted a 125 year lease at a peppercorn rent;

- that the Academy will be responsible for insuring the school and for internal and external repair and maintenance of the school;
- bar on assignment of whole unless with the consent of the Secretary of State;
- that the lease will be limited to use as a non profit making academy; and
- that if during the term of the lease the land ceases to be used as an academy, it will revert to the Council.

10. Subject to the above proposal being approved, it is also proposed that Executive Board delegate approval of the detailed terms for the grant of a lease to a school converting to academy status to the Director of City Development in consultation with the Director of Children's Service, lead members, and appropriate ward members and that a report be submitted to Executive Board every six months, identifying those schools where the Council has disposed of land, as set out in this report.

Recommendations

11. Executive Board is requested to approve the process for the disposal of Council owned land to schools converting to academy status, as set out in this report.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval in principal from Executive Board, to the disposal of land by way of a 125 year lease to schools converting to academy status in accordance with the Academies Act 2010.

2 Background information

- 2.1 The Academies Act 2010 includes provisions to:

- allow maintained schools to apply to become academies and permit the Secretary of State for Education to issue an Academy Order requiring the local authority to cease to maintain the school; and
- ensure that a converting school will continue, as an academy, to be able to occupy the land/buildings it had done whilst being a maintained school.

- 2.1.2 Whilst the Act does not specify how a local authority should make land available to an academy, the DfE have made it clear that, except in exceptional circumstances (such as where the local authority does not have a sufficient interest in the land concerned) they would expect an academy to be granted a 125 year lease at a peppercorn rent.

- 2.1.3 Section 123 of the Local Government Act 1972 provides that, except with the consent of the Secretary of State, the Council shall not dispose of land, other than by way of a lease for seven years or less, for a consideration less than the best that can reasonably be obtained. Whilst that provision is overridden by the provisions of the Academies Act 2010, it remains the case that disposals to schools converting to academy status will be disposals at less-than-best consideration for the purposes of the Council's policy on such disposals and will require Executive Board approval.

3 Main issues

- 3.1 In order for a school to become an Academy, the DfE requires confirmation that the Council has agreed to lease the land previously used by the school to the academy. Given the timescales that the Council is having to work to in order to effect disposals, and that it is anticipated that an increasing number of schools will be converting to academy status within the next few years, it is proposed that Executive Board approve the principal of disposing of land to schools converting to academy status at less-than-best consideration subject to the following terms:

- that the academy will be granted a 125 year lease at a peppercorn rent;
- that the land to be leased to the academy is land that was used by the converting school and is required for the purposes of the academy in accordance with the provisions of the Academies Act 2010;
- that the lease will be limited to use as a non-profit making academy; and

- that if during the term of the lease the land ceases to be used for such purposes, it will revert to the Council.

If the above is agreed, it is also recommended that Executive Board delegate authority to the Director of City Development, Director of Children’s Services and Lead Member to approve the final terms for the lease to the academy. It is also proposed that a report will be submitted to Executive Board every six months detailing the schools where land has been disposed of by the Council in accordance with this report.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 All consultations regarding the proposed academy are undertaken by the Governing Body and it is for the Governing Body to decide upon a level of consultation which is deemed appropriate under the circumstances.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 From an Asset Management perspective, the proposal has no specific implications for equality, diversity, cohesion and integration.
- 4.2.2 As the academy programme progresses, any equality issues which may arise will be addressed by Children’s Services or the individual Academy concerned.

4.3 Council Policies and City Priorities

- 4.3.1 The conversion of a school to academy status will impact on the “Narrowing the Gap” and “Going up a League” agendas. Academies in Leeds have the potential to contribute to the targets to meet key priorities within the Children and Young People’s Plan and the work on the Local Area Agreement.

4.4 Resources and Value for Money

- 4.4.1 Disposals at nil consideration are consistent with the Council’s contribution to the delivery of the Academy scheme, which is consistent with the educational policies and objectives of the Council.
- 4.4.2 All academies are required to operate as schools serving their locality. Academies are dependent on funding from the DfE and should that funding be withdrawn or the academy cease to operate, the buildings and land will revert back to the council. The use of the land and buildings by an academy would represent a statutory obligation for the council and as such would not have less than best implications, as it is a statutory function of the Council to provide education for children in Leeds.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Although the Council has a duty under section 123 of the Local Government Act 1972 to secure the best consideration that it reasonably can on a disposal of land, that obligation is overridden by the requirements of the Academies Act 2010.

4.6 Risk Management

- 4.6.1 Whilst there is a risk that an academy may fail at some point in the future, academies are supported by the Department for Education and if they cease to fund them or the academy ceases to operate, the land and buildings will revert to the Council.

5 Conclusions

- 5.1 The proposals set out in this report should be supported to enable the Council to meet its obligations under the Academies Act 2010.

6 Recommendations

- 6.1 Executive Board are requested to approve the principle of disposing of land to schools converting to academies on the basis set out in this report and to delegate final approval of the terms of such disposals to the Director of City Development in consultation with the Director of Children's Service lead members and appropriate ward members.

7 Background documents

- 7.1 None.

Report of Director of City Development

Report to Executive Board

Date: 14 December 2011

**Subject: Scrutiny Board Recommendations - Cemeteries & Crematoria
Horticultural Maintenance**

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes <input 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. This report considers the recommendations arising from the Scrutiny Board (City Development) inquiry into 'Cemeteries and Crematoria Horticultural Maintenance.
2. It sets out proposals in the light of recommendations made, with particular reference to recommendation 2 concerning the enforcement of grave conditions on lawned and non-lawned areas in all cemeteries and crematoria.
3. It outlines current rules and regulations that are in place.
4. It proposes an enforcement process which needs to be followed in order to be effective.

Recommendations

5. Executive Board are requested to note the contents of the above report and approve the following:
 - § That grave conditions are enforced on cemetery extensions and new cemeteries, following consultation on a site by site basis to determine the proportion of lawned and non-lawned areas;
 - § The enforcement process set out in paragraph 3.5 which will take account of any specific faith issues that may be applicable when imposing grave conditions;
 - § The provision of a designated area for memorials to be placed in strewing areas as illustrated in Appendix 1 – 3(a).

1 Purpose of this report

- 1.1 This report considers the recommendations arising from the Scrutiny Board (City Development) inquiry into 'Cemeteries and Crematoria Horticultural Maintenance' and set out proposals in the light of recommendations made, with particular reference to recommendation 2.

2 Background information

- 2.1 At the Executive Board meeting on 18th May, the Head of Scrutiny and Member Development submitted a report providing a summary of the responses to the recommendations arising from Scrutiny Board (City Development) inquiry into 'Cemeteries and Crematoria Horticultural Maintenance'. The recommendations, in summary were as follows:
- § Recommendation 1: to encourage the establishment of 'friends of' groups at all the Council's cemeteries and crematoria
 - § Recommendation 2: to enforce the grave conditions on lawned and non-lawned areas in all cemeteries and crematoria managed by the Council in order to reduce maintenance costs
 - § Recommendation 3: the introduction of suitable stand/display boards in designated areas, in the strewing lawns for people to place flowers and tributes on
- 2.2 Recommendation 1 and 3 were agreed, however with regard to recommendation 2, the Directorate view is that implementing this recommendation in full would present difficulties on grave plots already in place. A retrospective approach is therefore not considered practical due to difficulties associated with enforcement. A preferable solution would be to enforce current conditions on cemetery extensions and new cemeteries. This would be implemented on a site by site basis following consultation to determine the proportion of lawned and non-lawned areas to meet the sensitivities of the local community and faith groups.

3 Main issues

- 3.1 Leeds City Council has grave conditions for both lawned and non-lawned garden areas in cemeteries. The non-lawned grave conditions were introduced some time ago following publicity arising from attempts to enforce lawn garden conditions on existing cemeteries, and these account for the majority of cemeteries. The Council still tries to enforce lawned garden regulations on the new extensions to the cemeteries at Garforth and Guiseley.
- 3.2 These rules and regulations are in place to ensure that graves and memorials are laid out consistently. The key difference in conditions is that in non-lawned areas, kerbstones are allowed to surround the full grave area and planting is allowed within the kerb surrounds. Lawned gardens enable a consistent lay out and ensure that horticultural maintenance operations are undertaken in the most efficient and effective manner.

- 3.3 All the core cities have been approached with regard to their approach to enforcing regulations concerning graves. Nottingham, Bristol and Sheffield have no form of regulation as they take the view that they would be disregarded by the public. Whilst lawn garden rules exist in Liverpool and Newcastle they are also generally disregarded. In Birmingham regulations are under review, and Manchester are implementing regulations on new cemeteries and extensions, where they are undertaking a robust approach to enforcement. It is therefore true to state that in general regulations governing graves are not enforced by most core cities, although some Authorities are trying to enforce the rules in new extensions.
- 3.4 Issue 2(a) contained in Appendix 1 illustrates the particular difficulties of attempting to carry out enforcement in areas which otherwise could be lawned. An enforcement approach is therefore proposed on cemetery extensions and new cemeteries.
- 3.5 The following process is outlined based on the current approach in order to ensure that these conditions are met, for which it is important that each step is undertaken in every case for enforcement action to be effective. It should be noted that due account will be taken of any specific faith issues when imposing grave conditions.
- a. Funeral directors ensure that bereaved families sign to agree grave conditions.
 - b. It is acknowledged that the time following bereavement and preparation for a funeral can be very difficult for families, and that the full implications of what they have signed for may not be fully understood. A summary of the rules and regulations are therefore sent out with the grave grant around 1 month after the funeral.
 - c. Following routine inspection if the issues have not been addressed, an informal letter sympathetic to the loss of the bereaved family will be sent to make them aware why they are not meeting the grave conditions, and politely requesting that they take action to put this right.
 - d. Following a subsequent inspection, if this action has not been taken a more formal letter will be issued that includes a copy of the regulations giving the family 1 month to ensure they are met.
 - e. If action is still not taken, a notice of removal will be issued informing the family that any items that do not meet grave conditions will be removed in 1 month and stored awaiting collection.
 - f. Following this action a final letter will be issued informing the family that the items have been removed and that they have 2 months to collect them otherwise the items will be disposed of.
- 3.6 This enforcement approach would also help address recommendation 3 where memorials have been erected that are of a permanent nature on strewing areas. These are illustrated in Appendix 1, 1(b) and 1(c). Furthermore, Appendix 1, solution 3(a) illustrates how a suitable designated area could be provided for memorials to be placed by bereaved families, or relocated by staff if they are not placed there in the first place. This would also meet recommendation 3 of the scrutiny inquiry. Solution 3(b) illustrates that if grave conditions are abided by it is much easier to gain access to larger grass cutting machinery.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 This report is in response to an inquiry report by Scrutiny Board (City Development) following investigation by a working group set up by the board involving Members and a representative from the Friends of Guiseley Cemetery.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality and Diversity, Cohesion and Integration (EDCI) impact assessment has been carried out following completion of an EDCI screening form. No adverse affects were identified to any specific group, other than a general perception that people could feel that they are being unfairly treated as a more proactive approach will be taken on enforcement of certain areas. An action was therefore identified to communicate the approach and enforcement policy at specific sites affected to service users in addition to information already provided during funeral arrangements.

4.3 Council Policies and City Priorities

- 4.3.1 There are no implications for Council policy and governance.

4.4 Resources and Value for Money

- 4.4.1 There are resource implications to establish designated areas within strewing grounds which will be met by existing revenue budgets.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 It is not proposed that legal action will be taken as part of the proposed process in paragraph 3.5. There are no restrictions on access to information presented in this report. The report is subject to call in.

4.6 Risk Management

- 4.6.1 The key risk for the Council is the potential damage to reputation that could arise should there be a high profile or sustained campaign by the local media in support of bereaved families following enforcement activity. However, the recommendation is to conduct the enforcement approach on new graves within existing cemeteries (but not re-opened graves), cemetery extensions and new cemeteries. This is therefore likely to mitigate the impact of any public outcry that could arise should recommendation 2 outlined in 2.1 above be implemented in full. It should also be noted that there are positive benefits of undertaking the action recommended in this report, as where enforcement is effective the maintenance of these sites should be improved.

5 Recommendations

- 5.1 Executive Board are requested to note the contents of the above report and approve the following:
- § That grave conditions are enforced on cemetery extensions and new cemeteries, following consultation on a site by site basis to determine the proportion of lawned and non-lawned areas;
 - § The enforcement process set out in paragraph 3.5 which will take account of any specific faith issues that may be applicable when imposing grave conditions;
 - § The provision of a designated area for memorials to be placed in strewing areas as illustrated in Appendix 1 – 3(a).

6 Background documents

- 6.1 Scrutiny Inquiry Report – Cemeteries and Crematoria Horticultural Maintenance. Scrutiny Board (City Development) May 2011.
- 6.2 Equality, diversity, cohesion and integration impact assessment.

Appendix 1: Issues and Potential Solutions

1. Issues on Strewing Areas

- a. Ornaments and vases have to be removed prior to horticultural maintenance and repositioned afterwards



- b. This is more akin to a permanent memorial and requires hand strimming in addition to using ride on machinery



c. Leaves have to be hand collected rather than mechanically removed.



2. Issues on Grave Areas

- a. Encroachment from the headstone into the grassed areas prevents the use of ride on machinery for horticultural maintenance



3. Potential Solutions

- a. Strewing Area: create designated areas within strewing grounds for memorials to be placed.



- b. Example of families on the whole abiding by grave conditions. This allows the use of ride on machinery for horticultural maintenance.





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Report of the Director of Adult Social Services

Report to Executive Board

Date: 14 December 2011

Subject: Proposed changes to Partnership Arrangements between Leeds City Council Adult Social Care and Leeds Partnerships NHS Foundation Trust

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes <input 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. This proposal is strongly linked to the national strategy whose emphasis is on well-being; recovery, prevention and early intervention; choice and self-determination. As such its general direction is consistent with Government's new policy direction: No Health without Mental Health - *Delivering better mental health outcomes for people of all ages* DH 2011

2. The division of responsibility of health and social care services (health to NHS and social care to Local Authorities) can prove problematic for individuals with complex mental health problems who, typically, have simultaneous and linked needs to health and social care – requiring multiple assessments. Direction from national government increasingly emphasises the importance of partnership working and of more integrated health and social care provision.

3. This proposal is the forerunner of a number of local initiatives, across council services and Departments. It supports a direction of travel that service improvements and delivering better outcomes for citizens in a difficult financial climate can only be achieved in partnership and where appropriate integration with other key stakeholders in Leeds.

4. People who use our services and their carers have been telling agencies for some time that whilst it is important to them that the care and treatment they receive is effective it is less important to them which organisation provides this service. At the

same time, individuals want to be viewed as a 'whole person' taking into account family, culture and the wider environment. Government policy has evolved to reflect this – driving forward an agenda of social inclusion, citizenship and community capacity in which health and social care partners play a vital role.

5. People have told us they do not like multiple assessments and having to repeat the same information to different professionals from different organisations. Integrated services can improve the service user experience and deliver better outcomes for people using health and social care services and make limited resources go further.
6. This proposal extends the current best practice of co-location and multi-disciplinary teams that is being developed across the city with other NHS organisations, and is at the forefront of how the Council and the NHS in Leeds is developing a closer working relationship based upon partnership and integration where this will deliver improved service user experience and outcomes .
7. The proposal being put forward is to delegate the specialist mental health social work function and second local authority staff from ASC to LPFT and to integrate management structures to ensure clear lines of accountability.
8. To enable a whole system approach to be taken to the delivery of health and social care an integrated health and social care service would be developed and LPFT would assume responsibility for the adult placement budget
9. A partnership agreement under Section 75 of the National Health Services Act 2006 would be drafted to support the partnership, which would clearly define the roles and responsibilities of each partner.

Recommendations

- 1 Approve the proposal to integrate specialist mental health social care services with specialist secondary mental health service with LPFT acting as host organisation for the partnership.
- 2 Approve the development of a partnership agreement under Section 75 of the National Health Services Act 2006 detailing the governance of the partnership between ASC and LPFT
- 3 Agree the secondment of social care staff to LPFT from 1 April 2012
- 4 Note that further detailed work will be undertaken to ensure the ongoing balance of social care management in the partnership.
- 5 Note the review of roles and functions of social work within the partnership.

1 Purpose of this report

- 1.1 The strategic context for the development of integrated working is set out in a number of national strategy and guidance documents. The direction from national government increasingly emphasises the importance of partnership working and of more integrated health and social care provision. Changes in legislation (Mental Health Act, 2007, Mental Capacity Act, 2005, 2009), in policy (NHS Next Stage Review, Putting People First, World Class Commissioning and New Horizons) and in expectations of the people who use services, have highlighted that we should be working more effectively together.
- 1.2 National guidance increasingly talks of the need for local accountability, co-production and the importance of local democracy in planning services.
- 1.3 Significant policy changes for health services have recently been launched which have been laid out in the White Paper '**Equality and Excellence: Liberating the NHS**'. At its heart are three main principles:
 - Patients at the centre of the NHS, emphasising shared decision making between patients and clinicians, with increased choice and information
 - Improving health outcomes, introducing a new health outcomes framework, which will include mental health, new quality standards to support progress on outcomes and financial incentives for quality improvement.
 - Empowering clinicians, especially GPs and their commissioning roles.
- 1.4 The mental health strategy, '**No health without mental health (DH 2011)**' is underpinned by two central aims:
 - To improve the mental health and wellbeing of the population and keep people well
 - To improve outcomes for people with mental health problems through high quality services that are equally accessible to all
- 1.5 This report puts forward a proposal to integrate the specialist mental health assessment and care management function delivered by Adult Social Care with secondary mental health services provided by the Leeds Partnerships NHS Foundation Trust
- 1.6 The paper describes a new model of partnership and considers the HR, financial, legal and governance issues associated with the proposal.
- 1.7 The proposal describes a phased approach to implementation.

2 Background information

- 2.1 Discussions have been ongoing since May 2010 culminating in a proposal that current partnership arrangements between Adult Social Care (ASC) and Leeds

Partnerships NHS Foundation Trust (LPFT) be reviewed and a new model developed that would include a streamlined route into health and social care services for mental health service users.

- 2.2 Nationally the Government has made a clear commitment to the integration of health and social care services.
- 2.3 *“People want services that feel joined up, and it can be a source of great frustration when that does not happen. Integration means different things to different people but at its heart is building services around individuals, not institutions. The Government is clear that joint, integrated working is vital to developing a personalised health and care system that reflects people’s health and care needs.”* (Department of Health/Department of Communities and Local Government, 2010)
- 2.4 Integrated services can improve experience and outcomes of people using health and social care services and make limited resources go further.
- 2.5 Mental Health Social Workers have been co-located with health colleagues within LPFT buildings for over ten years. Whilst there is a service level agreement governing parts of the service there is no formal partnership agreement in place and different patterns of working have arisen in different teams.
- 2.6 LPFT are currently reviewing the way that they deliver services with an aim to move to a model of service delivery that is more closely built around individuals and their needs. The transformation of LPFT’s service model (known within LPFT as the Transformation project) will impact on the way that mental health social workers work. Developing a new model of partnership working in parallel with this transformation work gives us an opportunity to work together to build an integrated service model which ensures the individual using the service can access the health and social care that they need in a timely way.
- 2.7 Time has been spent mapping service users’ journeys through health and social care services now. These has served to highlight that people can be passed to different professionals and have several assessments before they get to the service they need. The new model will streamline services so that people have fewer assessments and are able to get the support they need quickly.

3. Main issues

The Proposed Model of Service.

- 3.1 The proposed model of service delivery is being developed in partnership with staff and service users through LPFT’s Transformation project. Adult Social Care have officers involved in this process through representation on project boards, team and working groups. The project is currently developing a new integrated community service through which all mental health service users can access appropriate health and social support. Health and social care staff will work as part of a multi-disciplinary team. Each team will be managed by either a health or social care manager. The number of managers will be dependent on the structure of the teams – this is still being worked through in developing the service model. A ratio of two thirds health managers to one third social care managers is being proposed.

- 3.2 Piloting of the approach within LPFT began in the South of the City in November with rollout planned from April 2012. Social Care staff play an important role in the pilot in considering the most effective routes into social care within the new service and, if the proposal to develop the partnership is approved, would be part of the rollout arrangements.
- 3.3 The core elements of the service include a single point of access into secondary mental health where an initial assessment will be undertaken to determine the parts of the service the individual needs to access. Some support will be able to be delivered by the multi-disciplinary community teams, other support will be more specialist and will be delivered by staff in specialist teams.

Phasing of Implementation.

- 3.4 Within this proposal we are recommending phased full integration of the specialist mental health social work function with the specialist secondary mental health services delivered by LPFT. Under this proposal operational management of social care mental health services would transfer to LPFT. Statutory Accountability will be retained by Leeds City Council (LCC) with delegated responsibility delivered through a lead director at LPFT.
- 3.5 A three phase model is proposed, supported by a service level agreement (Section 75 Agreement, NHS Act 2006). Each phase would correlate with a financial year, with phase one starting in April 2012.
- 3.6 Each phase is predicated on full analysis and review of the previous phase, confirmation of benefits and agreement to proceed from both organisations. A further paper would be brought to Executive Board before proceeding to stage three.
- 3.7 Implementation and oversight would be linked to the timescales and project management structures of the LPFT Transformation Project. This would mean that social care staff would be integrating into something new – with an opportunity to develop a new organisational culture together – and that any changes to structures and processes are only required once.
- 3.8 The proposed phases of implementation are summarised below with further detail around HR, governance and finance considered in later sections of this report:

Phase	Staff position	Governance arrangements	Financial position
1	Secondment of front line social workers, Team Managers and Service Delivery Manager. These ASC staff will work within the LPFT operational structure.	ASC to provide part time Professional Lead for Social Care. This role will have a direct link to LPFT via Director of Care Services. ASC retains professional accountability for statutory services: Community Care Assessments Safeguarding and AMHPs ¹ .	The budgetary responsibilities transfer to LPFT, however risk and accountability remains with LCC (shadow management) Principle of non betterment agreed between the two parties. Costs and benefits of efficiencies to be shared equally between the

¹Approved mental health professionals (AMHPs) are trained to implement coercive elements of the [Mental Health Act 1983](#), as amended by the [Mental Health Act 2007](#), in conjunction with medical practitioners. AMHPs are responsible for organising and co-ordinating, as well as contributing to Mental Health Act assessments

	<p>Management structures will support care pathways and revised team arrangements developed through the transformation project.</p> <p>First line management to reflect 1/3 social care to 2/3 health ratio of social work trained staff (with current competence and experience)</p>	<p>LPFT is responsible for the day to day management of services</p>	<p>two parties.</p> <p>LCC contribution required regarding ASC related management posts.</p> <p>In year incidental costs will be borne by respective organisations.</p> <p>Commissioning arrangements remain with LCC.</p>
2	<p>Secondment of front line staff continues as for phase one.</p>	<p>ASC continue to provide part time Professional Lead for Social Care</p> <p>Further development and integration of social model within LPFT services, including the development of skills and expertise in delivery of social care throughout the organisation, supporting the delivery of statutory functions.</p>	<p>Risk and benefit sharing model to be determined. Relative risk levels for each organisation to be identified and the proportionality of same to be established.</p> <p>Review placement budgets in year, in preparation for LPFT to take on full responsibility.</p>
3	<p>Review staffing arrangements, including the option to consider TUPE.</p> <p>ASC staff and management structure fully embedded within LPFT structure</p>	<p>Full development and integration of a social care model within LPFT services</p> <p>LPFT would ensure knowledge and skills are available at a senior level to discharge the statutory duties delegated by the DASS within the LPFT management structure.</p> <p>Social care leadership and professional supervision will be provided by LPFT.</p>	<p>LPFT to take financial control and responsibility of placement budgets.</p> <p>Clear definition of commissioner and provider split.</p>

HR Considerations.

- 3.9 To ensure that there are clear lines of accountability and that these are as streamlined as possible we are proposing that the partnership is hosted by LPFT. There are 56 social care staff that make up the specialist mental health social work service who would second to LPFT under this proposal. This includes a Service Delivery Manager, 5 Team Managers (4.5 WTE) and 50 Social Workers (42.6 WTE).
- 3.10 The day to day operational management of ASC staff will be differentiated from that of professional support and supervision. Responsibility for managing the workload of team members, leave requests, absence management and other day to day operational management responsibilities will be provided by the individuals' direct line-manager (who may or may not be another social worker and AMHP). The NHS has operated this approach to management of professional staff for many years. It will be necessary to ensure the correct level of professional oversight in decision making. Social care staff will continue to receive professional supervision from a social care professional and all staff will be able to take advice from the professional

lead for social care. This is standard, accepted practice within the NHS and within LPFT, and will form part of the infrastructure of front line management.

- 3.11 Initially a Head of Service from ASC would work with the senior leadership team within LPFT to support them in fulfilling social care responsibilities. The Head of Service would also provide professional supervision (but not operational line management) to the Service Delivery Manager.
- 3.12 Under the proposed secondment arrangements managers working for LPFT (including seconded social care managers) would be responsible for managing all human resources issues relating to the seconded staff – this would include recruiting to vacant posts and disciplinary issues – staff would remain employees of Leeds City Council and retain LCC terms and conditions. LPFT managers would be able to draw on LCC HR support.

Financial Considerations.

- 3.13 The financial content of a partnership arrangement is critical to its success. Extensive discussion about the relative risk sharing elements of the partnership have resulted in recommending a phased transfer of financial accountability to LPFT with careful evaluation of impact and effective management.
- 3.14 It is proposed that initially the Adult Placement Budget for mental health (under 65s) is transferred to LPFT but that the transfer of responsibility is phased. In phase 1 LPFT would 'shadow manage' the budget. The operational management of the budget on a day to day basis would sit with LPFT but with oversight from ASC. The responsibility for the budget would remain with ASC. This would allow LPFT the time to become familiar with the budget and satisfy itself that it is reflective of need and demographic trends. The Adult placement budget for the current financial year is £5.2 million.
- 3.15 In phase 2 a risk sharing agreement would be put in place and ASC and LPFT would share responsibility for the budget. Any potential for efficiencies through review of packages and new ways of working would be progressed and the agreement would detail how efficiencies would be shared between the two organisations.
- 3.16 In phase 3 the budget would fully transfer to LPFT and a commissioner/provider relationship would operate with LPFT assuming full responsibility for the budget. In addition to the monitoring arrangements set up with ASC Commissioners, LPFT are subject to financial monitoring from Monitor – the financial regulator for NHS Foundation Trusts. Any budget transferred from LCC to LPFT would be monitored alongside NHS resources.
- 3.17 The management of both Health and Social Care budgets together will encourage a whole system approach to planning and increase the awareness of the impact of decisions in each part of the system.

Governance.

- 3.18 With secondment of staff and, over time, the adult placement budget, ASC are proposing to delegate the full management of statutory social care responsibilities to LPFT. A partnership agreement will be developed which will underpin the relationship. It is proposed that a Section 75 agreement is developed that clearly lays out the responsibilities of each organisation, describes the partnership and the performance indicators. A reporting arrangement with ASC commissioning will also form part of this agreement.
- 3.19 Accountability of statutory social care responsibilities will always ultimately remain with the Local Authority with operational responsibility for carrying out these duties delegated to the LPFT Trust Board. Both partners would be answerable to the Health and Wellbeing Board and Scrutiny board for social care services provided within secondary mental health services.
- 3.20 LPFT would, through its management structures, assist and support the Local Authority (through their delegated officer) to carry out its roles and responsibilities in relation to its mental health statutory responsibilities, in particular:
- Account directly to the Director of Adult Social Services
 - Advise the Council and the management team in respect of mental health issues
 - Provide professional leadership to social care staff seconded to LPFT.
 - Take responsibility for the quality of social care services provided to local people, whether directly or through delegation, contracting or commissioning.
 - Act as principle point of contact, below Chief Executive for the conduct of business
 - Provide information as requested by Scrutiny and the Care Quality Commission.
- 3.21 Regular meetings will be established between LPFT and ASC for reporting and performance monitoring. This would be detailed within the partnership agreement. LPFT have robust internal governance structures through which they quality assure and manage the services they provide. Social Care service delivery would be incorporated within these structures.
- 3.22 The integration of the Professional Lead for Social Care will be based upon the same model as other heads of profession and within LPFT. Within LPFT, each respective Head of Profession for Nursing, Psychology and Allied Health Professionals, reports to the Director of Care Services (The Head of pharmacy services reports to the medical director). These Professional Heads collectively form the Professional Advisory Forum, a body that is independent of the Executive Team and reports directly to the Audit & Assurance Committee. This forum provides assurance to the Audit & Assurance Committee (and therefore to the Board of Directors) on professional matters, and is itself served by profession-based advisory forums in conjunction with the professional leadership structures within the clinical directorates.

- 3.23 In 2012 LPFT will be managing new health services. They will be responsible for the delivery of mental health services in York, Selby and Tadcaster. This service was previously delivered by York and North Yorkshire Primary Care Trust and included a partnership arrangement with York City Council and North Yorkshire County Council for the delivery of social care services. As part of this expansion LPFT may take on the management of social care services on behalf of City of York. We will work closely with York to ensure a consistent approach and good, streamlined systems.

Performance and Information Governance.

- 3.24 One of the benefits of an integrated service is integrated record keeping with all secondary mental health activity being recorded in one place and patient records that document all needs and support in one place. This encourages holistic support planning.
- 3.25 LPFT and LCC are co-signatories to the pan-Leeds multi-Organisational Information Sharing Protocol, with their respective information governance leads active participants in the Leeds Information Sharing Steering Group. The Protocol has been developed in collaboration by healthcare, social care, education, council, emergency service and 3rd sector stakeholders to promote best practice in information sharing. This protocol will serve for the basis of the proposals within the project scope.
- 3.26 It is not feasible to develop a single information system to account for health and social care performance without additional financial resource. However, alternative methods of collation of performance data have been developed. A final agreement concerning data requirements will be established.

4. Corporate Considerations

4.1 Consultation and Engagement

Service users

- 4.1.1 The drive behind developing a new service model and a new model of partnership working is to improve the experience and outcomes of accessing support for service users. The process started with a workshop for service users in July 2010 where participants described what made a good service and the things that they would like to change in the current system. 12 service users spent a day describing their experiences of the current system and what mental health services would ideally look like. This was fed into the staff workshops and into the work of the transformation project.
- 4.1.2 There have been several follow up events – a Building your Trust Event in December that focused on partnership working between health and social care and two Building your Trust events on the new model of service delivery as part of Transformation – these events were attended by an average of 25 people. The project has taken account of previous consultations that have taken place with service users. The work has also been informed by consultation with existing

service user groups and questionnaire feedback. Where possible the project has tried to link with existing activity rather than duplicate and ask the same questions to the same group of people.

- 4.1.3 People who took part in the consultation told us that the relationship they had with the worker providing support was more important to them than the professional background of the worker. People also wanted consistency in support rather than multiple referrals to different teams.
- 4.1.4 One of the key issues highlighted by service users was the number of different assessments – one individual had experienced 8 in 24 hours. There was a general view that there was too much screening for different parts of the service rather than an assessment followed by a direct referral to appropriate support.

ASC are working with LPFT to develop a model of service delivery which streamlines process so that people get the support they need quickly with fewer handovers between teams and services.

Staff

- 4.1.5 A questionnaire was sent to all affected health and social care staff at the start of the project looking at how integrated the existing partnership was. The response rate was very high with an 85% return rate. Feedback from staff indicated that whilst there was good local practice people did not feel that they had shared values and vision.
- 4.1.6 Further work was undertaken to explore the cultural differences between health and social care staff. An external facilitator spoke to a range of health and social care frontline staff and managers. All social care teams were visited and most community teams in LPFT. In total about 300 staff were engaged in the process. This work highlighted that whilst values were broadly the same there were perceived differences in the ways that health and social care staff worked. Clear social care leadership within the partnership is seen as important in building a service that recognises the strengths of both health and social care professionals.
- 4.1.7 Staff have been kept informed of progress on the project through a series of drop ins, newsletters, staff meetings and letters from programme board leads. Operational managers have been part of the workstreams progressing the project and are involved in the Transformation project.
- 4.1.8 Staff engaged in a series of workshops to map current services and explore what a strong partnership would look like. Attendance at workshops varied with more social care than health staff engaging. In total around 60 people contributed to this process.
- 4.1.9 Staff described a partnership that had a single assessment process with health and social care incorporated within the Care Programme Approach (CPA) of case management. There would be a single management structure, clear governance arrangements, shared procedures and shared key performance indicators. Service user empowerment was also seen as important with service users having ownership of their care plan.

- 4.1.10 A single line of reporting for operational management was identified as an important requirement for an integrated partnership. All members of the multi-disciplinary team will receive work through the same management structure. The number of managers that will be required is still being worked through in designing the new model of service delivery but we are proposing that within first line management all posts are put at risk and health and social care staff interview into posts within the new structure. To ensure that social care staff have effective professional supervisory structures we are proposing a ratio of one third social care managers to two thirds health managers at this level. Within the social work team this proposal will put 4.5 WTE Team Managers at risk, all of these managers would be able to apply for the social care manager posts within the integrated service. If any ASC managers were to be displaced as a result of this restructure they would enter Managing Workforce Change, they would also have the same opportunities to consider Early Leavers Initiative as other LCC staff.
- 4.1.11 Once work has been completed on defining new ways of working it is possible that changes to the ways in which staff work may be required with resultant amendments to job descriptions. Staff and unions have been engaged in this work and formal consultation will take place in the event of a required change.
- 4.1.12 **Trade Unions.** Regular dialogue has been maintained with trade unions whilst developing the new model of partnership. The Chief Officer has provided updates to the trade unions throughout the lifetime of the project. No issues have been raised. Union representatives have also been invited to the full staff meetings.
- 4.1.12 **Staff.** The proposed model of partnership has been shared with staff. A full staff meeting was held on 30th September 2011 with affected mental health unit social work staff to outline the proposed model to staff members and to take any initial concerns and questions. A further three smaller meetings were held in October to allow staff more opportunity to discuss proposals in detail and to again raise any questions or concerns.
- 4.1.13 There were three main concerns expressed by staff. Each of these are considered below together with detail of how we propose to address these concerns:
- **A need to retain the current administrative support to the AMHP service** – there was a very strongly held view which was voiced repeatedly that the administrative support provided by the LPFT admin team that work within the mental health unit was excellent and that the specialist knowledge they had contributed greatly to the smooth running of the service. ASC recognise the valuable role the administration team play in the AMHP service and would support the continued input of this experienced staff team. LPFT have said that they would not wish to replace something that works with something that is less effective.
 - **A concern that social care values would not be upheld within a health organisation.** Integrating social care into the existing structures and processes of a health organisation would certainly present some barriers around changing an existing health culture to a new culture of integrated health and social care service. However, the radical changes to the service model being proposed through transformation give a real opportunity to build

something new together and embed social care within the core business of the trust, to the benefit of service users who would experience a more joined up service.

- Concerns from some staff about having a health manager as a line manager. Within the proposal some social care staff would have a health manager as a line manager and some health staff would have a social care manager. However, all professional groups would continue to have professional supervision and guidance from someone within their own profession. This is similar to the way that many of the social workers co-located to the adults community mental health teams work now – many work as part of the multi-disciplinary team with a health manager managing the day to day operational requirements of the team. The difference within the integrated partnership is that the social care functions will be a part of the whole team's responsibility for delivery. We would look at the training and development requirements of all staff but have already identified the importance for first line managers of increasing their knowledge of others remits (i.e. health staff will need to understand statutory social care responsibilities in greater detail and social care staff will need to develop their understanding of health responsibilities).

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Work was undertaken to understand the way that services are delivered now - to capture the differences between teams working practice, to identify what works well and where there are potential areas of inefficiency or duplication. This work revealed that access to social care services varied dependent on:

- referral route into social care (whether someone was referred directly to Adult Social Care or was a referral to mental health services)
- age of the service user (over 65s operate a different service model to under 65s)
- social care knowledge of individual care co-ordinators (or other key personnel)

4.2.2 An Equality Impact Assessment has been conducted. Access to social care services was most inconsistent within the population of working age adults with severe and enduring mental health problems. Uptake of self directed support is also much lower in this group than in any other service user group across Adult Social Care. Service users in this group are more likely to be referred into an open access service than offered a community care assessment.

4.2.3 Self Directed Support has the potential to significantly improve outcomes for mental health service users when incorporated as part of a holistic care plan. Personal budgets can be an effective way of accessing support tailored to individual goals and recovery in a more responsive way than open access services are able to provide.

4.2.4 The development of an integrated service will embed social care within the core business of LPFT and ensure consistent consideration of social care support

service users as part of the holistic assessment for people accessing secondary mental health support.

4.3 Council Policies and City Priorities

4.3.1 This proposal is about working more effectively in partnership with other organisations to improve outcomes for the citizens of Leeds.

4.4 Resources and Value for Money

4.4.1 The integrated care pathways model aims to develop efficient streamlined services. The pathways will remove duplication in management and in service delivery. This will improve the experience for service users in accessing a single service that can meet a range of support needs whilst maximising use of resources.

4.4.2 SDS being applied within the recovery model offers an opportunity to empower service users to move through the system and need less or no support in the future. Whilst the uptake of personal budgets in working age adults with severe and enduring mental health problems has been low the impact for those individuals who have accessed support in this way has been positive. We are starting to see individuals who have had complex support packages leave mental health service and take up employment and education opportunities following a year of intensive, recovery focused support through SDS. Integrating social care with secondary mental health services will support the process of identifying people who could benefit from SDS in a more systematic way.

4.4.3 The management of both Health and Social Care budgets together will encourage a whole system approach to planning and increase the awareness of the impact of decisions in each part of the system. Phased transfer of financial accountability to LPFT will allow time for skills and breadth of expertise to be developed within the Trust with continued oversight from LCC.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The model includes a proposal to delegate operational responsibilities for Statutory Social care to LPFT. This will be underpinned by a Section 75 agreement that will clearly describe the roles and responsibilities of both ASC and LPFT.

4.5.2 NHS Foundation Trusts are set up as public benefit corporations with a legal duty to provide NHS services to NHS patients. They are membership organisations with local people, patients and staff able to join, having more say in how the organisation is run and how NHS services are provided. Councillor Yeadon is a Governor of LPFT.

4.5.4 Foundation Trusts are assessed, authorised and regulated by the independent regulator Monitor. Any resources that ASC transferred to LPFT would also be subject to this regulation.

4.5.5 This report is eligible for call in.

4.6 Risk Management

A full risk analysis has been carried out in formulating this proposal. Potential risks fall broadly into four categories – Governance, HR, Finance and Performance

Governance.

- 4.6.1 The main risk around governance is in transferring the operational responsibility for delivering statutory social care responsibilities to an external organisation. Robust governance structures need to be put in place with clarity around roles and responsibilities and clear monitoring arrangements. The phased approach we are proposing to changes in governance allows time for LPFT to develop skills and expertise in social care and fully embed social care responsibilities within its governance and quality assurance framework.
- 4.6.2 During the project a number of integrated partnerships nationally were visited to help inform the development of the model. All partners talked about the importance of having a robust partnership agreement in place which clearly sets out the roles and responsibilities of each partner ensuring clarity over financial, and performance activity reporting and staffing related issues and which is supplemented with detailed operational schedules. The Project Team have looked at a number of partnership agreements which provide a basis for drafting a section 75 partnership agreement for Leeds and have adopted a best practice model most suited to the Leeds context.
- 4.6.3 Any identified risks around safeguarding will be reduced and further mitigated with the adoption within the new model of clear lines of accountability and clear recording procedures.

Human Resources

- 4.6.4 Consultation and the work on culture identified that there are a number of concerns held by some staff members regarding the different cultures and priorities of health and social care. If left unaddressed this could lead to dissatisfaction in the workforce, active change resistance and potentially could impact on the quality of service that individuals receive. The timing of the proposed integration with the development of a new service model that is built around the individual provides an opportunity for health and social care staff to build something new together for the benefit of the people who use our services. The continued input of a senior manager from social care through phases 1 and 2 further facilitates the development of the partnership and helps to embed social care perspective and values across the organisation.

Finance.

- 4.6.5 There is a risk if the social care budget is not effectively managed or is subject to in year variation in demand leading to overspend. This presents a financial risk to both organisations across the phases. Initially the individuals with operational management responsibility for this budget will be social care staff seconding from ASC who are familiar with the budget and with FACS eligibility.
- 4.6.6 The development needs of staff in the partnership including the levels of knowledge of social care that different staff groups require will be analysed and appropriate

support will be arranged. Social care will become embedded within core trust business. Risk will be further mitigated by arrangements described in section 3 above where a phased approach is taken to transferring budgets from ASC to LPFT and of having a continued reporting mechanism to ASC through the Head of Service at the start of the partnership.

Performance.

- 4.6.7 The main risk identified around performance was not about quality of performance but that operating two IT systems would result in KPI data not being fully captured and therefore not fully evidencing performance detail. If this proposal is approved a robust Information Governance agreement will be developed which will detail roles, responsibilities, systems and processes to capture and record health and social care activity.
- 4.6.8 Regular monitoring meetings will be held to monitor and meet finance, quality and performance requirements.

5. Conclusions

5.1 Adult Social Care are proposing a number of changes to current partnership arrangements with LPFT which both ASC and LPFT believe will result in better outcomes for the people using their services who will enjoy simpler pathways into health and social care service with fewer assessments and avoiding the duplication of professional support. This proposal includes:

- Seconding social care staff to LPFT
- Developing integrated care pathways together that are built around the health and social care needs of individuals.
- A phased transfer of the adult placement budget for mental health to LPFT
- Delegating statutory social care functions to LPFT which will enable the trust to take a whole system approach to service provision
- Development of a robust partnership agreement to underpin these new arrangements

6 Recommendations

Executive Board are asked to:

- 6.1 Approve the proposal to integrate specialist mental health social care services with specialist secondary mental health service with LPFT acting as host organisation for the partnership.
- 6.2 Approve the development of a Section 75 agreement detailing the governance of the partnership between ASC and LPFT
- 6.3 Agree the secondment of social care staff to LPFT from 1 April 2012

- 6.4 Note that further detailed work will be undertaken to ensure the ongoing balance of social care management in the partnership.
- 6.5 Note the review of roles and functions of social work within the partnership.

7 Background documents

Report to Cabinet, May 2010, Adult Social Care and Leeds Partnerships NHS Foundation Trust Mental Health Partnership Proposal

Equality Impact Assessment

Draft Section 75 Partnership Agreement

Report on Consultation with Staff and Service Users

No Health without Mental Health - Delivering better mental health outcomes for people of all ages DH 2011

Report of the Director of Resources

Report to Executive Board

Date: 14th December 2011

Subject: Financial Health Monitoring 2011/12 - Month 7

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to inform members of the financial health of the authority after seven months of the financial year 2011/12 in respect of the revenue budget and the Housing Revenue Account.
2. The overall projected overspend at month 7 is £6.3m, an improvement of £0.9m from the half year position
3. All Directorates will continue to develop and implement action plans, and the position will be monitored closely.

Recommendations

5. Members are asked to note the projected financial position of the authority after seven months of the financial year 2011/12.

1. Purpose of this report

- 1.1 This report sets out for the Board the Council's projected financial health position after seven months of the financial year.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget after seven months and comments on the key issues impacting on the overall achievement of the budget for the current year.

2. Background information

- 2.1 The month 6 projected overspend was £7.2m and the main areas of concern were:-
- Non achievement of assumed procurement savings for residential and nursing care packages within Adult Social Care
 - The number of externally provided residential and fostering placements in Children's Services
 - Income shortfalls mainly relating to planning and building regulation fees, car parking, advertising and children's centres

3. Main Issues Month 7

- 3.1 The overall position at month seven has improved by £0.9m from the half year position. Almost £84m of the budgeted savings required are on target to be achieved, and an overspend of £6.3m is currently projected, as detailed in Table 1 below.

Table 1

Directorate	Director	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	(Under) / Over Spend for the current period				Total Expenditure £000	Income £000	Total Under /Overspend £000	Previous Month (Under) / Overspend £000
						Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Capital Transfers £000				
Adult Social Care	Sandie Keene	(599)	250	(324)	3	75	2,612	(34)	0	1,983	87	2,070	2,675
Children's Services	Nigel Richardson	(234)	(114)	(4,912)	(5)	851	8,643	(172)	(450)	3,607	759	4,367	4,911
City Development	Martin Farrington	226	62	(301)	(168)	414	1	(75)	7	166	1,376	1,542	1,544
Environment & Neighbourhoods	Neil Evans	1,635	(32)	(801)	360	18	(1,002)	(69)	0	109	853	962	892
Resources	Alan Gay	(74)	91	858	(159)	265	0	(785)	(8)	189	(184)	4	(188)
Legal Services	Robert Pritchard	696	1	23	9	3	0	0	0	732	(575)	156	(64)
Planning, Policy and Improvement	James Rogers	29	(5)	1,069	0	0	0	(1,017)	0	76	(78)	(2)	0
Total		1,678	253	(4,389)	40	1,626	10,254	(2,151)	(451)	6,862	2,238	9,100	9,770
Corporate issues													
Debt												-2800	-2600
Total												6,300	7,170

- 3.2 As part of the budget monitoring process, action plans built into budgets have been reviewed and the above projections assume the continuing delivery of action plans both corporately and within directorates.
- 3.3 Details of directorate variations are attached as Appendix 1, and although the overall position has improved, many of the issues remain largely the same.

3.4 Housing Revenue Account (HRA)

3.4.1 At the end of Period 7 the HRA is projecting a surplus of £1,668k. This is a net movement of £721k from the position reported at Period 6. This improvement is primarily due to £540k of additional Housing Subsidy being received from Government. In addition, income from shop rents and leaseholder services charges are projected to increase by £97k and £70k.

4. Corporate Considerations

4.1 Consultation and Engagement

4.1.1 This is a factual report and is not subject to consultation

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The Council's revenue budget for 2011/12 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 23rd February 2011.

4.3 Council Policies and City Priorities

4.3.1 The 2011/12 budget targeted resources towards the Council's policies and priorities. This report comments on the financial performance against this budget.

4.4 Resources and Value for Money

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

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications arising from this report. In accordance with part 4 (f) of the Council's Constitution (Budget and Policy Framework Procedure Rules) Executive Board shall be entitled to vire across budget headings subject to value limits set out in the Financial Procedure Rules. There are no requests this month.

4.6 Risk Management

4.6.1 The Council has prepared and maintained a financial risk register for a number of years. The register details the risk and consequences, existing controls to mitigate against the risk, the value in monetary terms of the risk, review dates and progress towards managing the risk within existing resources. The register is prepared before the start of each financial year and is monitored on a regular basis.

4.6.2 Based on the month seven projections there are now no high risks. The risks for independent sector fostering and externally provided placements have been reassessed as medium risks. The risk that procurement savings for residential and nursing placements in Adults will not be realised in the current year has been deleted as it is now confirmed that the savings will not be achieved in the current year.

5. Recommendations

5.1 Members of the Executive Board are asked to note the projected financial position of the authority after seven months of the financial year.

6. Background Documents

6.1 Financial risk register 2011/12

Directorate Adult Social Care

			(Under) / Over Spend for the current period										Previous Month
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	(Under) / Overspend £000
G	Partnership & Organisational Development	Deputy Director Partnership & Organisational Effectiveness	0	0	0	0	0	0	0	0	0	0	0
G	Access & Inclusion	Chief Officer Access and Inclusion	(433)	(19)	(306)	(31)	79	(3,927)	(34)	(4,670)	(148)	(4,818)	(4,420)
R	Strategic Commissioning	Deputy Director Strategic Commissioning	103	0	(14)	3	(36)	6,050	0	6,106	(119)	5,987	5,937
G	Resources	Chief Officer Resources & Strategy	(264)	51	(67)	0	64	(65)	0	(281)	0	(281)	(301)
R	Learning Disabilities Service	Chief Officer Learning Disabilities	(6)	218	63	31	(32)	554	0	828	354	1,182	1,459
R	Total		(599)	250	(324)	3	75	2,612	(34)	1,983	87	2,070	2,913

ADULT SOCIAL CARE DIRECTORATE: 2011/12 BUDGET – PERIOD 7 REPORT

1.0 Introduction

This report sets out the financial position for the Adult Social Care directorate for Period 7.

The 2011/12 budget included additional resources for Adult Social Care in recognition of the level of demand experienced in 2010/11. £19m was added to the community care packages budgets, but in order to fund this within the context of the Council's very challenging financial settlement substantial net savings amounting to £18.4m had to be identified.

2.0 Overall Summary

The Period 7 position for the Adult Social Care Directorate is a projected overspend of £2.1m compared with the Net Managed Budget of £178m. This takes account of the projected delivery of £10.8m of budgeted savings and those contingency savings identified to date. The main shortfall in the delivery of budgeted savings relates to procurement savings and had these been on target the directorate would be projecting an overall underspend for 2011/12. NHS Leeds has indicated that additional funding can be made available to the Council for 2011/12 and discussions are underway to finalise the position.

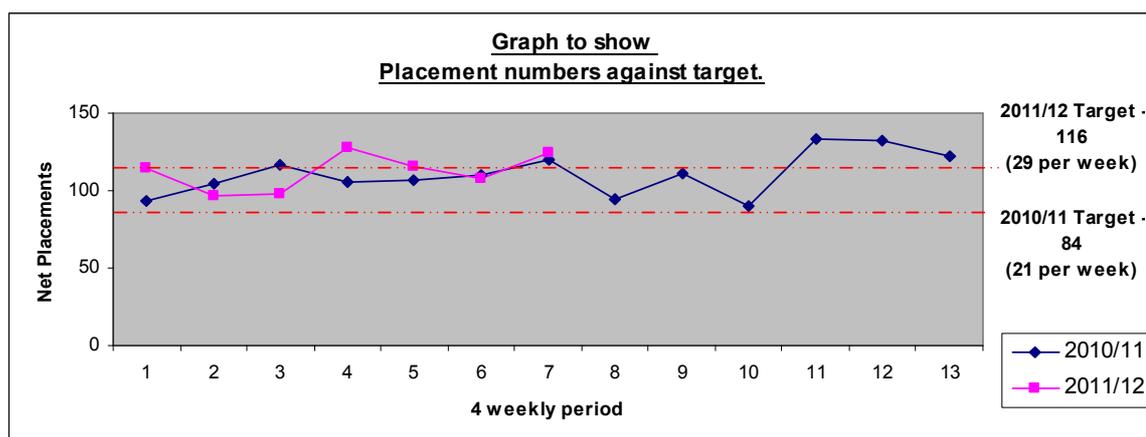
3.0 Explanation of the Projected Overspend

The main variations are explained below:

- **Community Care Packages - £2.3m**

Residential and Nursing Care Placements - £1.6m

Placement numbers for the first quarter averaged three per week (10%) less than the budgeted numbers. Although placement numbers in the second quarter were higher, overall placements to date this year remain below the budgeted target. This, together with the full-year effect of 2010/11 placements, is reflected in spend being less than budgeted in respect of placement numbers. There is some volatility around placement numbers as several key drivers are outside the direct control of Adult Social Care and relatively small variations in numbers equate to a significant cash variation over a full year. The 2011/12 budget also included significant procurement savings amounting to £5.75m that are not now expected to be achieved this year.



Independent Sector Domiciliary Care - £0.2m

The overall home care budget comprises independent sector provision and the directly provided Community Support Service. The projected overspend on the independent sector budget reflects a slightly different allocation of work across the two sectors than the budget assumed.

Learning Disability Pooled Budget - £0.5m

This reflects the Council's proportion of the number of clients and the costs of their care packages being higher overall than budgeted. Discussions are ongoing with NHS Leeds about its level of funding for continuing health care cases.

• **Staffing – (£0.6m)**

There has been some slippage on delivering budgeted savings within the older people's residential and day care programme. However, this has been more than offset by other savings, mainly within assessment and care management.

• **Service User Income - £0.4m**

This mainly reflects higher than budgeted voids within the directly provided residential care service associated with the closures that are now approved.

Directorate Children's Services

			(Under) / Over Spend for the current period										Previous Month	
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Capital Expenditure £000	Total Income £000	Total Under /Overspend £000	(Under) / Overspend £000	
G	Partnership Dev & Business Support	Chief Officer of Partnership Development & Business Support	(282)	12	(1,639)	(6)	88	(42)	24	(450)	(2,294)	80	(2,214)	(769)
G	Learning, Skills & Universal Services	Deputy Director of Learning, Skills & Universal Services	(1,393)	(239)	(2,671)	(43)	(203)	(297)	(10)	0	(4,856)	748	(4,108)	(5,032)
R	Safeguarding, Targeted & Specialist Services	Deputy Director of Safeguarding, Targeted & Specialist Services	1,731	110	(411)	46	915	8,982	(51)	0	11,323	(381)	10,942	10,980
G	Strategy, Commissioning & Performance	Chief Officer of Strategy, Commissioning & Performance	(290)	3	(191)	(3)	51	0	(135)	0	(565)	312	(253)	(269)
R	Total		(234)	(114)	(4,912)	(5)	851	8,643	(172)	(450)	3,607	759	4,367	4,911

CHILDREN'S SERVICES: 2011/2 BUDGET – PERIOD 7 REPORT

1. Overall Budget Position

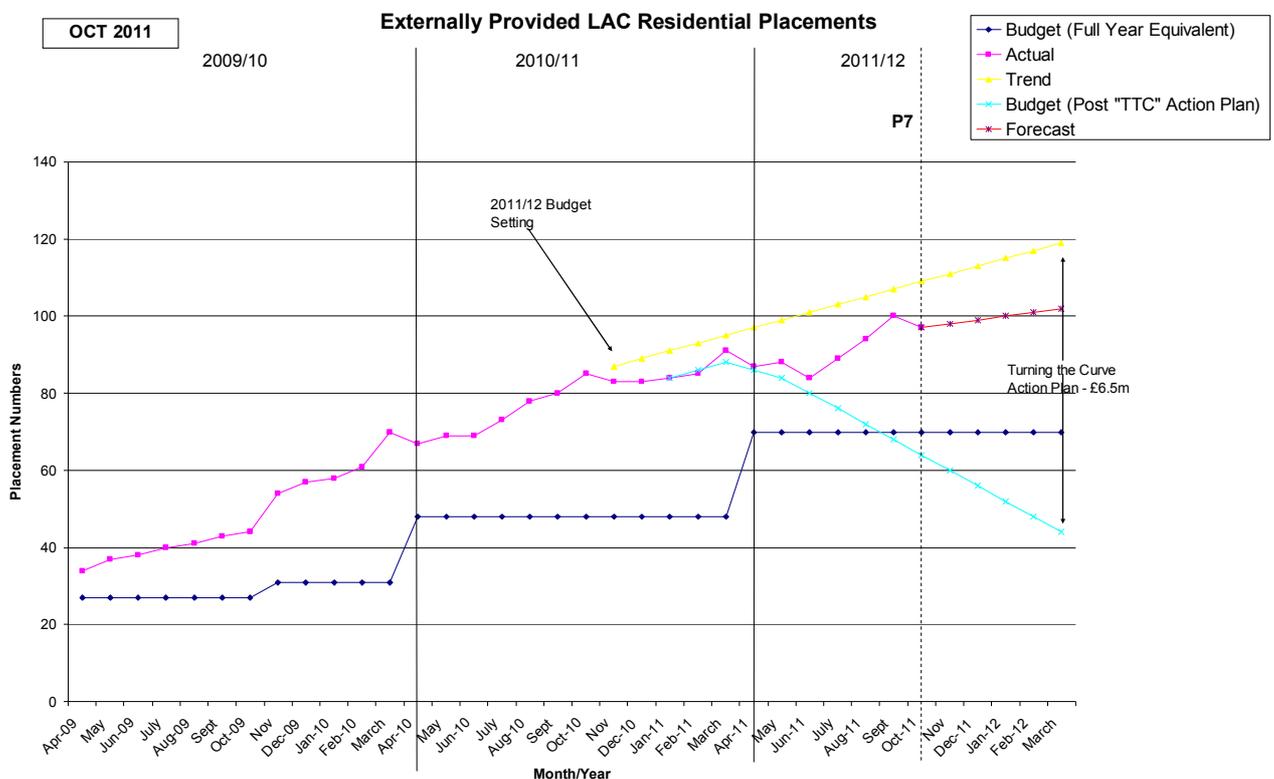
1.1 The Period 7 position for Children's Services is a projected overspend of £4.37m which represents a favourable movement of £0.54m from the period 6 position.

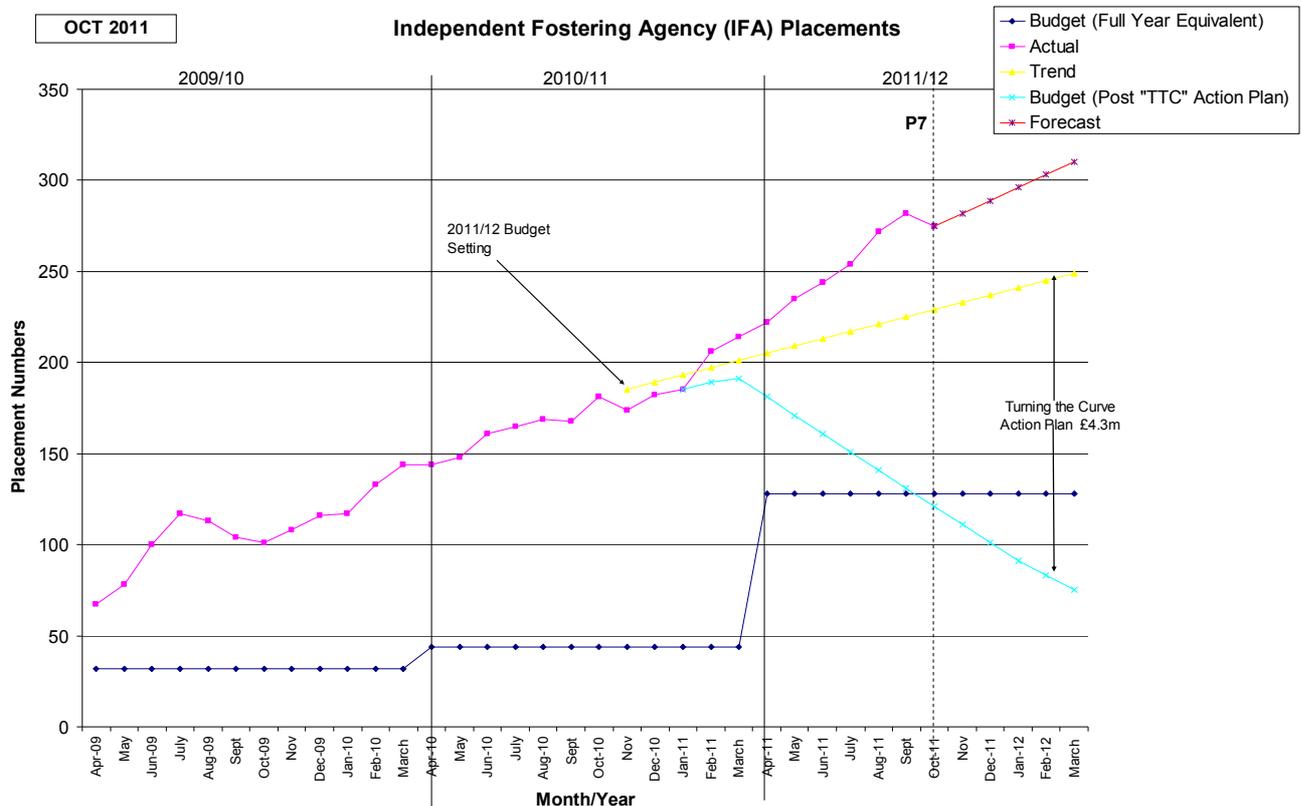
2. Explanation of Main Variations

2.1 The main pressure on the budget continues to be around the high number of looked after children and in particular the externally provided residential and fostering placement budgets.

2.2 At the end of October 2011, there were 97 children & young people in externally provided residential placements (a net reduction of 3 placements from period 6), and 275 children & young people in placements with Independent Fostering Agencies which is a net reduction of 7 placements from period 6. After making provision for some continued growth in numbers to the end of March 2012, the net spend on external placements this financial year is now forecast at £25.54m which, against a corresponding budget of £16.5m, gives a forecast overspend of £9m.

2.4 The graphs below show the growth in placement numbers for both the externally provided residential & fostering placements.





2.5 The pressures on the external placement budgets continue to be partly offset by projected savings of £0.56m on the in-house fostering allowances & fees budgets, which reflects the changing mix of placement provision.

2.6 The 2011/12 budget for externally provided placements was calculated on the basis of informed forecasts around potential increased demand together with a plan to 'turn the curve' and reduce placement numbers/costs over the course of the 2011/12 financial year. In light of the continuing demand and pressure on the placements budgets, the action plan for reducing the numbers of looked after children numbers has been revisited and updated with additional capacity put in place to help to drive through delivery of the actions. This plan is focussing on the key issues around;

- The impact of early intervention and prevention services on the number of looked after children and business cases to support additional investment.
- The statutory sufficiency plan for looked after children placements.
- More robust contracting and procurement arrangements.
- Improved decision making and governance.
- Better activity monitoring
- Better forecasting – immediate & medium-term (placement numbers and financial impact)
- Finalising the in-house residential review.
- Increasing in-house foster carer capacity
- Improving arrangements for supporting care leavers back into the community.

Directorate City Development

													(Under) / Over Spend for the current period	
Trafic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments		Capital £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	Previous Month (Under) / Overspend £000
								to External Bodies £000	Transfer Payments £000					
R	Planning and Sustainable Development	Chief Planning and Sustainable Development Officer	160	(20)	44	48	10	0	0	0	243	1,149	1,392	1,232
R	Economic Development	Chief Economic Development Officer	(20)	(3)	(52)	3	16	0	0	0	(57)	183	127	133
R	Asset Management	Chief Officer Asset Management	77	(93)	80	(35)	(123)	0	0	0	(94)	546	453	495
G	Highways and Transportation	Chief Officer Highways and Transportation	(9)	186	(350)	(168)	454	0	0	7	119	(448)	(329)	(329)
G	Libraries, Arts and Heritage	Chief Libraries, Arts and Heritage Officer	(605)	73	153	27	7	0	(48)	0	(393)	249	(144)	(138)
R	Recreation	Chief Recreation Officer	619	(81)	210	(35)	33	1	(27)	0	720	(304)	416	412
G	Resources and Strategy	Chief Officer Resources and Strategy	4	(1)	(385)	(7)	17	0	0	0	(373)	0	(372)	(260)
R	Total		226	62	(301)	(168)	414	1	(75)	7	166	1,376	1,542	1,347

CITY DEVELOPMENT DIRECTORATE: 2011/12 BUDGET – PERIOD 7 REPORT

1.0 Introduction

This report sets out the financial position for City Development Directorate for Period 7.

2.0 Overall Summary

The Period 7 position for City Development Directorate shows a projected overspend of £1.54m. There is no change from the Period 6 position of £1.54m although there are minor variations between services. The underlying budget issues continue to be planning and building fee income, markets income, advertising income, planning appeal costs and staffing in some service areas. These budget pressures total over £3m. To offset these additional budget pressures all service areas have been asked to review planned spend for the rest of the year with a view to identifying further savings. The projection reflects budget saving plans agreed with services but also allows for further savings to be agreed and also assumes further staff will leave the directorate under the corporate Early Leaver Initiative scheme.

3.0 Explanation of the Projected Overspend

The main reasons for the projected overspend are an overspend on staffing of £0.23m based on current staffing numbers, known leavers and assumed further leavers from the corporate ELI scheme. The projected year end overspend on staffing has continued to reduce as actions have been taken to control staffing. Offsetting this improvement is an increase in the overall shortfall in income to £1.3m. Additional costs being incurred include an additional £0.35m arising from ongoing planning appeal cases.

Good progress has been made in implementing the £13m savings and budget actions included in the 2011/12 budget. These include significant reduction to the staffing budget, rationalisation of Sport and Library buildings, reduction in Highways spend, energy and procurement efficiency savings, reduction to contributions to external organisations and additional income generation proposals

The continuing poor economic conditions are having a significant impact and achieving the Directorate's £94m income target is looking increasingly difficult. It is possible that the situation could improve later in the year and although planning income is showing some signs of increasing in the last few months other income areas are not showing signs of improvement.

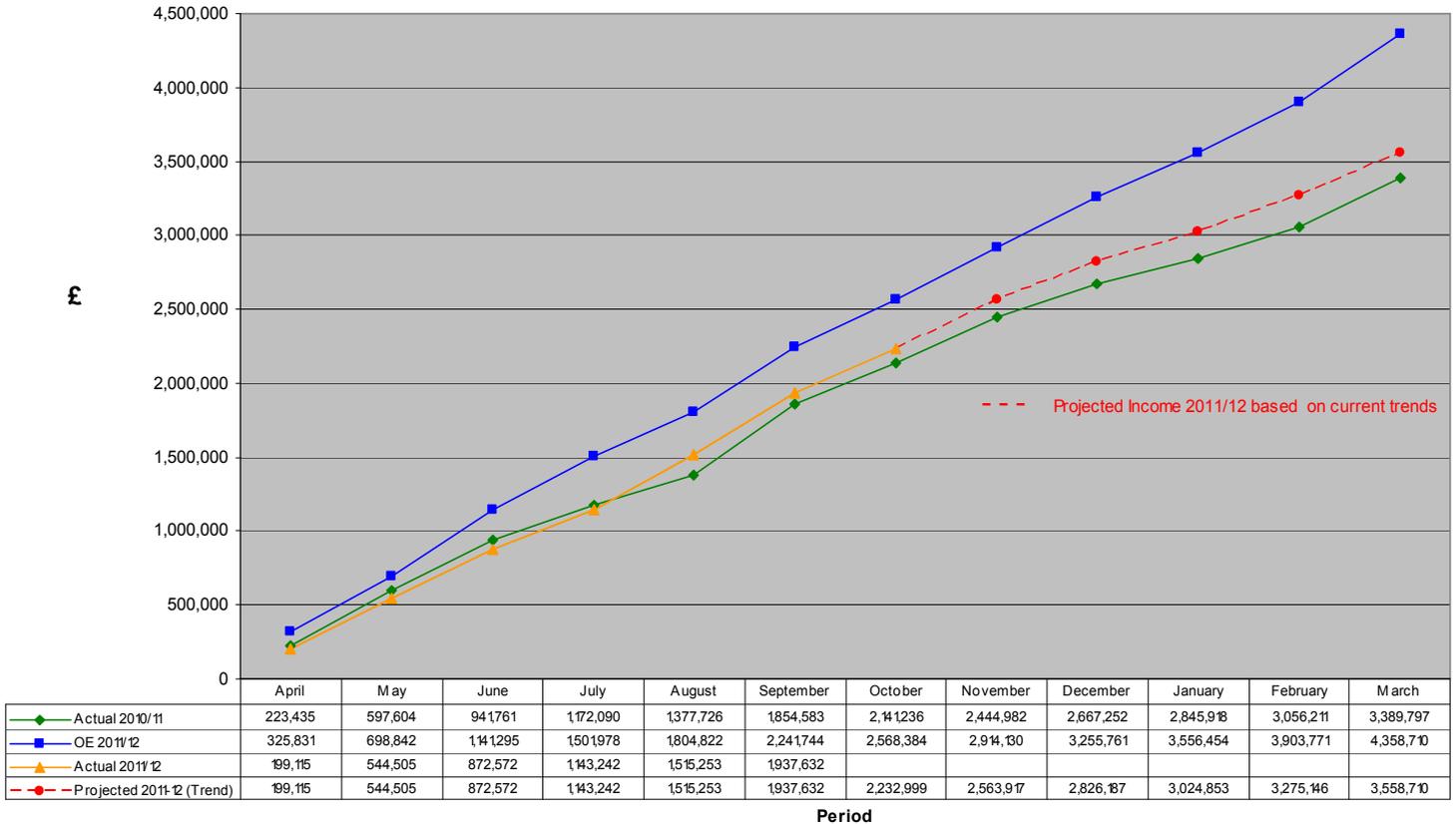
Income

Overall there is a projected income shortfall of £1.3m.

All income targets were reviewed as part of the 2011/12 budget process but in some cases income levels are falling short of the revised targets. The most significant shortfalls are projected to be on Planning and Building fees. At period 7 the combined shortfall is £411k, the projected shortfall for the year is forecast to be just under £0.8m. The graph over the page shows the position to date for planning and building fee income. The budget assumed that there will be an increase in the amount collected in 2011/12 over that in 2010/11 and the last few months have seen an

improvement in the amount of planning fees collected although building fee income continues to be at a low level.

Planning and Building Fee Income (Cumulative)



On the whole income in Sport is expected to be in line with budgets and Bodyline income is holding up well.

Other income variations include a shortfall in Markets income of £376k which is a reflection of reduced occupancy levels at Kirkgate Market and a £160k shortfall in Architectural Design Services and Client Services. The 2011/12 budget included additional income of £500k to be raised from new advertising opportunities in the City. A number of new sites have been identified and proposals are being developed with 9 new sites currently being progressed but due to highways, planning and other issues it is currently assumed that the majority of this income will not be received in 2011/12. A shortfall of £250k is projected on income from the Sovereign Street car park but this is expected to be offset in 2011/12 by additional income secured by Asset Management including the Elland Road Option fee payment recently received.

Staffing

Currently it is projected that staffing will overspend the budget by £0.226m, mainly because the saving assumed in the budget on weekend enhancements in Sport are unlikely to be made. The staffing projection assumes that staffing levels will reduce further than the initial budget assumptions but the additional savings will be in the last quarter of 2011/12. Numbers are expected to reduce by an additional 64 FTEs from the current level of 2,355 FTEs as at the end of October 2011. Control measures to actively manage staffing continue to be exercised in the directorate.

Directorate **Environment & Neighbourhoods**

													(Under) / Over Spend for the current period		Previous Month (Under) / Overspend	
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Capital £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	(Under) / Overspend £000		
A	Health and Environmental Action	Chief Environmental Services Officer	(69)	29	(111)	102	(5)	0	0	0	(54)	68	14	39		
R	Car Parking Services	Chief Environmental Services Officer	(207)	27	(37)	(2)	(4)	0	0	0	(223)	571	349	301		
R	Community Safety	Chief Community Safety Officer	160	(9)	(0)	31	1	0	(12)	0	171	136	306	269		
R	Regeneration Management	Chief Regeneration Officer	29	(11)	119	2	(0)	0	0	0	139	245	385	397		
R	Employment Skills	Chief Regeneration Officer	88	(2)	66	(0)	(0)	0	0	0	151	(52)	99	101		
G	Strategy and Commissioning	Chief Regeneration Officer	39	(78)	(134)	1	(0)	(1,002)	0	0	(1,175)	(82)	(1,257)	(1,496)		
R	Statutory Housing	Director of Environment and Neighbourhoods	187	41	1	41	(24)	0	0	0	246	(194)	53	323		
G	General Fund Support Services	Chief Officer Resources and Strategy	379	0	0	0	0	0	0	0	379	0	379	380		
G	Waste Management	Chief Environmental Services	1,027	(29)	(705)	187	50	0	(57)	0	474	160	634	579		
G	Safer Leeds Drugs Team		0	0	0	0	0	0	0	0	1	0	1	0		
R	Total		1,635	(32)	(801)	360	18	(1,002)	(69)	0	109	853	962	892		

ENVIRONMENT AND NEIGHBOURHOODS: 2011/12 BUDGET PERIOD 7 REPORT

1.0 Introduction

This report sets out the financial position for Environment and Neighbourhoods at Period 7.

2.0 Overall Summary

The projected position for Environment and Neighbourhoods Directorate is an overspend of £0.96m, which is £0.07m higher than the previous position reported to Executive Board.

3.0 Explanation of the Projected Overspend

Staffing +£1,635k

The cost of staff in managing workforce change following the implementation of restructures is £869k and slippage in the implementation of a number of restructures within the Directorate will result in a net variation of £246k.

Within Refuse Collection, ongoing route support and attendance being slightly above the budgeted target is projected to cost £464k. Additional cost incurred for front line cover required for refuse staff training/appraisals £78k and additional costs of Refuse Christmas catch up £53k. However this is partially offset by using existing spare capacity on the new Garden routes to collect SORT from Hard to Access properties (£168k).

A restructure of Household Waste Sites (HWSS) staffing is expected to cost around £100k in year, but this will be funded by targeted improvements in recycling rates at these sites.

Premises & Supplies and Services (£902k)

Significant savings of over £1m which were budgeted for in waste disposal from new contracts continue to be on target to be delivered. In addition, further savings are being achieved from projected reductions in total waste arising, targeted recycling improvements at HWSS and the effect of not all waste contractors taking up the inflationary uplift. Together this is a total projected saving of (£381k).

The Home Energy Conservation Authority (HECA) survey has been delayed resulting in a saving of (£60k). Further, a saving of (£57k) is expected from the financing costs of bin purchases from a delay to rolling out brown bins.

Projections assume a spending freeze across the Directorate to contribute (£320k) helping offset various minor overspends.

Within the community centres division, the projection assumes savings from reviewing the caretakers costs (£79k).

Transport £360k

Rising fuel prices are estimated to cost £135k across Environmental Services.

The cost of back up route support vehicles is £206k, although more effective use of normal spare vehicle cover and lower external hire and will save (£145k) across the Environmental Services Division.

Vehicle repairs, mainly associated with landfill damage are projected to be an additional £148k.

Transfer Payments (£1,000k)

A delegated decision report has been approved by the Director of Environment and Neighbourhoods to implement the change in funding from Housing Benefit rather than Supporting People for support charges in Sheltered Housing. This commenced on the 7th November 2011.

Income + £853k

Car Parking income is currently projected to be £571k short of the budget overall. This variation can be explained by a combination of further reductions in PCN numbers £125k and on and off street fee income £346k. A delay in the identification of appropriate spaces to convert from short stay to long stay results in a further variation of £100k.

Income in Waste Management is anticipated to be £185k below budget as a result of a variation in the price received for recycled glass, lower gas generation at Gamblethorpe landfill site and a reduction in Fixed Penalty Notice income.

Variations in charges to capital schemes are partially offset by the identification of eligible costs chargeable to grant funded activities (£98k).

Directorate Resources

(Under) / Over Spend for the current period

Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport	Internal Charges £000	Transfer Payments £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	Previous Month (Under) / Overspend £000
G	Financial Management	Chief Officer Fin Management	(124)	(1)	31	(1)	6	0	(89)	(174)	(263)	(156)
G	Business Support Centre	Chief Officer Fin Management	(166)	0	(8)	0	0	0	(173)	81	(92)	(225)
G	Financial Development	Chief Officer Fin Development	(85)	0	12	0	0	0	(73)	(10)	(83)	(72)
G	Revenues and Benefits	Chief Revenues and Benefits Officer	(16)	2	(234)	38	12	(419)	(617)	300	(317)	(295)
G	Information Technology	Chief ICT Officer	(49)	0	42	0	0	(300)	(306)	200	(106)	(5)
G	Human Resources	Chief Officer HR	(544)	(43)	131	4	94	0	(358)	20	(338)	(363)
G	Audit & Risk	Chief Officer Audit and Risk	11	3	(20)	(3)	(1)	0	(10)	(2)	(12)	(12)
G	CORS Directorate	Chief Officer Resources and Strategy	3	0	3	0	0	0	6	(1)	5	6
R	Public Private Partnership Unit	Chief Officer PPPU	122	0	12	0	0	0	134	(65)	69	122
R	Procurement		270	0	4	0	190	0	464	(300)	164	(49)
G	Democratic and Central Services	Chief Officer Democratic and Central Services	30	112	119	(7)	27	0	273	(291)	(19)	22
R	Commercial Services	Chief Officer Commercial Services	473	18	764	(189)	(71)	(66)	929	58	987	840
G	Total		(74)	91	858	(159)	257	(785)	181	(184)	(4)	(188)

Directorate Legal Services

		(Under) / Over Spend for the current period											Previous Month
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	(Under) / Overspend £000
R	Legal Services	Chief Legal Services Officer	696	1	23	9	3	0	0	732	(575)	156	(64)
R	Total		696	1	23	9	3	0	0	732	(575)	156	(64)

Directorate **Planning, Policy and Improvement**

			(Under) / Over Spend for the current period										Previous Month
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	(Under) / Overspend £000
G	Customer Services	Chief Officer Customer Services	(4)	0	(1)	0	0	0	0	(5)	4	(1)	0
G	Leeds Initiative & Partnerships	Chief Officer LIP	33	1	21	0	0	0	0	11	(12)	(1)	0
G	Business Transformation	Chief Officer Business Transformation	0	0	0	0	0	0	0	0	0	0	0
G	PPI Management & Support	Assistant Chief Executive	0	0	0	0	0	0	0	0	0	0	0
G	Area Management	Area Leader	0	4	1,091	0	0	0	(1,017)	70	(70)	0	0
G	Total		29	5	1,069	0	0	0	(1,017)	76	(78)	(2)	0

CENTRAL AND CORPORATE FUNCTIONS: 2011/12 BUDGET – PERIOD 7

1.0 Introduction

This report sets out the financial position for Central and Corporate Functions at period 7 of 2011/12.

2.0 Overall Summary

The Central and Corporate budget for 2011/12 reflects savings and efficiencies amounting to £15.7m representing a considerable challenge for services to deliver.

In general, the budget action plans are being actioned successfully and the projection at month 7 is for a slight overspend of £158k. Further measures will be enacted to bring this to an overall balanced position by year end.

3.0 Explanation of the projected overspend

Resources (balanced position)

Staffing (+£74k)

The most significant area of savings for Resources is staffing; the pay budget was reduced by £8.2m in 2011/12. In anticipation of the level of savings required, vacancy control has been very carefully managed for the past year, and in addition the Directorate has been successful in reducing staff costs through the Early Leavers Initiative. As a result, £6m of savings were secured before the start of the financial year. With the continuation of these measures there have been further reductions in staff levels and therefore further pay savings are predicted within most services.

The overall projection for pay budgets is an underspend of £74k, an improvement of £219k from last month mainly due to the impact of the current early leavers initiative.

Supplies and Services (+£858k)

The majority of the variation is caused by additional turnover within the Property Maintenance service which has caused an increase in spend on materials and sub-contractors of £760k.

Transport (-£159k)

The impact of the increase in fuel prices amounts to £460k. This cost is passed directly onto directorate budgets (shown as additional income). In addition predicted savings on tyre contracts are not now expected to materialise (£60k). Set against these costs, savings amounting to £701k are now expected on 'private hire' budgets within Passenger Services, which again are passed directly back to client budgets.

Internal Charges (+£265k)

This variation mainly relates to the internal charge from the PPP Unit to Procurement Unit in relation to project work on 'Transforming Procurement'.

Transfer payments(-£785k)

The main variations are:

- a release from the Leeds Learning Network reserve of £250k which is being drawn upon to fund cost pressures, in particular an upgrade to the server which is completed every three years
- net impact of a reduction in housing benefits expenditure due to claimant activity, which has an equal and opposite impact on income (£410k)

Income (-£184k)

The main causes of increased income are:

- -£800k additional turnover within Property Maintenance
- -£510k recharge of increased fuel and tyre costs to services
- -£150k additional 'court fee' income

However there is reduced income in the following two areas:

- As described in the section on Transport, the income projection is reduced by £800k mainly due to lower spend on private hire charges within Passenger Services.
- Within Commercial Services, a loss of cleaning contracts and lower uptake of school meals has reduced the income projection by £575k.

Planning, Policy and Improvement (balanced position)

No significant variations in spend or income are apparent at month 7 and the Directorate have plans in place to ensure that the budget is brought in on-line.

Legal Services (£156k overspent)

A feature of the 2011/12 budget was a £1m reduction in legal spend. This was represented in the budget by a £1m reduction in directorate budgets for legal services. Within Legal services itself, the pay budget was reduced by £1m matched by the same reduction to income (i.e. recharges back to directorates). The net managed expenditure budget for 2011/12 of legal services is £5.2m (which includes an additional £0.4m in anticipation of higher caseload from Children's services).

In terms of context, the eventual spend on internal legal services in 2010/11 came in at £7.2m against a budget of £5.8m, an overspend of £1.4m which reflected the level of demand for the service from directorates.

Based on activity to month 7, in order to meet current demand levels, there is a projected overspend within general fund directorates of £0.9m, of which £0.8m relates to increased caseload from Children's Services. The predicted cost of the internal legal services is now estimated at £5.9m, £0.8m over budget.

However, in comparison with the *actual* spend of £7.2m in 2010/11, there is a saving of £1.3m, mainly through staff cost savings by using means such as the early leavers' initiative and also a significant reduction in use of agency and temporary staff.

In terms of external legal spend (disbursements) the overall Council budget amounts to £2.2m. Current levels of spend indicate that that budget will underspend by £167k in 2011/12 , however it is obviously a volatile budget and difficult to predict. Legal Services are currently renewing the call off contract for solicitors which will hopefully result in even more competitive rates and a joint procurement framework for counsel has been agreed across the five West Yorkshire councils which will reduce some barristers' fees by up to 50%.

Report of the Director of Resources

Report to Executive Board

Date: 14th December 2011

Subject: Initial Budget Proposals

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

Summary of main issues

1. In accordance with the Council's Budget and Policy Framework, this report sets out the Executive's initial budget proposals for 2012/13. These proposals have been developed within an assumed level of government grant based upon the indicative 2012/13 grant settlement as announced in January 2011 as part of the 2011/12 Local Government Finance settlement. At the time of writing, confirmation of the 2012/13 settlement is awaited and further information will be provided to the board when it becomes available. As reported last year, it remains a challenge for the Council to maintain services at their current level in the context of further reductions in government grants and the organisation continues to be subject to an ongoing review in order to help achieve the ambition of being the best City Council in the UK.
2. In addition, the report also provides an early indication of the financial position for 2013/14 and 2014/15 as part of the Council's medium term financial strategy.
3. Recognising the revenue implications of capital spending, the report also provides overall information as to the Council's capital investment proposals for the period 2012/13 to 2014/15.

Recommendation

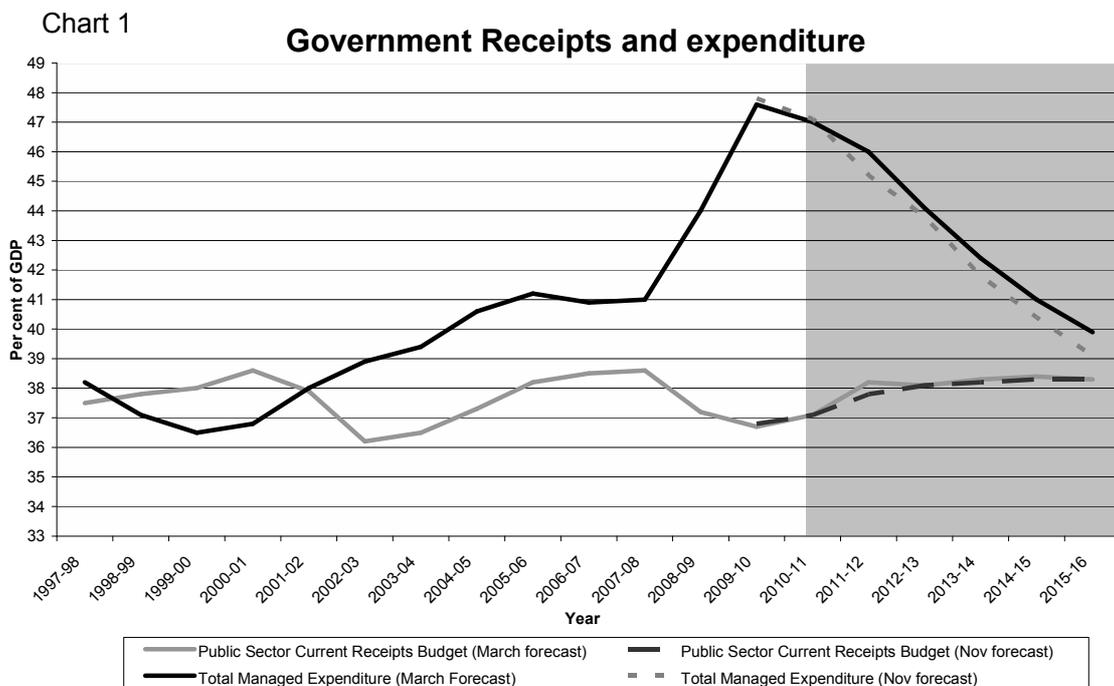
4. The Executive Board are asked to agree this report as the initial budget proposals for 2012/13 and for them to be submitted to Scrutiny and for wider consultation.

1.0 PURPOSE OF THIS REPORT

- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 22nd February 2012. The purpose of this report is to publish initial budget proposals for 2012/13, which, together with a forecast of 2013/14 and 2014/15, will form the basis of the Council's new medium term financial strategy.
- 1.2 Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10th February 2012. It will also be made available to other stakeholders as part of a wider consultation.
- 1.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

2.0 NATIONAL CONTEXT

- 2.1 The Council's 2011/12 budget agreed by Council in February 2011 was produced in the face of an unprecedented challenge. The Government's emergency Budget in June 2010 and the Comprehensive Spending Review 2010 set out the Government's deficit reduction plan in order to eliminate the nation's budget deficit.
- 2.2 The following chart shows that, as a result of these plans, public spending is projected to fall from around 47.5% of GDP in 2009/10 to around 40% of GDP by 2016 while tax receipts are projected to rise from 36.5% to around 38.5% of GDP over the same period, addressing the imbalances in the public finances.



- 2.3 The October 2010 Spending Review set out the Government's proposals to reduce public spending by £81bn over the four year period 2011/12 to 2014/15. However, it gave protection to the NHS and schools, which meant that the funding available to other local government services reduced significantly for 2011/12 and continues to do so for the next three years. Planned local government funding by central government falls by 20% in cash terms over the four year period, equivalent to a reduction of 28% taking into account expected inflation, but the reduction is significantly front loaded, as shown in the table 1 below:

Table 1

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

3.0 Local Government Finance Settlement

- 3.1 Although the spending review covers four years, a two year Local Government finance settlement was confirmed on 31st January 2011 and the implications for Leeds City Council are set out in Table 2.

Table 2

	Adjusted 2010/11 £m	2011/12 £m	2012/13 £m
Formula Grant	358.986	315.061	288.042
Cash Reduction		-43.926	-27.019
Variation in Core Grants		-7.512	0.634
Total Cash Reduction		-51.438	-26.385

- 3.2 On a cash to cash basis, the Council's formula grant for 2011/12 increased by £11.617m compared to 2010/11. This meant that the Council's net revenue charge for 2011/12 (which is the sum of Council Tax and Formula Grant) showed an increase from 2010/11. However, this masked the real position as the Council's specific grants showed a significant reduction, and a number of them were also transferred to Formula Grant which resulted in an increase in the Council's net revenue charge. After adjusting for the specific grants transferred, and for new responsibilities, the Council's 2011/12 formula grant represented a reduction of £43.926m or 12.2%.
- 3.3 The grant settlement involved not only a significant reduction in the overall level of government grants to local authorities, but also the reduction in the number of specific grants, and the transfer of some of them into Formula Grant and into new Core Grants including the Dedicated Schools Grant. This resulted in a net reduction of £7.5m in 2011/12 and an increase in 2012/13 of £0.6m. Overall, the settlement

meant that government funding to the Council reduced by £51.4m in 2011/12 with a further reduction of £26.4m in 2012/13.

- 3.4 The Department for Education (DfE) has determined that certain responsibilities transfer from a Local Authority to Academies when an Academy is formed. This is reflected through the payment of a grant to an Academy. The transferred responsibilities include both functions within the Schools Budget funded from the Dedicated Schools Grant, and Local Authority Central Education Functions funded from Local Authority resources. The DfE assumes that the transfer of responsibilities results in a reduction in Local Authority costs, and both the Dedicated Schools Grant funding the Schools Budget, and the Formula Grant funding Central Local Authority Education functions are reduced. For 2011/12 a simplistic calculation was used by the Government to remove grant funding from Local Authorities to reflect the transfer of central education functions to Academies, which for Leeds resulted in Formula Grant being reduced by £1.76m. A further adjustment for Academies is also included in the Council's draft Formula Grant for 2012/13 of £1.39m, a cumulative reduction of £3.15m.
- 3.5 Following a legal challenge from Local Authorities, the DfE has issued a consultation on 'the basis for the decision on the appropriate amount of Academies Funding Transfer for 2011/12 and 2012/13'. The consultation suggests that the original adjustments are understated due to the number of Academies and the increased savings that Local Authorities are therefore making. The consultation proposes that the funding transfer should be reviewed based on a revised profile of Academies. The DfE estimates assume that the Local Authority element of the reduction could be between £360m to £375m in 2011/12 and between £580m up to £680m in 2012/13. If a figure of £680m was removed from Formula Grant in 2012/13 on a simple pro-rata basis, the City Council would lose around £6.5m in 2012/13, rather than the £1.39m included in the 2012/13 settlement.
- 3.6 At the time of writing the outcome of the DfEs consultation is awaited. It should be noted that the determination of the reduction to Formula Grant is made by the DfE and has not been based on an assessment of the actual cost of Academies carrying out the transferred services, and is based on the simplistic assumption that Local Authorities should save pro-rata.
- 3.7 The Council's grant settlement for the final two years of the Spending review, namely 2013/14 and 2014/15 are not known at this stage, and will be subject to Government announcements nearer the time, but based upon the Spending Review, our best estimate is that we will face further grant reductions of:
- £9.9m in 2013/14
 - £25.6m in 2014/15

4.0 DEVELOPING THE COUNCIL'S BUDGET PLANS

- 4.1 It is clear that local government is facing a very different environment to that which it is has operated within in recent times. This is partly due to the Government's priority of eliminating the deficit within the public finances, but also reflects the Government's new policy agenda. At the same time we need to recognise that society's needs and aspirations have continued to increase and change.
- 4.2 How local government as a sector and as individual authorities respond to these new agendas will be key to the future. It is clear that councils cannot deliver any of their

services and objectives alone, and the reality is that the best cities and towns will need to combine the best values of all sectors: the accountability, fairness and public service ethos of local government, the connection with local people of the Third Sector, and the efficiency and dynamism of the private sector.

4.3 Councils will need to change, to become much more enterprising, entrepreneurial and responsive to their local communities, whilst retaining their role as major employers, service providers and democratically-mandated leaders. This new role would demand a new 'social contract' with local people to help make local places more liveable. It will also require businesses to play a more active role as corporate citizens and the third sector to act as a catalyst for connecting with local people.

4.4 It is also crucial that the Council's spending plans need to respond to the priorities of the people of Leeds. Last autumn, Leeds' residents gave their priorities for the Council's budget in the "Spending Challenge". In total there were over 2,000 responses, and the top spending priorities were:

- Tackle the worst anti-social behaviour first
- Encourage people to recycle and throw less away
- Help people stay in their own homes for as long as possible
- Bring services together and make better use of building
- Work to get local jobs for local people

People also gave their own ideas on ways the council can save money, including:

- Council should put on fewer free events and entertainment
- Reduce staffing levels to save money

4.5 These priorities together with the "What if Leeds...." consultation that was undertaken during 2011 in the development of the city's vision, continue to guide the development of the Council's financial plans. The Council has however, taken the opportunity to ask the people of Leeds, whether the priorities they identified last autumn continue to be their main priorities. An article in the autumn edition of "About Leeds" asked residents to confirm that our spending challenge priorities are still the right ones. The results of this survey will be posted in the Members' library as soon as they are available.

4.6 The City of Leeds has an ambition to be not just the biggest in the North and the third largest in the country, but also to be the best city in the UK. If it is to achieve this ambition, Leeds City Council will need to be the best city council in the UK, providing strong civic leadership to galvanise the private, public and third sectors. The Council is also working to embed its new values, which are:

- Working as a team for Leeds
- Being open, honest and trusted
- Working with Communities
- Treating people fairly
- Spending money wisely

4.7 These changes will not happen overnight, but the Council's initial budget proposals need to be seen in the context of the Council responding to the new agendas. The Council's approach to the development of its future financial plans is based around the following actions:

- Resources need to be focused as much as possible on front line services to customers.
- Innovation will be key to the transformation of services.
- We are reviewing services and looking at collaboration opportunities across services in order to eliminate over-provision where this makes business sense.
- Opportunities will be identified and pursued where appropriate, to provide services in collaboration with other local authorities, or other public organisations within the City and if appropriate beyond.
- We expect to reduce our staffing levels by around 2500 by the end of 2015; every effort will be made to achieve this without compulsory redundancies.
- We are reducing our spend on goods and services through better demand management, renegotiating prices with suppliers, centralising some of our ordering arrangements and making system improvements.
- We are reducing the number of buildings we occupy and making more efficient use of office space in the buildings remaining. We are also reducing our energy usage in our buildings.
- We are reviewing our income from fees and charges, and introducing new charges where appropriate.

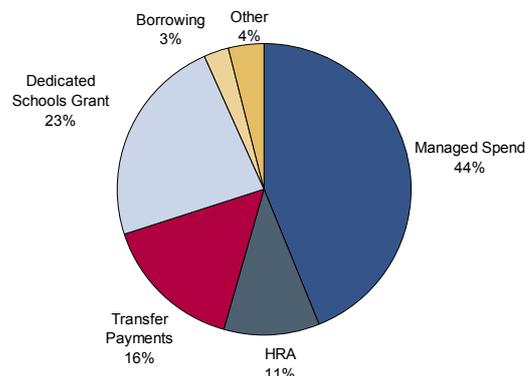
5.0 THE COUNCIL'S BUDGET

5.1 In understanding the financial challenge outlined above, it is useful to reiterate some of the constraints which impact upon the Council's ability to deliver savings. The Council's net revenue budget for 2011/12 was set at £582.2m supported by the use of £2m general fund reserves. However, the Council actually spends over £2bn each year. It is important to appreciate that the Council does not have full freedom to decide how to spend all of this money because much of it is given by central government as "ring-fenced" grants, which reflect past borrowing decisions or has other legal constraints. This means, for example, that certain funds can only be spent on schools, or on benefit payments, or on council housing. These constrained areas account for 56% of the Council's spending, so any savings can only be delivered from the remaining 44%.

Figure 1

Analysis of Revenue Budget 2011/12

	2011/12 £m
Managed Spend	888.1
Housing Revenue Account (HRA)	208.3
Transfer Payments	317.8
Dedicated Schools Grant	468.8
Borrowing	54.0
Other	80.7
Total	2,017.7

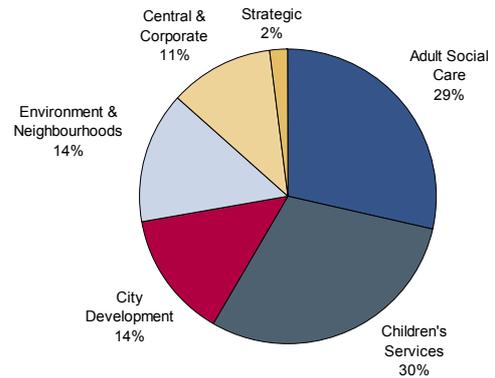


5.2 The managed expenditure from which savings can be made totals £888.1m, and is summarised by service below:

Figure 2

Managed spend by directorate

	2011/12 £m
Adult Social Care	254.2
Children's Services	265.0
City Development	122.9
Environment & Neighbourhoods	126.5
Central & Corporate	101.0
Strategic	18.5
Total	888.1

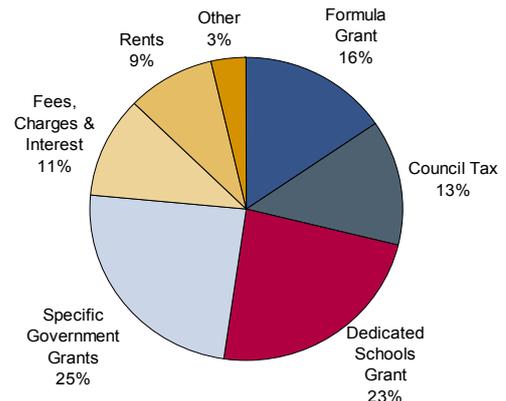


- 5.3 Around 63% of the Council's funding comes from Government as illustrated below, with just 13p in each £1 coming from local Council Tax payers.

Figure 3

Where the Money Comes From

	2011/12 £m
Formula Grant	315.1
Council Tax	267.1
Dedicated Schools Grant	468.8
Specific Government Grants	490.2
Fees, Charges & Interest	216.8
Rents	189.4
Other	70.3
Total	2,017.7



- 5.4 The Council collects £267.1m each year in Council Tax; this represents around 99.2% of amounts billed. The band D level of Council Tax (including Police and Fire precepts) in Leeds is currently £1,306.40, and is the 7th lowest amongst the metropolitan authorities and the second lowest amongst the eight Core Cities.

6.0 THE COUNCIL'S 2011/12 BUDGET

- 6.1 In 2011/12 the Council's grants from government reduced by £51.4m, and with nearly £40m of its own cost pressures, this meant that in total the Council had to identify around £90m of savings. To date progress has been very good and it is expected that the Council's budget for 2011/12 will be achieved by the end of March 2012. At the same time the Council has strengthened its revenue reserves in order to provide more resilience at a time of greater financial risk.

7.0 INITIAL BUDGET PROPOSALS 2012/13

- 7.1 This section provides a strategic overview of the initial budget proposals for 2012/13. Further detailed information is provided in Appendix 1 as to how the proposals relate to individual directorates.
- 7.2 The financial year 2012/13 is the second year of the CSR and once again the Council's funding from government reduces, this time by £26.4m. In addition with inflation running at 5% and growing demands for services in both Children's and Adult Social Care, we have identified cost pressures of £29m. The Council is therefore faced with identifying cost saving measures of £55.4m in 2012/13, as summarised and explained below:

Table 3

	2012/13 £000s
Funding	
Formula Grant reduction	27,000
Core Grants	-600
Sub-Total	26,400
Inflation	3,570
Pressures	
Adults	9,200
Children's	13,850
City Development	1,500
E&N	826
Debt	4,000
Carbon Reduction (GF)	700
Other base pressures/ongoing efficiencies	-4,642
Sub-Total Other Pressures	25,434
Total Pressures incl funding reduction	55,404

- 7.3 The key assumptions behind the pressures of £29m are as follows:

Inflation of £3.5m: After taking account of necessary further reductions in staff numbers, the initial proposals for the 2012/13 budget provide for a 1% growth in staffing budgets; this reflects an expectation that following two years of a pay freeze, there will be a need to provide for an increase in staff pay. The level and timing of such an increase will have to be contained within budget provision and therefore the extent to which this exceeds the amount provided could result in the need for further staff reductions. Savings are also assumed due to the effect on employer's pension contributions as a result of the present review. Despite cost inflation currently running at 5%, no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments and utilities. This implies further procurement savings will be required. Provision has also been made for the £8 per tonne increase in Landfill Tax from April 2012.

In terms of the level of fees and charges made for Council services, it is recognised that there is a need to carefully balance increases, which considers the level of inflation, and what people can afford. As such there is no general increase proposed, but there are a number of specific proposals where it is felt that the market will bear such an increase. Any proposals for increases in fees and charges are detailed in the

attached Appendix 1 and overall they are forecast to generate additional income of £2.5m.

7.4 **Demand Led Spending** – additional provision is made in the following areas of spend:

- **Adult Social care** – These budget proposals provide for an additional £9.2m to provide funding towards the cost of the continuing impact of an ageing population and the needs of people with learning disabilities. This also reflects the current year pressure on the community care budgets for residential nursing and domiciliary care. Additional provision is also included for the Council's contribution towards the learning disability pooled budget, which as well as reflecting increasing numbers, also reflects the increasing complexity of people's needs. It is recognised that these demographic pressures will continue to grow in the long term, and will present the Council with significant financial challenges.
- **Children's Social care** – Over the last few years, the Council has seen significant increases in the level of demand for children's social care. It is proposed that the Council prioritises improvements in social care services to young people and the safeguarding of vulnerable children in the city. This includes £10.9m which will be used to fund additional external placements and the rise in the cost of fostering care reflecting the trends experienced in the current year. The directorate are developing plans with partners which in the medium and longer term are aimed at halting and indeed reversing the level of demand for high cost social care provision. To support this approach, £2.1m is provided for early intervention and prevention. In addition, £0.9m is provided for the expansion of childcare for vulnerable 2 year olds in accordance with Government policy.

7.5 **Declining Income Levels**

- **City Development** – the current economic climate is impacting on income within the directorate and provision has been made for a reduction in planning and building fees and income from markets reflecting the current trend.
- **Car parking income** – the current year has seen a significant decline in car parking income, which includes the loss of some car parking spaces. Accordingly the budget for 2012/13 will need to be adjusted to reflect this trend and the proposed closure of further car parks during the year to facilitate a number of major developments in the city.

7.6 **Capital Charges** – It is currently estimated that as a minimum capital financing costs will increase by around £4m in 2012/13 in order to deal with existing capital commitments. This still assumes we continue with our strategy of keeping new borrowing on short term to take advantage of low rates and includes a target reduction that will need to be achieved through a combination of:

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

7.7 **Carbon Reduction Commitment** - Under the government's new Carbon Reduction Commitment (CRC) Energy Efficiency Scheme, which is a mandatory

scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations, the Council will be required to purchase allowances to cover its CO2 emissions (excluding transport emissions) from 2012. The price of these allowances has been set by the government initially at £12 per tonne and this is expected to cost the Council around £1.3m per annum. This means that any measures which reduce the Council's emissions will have a direct financial benefit in terms of CRC costs avoided. The impact on General Fund services is likely to be around £0.7m with a further £0.6m relating to schools.

- 7.8 **Other Base Budget Pressures and Savings** – directorates have been required to review their base budget to identify efficiencies over and above those specifically outlined above. These take account of pressures and trends including reductions in running cost budgets, maximising/re-prioritising grants and contributions as well as reviews of contracts and commissioning activity.

The net position in respect of these other base budget pressures and savings is a net saving of £4.6m.

- 7.9 The proposals for bridging this £55.4m gap are summarised and explained below:

Table 4

	2012/13 £000s
Funding:	
Recurring	
Tax Base growth	-2,000
New Homes Bonus	-5,300
Non Recurring	
Council Tax - Council Tax freeze	-6,740
PFI reserve	-9,900
General reserves	-3,000
Sub-Total	-26,940
Summary Proposals	
Employees	-9,725
Premises	-200
External placements/providers	-1,463
Procurement	-3,130
Transport	-1,080
Income	-7,826
Alternative funding sources	-5,040
Sub-Total	-28,464
Total	-55,404

- 7.9.1 It is estimated that the increase in the Council tax base will generate additional funding of £2m. This takes account of an exercise that the City Council has commenced to review single person discounts. In addition, we estimate that the New Homes Bonus scheme¹ which commenced in 2011/12 will generate £5.3m in 2012/13.

¹ The Government will match fund the council tax for every new home built for each of the following six years.

7.9.2 This initial budget proposes that the level of the Leeds element of the Council Tax is frozen for the second year. In doing this the Council will be able to take advantage of the Government's 2012/13 Council Tax freeze grant. This grant is worth the equivalent of a 2.5% Council Tax increase, which is £6.7m for Leeds. However, unlike the Government's 2011/12 Council Tax freeze grant which is guaranteed for four years, the 2012/13 grant is for one year only. Therefore, it needs to be recognised that this grant will fall out in 2013/14 and will therefore require further savings to be identified to replace this amount. On the basis of this proposal the Leeds element of the Council Tax for 2012/13 will be as detailed below (the precepts for Police and Fire are matters for the Police and Fire authorities to determine):

Table 5

	2011/12 £	2012/13 £
Band A	748.99	748.99
Band B	873.82	873.82
Band C	998.66	998.66
Band D	1123.49	1123.49
Band E	1373.15	1373.15
Band F	1622.82	1622.82
Band G	1872.48	1872.48
Band H	2246.98	2246.98

7.9.3 In addition, this initial budget proposes that we use a number of reserves to reduce the impact of the reductions upon services:

- In order to mitigate against the loss of government grants, it is proposed to utilise the Schools PFI earmarked reserve which is estimated to be £9.9m at the end of 2011/12. The Council's PFI schemes use sinking funds to equalise payments with PFI grant over the life of the schemes. Depending on the nature of the scheme, where PFI credits exceed costs in the early years of the scheme, a reserve is established to be used in the later years. By using the reserve in 2012/13, the Council will have more time to deal with some of the pressures especially around the short term demand in Children's services, although it will create a budget pressure in 2013/14 of £0.13m and a further £0.13m in 2014/15 which will have to be resourced.
- The Council's reserves at 31st March 2012 are forecast to be £4.6m higher than the original budget assumed. It is therefore proposed that the revenue budget for 2012/13 is supported by a £5m contribution from reserves, an increase of £3m over the level assumed in 2011/12.

Table 6

	2011/12 £m	2012/13 £m
Balance 1st April	29.6	24.0
Less: transfer to ELI reserve	-3.6	
usage in year	-2.0	-5.0
Estimated Balance 31st March	24.0	19.0

7.9.4 The Council will continue to review its level of reserves in the light of its risk based approach to assessing the adequacy of its reserves. Looking beyond 2012/13, an important additional consideration to this assessment is the uncertainty that will be introduced should the Government's current proposals for the retention of business rates be implemented from 2013/14 as currently planned. This is explained further in paragraph 11.4 below.

7.10 However, even taking account of the above additional sources of funding, further savings will need to be made within service budgets. The paragraphs below provide an overview of these initial budget proposals and attached at Appendix 1 are details of each directorate's initial budget proposals. The proposed savings within directorate budgets can be summarised as follows:

7.10.1 **Employees** – in response to the Spending Review 2010, the Council recognised that it would be necessary to significantly reduce its workforce. The Council launched a voluntary retirement and severance scheme in 2010/11 which resulted in a reduction in the workforce of 1,159 ftes at the 31st March 2011. This scheme has continued during 2011/12 and the deadline for expressions of interest has now passed. The current year's budget assumed that the equivalent of around 400 ftes would leave the Council, and whilst precise figures are not yet available, it is anticipated that the reduction by the end of the year will exceed this number, and staffing savings of around £9.7m are included in the 2012/13 budget. The Council's expectation following the Spending Review was that there would be a reduction of around 2,500 ftes over the 4 year period 2011/12 - 2014/15, and to achieve this, further reductions will be required in 2013/14 and 2014/15.

These reductions are expected to be achieved through a combination of:

- continuing the Council's current recruitment freeze
- assuming a normal level of staff turnover with replacements being restricted to essential posts only
- the launch of further Early Leaver Initiative schemes as appropriate

Our approach will mean that staff will leave the authority from across the whole range of services and it will be necessary therefore to manage this very carefully and make arrangements to retrain and redeploy staff where appropriate.

A review of the Council's trade union facilities agreements reflecting the reduction in the Council's workforce is proposed, and in the light of this a £40k saving is included in these proposals.

7.10.2 **Procurement** - During 2011/12 systems have been put in place to ensure that the Council continues to achieve the significant savings built into the 2011/12 budget on a recurring basis. These amount to £25m of savings which are being achieved through:

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

In addition to cash limiting most running cost budgets, which is estimated to save around £10m, the initial budget includes specific proposals to save a further £3.1m from procurement activity including:-

- £0.5m general fund savings on the new grass cutting contract from January 2012
- £0.3m on waste management contracts
- £0.3m on IT contracts
- Within Adults, the achievability of the 2011/12 budgeted savings from reduced placement fee levels has been reviewed. A revised approach based on quality payments is now being progressed and this was outlined in a report to Executive Board in September 2011. Savings of £1m are included for the anticipated impact in 2012/13 of this revised approach.
- £1m forecast savings on external placements within Children's Services through improved commissioning and contracting, including regional collaboration.

7.10.3 The Third Sector and External Providers

It is recognised that the budget for 2011/12 contained significant savings to be made within the Third Sector which in some instances reflected a desire to achieve a 3 year medium term financial plan target of 15% in year one rather than seeking year on year incremental reductions. The savings have been achieved through close working with the sector and, in some instances the adoption of different models of service. The Council values its partnership with the Third Sector and the sector provides many important services which are complementary to the Council's objectives, and these partnerships will continue to be essential into the future. The approach of individual directorates to the third sector will vary to some degree depending upon priorities and available opportunities. In general the budget proposals do not require further efficiencies on the same scale in 2012/13, but there are a number of specific proposals which are detailed within Appendix 1.

However, there are specific proposals for reducing the Supporting People which reflects an incremental approach to the £10.6m cut in the Government's funding for Supporting People made in the 2011/12 settlement. In addition, the Council is undertaking a review of its advice services. All the organisations affected have already been informed about the prospects of some reductions in funding and provider meetings are scheduled to take place in November. The outcomes of the recent Welfare Review included recommendations for exploring co-location of provision across Council and Third Sector organisations which could help to deliver efficiencies, although it is recognised that levels of demand are also likely to rise as a result of the Welfare Reforms.

In 2011/12, through the Leeds Community Foundation, the Council provided funding for the establishment of a transition fund to assist Third Sector groups to adjust to funding changes. The applications that were supported were required to evidence that they had experienced a loss in funding, that they provide frontline services and that they had plans as to how they will be able to transform their organisation to be more sustainable in the future. In total fourteen applications were supported. The 2012/13 budget proposes to provide £150k to support the work of the Leeds Community Foundation in this area.

Although it is proposed that support to major arts organisations is reduced in 2012/13, these organisations have been working with the Council this year to

improve the grants process to better support planning and sustainability. The Council has also been working closely with smaller organisations and individuals responding to their needs. As a result a new approach has been introduced which will see the arts@leeds funding stream developed on a more sustainable basis with more focused criteria. In addition, the Leeds Inspired funding stream has been introduced which will support activity in each year which engages local people in participatory activity. It is proposed that the £0.3m that the Council currently contributes to the West Yorkshire Grants Scheme will be allocated to this funding stream along with some of the old arts@leeds funding.

Efficiency savings in the cost of services provided by the West Yorkshire Joint Services Committee (after the cessation of its grant funding scheme) and the West Yorkshire Integrated Transport Authority have also been assumed which will save £0.9m.

- 7.10.4 **Transport** – The Council aims to reduce the cost of transport by £0.9m by reducing the cost of transporting children from home to school through an invest to save scheme for independent travel trainers, and reviewing the transport policy and practices within Adult Social Care.
- 7.10.5 **Income** - As explained in paragraph 7.3 above, the initial budget proposals do include some increases in the level of fees and charges in particular services. In addition, a number of further income sources are included within the detailed directorate proposals at Appendix 1. These are estimated to generate an additional £5.2m and include £3m assumed funding from Health, a review of traded income with schools £0.5m, and £1m additional income generating opportunities from within Resources. A further review of charges for non-residential adult social care services was approved by Executive Board in July 2011 when the most recent charging changes were made. The review will include reconsidering the financial assessment methodology, services not currently charged for and anomalies in the current arrangements. The main services not currently charged for are Care Ring, respite/sitting services, the delivery & collection of community equipment and telecare equipment maintenance. Proposals will be brought to Executive Board in June 2012 followed by an extensive consultation process. Final recommendations taking account of the consultation outcomes and equality impact assessment will come to the Executive Board in November or December 2012. The earliest implementation for any changes would be 1st January 2013 and the 2012/13 budget proposals include £0.25m for the anticipated part-year effect of this review.
- 7.10.6 **Alternative funding sources** - a number of service areas have identified areas of spend totalling £4.9m which are more appropriately charged to non general fund services or to other organisations who have alternative funding streams. This includes changing the funding arrangements for the Sheltered Wardens service from Supporting People to Housing Benefit which will save £2.3m in 2012/13, with no impact on the wardens service.
- 7.10.7 There are a number of specific growth proposals identified in other sections of the report. In addition it is proposed that £200k additional funding is provided in support of the City's programme of events for the 2012 Olympics and Queen's Diamond Jubilee.

7.10.8 The proposals outlined above are reflected in the table below which gives a subjective breakdown of the Council's initial budget in 2012/13, compared to 2011/12.

Table 7

	Budget 2011/12 £000s	Draft Budget 2012/13 £000s	%age variation
Employees	433,173	428,410	-1.1%
Running Costs	156,039	153,313	-1.7%
Transport	44,847	44,007	-1.9%
Capital Charges	57,759	61,759	6.9%
Payments to External Service Providers	302,733	320,239	5.8%
Fees & Charges/Rents	- 206,064	- 218,701	6.1%
Specific Grant	- 197,576	- 198,176	0.3%
Council Tax freeze grant	- 6,683	- 13,423	
New Homes Bonus		- 5,300	
Use of Reserves	- 2,000	- 14,900	
Net Spend before grants	582,228	557,228	-4.3%
Funded by:			
Formula Grant	- 315,061	- 288,061	-8.6%
Council Tax	- 267,167	- 269,167	0.7%
Total funding	- 582,228	- 557,228	-4.3%

7.10.9 The following pie charts show the share of the Council's net managed expenditure between directorates over the two years 2011/12 and initial budget proposals 2012/13. The proportion of the Council's spend on Children's Services and Adult Social Care has increased from 48.5% in 2010/11, 52.4% in 2011/12 to 55.9% in 2012/13, reflecting the Council's prioritisation of spending in these areas.

Chart 3

Net Managed Budgets 2011/12

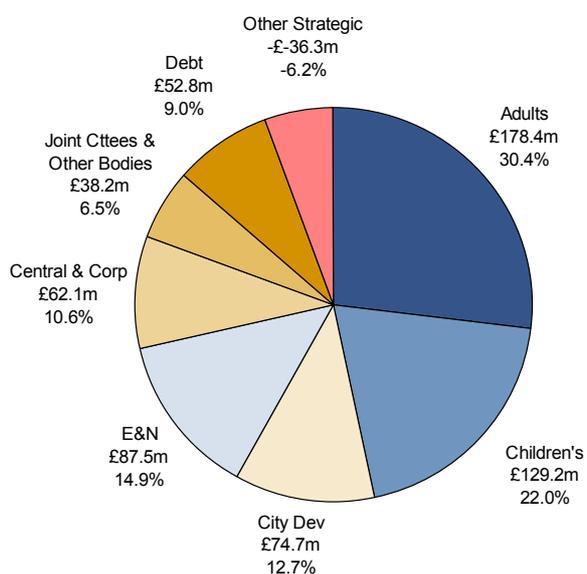
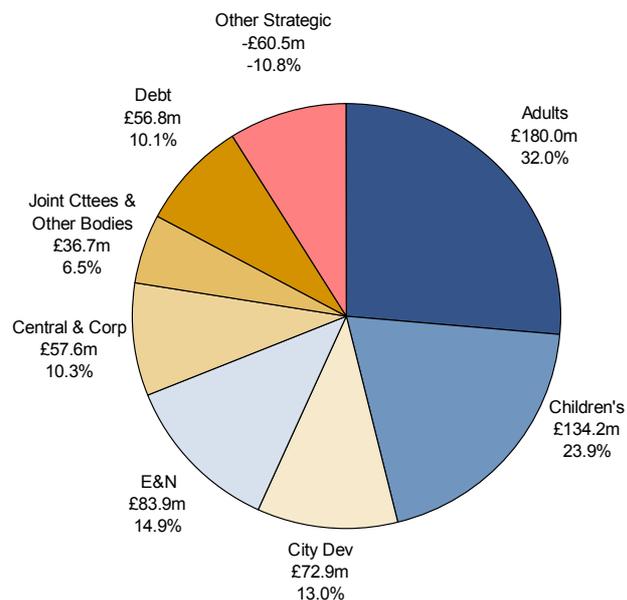


Chart 4

Net Managed Budgets 2012/13



8.0 THE SCHOOLS BUDGET

- 8.1 The Schools Budget is funded by the Dedicated Schools Grant (DSG). The DSG is a ring-fenced grant and may only be applied to meet costs that fall within the Local Authority Schools Budget. Any under or over spend of grant from one year must be carried forward and applied to the Schools Budget in future years. The Schools Budget comprises of Individual School Budgets delegated to schools, the 15hrs of free early years education for 3 and 4 year olds attending private, voluntary and independent settings and a number of prescribed services and costs in support of education in schools.
- 8.2 The DSG for 2012/13 will be calculated by multiplying pupil numbers in Leeds (including those attending Academies) as at January 2012 by a fixed rate of funding of £4,945.95. Total pupil numbers are estimated to increase by 1,176 from January 2011. This is through a combination of increasing numbers in Nursery and Primary Schools and falling numbers in Secondary Schools and should provide a year on year increase in the DSG of £5.82m.
- 8.3 However, the gross DSG is then reduced by an amount equivalent to the delegated budget that would be paid to each Academy, and is also reduced based on an assumption that many of the centrally retained budgets also support Academies.
- 8.4 It is estimated that the gross DSG will be reduced by at least £69.45m in transfer payments due to Academies. The final dedicated schools grant will only be known in June 2012, however it is estimated that the initial DSG will reduce by 7.2% year on year.
- 8.5 Further details as to the Schools budget is included in Appendix 1.

9.0 HOUSING REVENUE ACCOUNT (HRA)

- 9.1 The HRA includes all the expenditure and income incurred in managing the Council's housing stock, and, in accordance with Government legislation operates as a ring fenced account. From 1 April 2012 the Government are introducing a system of self financing for the HRA. This means that Housing Subsidy will cease to exist and the HRA will be allowed to retain all its rental income in return for a one off adjustment of its housing debt (the debt settlement). An indicative debt settlement figure was received by the Council in February 2011, however the Government have indicated that this figure will change.
- 9.2 In previous years the Government issued a Housing Subsidy Determination which amongst other things, detailed the rent increase which the Government assumed the Council would implement. This was a key assumption informing the rent increase and consequently the HRA budget.
- 9.3 The final debt settlement figure for the Council will be based on a number of assumptions including the level of rent increase from 2012/13 onwards. A draft settlement has now been issued for consultation with the final settlement due on the 28th January 2012.
- 9.4 The debt settlement figure and the assumptions upon which it is based will have a major impact on both the 2012/13 HRA budget and the HRA 30 year Business Plan, which is currently being developed. It has therefore been agreed that in order to take these into account the HRA Business Plan (including a draft 2012/13 budget) will be reported to Executive Board in January 2012.

10.0 CAPITAL PROGRAMME

10.1 Over the period 2012/13 to 2014/15 the Council plans to spend £445m on capital investment. The programme is funded by external sources in the form of grants and contributions and also by borrowing and reserves. Where borrowing is used to fund the programme, the revenue costs of the borrowing form part of the revenue budget. Our asset portfolio is valued in the Council's published accounts at £3.5bn excluding the value of community assets such as highways and parks, and the Council's debt stands at £2.0bn. For every £1 of debt the Council has assets of £1.75.

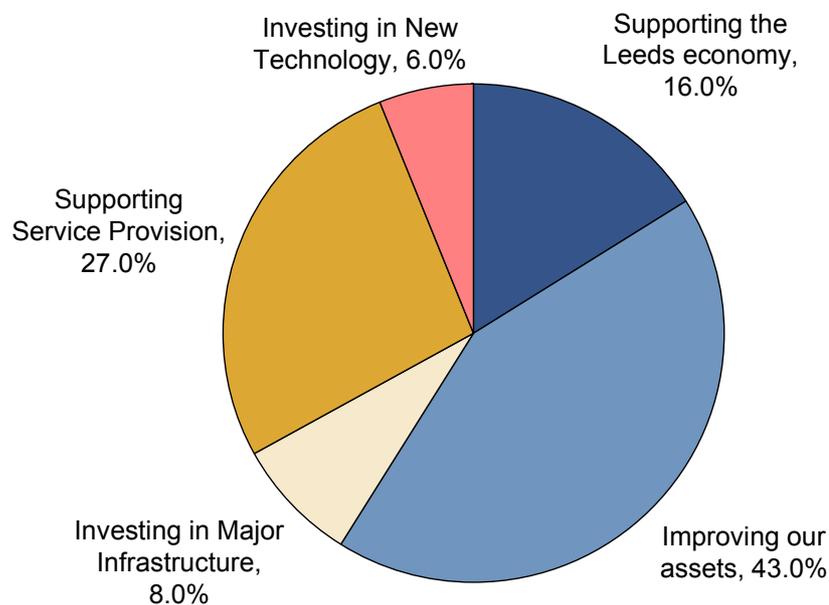
10.2 The Council's approach to capital investment can be summarised into the following categories:

1. Improving our assets;
2. Investing in major infrastructure;
3. Supporting service provision;
4. Investing in new technology;
5. Supporting the Leeds economy.

Set out below is a chart which shows the Council's spend across these categories, and Appendix 2 shows a more detailed analysis.

Chart 5

Capital Programme incl HRA 2012/13 - 2014/15



10.3 Improving our Assets

As set out above the Council holds a considerable asset portfolio, which is valued at least at £3.5bn which it holds mainly in support of service provision. With such a considerable asset portfolio the council has an extensive provision to improve both

the life and value of these assets. This includes continued major programmes to invest in the highway network and the Council's housing stock, and the refurbishment of schools and other buildings across the city.

10.4 Investing in major Infrastructure

There are major infrastructure needs in the city, in particular with respect to transport and flood alleviation. The Council, in partnership with the West Yorkshire Integrated Transport Authority, is promoting the New Generation Transport (NGT) scheme and development costs of the scheme so far have been met by the two authorities. The capital programme over the next three years provides for a further £20m as the Council's contribution to this major development. Similarly the Council is working with partners to secure a scheme which will provide increased protection to the city from the risk of flooding and a sum of £10m has been set aside in the programme to support this scheme.

The Council is working in partnership with stakeholders from all sectors in the city to develop an infrastructure investment programme. This "City Investment Programme" will require funding from a range of sources. There are a range of new funding mechanisms which may be available to the Council, including Local Asset Backed vehicles, Community Infrastructure Levies and Tax Increment Financing, and the City Council continues to explore these opportunities.

10.5 Supporting service provision

The proposed capital programme provides £120m in support of the development of services. In Adult Social Care we are supporting more people to remain independently in their own homes, in line with national policy, through investment in the Telecare programme and disabled facilities grants.

Within Children's Services, demographic change and rising birth rates are placing significant pressure on the need to provide additional primary school places and this is expected to continue until 2018. Over the three year period to 2014/15, over £40m is included in the programme for this purpose. A further £11m is provided under the Primary Capital Programme. The final schemes in the Building Schools for the Future programme are now agreed and the programme provides for investment under this programme of £23m.

Provision is included to extend our cemetery provision and upgrade our crematoria as well as supporting the refuse collection service through a programme of bin replacement and expansion of the recycling and garden waste services.

10.6 Investing in new technology

Information Technology is now a fundamentally important part of our society and it is important that the Council ensures that it has a technology infrastructure which will support the expectations of the whole community. It is proposed that the programme therefore provides for the essential upgrade of the whole of the Council's IT infrastructure. There is provision for the development of a new Council website which will be launched in the summer of 2012; this will lead to an increasing number of services and transactions which can be accessed online. In addition the programme provides for investment in new technology to support key front line services in Children's and Adults social care, and in support of new ways of working under the

Council's Changing the Workplace initiative which is helping reduce our office accommodation and respond to the changing demands on our workforce.

10.7 Supporting the Leeds economy

In the current difficult financial environment the city faces many economic challenges. The City Council's capital programme makes provision for a number of schemes and projects to support the city's aims in this respect. Support for affordable housing initiatives is provided through a number of means. Direct capital programme funding of £2.4m is provided for site clearance and onward sale of sites to Registered Social Landlords and this should support the delivery of over 350 affordable homes in the city over the period of the programme.

The programme provides for the new Arena which is progressing well in construction and will be open in 2013. The City Market plays a key role in the city centre and the Council is committed to ensure its future is sustained; £0.4m is provided in the programme to provide essential improvements.

In order to support innovation and economic initiatives in the city, with particular emphasis on projects which will reduce carbon emissions in the city, it is proposed to provide a fund of £15m in the capital programme. If this is agreed, details of how this fund will be allocated and made available will be drawn up for consideration by Members.

11.0 **MEDIUM TERM FINANCIAL PLANNING 2013/14 – 2014/15**

11.1 As explained earlier, in line with the Government's Spending review, it is to be expected that the Council will need to make further significant savings in 2013/14 and 2014/15. Our current best estimate of the reduction in our Government grants for these years are:

- £9.9m in 2013/14
- £25.6m in 2014/15

11.2 We have undertaken an initial projection of our likely funding gap in these two years, which takes account of the following assumptions

- Reductions in Government Grant as detailed in 11.1 above
- Fall out of the Council Tax Freeze Grant in 2013/14
- Fall out of one of use of the schools PFI Reserve
- Continuing use of General fund Reserves of just £2m
- Increase in the Council Tax base and a reasonable increase in the Council Tax
- Inflation and pay awards
- Full year effect of 2012/13 pressures and savings
- Continuing demand pressures in Adults Social Care and Children's Services

11.3 Based upon the above, and as summarised in Table 8 below, it is estimated that further savings of £43m will be required in 2013/14 and £50m in 2014/15.

Table 8

	2013/14 £m	2014/15 £m
Funding		
Formula Grant	8.1	20.9
Core Grants	1.8	4.7
	9.9	25.6
Council Tax/Tax Base	-7.8	-8.0
2012/13 Council Tax Freeze Grant	6.7	
New Homes Bonus	-2.6	-2.6
Use of PFI reserve	9.9	
Use of General Fund Reserves	3.0	
Total Funding	19.1	15.0
Spending		
Inflation and Pay Awards	15.1	20.0
Debt	6.0	8.0
Demand Pressures		
Adults	5.1	5.1
Children's	-2.4	0
Income pressures	1.4	0.4
Other base pressures/ongoing efficiencies	1.0	1.0
Savings proposals/options	-2.5	
Total spending pressures	23.7	34.5
Savings to be identified	42.8	49.5

11.4 The above estimate of the reduction in the Council's Formula and Core Grants from Government in 2013/14 and 2014/15 is based upon an assessment of the impact of the Spending Review for those years. It does not take account of the Government's Local Government Resource Review, and its proposals for business rate retention. Under the proposals the current Formula Grant system would cease and, instead, from 2013/14 onwards, local authorities would be allowed to keep a proportion of their growth in business rates locally. A system of top-ups and tariffs would be applied to balance resources between those authorities whose funding would exceed their business rates income and those where the opposite would apply. The proposals represent a fundamental shift in approach to funding local, but would also transfer the risk associated with business rates from central government to local authorities. At present, business rates are paid into a national pool and redistributed to local authorities as part of the local government finance settlement, with any surpluses or deficits being managed nationally. Moreover, in what would be the first two years of the scheme it does appear that there will be significant constraints upon an authority's ability to gain from the new arrangement, and as such our forecasts do not assume any additional income from the retention of business rates in 2013/14 and 2014/15.

11.5 Also the above does not take account of the transfer of public health functions to local authorities scheduled to take place from 2013/14. The council is working with Public Health, NHS to progress the transfer of the service to the council by 1 April 2013. A transition group is being established with members of Public Health and the Council, to lead on making the appropriate arrangements for the transfer and to co-ordinate communications across service areas and to employees during the transition period. Public Health covers a range of service provision to the City including; Health Improvement (covering commissioning, developing policy and services, informing, educating and empowering, developing communities), Health Protection and Public Health Advice to the NHS Commissioning Board. The total

amount of funding that has been identified as likely to transfer to local authorities is approximately £30m, although the final figure is still to be confirmed.

- 11.6 It is clear from the above that 2013/14 and 2014/15 will be difficult years. Significant savings will be required and it is important that early progress is made in identifying saving options for these years.
- 11.7 In reviewing the Council's medium term financial plans, it is recognised that there are a number of national factors, which could have an impact on the Council's future funding and service provision which at this time are not factored into the above assessment. These are discussed in more detail below:
- 11.7.1 **The National Economic Environment** - The latest forecast for economic growth in the current year is 0.9% and for next year is just 0.7%. Although interest rates are predicted to remain at a very low level for the foreseeable future, inflation is still well over the Government's 2% target. The Council is affected by these factors in a number of ways. Many of its income streams are dependent on growth; Planning, Building Control and Search Fees remain under pressure. Costs of goods and services will continue to rise with relatively high inflation and it is unclear how this will affect staffing costs in the future. There has been no cost of living pay award for the last two years and it was announced in the Chancellor's Autumn Statement that public sector pay increases would be capped at an average of 1% for the next two years. Income generated from capital receipts is well below historic levels.
- 11.7.2 **Welfare Reform** - The Government is also consulting on a proposal to localise Council Tax benefit 'Localising Support for Council Tax in England'. Under the proposal the Government would provide a fixed amount of money (it proposes a 10% reduction on the current council tax benefit bill), from which the Council would have to try and meet the costs of council tax benefit. If a council cannot achieve that saving then the cost burden will fall on their local tax payers. This represents a major shift in budget risk away from central government to local government. Even small changes in caseload could see local authorities struggling to contain benefit expenditure within budget. The 2011/12 budget for council tax benefit in Leeds is around £55.7m - a 10% reduction would require savings in council tax benefits of £5.6m. The consultation paper doesn't propose any specific scheme details although Councils are encouraged to do this through establishing a local scheme. The impact of welfare reforms on the city could be significant, and the Council will be under pressure to identify the capacity to respond to this challenge. The consultation paper proposes an ambitious target implementation date of April 2013.
- 11.7.3 The Government's welfare reform proposals would also see the following benefits combined into a single Universal Credit:
- Housing Benefit;
 - Income Support;
 - Income based job seekers allowance;
 - Income related employment and support allowances,
 - Working Tax Credit and Child Tax Credits.

The Government proposes that the universal credit be delivered at a national level. This would mean that local authorities would no longer be responsible for processing housing benefit applications severing the long standing link between housing and council tax benefits. This would clearly have very serious implications for the Council particularly when considered with the proposals for formula grant and council tax benefits.

12.0 CORPORATE CONSIDERATIONS

12.1 Consultation and Engagement

- 12.1.1 As explained at sections 4 and 9 above the initial budget proposals have been informed through a number consultations including an article in the autumn edition of "About Leeds" asking residents to confirm that our spending challenge priorities are still the right ones. Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10th February 2012.
- 12.1.2 Consultation is an ongoing process and residents are consulted on many issues during the year. It is also proposed that this report is used for wider consultation with the public through the Leeds internet and with other stakeholders. Consultation is on-going with representatives from the Third Sector, and plans are in place to consult with the Youth Council and the Business sector prior to finalisation of the budget.

12.2. Equality and Diversity / Cohesion and Integration

- 12.2.1 The Equality Act 2010 requires public bodies to give due regard to equality. The council is committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. The council has an agreed process in place to do this through the use of equality impact assessments and the council is also committed to continuing to publish all of these. This process was improved and strengthened last year. Specific guidance has also been developed to consider equality and organisational change impacting on the workforce. This includes employment issues such as re-organisation and job redesign, flexible deployment and early leavers initiatives.
- 12.2.2 The Council has continued to further develop its approach which has included work by Corporate Governance to revise and improve report writing guidance which includes specific reference to providing evidence on how equality is considered/or was not considered to be relevant in the decision making process.
- 12.2.3 In addition the Council Business Plan 2011 – 2015 outlines what we want to change and improve over the next four years. The plan is underpinned by a clear set of values and priorities for action. In addition to the Directorate priorities a set of cross council priorities has been introduced. One of these cross council priorities is that there is evidence that equality is given due regard in Council policy and decision making. The indicator builds on the commitment made last year to understanding the impact of the budget and the decisions made by the council on equality and diversity issues.
- 12.2.4 By providing evidence that we have done this for our most important decisions, we can be sure that we are meeting our legal and moral obligations. This cross council priority has a target that every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions. This indicator will assist in focusing attention in this area to ensure both legal compliance and also to ensure that the council takes account of the needs of all communities.

12.2.5 To further support this work to embed equality in the decision making process workshops and briefings have taken place with both officers and members, and these will continue to take place and to be further rolled out. The Equality Position Statement 2011 has also been developed and this provides considerable factual information about outcomes for different equality communities, which can be used to inform the screenings and EIAs, and this is being widely promoted.

12.2.6 Where budget considerations are taking place in directorates these do so within the normal decision making process, which gives due regard to equality through use of screening and equality impact assessments. Each directorate currently has access to support from a member of the Equality Team who will be involved in the due regard process.

12.2.7 The initial budget proposals contained within this report have, where appropriate, been the subject of the Council's equality impact assessment process. The screening process has been undertaken to understand the significance of any potential impact on equality considerations, which then determines whether a full equality impact assessment is required. The position for individual proposals is indicated in appendix 1.

12.3 Council Policies and City Priorities

12.3.1 The initial budget proposals seek to ensure that the policies and priorities of the Council are supported by directing financial resources towards the Council's policies and priorities.

12.4 Resources and Value for Money

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

12.5 Legal Implications, Access to Information and Call In

12.5.1 This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the initial budget proposals, once approved by the board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2012 meeting of this board at which proposals for the 2012/13 budget will be considered prior to submission to full Council on the 22nd February 2012.

12.5.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. The budget is a key element of the Council's Budget and Policy framework, but many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and managed by individual directorates.

12.5.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

12.6 Risks

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

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

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

13.0 CONCLUSIONS

13.1 At a time when many of the services provided by the Council face significant demand pressures now and into the future, the government's 2010 Spending Review and resulting grant settlements present a significant financial challenge to the Council. In the current year, the Council has had to find savings of around £90m, and the Council has responded exceptionally well to the challenge and the Council expects to achieve its budget by the end of March 2012. However, the challenge facing the Council is not just a financial one, but is also how we respond to a new policy agenda and new expectations and demands. The Council recognises that it needs to change, and is developing a concept of civic enterprise which will require the Council to transform the way it works and how it works in partnership with the private and third sectors. As such it will alter its relationship with the people of Leeds, but the ultimate aim must be to make Leeds a better place to live for all the people of Leeds.

13.2 The Council's approach to medium term financial strategy is consistent with previous years in that it is designed to provide an overall financial framework to ensure that the Council's key priorities can be supported within the available funding over the planning period, and to inform the delivery of the Council's annual budget. 2012/13 is the second year of the Spending Review, and the Council is again facing the need to generate savings of around £55.4m. The initial budget proposals for 2012/13 set out in this document, subject to the finalisation of the detailed proposals in February 2012, will, if delivered, reduce the Council's spend by the required amount. Just as important, the initial budget proposals, also mark an important milestone in

responding to the new policy agenda, but in a way which coherently recognises a new role for the authority, based around the developing concept of civic enterprise, but one which, in conjunction with partners and other stakeholders, is still firmly focused on countering disadvantage and inequality within the city.

- 13.3 The proposals for 2012/13 do include the use of significant one off sources of funding, and as such it is imperative that a robust budget is agreed and that appropriate actions are taken to ensure that it is delivered. No reliance can be placed on any further use of reserves and should identified savings not be delivered, alternative savings options will be needed. This is all the more important given that in 2013/14 and 2014/15 the Council will face further financial challenges, which will require the Council to further review and transform its services in the light of its new role.

14.0 RECOMMENDATION

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

15.0 BACKGROUND PAPERS

- Local Government Finance settlement – Executive Board report 5.01.2011
- The Council's 2011/12 budget approved by Council on 23.02.11
- Government's Comprehensive Spending Review 2010 published October 2010
- The Spending Challenge 2011/12 detailed results
- Carbon Reduction Commitment Energy Efficiency Scheme – Department of Energy and Climate Change
- Capital Programme update - Executive Board report 2.11.11
- Council Tax Freeze Grant 2012/13– Government announcement 3.10.11
- Reform of Council Housing Finance – Department of Communities and Local Government(DCLG)
- Localising Support for Council Tax in England – DCLG consultation papers published 2.08.11

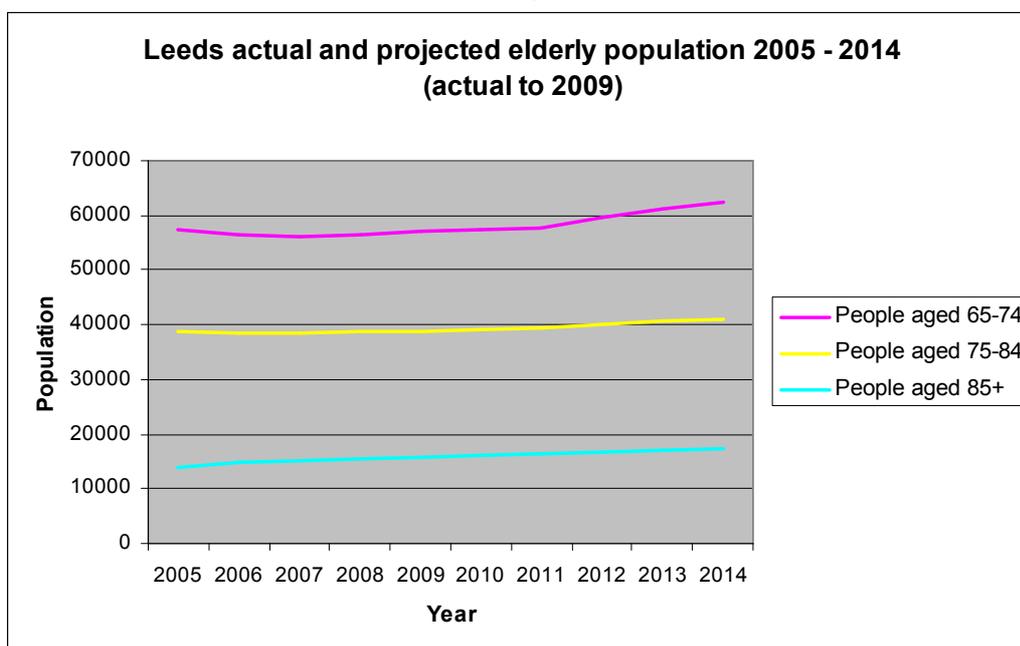
Initial Budget Proposals – 2012/13

Adult Social Care

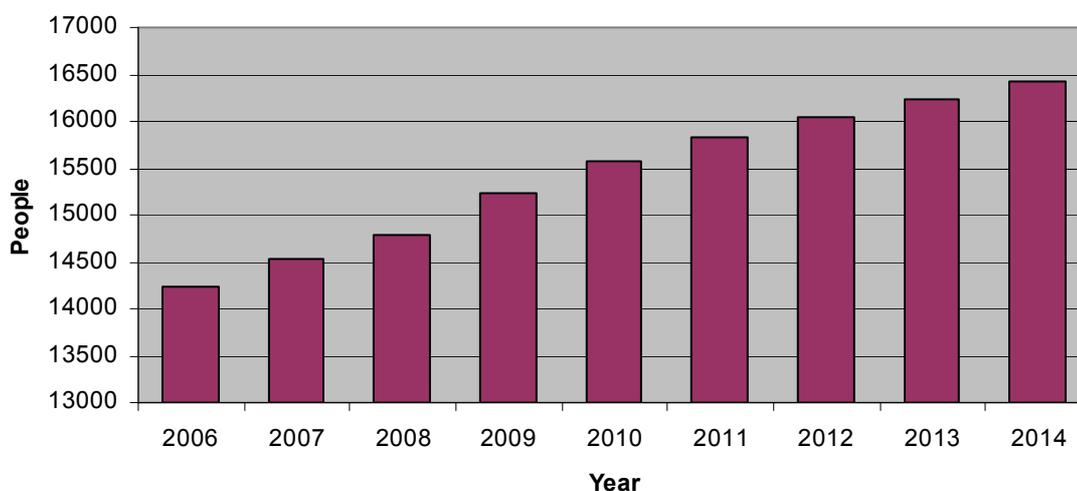
Adult Social Care has a statutory duty to assess people’s needs and, where their needs meet the Council’s Fair Access to Care Services criteria, to ensure that services are available to meet those needs. Demographic factors form a key element of the strategic context for Adult Social Care. People are living longer and with higher levels of need. This has been evident in learning disability services for some time and for older people the average cost of care packages to support people living at home has increased. More people are also being supported to live at home through increased direct payments and personal budgets. The greater use of personal budgets as customers exercise choice and control will, over time, reduce the demand for current service models and require greater flexibility in how services are delivered.

There have been some significant achievements in Adult Social Care over the last year. More people are using personal budgets and the self directed approach to assessing people’s needs is now used for all new assessments. The quality of safeguarding for vulnerable adults has improved over the last three years and is now judged to be ‘performing well’ by the Care Quality Commission. The Health and Wellbeing Board has been established and its aim is to tackle health inequalities and improve the health and wellbeing of Leeds citizens. As part of the Fulfilling Lives project a range of exciting new opportunities have been created for people with learning disabilities in South Leeds through grant-funded projects. The Leeds Reablement Service has been developed to support people to maximise their independence. This includes a new service to support people to regain skills in their own homes and other specialist services such as an outreach service and assistive technology services.

In the 2012/13 budget proposals provision of £9.2m has been made for the ongoing impact of demand levels in 2011/12 and the anticipated growth associated with the ageing population in the city. This includes provision for an increased number of new and enhanced care packages for people with learning disabilities and an increase in personal budgets taken as cash payments. The graphs below illustrate the increased demands being faced.



People in Leeds predicted to have a Learning Disability 2006-2014



The Adult Social Care Directorate's key priorities over the next three years are aimed at making Leeds a place where people can be supported to have better lives than they have now. Over the next three years we intend to achieve this through a powerful mixture of enterprise and integration, where the Council will increasingly integrate with health and other service providers to create an adult social care sector that is diverse, pluralistic, accessible and fit for purpose for all individuals. It will mean that people with social care needs are empowered through their use of personal budgets, are in control, have choice, and are safe. We will ensure that all people know how and where to get services appropriate to their needs or circumstances, when they need them. In thus stimulating the total social care sector in the city, public funding will move towards enabling individuals to pay for the care they want, and away from directly provided services. This means the Council will become a catalyst for 'providing more for less', for the people of Leeds.

Three priorities are key to helping achieve this over the next three years:

Better lives through enterprise

Building on work already undertaken, Adult Social Care will encourage existing and new kinds of enterprise to develop in the Leeds care market. This will include private enterprise, social enterprise, co-operatives, user-led services, staff buyout and a vibrant voluntary and faith sector. All of these will work in local areas and communities to provide older and disabled adults with a choice and variety of services, geared to respond to their specific needs. This approach will release social capital and civic entrepreneurship ensuring that the benefit of public money spent by people in meeting their social care needs is maximised within their local areas and communities. For example, three neighbourhood networks have set up community interest companies to extend the service they offer beyond the current social activities and signposting services. The 2012/13 budget proposals include savings of £0.3m within learning disability services through reducing the number of large centres and providing access to a range of local services from small community bases. The continued downsizing of the Council's home care service and its focus on supporting people to regain their independence as far as possible is leading to greater use of independent sector home care providers in the city. Phase 2 of the older people's residential and day care strategy will include reviewing the day services offer for customers, developing new models in closer collaboration with service users, their relatives and carers and the voluntary sector.

Better lives through housing, care and support

Complementing the first priority, Adult Social Care will work with other Council directorates, private house builders and developers, social housing providers and community, voluntary, faith and enterprise organisations. We will create a mosaic of types of housing (including residential and

extra care), with care and support suited to, and adaptable for people's varying needs. With new housing options will come care and support as necessary, to maintain people living at home independently, safely and with dignity for as long as possible. Each option will be tailored not only to the needs of individuals but to the local areas and communities in which people live. Adult Social Care is working with partners to develop innovative specialist dementia care, extra care housing and retirement apartments in Leeds. Phase 2 of the older people's residential and day care strategy that will deliver further savings of £0.3m in 2012/13 will support this by focusing the Council's provision increasingly on more specialised provision. As the number of Council run homes and day centres reduce, there will be more independent sector residential placements and greater opportunities for community-based provision of day opportunities within the third sector. The 'Keeping House' programme has stimulated community based social care services. The use of smaller, local bases for learning disability day support services is an example of better lives through housing, care and support as well as through enterprise, demonstrating the inter-relationships between these three priorities.

Better lives through integrated services

A range of Adult Social Care and Health services will become more closely integrated so that people's experience of the support they receive in older age, illness or disability will be more positive. People will be treated as whole people and without fragmentation in the ways in which their needs are met. People will be encouraged to take control, having their treatment, care and support combined in a single package, which they will be able to direct. When a person's circumstances change, resulting in increased vulnerability, services will be there to protect them and relieve the anxieties that are associated with older or disabled life. As part of the older people's residential and day care strategy an integrated intermediate and residential care facility is being developed bringing health and social care services together in a single residential home. Adult Social Care is also working towards integrating mental health fieldwork services with health to provide a single package for people's treatment and recovery/reablement.

As well as reshaping services to deliver better lives for people in Leeds, Adult Social Care will continue to focus on delivering efficiencies, building on the substantial savings delivered over the last 5 years. Since the start of 2010/11 the number of home care assistants has reduced by 197 FTEs, a 26% reduction. This is projected to increase to 233 FTEs (31% reduction) by the end of 2012/13, with care packages for people with long term support needs being delivered more cost effectively in the independent sector. Efficiencies in 2012/13 relate to the provision of transport and community meals and anticipated savings through the review of independent sector residential and nursing care fees. The focus on increasing income will remain, with a further review of charges for non-residential services scheduled for 2012/13. This reflects Leeds remaining lower than comparator authorities in terms of income generation. Health funding is also being utilised to support reablement and social care transformation.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
Pressures			
a) Demography and Demand			
Provision for the projected population growth for over 75s	1.5	2.1	N
Some reduction in the number of residential and nursing placements, although at a higher cost	2.4		N
Increased personal budgets taken as cash payments and independent sector domiciliary care	1.2	1.0	N
Increased number of new and enhanced learning disability care packages	4.1	2.0	N
Savings			
<u>Better Lives for People in Leeds</u>			
b) Older People's Residential and Day Care Strategy			
Reducing excess day care capacity and developing more specialised provision.	-0.3	-0.3	Y
Increasing the use of more cost effective independent sector residential placements			
c) Home Care and Reablement			
Productivity increases within the long-term generic Community Support Service Reduced ongoing care needs following a period of reablement	-1.5	-1.3	N
d) Learning Disability Day Care			
Reduced number of large centres, with more small bases in communities and access to local services	-0.3		Y

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
<u>Efficiencies</u>			
e) Review of Transport Review of policy, current practices, further route rationalisation and efficiencies through greater use of the in-house fleet	-0.6		Y
f) Community Meals Efficiencies in meal preparation and delivery	-0.1	-0.1	Y
g) Residential and Nursing Care Fees Overall fee reductions linked with the implementation of quality payments	-1.0		Y
<u>Income</u>			
h) Increased Charges Review charges for non-residential services, including the financial assessment methodology, services not currently charged for and anomalies in the current arrangements. Also includes the full-year effect of the 2011 charging review An increase in meals charges from April 2012 to further reduce the subsidy. The proposed charges will be a 50p increase in a main meal (12%) and 20p on a second snack meal (8%). An inflationary increase of 2% from April 2012 on other customer charges, the main ones being home care, day care, transport, and directly provided residential care and supported living rents.	-0.6	-1.0	Y
i) Health Funding Funding for reablement and health and social care transformation programmes	-2.5	2.5	N
<u>Other</u>			
j) Net effect of other variations	-0.1		N

Initial Budget Proposals 2012/13

Children's Services

There are 180,000 children in Leeds aged under 19 and the Council has a statutory responsibility and a duty to safeguard and promote the welfare of these children and young people. Working in partnership through the Leeds Children's Trust Board, there is a clear and agreed vision for Leeds to be a truly child friendly city, built around a commitment to put the child at the heart of everything we do. This ambition and improvement will be driven through the use of approaches such as outcome based accountability, restorative practice and by extending the voice and influence of children and young people.

Transforming life chances through a strategic city-wide approach

The Children's Trust Board has set out a framework for delivering this vision through the Children and Young People's Plan, (CYPP). The CYPP sets out 5 strategic outcomes, 11 priorities and 16 key indicators which, when combined, will help to deliver the ambitions. In addition, the Children's Trust Board has agreed 3 strategic 'obsessions', areas where we need focused activity to drive rapid change. The 3 strategic 'obsessions' are;

- Reducing the need for children to become looked after
- Improving behaviour, attendance and achievement
- Increasing numbers in young people in employment, education or training

Within a context of increasing demand for services and financial challenges, 2011/12 has been a year of significant progress and improvement across Children's Services. Assessments and other published inspections in 2011 have highlighted a number of key strengths, including;

- Arrangements to ensure children are safeguarded are now secure.
- The large majority of early years and childcare provision is good or better.
- The local authority has been effective in helping to bring about improvement in schools in Ofsted categories of concern.
- Behaviour in secondary schools continues to improve well.
- The very large majority of special schools are good or better.
- The local fostering and adoption agencies are good.
- The large majority of the provision that Leeds commissions in children's homes outside its own settings is good or better.
- The number of young people from low-income families achieving qualifications at the age of 16 and by the age of 19 has improved well.

This was reinforced with the 2011 re-inspection of safeguarding services for children and young people in Leeds. This inspection reflects positively on the improvements made across safeguarding services in Leeds since the last inspection in December 2009. Overall, five of the nine categories that Ofsted assess have been rated as 'good' and four are 'adequate' – there are no longer any categories rated as 'inadequate'. On the key judgements of 'overall effectiveness' Leeds has been rated as 'adequate' and Leeds 'capacity to improve' is now rated as 'good'.

Improved performance management across all areas of Children's Services has been a key contributor to this improvement journey. This will be strengthened still following the implementation of the new directorate structure and underpinned by a rigorous system of performance clinics across the Directorate, chaired by the Director, from January 2012.

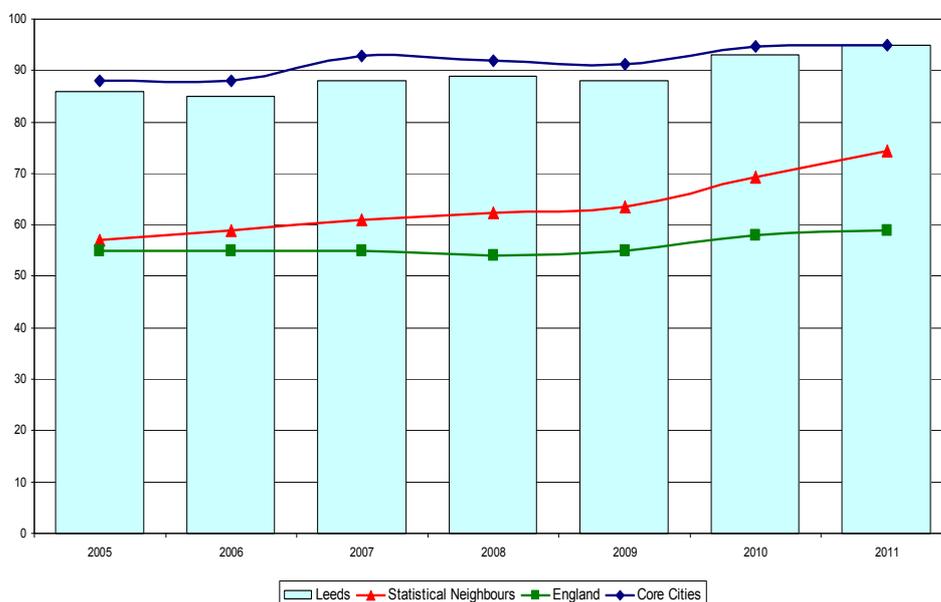
Transforming life chances through an integrated directorate

Whilst there has been significant progress the work to transform children's services across the city continues and there remains a number of areas for further improvement. Due to continuing demand pressures, through continued increases in numbers of referrals for children's social care services, on-going pressures on the child protection system, and the number of children in the care system, there needs to be changes to the nature of some of the services available for children and families in Leeds. These changes need to include investment in preventative and early intervention services across the partnership, underpinned by rigorous performance management, in order to reduce demand for services. The current demand led pressures are not financially sustainable.

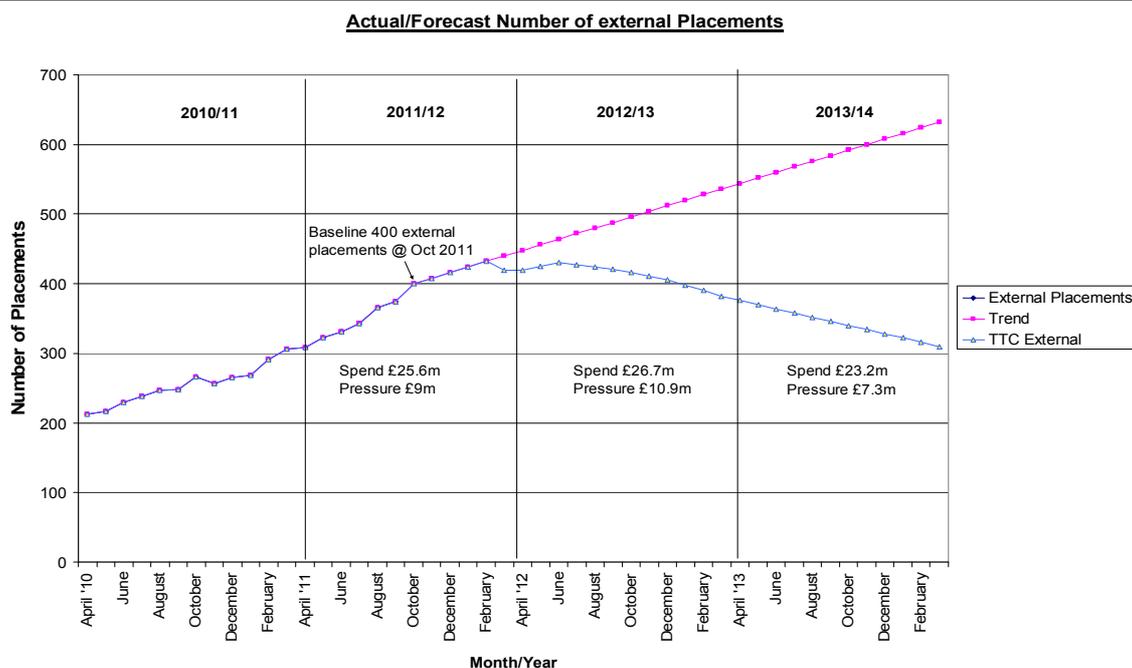
The work to implement the Children's Services integrated directorate is ongoing. This is supported by an ambitious transformation programme which has included a full review and re-organisation of leadership and management capacity, as well as work to integrate front-line service delivery models within localities and the centralisation of back-office support functions. These proposals include the creation of integrated targeted services teams as well as new integrated services for safeguarding, looked after children, children with disabilities and complex care needs. Central to this change agenda is the need to review and re-prioritise resources and services in terms of quality, effectiveness and value for money.

As mentioned above, in 2011/12 demand across the system has continued to rise with increased referrals and requests for service, more children subject to a child protection plan and increasing numbers of looked after children. Consequently, there have been significant financial challenges, particularly around the externally provided residential and fostering placement budgets. The graph below shows the numbers of looked after children in Leeds, compared to other core cities, our statistical neighbours and the all England average. The diagram shows clearly that the total number of looked after children in Leeds remains high and has steadily increased in recent years, although not to the extent of our statistical neighbours.

Looked after children rates per 10,000 population



The demand-led pressures within the placement budgets are forecast to continue into 2012/13 and provision of £10.9m has been included within the initial budget proposals to recognise this. This provision recognises the changing mix of placements between in-house and external provision and the impact of the work around prevention and intervention. The graph below shows the growth in the numbers of externally provided placements over recent years and also the impact of the turning the curve action plan in 2012/13 and 2013/14.



Transforming life chances through investment in early intervention and prevention

As part of the turning the curve action plan around placements for looked after children, the 2012/13 budget continues to prioritise support for investment in preventative and early intervention and to target resources to vulnerable children and families who need support the most. To this end, an additional £2.1m has been provided to expand intensive and specialist family support, increase family group conferencing, expand the multi-systemic therapy teams and to continue to invest in the targeted mental health in schools programme. In addition, following the successful pilot, provision has been made through the early intervention grant to expand childcare across the city for vulnerable 2 year-olds. The budget also recognises the rising cost of free nursery education for 3 and 4 year olds and £1m has been added into the budget which is to be funded via the dedicated schools grant. The budget proposals also recognise the increasing legal costs related to care proceedings and also the legal work around the transfer of schools to become academies.

Transforming life chances through resourcing our key priorities

In terms of budget re-basing, prioritisation and efficiencies, £4.8m has been identified through the budget strategy in order to support the increases in the demand-led budgets and the additional investment in early intervention and prevention. This includes re-prioritising the core early intervention grant, maximising other grant funding, identifying savings across the running cost budgets and also the full-year effect of the 2011/12 contract reductions. In addition, work has been done to review subsidised services and provision has been made around increasing traded income and charges with schools as well as the continuing impact of the sustainability review across Children’s Centres.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
Pressures			
a) Demand Pressures - provision for the cost of placements for looked after children. The forecast pressure recognises the impact of the placements action plan and the impact of additional investment in preventative and early intervention services.	10.9	7.3	Y
b) Early Intervention and Prevention - provision for additional investment as part of the turning the curve action plan around reducing the cost of placements for looked after children.	2.1	3.3	Y
c) Early Education and Childcare - provision for the increased cost of free nursery education for 3 & 4 year olds and also the expansion of free childcare for vulnerable 2-year olds	1.9	1.9	N

Savings			
a) Procurement savings - forecast savings through improved commissioning and contracting, including regional collaboration.	-1.0	-1.0	Y
b) Transport - invest to save initiative around employing additional independent travel trainers to work across transport provision for looked after children and special education needs	-0.4	-1.0	Y
c) Budget re-basing and prioritisation - review of base budget reflecting trends, reductions in running cost budgets, maximising/re-prioritising grants & contributions, review of contracts & commissioning activity	-4.8	-4.8	Y (part)
d) Income - review of subsidised and traded services	-0.5	-0.5	Y (part)
e) Income - proposal to reduce subsidised childcare provision in children's centres through increasing nursery fees by £2 per day (6.25%) from April 2012 . In addition, it is proposed that music centre fees are increased by 4% from September 2012	-0.3	-0.3	Y
f) Income – as part of the strategic approach around transformation, prevention and early intervention, a projected spend of £2m funded by contributions from health partners.	-2.0	0	N
g) Other - transfer of responsibilities for universal information, advice and guidance for school-age children	-1.0	-1.0	N
h) Staffing - provision has been made for a number of leavers under the early initiative scheme	-0.2	-0.2	N

The Schools Budget

The Schools Budget is funded by the Dedicated Schools Grant (DSG). The final dedicated schools grant will only be known in June 2012, following DfE validation of returns from Schools, Academies, and Private, Voluntary and Independent Nurseries. The actual reduction for recoupment for Academies will be based on the number of Academies either operational or approved as at 31st March 2012. However, it is estimated that the dedicated schools grant received by Leeds will reduce by 7.2% year on year as follows:

	2011/12	2012/13	Yr on Yr Change
Pupil Numbers 3 to 15 including Academies at January 2012	101,341	102,517	1,176
Unit of Funding	£4,945.95	£4,945.95	£0
Gross Dedicated Schools Grant	£501,225,000	£507,046,000	£5,821,000
Recoupment for Academies	-£29,792,760	-£69,445,610	-£39,652,850
Dedicated Schools Grant paid to Leeds	£471,432,240	£437,600,390	-£33,831,850

There are a number of cost pressures on services provided centrally within the Schools Budget:

Central Schools Budget Pressures / Savings 2012/13	£m
Increased cost of placing pupils with SEN in Private and Independent Special Schools	0.48
Recoupment - Increased cost of funding the net cost of pupils with SEN attending maintained schools in another Local Authority	0.13
Cost of supporting schools in meeting costs of early access to pensions	0.5
Purchase of Carbon Reduction Commitment allowances	0.6
Payment of capitalised pay tribunal costs	0.5
Reductions in central functions required for Academy transfers.	-1.0
TOTAL NET PRESSURE	1.31

The Central Expenditure Limit (CEL)

Under DfE regulations year on year changes in the Central Schools Budget are restricted by the Central Expenditure Limit (CEL). The CEL requires that the Central Schools Budget should only increase by the same percentage as delegated budgets unless the Schools Forum approves that they can increase by more. This is a simplistic calculation and makes no allowance for the reduction in budget due to recoupment for Academies. As the DSG received by Leeds is likely to reduce by 7.2% year on year, the approval of the Schools Forum will be required in order to fund the net pressure above.

The Individual School's Budget

Having funded the above pressures from the gross increase in the DSG of £5.82m, there will be £4.51m to fund the Individual School's Budget (ISB) of Leeds Schools including Academies, and Private, Voluntary and Independent Nurseries.

Early Years

The cost of funding the 15hrs of free early education for additional 3 and 4 yr old pupils will be £1.1m, based on maintaining the hourly rate at £3.70 and increasing the total funding allocated to support deprived pupils pro-rata to the increased numbers.

Primary, Secondary and Special Schools

It is anticipated that the funding to be allocated through the Leeds Funding Formula for Schools for pupils aged 3 to 15 will increase by £3.41m.

This increase will not allow for current rates of funding to be maintained across all funding factors within the Leeds Schools Funding Formula. A decision will have to be taken as to which factors should be reduced in order to balance to the available resource and the various options will be taken to the Schools Forum.

Post 16

Post 16 funding is allocated to sixth forms by the YPLA. There is no information available on funding rates for 2012/13, although it is likely that funding per sixth form pupil will reduce as the YPLA seeks to equalise funding rates between sixth forms and FE Colleges and Sixth Form Colleges.

Pupil Premium

Whilst funding per pupil through the ISB will decrease, overall funding per pupil for schools will increase due to the increase in the Pupil Premium Grant. In 2011/12 the Pupil Premium for Leeds Schools including Academies is £9.074m. In 2012/13 the national funding for the Pupil Premium will double. The distribution mechanism has not yet been decided but it is estimated that the funding for Leeds Schools will increase by £9m. Including the funding provided by the Pupil Premium funding per pupil in Reception to Year 11 is estimated to increase by 1.7%.

Although the average increase in funding for the statutory age range is estimated as 1.7% per pupil, this will be targeted towards the most deprived schools through the Pupil Premium. For many schools the overall position will be a reduction in funding per pupil. Whilst pupil numbers are increasing in Early Years providers and Primary Schools, Secondary School numbers are estimated to decrease by 600.

Balance of the Dedicated Schools Grant

Any unspent balance of the dedicated schools grant from one year must be carried forward and applied to the Schools Budget in a future year. The draft Schools Budget assumes that a balance of £1.91m will be carried forward from 2011/12, that £1.16m will be required to support the Schools Budget in 2012/13 leaving an unallocated balance of £0.75m.

Initial Budget Proposals – 2012/13

City Development

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

The 2012/13 budget proposals will show the full year effects of decisions taken in 2011/12, which saw a budget reduction of £13m from the previous year. The directorate's budget strategy in 2012/13 will continue to provide for a reduction in staff numbers following reductions made over the previous 3 years, originally in relation to the economic recession and rationalisation of facilities. Several major staffing restructures have taken place and the budget proposals for 2012/13 include provision for further staffing reductions arising from the Early Leaver Initiative and from further structure reviews. It is anticipated that over the next three years staff numbers will fall further with a reduction of approximately 70 FTEs in 2012/13 as additional staff leave through the Corporate ELI scheme and a further review of service provision and structures are undertaken.

The continued provision of in-house services has been reviewed and earlier in 2011 Executive Board gave approval to two options being explored for the future of the in house Architectural Design Service. The recommended option is the transfer of staff to a Joint Venture Company. This review will be concluded shortly. As part of an ongoing review of service provision consideration will be given as to whether this delivery model can be extended to other service areas.

The directorate is leading on some key projects for the City that will help ensure Leeds' ongoing economic development including the Leeds Arena, the Eastgate and Harewood Quarter, Leeds Flood Alleviation Scheme, New Generation Transport (subject to funding announcement December 2011), City Park, a strategy for Kirkgate Market, Holt Park Wellbeing Centre in collaboration with Adult Social Care, A65 Quality Bus Initiative, Inner Ring Road Structures, relocation and upgrade of the Urban Traffic Management Control System, Aire Valley Eco –Settlement and Enterprise Zone, and the Leeds Casino Project. The Directorate has also led on and successfully completed on a number of key projects for the City including City Varieties Refurbishment, Inner Ring Road Stage 7 and contributed to the on site development of the Trinity Shopping Centre.

The 2012/13 budget will include a continuation of ongoing areas of work including Neighbourhood planning, Community Infrastructure Levy, closer working with Environment and Neighbourhoods on Street Scene and Parks and Countryside services, collaboration with other Yorkshire and Humberside Councils, developing options for the future sustainability of Kirkgate Market, further potential for income generation including a review of Leisure income and the move of the Tourism and Inward Investment teams to Marketing Leeds.

All services have reviewed their base budgets and as part of this process some ongoing savings have been identified, some of these have been realised by the establishment of the central ordering hub. A number of contract savings have been achieved in Highways and Transportation and these are also reflected in the budget proposals. In addition, the budget proposals include other specific savings proposals which are itemised in the attached appendix.

It is proposed that support to major arts organisations is reduced by £0.25m in line with the recommendations of the July 2011 Executive Board report into a future strategy for support to arts organisations.

Whilst in the medium term it is anticipated that there will be some provision for economic recovery, in particular the realistic reinstatement of planning and building fees, in the short term the level of

income from fees and charges have been realistically assessed taking into account the challenging economic conditions. In 2012/13 it is proposed that a number of income budgets should be reduced, reflecting trends in 2011/12 which are expected to partly continue into 2012/13. These include a reduction to the planning and building fee income target, a reduction to markets income and a reduction in income from the Sovereign Street car park. The budget proposals include some provision for increases to fees and charges but only where it is considered that the market can bear an increase; in these cases increases have been kept to between 1% and 3% although it is proposed for a higher increase for cemetery charges. In some cases market conditions are such that no increases are currently proposed and these include planning and building fees and Sport bodyline charges. It is also proposed in 2012/13 to carry out a review of Leisure income and the use of card membership schemes across the Leisure portfolio.

The planned disposal of investment sites will have an impact on income where these are currently income generating. The Medium Term plan needs to allow for the loss of income from such disposals. A priority in the directorate is to develop a sustainable future for Kirkgate Market. The implementation of a future strategy for Kirkgate Market may well have a revenue impact which will need to be factored into the Medium Term Plan.

It is anticipated that a number of key pieces of work will be progressed in 2012/13. These include a review of card membership schemes across the Leisure portfolio, the introduction of a high profile annual cultural and sporting programme, encouraging greater participation for citizens in their local environment including participation in gardening, delivering a Leeds response to housing growth, continuing to encourage economic growth to support jobs and skills and working towards the establishment of a West Yorkshire Transport Fund.

Leeds will be included in celebrations for the 2012 Olympic Games and the 2012/13 budget will facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City.

Pressures/Savings	2012/13 £m	Full Year Effects £m	EIA required Y/N
Recognised Pressures			
Income Pressures			
Reflecting current and expected trends:			
a) Planning and building fees Income from planning and building fees is currently projected to be below budget in 2011/12 and the position in 2012/13 is not expected to improve significantly.	0.5		N
b) Markets income Income from Kirkgate Market is currently projected to be below budget in 2011/12 and it is proposed to reduce the income target in 2012/13 to reflect this position as occupancy levels are not expected to improve significantly in the short term.	0.3		N
c) Architectural Design Services overheads Subject to a final decision being made, it is anticipated that the majority of the Architectural Design Services unit will transfer to a Joint Venture Company between the Council and Norfolk Property Services in early 2012 which will impact on the recovery of overheads.	0.3		N
d) Sovereign Street car park Reflects a reduction in income being generated.	0.2		N
e) PFI scheme work Officers in Planning and Sustainable Development and Economic Development have been providing support to various PFI schemes for which income was received. This income source has reduced over the last year.	0.2		N
Other Budget Pressures			
a) Olympics Additional budget provision is required to facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City. In 2013/14, consideration will need to be given to any costs associated with Leeds being selected as a Rugby League World Cup host city.	0.18		N
b) Joint service centres costs This reflects the additional cost to the Library service of operating libraries at the Chapeltown and Harehills Joint Service Centres.	0.15		N
c) City Museum NNDR increase	0.13		N
d) Flood risk management This reflects additional responsibilities allocated to Local Lead Flood Authorities under the Flood and Water Management Act 2010, including maintaining a drainage asset register, investigating flood incidents, preparing and implementing a Local Flood Risk Strategy.	0.13		N

Savings				
a) Employees Includes savings on staffing anticipated from approved ELIs, restructures, switching of staff and a review of leisure facility opening hours and service provision.	-2.00		Y	
b) Grass cutting contract savings Reflects the reduced contract price of the grass cutting contract in Highways and Transportation.	-0.23		Y	
c) Reduction to Arts Grants As part of the review of the grants process a reduction to support to the Major Arts Organisations is proposed although the review also includes the art@leeds funding stream developed on a more sustainable basis and the Leeds Inspired funding stream has been introduced which will engage local people in participatory activity.	-0.25		Y	
d) Rebasing - reflecting current trends, This reflects savings being made in 2011/12 and now projected to be achieved in 2013/14 mainly from reductions to supplies and services and savings from the establishment of the centralised ordering hub.	-0.50		N	
e) Other savings proposals: Running costs - savings on rents in Corporate Property Management from properties recently vacated by the Council.	-0.16		N	
Running costs - in Planning and Sustainable Development mainly on the Local Development Framework and contaminated land expenditure.	-0.06		N	
Running costs - in Highways and Transportation including spend on water features, Urban Traffic Management Control contract savings, flood risk management contract savings and reduced spend and reduction in highways works spend and contract savings.	-0.33		Y	
Running costs - in Economic Development including reduced city centre spend and economic policy spend.	-0.05		Y	
f) Fees and Charges The potential for increases in fees and charges have been assessed and in general increases of between 1% and 3% across the directorate's income base are proposed.	-1.02		Y	
Fee increases in Highways. This covers income not included in the above and reflects proposed increases to cover the anticipated increase in salary costs in 2012/13.	-0.17		N	
Parks and Countryside – Cemetery and Crematoria prices were increased in November 2011 and it is proposed to review prices in 2012/13. The review will include a comparison with other Core City prices although it is envisaged that prices will be raised in line with inflation.	-0.2		Y	
Highways Bikeability grant funding. The increase in this grant in 2012/13 will fund some existing costs.	-0.04		N	
Increased developer commuted sums to support Highways expenditure.	-0.1		N	

Initial Budget Proposals – 2012/13

Environment and Neighbourhoods Services

The aims of the Directorate are to ensure that the city is safe and clean, that it helps people meet their housing needs and assists people to find work. These priorities sit in a longer term context of promoting a sustainable approach to the environment and regenerating the most disadvantaged areas of the city.

Given this context and against a background of significant reductions in resources, the Directorate's budget submission will seek to protect services and initiatives which advance these priorities. The Directorate will also seek to consolidate the major efficiencies that were incorporated into the 2011/12 budget.

Getting young people in to work is of paramount importance. In 2012/13 the Apprenticeship Training Association (ATA) will be developed in conjunction with the City College to widen the opportunities for employers to engage young people in apprenticeships. Job outcomes will be maximised by collaborative working between local and national players through a Retail Academy. The Council will also maximise job opportunities arising from current and planned developments. Better use of resources in respect of construction commissioning will deliver improved outcomes through better links to employers.

In pursuit of a more sustainable city, the Council will continue to improve its recycling rates. Following consultation it is proposed to pilot fortnightly recycling collections with fortnightly black bin collections in a part of the city. We will complete the roll out of garden waste collections to all suitable properties and expand the food waste collection service. In the longer term it remains the intention to roll out kerbside food collections across the city. Next year we will undertake a technical assessment of the potential to generate biomethane from an anaerobic digestion plant for the purposes of creating heat and power as well as to provide a sustainable transport fuel.

We will continue to focus on addressing fuel poverty, seeking to install home insulation in 6500 homes.

Within the context of seeking to improve the quality of the environment against a backdrop of a reduction in resources, there will be closer working and collaboration between Parks and Countryside and Environmental Action Teams, which will include sharing depots, collaborating to tackle seasonal issues and coordinating environmental enforcement efforts.

The Council will continue its commitment to community safety, maintaining its support to PCSOs, tackling anti social behaviour and delivering projects to combat burglary. Proposals to consolidate CCTV and security activity across the Council within Community Safety are being progressed. This is the first step towards establishing the service as a fully fledged trading arm offering this service to both internal and external customers to maximise income earning opportunities.

The Directorate is clear that support to the third sector remains key to protecting and improving services. A review of the Community Centres portfolio will identify opportunities for local community organisations to make better use of the range of community facilities that exist which could involve realising LCC assets.

The Directorate continues to work closely with Adult Social Care in respect of priorities around housing for older people and in particular around schemes which assist people to continue to live in their own homes for longer. We will collaborate more closely with Adult Social Care and Housing Associations to improve Adaptations. We will continue to modernise the provision of supporting

people services, shifting further towards the delivery of personalised support and away from institutional settings.

With the reduction of development activity and government support, regeneration work has reduced. Next year, however, we plan to begin on site in Little London and Beeston Hill and seek to maximise affordable housing opportunities in conjunction with housing associations and private developers.

Developments relating to services funded through the HRA are dealt with separately.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
Pressures			
a) Full year Effect of the roll out of kerbside Garden Collection	0.1		N
b) Additional costs within Environmental Services associated with the requirement to cover time off in lieu with a combination of overtime and agency. Under Green Book (National Conditions) all staff are entitled to time off in lieu after a bank holiday.	0.4		N
c) Additional budgetary provision is required in respect of the vehicle repairs budget in Refuse Collection. Currently there is insufficient budgetary provision to deal with cost pressures associated with landfill damage to vehicles and an ageing fleet.	0.2		N
d) The Government has announced that Landfill Tax will increase by a further £8 per tonne. This increases the costs to £64 for every tonne of waste that is land filled.	1.0		N
e) Planned disposals of the car parks at Quarry Hill and around Kirkgate Market for development purposes will reduce the amount of car parking fee income that is receivable.	0.8		N
Savings			
a) It is proposed to implement a pilot in respect of the kerbside collection of SORT (green) bins. In the pilot area(s) green bins will be collected every two weeks rather than the monthly collection as at present.	-0.2	-1.5	Y
b) Supporting People: - The Full Year Effect of funding the Sheltered Wardens service through housing benefits rather than using Supporting people grant.	-2.3		N
- Payments will be reduced through a combination of agreed provider efficiencies, sector reviews and extending housing benefits funding to other housing management related functions.	-1.4		Y
c) In overall terms support to external providers will remain at 2011/12 levels with a variation in payments to Nari Ekta Renew , Hooner Kelah, Groundwork, the infrastructure fund and advice agencies.	0		Y
d) Charges to the Housing Revenue Account (HRA) will increase to reflect more appropriately the apportionment of the cost of the Leeds Housing Options, which provides a housing advice service to people who are homeless, threatened with homelessness or in some form of housing need. In addition a review of the geographical location and usage of Community Centres requires an appropriate recharge to the HRA.	-0.7		N

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
e) As the PFI procurement of the preferred waste solution progresses it is anticipated that procurement costs will reduce. In addition the retendering of the Grounds Maintenance contract will realise savings with regard to Right to Buy properties on housing estates.	-0.5		N
f) Based on best practice, which is consistent with DCLG guidance, Housing Associations are required to jointly fund adaptations works to their tenants properties. Currently not all Associations do this and this additional income reflects the enforcement of this requirement.	-0.4		N
g) Closer working and collaboration between Parks and Countryside and Environmental Action Teams, CCTV and Security will develop new ways of working and deliver efficiencies.	-0.3		Y
h) Recommissioning of Construction Skills provision, occasioned by a redirection of the Government's skills strategy, facilitates a reduction in resources yet will deliver improved outcomes through better links to employers, an increase in apprenticeships and further training provision.	-0.5		Y
i) Increased income in respect of fees and charges largely reflects the full year effect of the 2011/12 prices increase on car parking fees, increased charges for animal welfare licences, graffiti removal and charges to partners for CCTV. Price increases for Electricity generation from the closed landfill site at Gamblethorpe have also been factored in.	-0.1		N

Initial Budget Proposals – 2012/13

Central and Corporate

Central and Corporate comprises a very diverse set of functions ranging from the Support Services and various Trading Services operating as self funding business units, to customer facing services such as Customer Services and Revenues and Benefits.

Support Services have undergone a significant amount of review and change over recent years and have delivered substantial savings for the Council, including £5m in 2011/12. Significant changes in the way the services are provided, coupled with technological improvements, have been brought about and developments are planned in the medium term that will generate additional savings.

ICT infrastructure and application provisioning will progressively become more accessible over the internet on a rental basis. This is referred to as 'Cloud Computing'. The move towards cloud computing should gradually lower the ICT 'footprint' (staffing, infrastructure etc.). The delivery of 'cloud' infrastructure and applications should typically be delivered on the basis of achieving at least 30% less cost of the equivalent 'on premise' solutions. The ICT Strategy will move towards adoption of these technologies where it is appropriate and the risk and benefit is judged to be favourable; for example the recent acquisition of the Performance and Learning Management system. The large scale migration of the infrastructure and applications will realistically be over a 5 year plus timeframe.

In Yorkshire and Humberside a formal collaborative partnership with 8 Local Authorities and 4 police forces has been created to enable better joined up public service working and drive savings across the region – an estimated £10M+ over 5 years. The 'Public Service Network' (PSN) is the first such collaborative project the partners have entered into and it will provide the base infrastructure to help remove the physical and technical barriers to sharing data, knowledge, property, staff and finance. This in turn will help enable the delivery of new organisational models that will look to work across traditional boundaries and deliver more efficient joined up services around the needs of citizens and their localities. It will present opportunities to deliver inter-organisational working, shared ICT infrastructure, shared applications and shared skills and services.

Commercial Services runs a range of directly provided welfare services (catering, special needs transport for clients in ASC and Children's Services). These represent non-core activity for clients. 65% of the £40m turnover is in the open market.

The Council currently operates two vehicle depots; Fleet Services on Torre Road and Grounds Maintenance at Red Hall. Merger of the two operations could deliver significant savings to the Council in terms of accommodation, management and running costs.

The Council's **Business Improvement programme** is already contributing to the re-shaping the Council. In particular, the following areas will help to deliver a fundamentally different organisation by 2014/15:

- Significant investment is being made in technology to underpin the broader transformation of the Council.
- The Changing the Workplace Programme is not just about making savings from reducing our property portfolio but is instead about fundamentally improving the way colleagues in the organisation are enabled to work which will have a profound effect on service delivery through improving productivity and well-being and ensuring LCC becomes an employer of choice.
- The Customer Access programme includes fundamentally re-designing services around customers, driving out efficiencies through moving service delivery to cheaper channels (such as on-line) where appropriate and re-appraising the service delivery model how we meet customer need across the authority.
- The Business Support programme will continue to drive significant efficiencies out of key business processes including administration and marketing and communications, plus develop more streamlined approaches to common business processes including performance management, programme and project management, research and intelligence, data entry and management and information and content management.

Pressure/Savings	2012/13 £m	Full year effect £m	EIA required? Y/N
Recognised Pressures a) Elections – adjustment to base budget to reflect underlying cost pressures.	0.3		N
Savings a) Employee costs: Support Services Throughout 2011/12 the Directorate has adopted a strict approach of only filling essential vacancies. This combined with 23 early leavers already approved from the recent initiative means a further significant reduction in the workforce. Within the context of these reductions, in order to maintain and enhance the professional support services, there has been a continuous process of changes to working practices, for example through better use of technology and also ceasing non-essential processes, including many internal recharges.	-1.5		Y
Revenues and Benefits The service has undergone a restructure during 2011 which has delivered the savings built into the 2011/12 budget and also further savings of £0.6m now reflected in the 2012/13 budget proposal. The key aspiration of the service is to maintain and enhance the reputation for cost effective service delivery with a strong emphasis on customer focus and performance. Key to this vision is the provision of web-based solutions to substantially increase the ability for customers to engage and transact with the Service through online means.	-0.6		Y

	Commercial Services Savings from the early leavers scheme possible without reducing the level of service to clients	-0.3		Y
	Customer Access and Performance Anticipated full year effect of the JNC restructure implemented in October 2011.	-0.2		Y
	Capitalisation of staff time – mainly the teams within Financial Management that work on the capital programme	-0.4		N
b)	Procurement Cessation of Novell and Ordnance survey contracts within ICT	-0.4		N
c)	Income Additional income opportunities have been identified across the Directorate, including work for Academy Schools, additional external income for HR, Registrars and Licensing plus and an assumption of additional turnover in Commercial Services (cleaning and property maintenance)	-1.0		N

Strategic

Pressures/Savings	2012/13 £m
<p>West Yorkshire Grants Proposals assume that the grant element of the Joint Services budget will cease although this is to be transferred to the Leeds inspired Initiative within City Development</p>	<p>-0.3 0.3</p>
<p>Debt The increase reflects the borrowing cost of the capital programme, assuming a continuation of the present low short term interest rates</p>	<p>4.0</p>
<p>Carbon Reduction Commitment Reflects the cost of buying carbon allowances under the Government's new mandatory scheme</p>	<p>0.7</p>
<p>Other efficiencies - mainly 2.5% saving on Joint Services and WYITA</p>	<p>-1.5</p>

Appendix 2

Capital Programme Funding by Category - 2012/13 to 2014/15

Title	Total £000	2012-13 £000	2013-14 £000	2014-15 £000
<u>Improving our assets</u>				
GREAT GEORGE STREET - PROPERTY COSTS	231.2	231.2	0.0	0.0
HOMEWORKER FURNITURE	33.0	33.0	0.0	0.0
WOODKIRK HIGH SCHOOL SPORTS PITCH	1,150.0	1,000.0	150.0	0.0
BOSTON SPA HS INDOOR TENNIS CENTRE	29.0	29.0	0.0	0.0
AIDED SCHOOLS MINOR WORKS PROG	103.9	103.9	0.0	0.0
ASBESTOS REGISTER - SURVEY WORKS	4.2	4.2	0.0	0.0
TEMPORARY ACCOMMODATION	11.0	11.0	0.0	0.0
SCHOOLS DEVOLVED CAPITAL WORKS	3,978.6	3,978.6	0.0	0.0
GENERAL REFURBISHMENT 2011/12	993.8	993.8	0.0	0.0
FIRE SAFETY - ALARMS 2011/12	4.4	4.4	0.0	0.0
FIRE COMPARTMENTATION WORKS 2011/12	9.0	9.0	0.0	0.0
SCHOOLS GENERAL REFURBISHMENT	3,761.8	2,086.8	1,675.0	0.0
SCHOOLS CAPITAL MAINTENANCE 2011/12 TO 2013/14	26,537.6	16,037.6	10,500.0	0.0
SCHOOLS ACCESS PROGRAMME 2007/8 TO 2010/11	1,527.6	790.5	386.1	351.0
SCHOOLS MODERNISATION PROGRAMME	2,000.0	2,000.0	0.0	0.0
LOWER WORTLEY COMMUNITY CENTRE	14.1	14.1	0.0	0.0
KIRKSTALL DEPOT ACCESS OFF VIADUCT RD	14.1	14.1	0.0	0.0
W.Y.J.S ARCHIVE STORAGE BUILDING	18.3	18.3	0.0	0.0
WEST YORKSHIRE ARCHIVES EXTENSION	245.0	245.0	0.0	0.0
NON ILLUMINATED SIGNS	17.0	17.0	0.0	0.0
LOW BRIDGE SIGNING WORK - TR. SOUTH AREA	3.0	3.0	0.0	0.0
FARNLEY WOOD BECK - BALANCING LAKE FS	82.5	82.5	0.0	0.0
WHITEHALL ROAD - RIVERSIDE DEVELOPMENT	258.6	101.0	157.6	0.0
WELLINGTON STREET, LEEDS, ROYAL MAIL DEV	346.8	186.8	160.0	0.0
METHLEY LANE CLUMPCLIFFE FARM A639 DEV	27.0	27.0	0.0	0.0
NORTH ST AND SKINNER LN DEVELOPMENT	31.7	28.3	3.4	0.0
HENCONNER LN/GREEN LN DEV S278	20.0	20.0	0.0	0.0
WHITEHALL RD DUNLOP&RANKIN WOOD LN S278	13.8	13.8	0.0	0.0
HIGH ROYDS S278 JUNCTION G	402.0	275.0	127.0	0.0
POLLARD LANE BRAMLEY S278	32.0	32.0	0.0	0.0
CROWN POINT RD PLOWRIGHT PRINTERS S278	17.3	17.3	0.0	0.0
TOWN STREET STANNINGLEY PEL XING S278	8.0	8.0	0.0	0.0
CONCEPT HSE STEPS WESTFIELD RD B VUE RD	9.7	9.7	0.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 WEST J	1,935.2	880.0	850.0	205.2
BACK LANE DRIGHLINGTON S278	20.0	20.0	0.0	0.0
THE GROVE OFF NORTH LN ROUNDHAY S278	19.4	19.4	0.0	0.0
VICTORIA EMBANKMENT ATKINSON ST	4.0	4.0	0.0	0.0
EASEL PHASE 1 SITES 5 & 7 S278 WORKS	653.0	590.0	63.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 EAST J	1.0	1.0	0.0	0.0
CEMETERY ROAD PUDSEY S278 RESIDENT. DEVE	24.5	24.5	0.0	0.0
REGINALD TER REGINALD ST CHAPELTOWN S278	66.9	66.9	0.0	0.0
HARROGATE RD MOORTOWN M&S STORE S278	93.0	93.0	0.0	0.0
GREEN ROAD MEANWOOD WAITROSE S278	12.0	12.0	0.0	0.0
COMMERCIAL ST BUTCHER LANE ROTHWELL S278	40.9	40.9	0.0	0.0
ST BERNARDS MILL GELDERD RD GILDERS S278	43.0	43.0	0.0	0.0
WOODSIDE QUARRY DEVT - SECT 278	2,365.0	2,200.0	165.0	0.0
GELDERD RD BRACKEN PARK GILDERSOME S278	60.2	60.2	0.0	0.0
HAREHILLS LN / KIMBERLEY RD - NETTO S278	18.4	18.4	0.0	0.0
CROWN POINT RETAIL PARK - ACCESS - S.278	44.0	44.0	0.0	0.0
S278 WATERLOO MANOR HOSPITAL EXTENSION	27.7	27.7	0.0	0.0
TRINITY WEST BUS STOP RELOCATIONS	60.1	60.1	0.0	0.0
HOLT PARK WELL BEING CENTRE - S.278	12.0	12.0	0.0	0.0
ALDI BRADFORD ROAD GUISELEY	5.0	5.0	0.0	0.0
SKELTON FOOTBRIDGE	585.8	203.4	382.4	0.0

SHARPE LANE MIDDLETON DEV S106	4.0	4.0	0.0	0.0
MIDDLETON LN SOUTH SITE TOWCESTER AVE106	150.7	137.0	13.7	0.0
SHARP LANE MIDDLETON AREA TRAF MAN S106	16.6	16.6	0.0	0.0
BRADFORD RD A650 THORPE LN WIDENING S106	261.0	250.0	11.0	0.0
VALLEY ROAD MORLEY CULVERT IMPROVEMENT	2.3	2.3	0.0	0.0
NEVILLE ST & SOVEREIGN ST S.106 PED FAC	120.8	110.2	10.6	0.0
RING RD MIDDLETON PELICAN SHOPPING CENTR	2.4	2.4	0.0	0.0
FLEET LANE - METHLEY - TRAFFIC REG ORDER	15.0	15.0	0.0	0.0
BELLE ISLE ROAD / TOWN ST - PED CROSSING	15.0	15.0	0.0	0.0
SCHOOL TRAVEL LOW COST MINOR WORKS, CAP	4.2	4.2	0.0	0.0
A653 DEWSBURY RD-QBI TOMMY WASS JUNCTION	63.0	63.0	0.0	0.0
BUS STOP ACCESS IMPS - TARGETED STOPS	55.9	0.0	55.9	0.0
MEANWOOD RD BUS PRIORITY MEASURES	17.1	0.0	0.0	17.1
BRAMLEY EAST 20MPH ZONES & BROAD LN LFC	14.0	14.0	0.0	0.0
LAND COMPENSATION CLAIMS SOUTH LEEDS STA	51.7	0.0	51.7	0.0
LEEDS CORE CYCLE NETWORK	46.4	0.0	46.4	0.0
BEESTON CARDINALS 20 MPH ZONE	10.0	10.0	0.0	0.0
HAREHILLS ST WILFREDS 20 MPH ZONE	5.0	5.0	0.0	0.0
HORSFORTH ROUNDABOUT SIGNALISATION	1,109.1	589.1	520.0	0.0
CROSSING ELLAND RD NR OLD RD CHURWELL	3.5	3.5	0.0	0.0
CROSSING A642 ABERFORD RD,WOODLESFORD	3.4	3.4	0.0	0.0
A653 DEWSBURY RD J/W LINDEN RD -CROSSING	52.9	52.9	0.0	0.0
LEEDS CYCLE NETWORK ROUTES	111.0	99.0	12.0	0.0
HAREHILLS LANE - LTP TRAFFIC WORKS	70.0	65.0	5.0	0.0
WEST CHEVIN RD JUNCTION IMP 30MPH 40MPH	3.9	3.9	0.0	0.0
LEEDS RD GUISELEY - PED FACILITIES	7.0	7.0	0.0	0.0
DEWSBURY RD - REIN RD TINGLEY - PED FAC	93.0	93.0	0.0	0.0
A650 BRITANNIA RD MORLEY - PELICAN XING	3.7	3.7	0.0	0.0
20 MPH SPEED LIMIT REVIEW AND PROPOSALS	10.0	10.0	0.0	0.0
BRITANNIA ROAD, MORLEY - TRAFFIC MGT	32.0	32.0	0.0	0.0
ROUNDHAY RD BAYSWATER RD TO HAREHILLS LN	391.0	373.0	18.0	0.0
COOKRIDGE STREET CYCLE ROUTE CITY C PH3	65.0	57.0	8.0	0.0
A647 QBC CANAL ST BUS PRIORITY	41.9	41.9	0.0	0.0
A61 LEEDS ROAD LOFTHOUSE	4.5	4.5	0.0	0.0
A64 YORK ROAD - PEDESTRIAN SAFETY	2.0	2.0	0.0	0.0
TOWN & DISTRICT CTR PARKING SCHEMES	80.0	40.0	40.0	0.0
ARMLEY GYRATORY IMPROVEMENT SCHEME	70.0	20.0	50.0	0.0
SCOTT HALL ROAD GUIDEWAY IMPS	5.0	5.0	0.0	0.0
YORK ROAD GUIDEWAY IMPROVEMENTS	5.0	5.0	0.0	0.0
CHURWELL HILL / RING RD JCT BUS PRIORITY	9.0	9.0	0.0	0.0
ELLAND ROAD BUS PARK & RIDE	530.0	500.0	30.0	0.0
DISABLED ACCESS IMPROVEMENTS	35.0	35.0	0.0	0.0
PUBLIC RIGHTS OF WAY NETWORK	50.0	25.0	25.0	0.0
UTC INVESTMENT	90.0	45.0	45.0	0.0
TRAFFIC MONITORING DEVICES	58.0	41.0	17.0	0.0
ROAD SAFETY CAMERAS ENFORCEMENT	141.0	57.0	84.0	0.0
STANNINGLEY BYPASS – Road Safety Scheme (RSS)	200.0	100.0	100.0	0.0
PONTEFRACT RD STOURTON - RSS STAGE 1	5.0	5.0	0.0	0.0
YORK RD / HAREHILLS LN / OSM LN - RSS	1.0	1.0	0.0	0.0
BRADFORD RD / GALLOWAY LN - RSS	4.5	4.5	0.0	0.0
HEADINGLEY & KIRKSTALL ROAD - RSS	198.0	77.0	121.0	0.0
TARGETED ROAD SAFETY AT BENDS	2.0	2.0	0.0	0.0
RING RD FARSLEY / CALV LN - RSS	4.0	4.0	0.0	0.0
SHEEPSCAR INTERCHANGE - RSS	3.0	3.0	0.0	0.0
DEWSBURY RD / GARNET / PARKSIDE - RSS	5.0	5.0	0.0	0.0
WELLINGTON ST / LISBON ST / CASTLE - RSS	2.0	2.0	0.0	0.0
OTLEY RD / GOLDEN ACRE PARK - RSS	2.0	2.0	0.0	0.0
ROBIN LN / LITTLEMOOR RD - RSS	48.0	44.0	4.0	0.0
HENCONNER LN / BUTT LN - TRAFFIC SIGS	170.0	170.0	0.0	0.0
NEW PEDESTRIAN CROSSINGS	250.0	250.0	0.0	0.0
SAFER ROUTES TO SCHOOL	250.0	125.0	125.0	0.0
STREET LANE JCT NORTON ROAD ZEBRA	3.0	3.0	0.0	0.0

GLEDHOW LANE JCT THORNE LN OAKWOOD ZEBRA	5.0	5.0	0.0	0.0
KIRKSTALL LN JCT LANGDALE GARDENS ZEBRA	3.0	3.0	0.0	0.0
WESTGATE OTLEY ZEBRA	3.0	3.0	0.0	0.0
FOUNTAIN ST MORLEY OS MORLEY HS ZEBRA	2.1	2.1	0.0	0.0
MOVA DELAY REDUCTION DEVICES	6.0	6.0	0.0	0.0
AGED TRAFFIC CONTROLLER REPLACEMENT	12.0	12.0	0.0	0.0
DDA SIGNAL UPGRADES	7.0	7.0	0.0	0.0
UTMC AND TRAVELLER INFORMATION	5.0	5.0	0.0	0.0
CHAPLETOWN ROAD REVISED PARKING ARRANGEM	8.0	8.0	0.0	0.0
A656 ROMAN ROAD RSS - GARFORTH	10.5	10.5	0.0	0.0
TPP INTEGRATED TRANSPORT PACKAGE	435.4	377.5	75.0	(17.1)
MILL GREEN BRIDGE	14.5	14.5	0.0	0.0
DEWSBURY ROAD NO 2 BRIDGE	25.0	25.0	0.0	0.0
THORPE ARCH PARAPET RAISING	80.0	80.0	0.0	0.0
CSO DEWSBURY ROAD	30.0	30.0	0.0	0.0
BRIDGE ST CONC REPS & IRR RET WALL PH6	662.5	662.5	0.0	0.0
RING ROAD FARNLEY	11.0	11.0	0.0	0.0
VIADUCT ROAD ARCHES PHASE 2	1.0	1.0	0.0	0.0
SPRING VALLEY CRESCENT FOOTBRIDGE PIER	62.5	62.5	0.0	0.0
WOODSIDE BRIDGE	4.0	4.0	0.0	0.0
WOODHOUSE LN CAR PARK SOUTH BRIDGE	15.0	15.0	0.0	0.0
NEW WOODHOUSE LANE NO 4 BRIDGE	15.0	15.0	0.0	0.0
STURDY BECK CULVERT	4.0	4.0	0.0	0.0
POOL BANK CULVERT	4.0	4.0	0.0	0.0
MARSH BECK BRIDGE	1.6	1.6	0.0	0.0
LOW MILL ROAD BRIDGE	4.0	4.0	0.0	0.0
CLARENDON ROAD FOOTBRIDGE	13.0	13.0	0.0	0.0
QUARRY HILL FOOTBRIDGE	13.0	13.0	0.0	0.0
RAWDON CREMATORIUM RETAINING WALL	65.1	65.1	0.0	0.0
REDBECK BR SPANDREL WALL RECON MONITOR	2.4	2.4	0.0	0.0
POTTERY LANE ROTHWELL RETAINING WALL	72.6	72.6	0.0	0.0
BIRDCAGE WALK RETAINING WALL	71.6	71.6	0.0	0.0
RAWDON RAIL MITIGATION MEASURES	3.0	3.0	0.0	0.0
GRIMES DYKE SPANDREL WALL STRENGTHENING	2.0	2.0	0.0	0.0
BALME ROAD BRIDGE NET RAIL TJC3\253	354.0	354.0	0.0	0.0
GELDARD RD BRIDGE FOOTWAY PROTECTION	2.5	2.5	0.0	0.0
INNER RING ROAD TUNNEL PHASE 1	800.0	800.0	0.0	0.0
INNER RING ROAD TUNNEL REFURB PH 2	3,000.0	1,000.0	1,000.0	1,000.0
BRIDGES & STRUCTURES	966.7	966.7	0.0	0.0
LTP MAINT PR SURFACE TREATMENT 11/12	139.4	139.4	0.0	0.0
LTP MAINT UD SURFACE TREATMENT 11/12	263.5	263.5	0.0	0.0
SOUTH PARKWAY SEACROFT	224.2	224.2	0.0	0.0
GLEDHOW VALLEY ROAD - GLEDHOW	65.0	65.0	0.0	0.0
LTP ROAD MAINTENANCE REFURBISHMENT	4,807.9	4,807.9	0.0	0.0
LEEDS ROAD PONTEFRACT ROAD - ARLA	1,058.4	1,000.0	58.4	0.0
HIGHWAYS MAINTENANCE 2012/13	500.0	500.0	0.0	0.0
HIGHWAYS MAINTENANCE FUTURE YRS	7,800.0	7,800.0	0.0	0.0
TRAFFIC MANAGEMENT PROGRAMME	700.0	350.0	350.0	0.0
ST JOHN'S CHURCHYARD	14.7	14.7	0.0	0.0
REGINALD TERRACE PLAY AREA PH 1	2.2	2.2	0.0	0.0
S106 GRSP ENHANCEMENTS TO MEANWOOD PARK	4.7	4.7	0.0	0.0
S106 GRSP ENHANCEMENTS TO BRAMLEY PARK	8.9	8.9	0.0	0.0
ARMLEY MOOR GRSP ENHANCEMENTS	3.4	3.4	0.0	0.0
PEPPER RD RECREATION GROUND	134.0	130.5	3.5	0.0
NEVILLE STREET ENVIRONMENTAL IMPROVEMNTS	80.0	80.0	0.0	0.0
LANDS LANE CENTRAL SQUARE REFURBISHMENT	160.0	160.0	0.0	0.0
KIRKGATE & BOND STREET	25.0	25.0	0.0	0.0
LIBRARIES RFID PHASES 3 AND 4	62.2	62.2	0.0	0.0
NECK AND ARM VIBRATION EQUIPMENT	700.0	300.0	200.0	200.0
MANSION HOUSE PHASE 2 (INTERNAL WKS)	10.0	10.0	0.0	0.0
GARFORTH CEMETERY EXTENSION	30.0	30.0	0.0	0.0
WHARFEMEADOWS PARK: WATER SAFETY	69.7	69.7	0.0	0.0

SHARP LANE LANDSCAPE DEV WKS	750.0	750.0	0.0	0.0
MIDDLETON SPORT IMPROVEMENTS	12.3	12.3	0.0	0.0
WATER SAFETY IN PARKS	265.0	265.0	0.0	0.0
AIREBOROUGH FP WATER SAFETY PHASE 4	10.0	10.0	0.0	0.0
PUDSEY FP59 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP 54 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP60 PHASE 4	5.0	5.0	0.0	0.0
SYKES WOOD PHASE 4	0.2	0.2	0.0	0.0
YEADON TARN PHASE 4	3.0	3.0	0.0	0.0
MANSION HOUSE PH3 LANDLORD IMPS	60.0	60.0	0.0	0.0
MIDDLETON PARK LANDSCAPE WORKS	490.1	467.4	22.7	0.0
MIDDLETON PK VISITOR C & BANDSTAND	559.0	530.0	29.0	0.0
WEST LEEDS COUNTRY PARK	10.0	10.0	0.0	0.0
EASEL - PRIV PROP ACQ & DEMOLITION ENEHL	582.4	200.0	382.4	0.0
HRA MISC PROPERTY PORTFOLIO	212.6	212.6	0.0	0.0
BECKHILLS PH1-8 H/LOSS & DEM	119.7	119.7	0.0	0.0
SHG ROUND 1 EASEL NEW BUILD	188.8	188.8	0.0	0.0
COUNCIL HOUSING - 25 PROPS OVER 55'S	67.1	67.1	0.0	0.0
EAST LEEDS HOUSEHOLD WASTE SITE	33.0	33.0	0.0	0.0
GAMBLETHORPE HOUSEHOLD WASTE SITE AREA	22.0	22.0	0.0	0.0
GAMBLETHORPE CAPPING MAIN SCHEME	50.0	50.0	0.0	0.0
INSULATION WORK	20.0	10.0	10.0	0.0
TOTAL HEAT - BELLE ISLE TMO - FUTURE	640.0	320.0	320.0	0.0
BOILER REPLACEMENT	200.0	100.0	100.0	0.0
CAPITAL WORK TO TENANTED PROPERTIES	310.9	150.0	160.9	0.0
ADAPTATIONS FOR THE DISABLED	7,758.4	2,631.4	2,688.5	2,438.5
BITMO - VOID REFURBISHMENT	1,300.0	650.0	650.0	0.0
SHELTERED REFURBISHMENT	500.6	500.6	0.0	0.0
WINDOW REPLACEMENT PROGRAMME	635.4	235.4	400.0	0.0
DOOR REPLACEMENT PROGRAMME	622.9	222.9	400.0	0.0
TOTAL HEAT PROGRAMME	33.0	33.0	0.0	0.0
BOILERS PROGRAMME	500.0	100.0	400.0	0.0
DEFECTIVE HOUSING PARENT	1,000.0	500.0	500.0	0.0
COMMUNITY SAFETY PROGRAMME	200.0	100.0	100.0	0.0
PLANNED TENANTED REWIRING PROGRAMME	2,800.0	1,400.0	1,400.0	0.0
ALARMS & LIGHTING PROGRAMME	50.0	0.0	50.0	0.0
RE-ROOFING PROGRAMME	1,944.4	972.2	972.2	0.0
LIFT REPLACEMENT PROGRAMME	2,300.0	1,150.0	1,150.0	0.0
LIFT REPLACEMENT 2010/11	37.0	37.0	0.0	0.0
KITCHENS & BATHROOMS REPLACEMENT PROGRAMME	4,000.0	2,000.0	2,000.0	0.0
ENVIRONMENTAL PROGRAMME	140.0	70.0	70.0	0.0
BATCHED FENCING & GUTTERING PARENT	140.0	70.0	70.0	0.0
ASBESTOS REMOVAL PROGRAMME	1,067.0	477.0	590.0	0.0
RANDOM WORKS / REFERRALS PROGRAMME	500.0	250.0	250.0	0.0
CAPITAL REPAIRS PROGRAMME	300.0	150.0	150.0	0.0
CUSTOMER PRIORITISED REGEN PROGRAMME	400.0	200.0	200.0	0.0
GARAGES PROGRAMME	150.0	50.0	100.0	0.0
ADAPTATIONS FOR THE DISABLED	2,400.0	1,200.0	1,200.0	0.0
DEMOLITIONS - BLENCARN & BROOKLANDS	81.0	81.0	0.0	0.0
VOID REFURBISHMENT PROGRAMME	5,200.0	2,200.0	3,000.0	0.0
DEMOLITIONS PROGRAMME	1,000.0	500.0	500.0	0.0
BRANDER ROAD CONVERSION	86.0	86.0	0.0	0.0
WINDOW & DOORS FUTURE INVESTMENT	600.0	200.0	200.0	200.0
HEATING & ENERGY FUTURE INVESTMENT	1,187.8	1,187.8	0.0	0.0
HEAT LEASE PROGRAMME	1,500.0	500.0	500.0	500.0
REROOFING FUTURE YEARS	600.0	200.0	200.0	200.0
SHELTERED IMPROVEMENTS 2011/12	1,180.0	1,180.0	0.0	0.0
KITCHENS & BATHROOMS FUTURE INVESTMENT	6,000.0	2,000.0	2,000.0	2,000.0
CAPITAL WORK TO TENANTED PROPERTIES	2,274.2	274.2	1,000.0	1,000.0
VOID PROPERTIES REFURBISHMENT	5,595.1	1,595.1	2,000.0	2,000.0
HOMELOSS & DISTURBANCE (PARENT SCHEME)	1,500.0	500.0	500.0	500.0
HEALTH & SAFETY & ALMO IMPROVEMENTS	750.0	250.0	250.0	250.0

WNW HIGH COST VOID PROPERTIES	1,050.0	350.0	350.0	350.0
WNW VOID PROPERTIES	9,660.0	3,220.0	3,220.0	3,220.0
WNW DH WINDOWS & DOORS	3,719.8	1,160.8	1,279.5	1,279.5
11/12 WINDOWS & DOORS - LISTED PROPERTIES	30.4	30.4	0.0	0.0
WNW INSULATION WORKS	150.0	50.0	50.0	50.0
WNW NEW HEATING INSTALLATIONS	3,000.0	1,000.0	1,000.0	1,000.0
ENERGY EFFICIENCY GRANTS	340.0	0.0	340.0	0.0
11/12 SOLID WALL INSULATION	270.0	270.0	0.0	0.0
11/12 STONECLIFFES EXTERNAL WORK	862.8	862.8	0.0	0.0
11/12 5M'S WOODBRIDGES EXTERNAL WORK PH 4	696.8	696.8	0.0	0.0
11/12 WALL FINISH	36.3	36.3	0.0	0.0
11/12 WHOLE HOUSE IMPROVEMENTS - WATERLOOS	2,794.8	1,863.4	931.4	0.0
WNW COMMUNITY SAFETY	50.0	50.0	0.0	0.0
WNW ROOFING	1,887.3	629.1	629.1	629.1
WNW MSF REMEDIAL WORKS	379.0	179.0	100.0	100.0
WNW MSF COMMUNAL AREAS	150.0	50.0	50.0	50.0
WNW SHELTERED HOUSING IMPROVEMENTS	2,269.4	2,269.4	0.0	0.0
WNW KITCH/BATH/REWIRES	6,203.1	2,067.7	2,067.7	2,067.7
WNW ENVIRONMENTAL WORKS	240.0	80.0	80.0	80.0
AREA PANEL SCHEMES	200.0	200.0	0.0	0.0
WNW REWIRING	900.0	300.0	300.0	300.0
WNW MSF LIFT REPLACEMENT	600.0	200.0	200.0	200.0
WNW GARAGES	75.0	25.0	25.0	25.0
WNW GAS CONTRACT CAPITALISATION	2,664.0	888.0	888.0	888.0
WNW ISOLATED CAPITAL WORKS	751.5	250.5	250.5	250.5
WNW ACCESS WORKS	97.1	97.1	0.0	0.0
WNW SERVICE DELIVERY IMPROVEMENTS	1,500.0	500.0	500.0	500.0
WNW ADAPTATIONS WORKS	8,100.0	2,700.0	2,700.0	2,700.0
CORPORATE PROPERTY MANAGEMENT PROGRAMME	5,525.7	1,101.6	2,199.1	2,225.0
MERRION HOUSE CONCRETE CLADDING	26.7	13.4	13.3	0.0
BECKETT PARK BUILDING - REFURBISHMENT	122.6	110.0	12.6	0.0
FIRE RISK & ASBESTOS REMOVAL CPM BUILDINGS	563.9	563.9	0.0	0.0
Sub-Total	192,636.9	106,475.8	59,401.6	26,759.5

Investing in major infrastructure

NEW GENERATION TRANSPORT & FLOOD ALLEVIATION	27,547.1	2,000.0	4,500.0	21,047.1
SOLAR PHOTOVOLTAIC PANELS CORPORATE	260.0	260.0	0.0	0.0
GRANTS TO METRO (NGT)	2,535.0	2,535.0	0.0	0.0
RAMSDEN STREET KIPPAX FLOOD ALLEVIATION	75.0	75.0	0.0	0.0
LEEDS INNER RING RD STAGE 7	1,168.9	300.0	300.0	568.9
A65 QUALITY BUS INITIATIVE	3,101.1	2,212.1	589.0	300.0
EAST LEEDS LINK M1-A1 MOTORWAY LINK	600.0	600.0	0.0	0.0
BURLEY ROAD INT TRANSPORT CORRIDOR	29.3	29.3	0.0	0.0
COMBINED HEAT AND POWER PLANT YARN ST	42.5	42.5	0.0	0.0
Sub-Total	35,358.9	8,053.9	5,389.0	21,916.0

Supporting service provision

LEARNING DISABILITIES	3,008.6	1,500.0	1,000.0	508.6
TELECARE PROGRAMME	1,900.2	700.1	700.1	500.0
ADAPTATIONS TO PRIVATE HOMES	800.0	400.0	400.0	0.0
ADULT SERVICES SERVICE IMPROVEMENTS	413.1	413.1	0.0	0.0
VEHICLE PROGRAMME	3,540.0	3,540.0	0.0	0.0
CONTINGENCY SCHEME	3,709.5	3,400.0	309.5	0.0
PFI DEVELOPMENT COSTS	1,375.0	825.0	550.0	0.0
CHANGING THE WORKPLACE G 1 & 2	583.0	583.0	0.0	0.0
GENERAL CAPITALISATION	7,000.0	3,500.0	3,500.0	0.0
COCKBURN BSF	270.0	270.0	0.0	0.0
BSF PH1 HIGHWAYS WKS-ALLERTON GRANGE	15.7	15.7	0.0	0.0
BSF PH1 HIGHWAYS WKS-TEMPLE MOOR	9.6	9.6	0.0	0.0
TEMPLE MOOR BSF	50.0	50.0	0.0	0.0
AUTHORITY WORKS BSF	100.0	100.0	0.0	0.0

FARNLEY PARK BSF PH2	2,307.5	2,307.5	0.0	0.0
AUTHORITY WORKS BSF PH2	100.0	100.0	0.0	0.0
DESIGN DEVELOPMENT BSF PH2	50.0	50.0	0.0	0.0
CORPUS CHRISTI BSF PH3	1,973.1	1,973.1	0.0	0.0
BSF PH3 HIGHWAYS WKS-CORPUS CHRISTI	54.0	54.0	0.0	0.0
MOUNT ST MARYS BSF PH3	3,035.7	2,735.7	300.0	0.0
AUTHORITY WORKS BSF PH3	300.0	300.0	0.0	0.0
ASBESTOS REMOVAL BSF PH3	21.8	21.8	0.0	0.0
BSF WAVE 1 ICT - D&B SCHOOLS	3,000.0	3,000.0	0.0	0.0
BSF WAVE 1 ICT-LEEDS EAST ACADEMY	1,196.3	880.0	316.3	0.0
AUTHORITY WORKS - BSF PH4	100.0	100.0	0.0	0.0
WEST LEEDS ACADEMY - BSF PH4	1,000.0	1,000.0	0.0	0.0
LEEDS EAST ACADEMY (PARKLANDS) BSF PH5	9,615.2	7,817.6	1,559.1	238.5
ACCESS EQUIPMENT	15.0	15.0	0.0	0.0
PRIMARY CAPITAL PROGRAMME (PCP)	1,400.0	1,400.0	0.0	0.0
GILDERSOME PRIMARY PCP	1,362.9	1,273.9	89.0	0.0
GREENHILL PRIMARY PCP	1,059.9	969.0	90.9	0.0
OULTON PRIMARY PCP	1,759.2	1,649.4	109.8	0.0
SS PETER & PAUL RC PRIMARY PCP	286.3	214.7	71.6	0.0
RICHMOND HILL PRIMARY PCP	5,344.7	5,105.9	238.8	0.0
SWILLINGTON PRIMARY PCP	372.5	279.9	92.6	0.0
BASIC NEED - PRIMARY EXPANSIONS 2010	2,000.0	1,000.0	1,000.0	0.0
BASIC NEED - PRIMARY EXPANSIONS 2011	100.0	100.0	0.0	0.0
BLACKGATES PS - MODULAR	12.0	12.0	0.0	0.0
BLACKGATES PS - REMODELLING	3.0	3.0	0.0	0.0
BASIC NEED 2011 - BRUDENELL -REMODELLING	52.0	52.0	0.0	0.0
EBOR GARDENS PS - REMODELLING	9.0	9.0	0.0	0.0
FEATHERBANK -S - MODULAR	11.0	11.0	0.0	0.0
BASIC NEED 2011 -FARSLEY FARFIELD PH1	5.5	5.5	0.0	0.0
NEWLAITHES PS MODULAR EXTENSION	36.0	36.0	0.0	0.0
BASIC NEED PH2 - INGRAM ROAD-MODULAR	16.0	16.0	0.0	0.0
BASIC NEED PH2 - IRELAND WOOD-MODULAR	35.0	35.0	0.0	0.0
BASIC NEED 2011-VALLEY VIEW P-REMOD.	6.5	6.5	0.0	0.0
WHITKIRK PRIMARY BASIC NEED & ACCESS	13.3	13.3	0.0	0.0
BASIC NEED 2012 -BRACKEN EDGE	884.9	861.9	23.0	0.0
BASIC NEED 2012-CARR MANOR	1,795.0	1,683.0	112.0	0.0
BASIC NEED 2012 - ROUNDHAY PS	3,212.6	3,007.2	205.4	0.0
BASIC NEED 2012-WYKEBECK PS	1,452.2	1,412.2	40.0	0.0
BARDSEY PRIMARY - ROOFING WORKS	4.0	4.0	0.0	0.0
BASIC NEED PROVISION 2011-12 to 2013-14	30,818.5	15,818.5	15,000.0	0.0
UTMC ENHANCEMENT AND RELOCATION	2,321.0	2,321.0	0.0	0.0
MIDDLETON LC CHANGING ROOM REFURB	701.5	628.0	73.5	0.0
CEMETERY EXTENSIONS - CITYWIDE	375.0	275.0	100.0	0.0
WHINMOOR CEMETERY EXTENSION	313.7	281.6	32.1	0.0
CREMATORIA MERCURY ABATEMENT	1,254.9	554.9	700.0	0.0
RAWDON MERCURY ABATEMENT FEES	750.6	676.8	73.8	0.0
DISABLED FACILITIES GRANTS	13,000.0	6,500.0	6,500.0	0.0
BIN REPLACEMENT PROGRAMME	1,635.8	435.9	435.9	764.0
STREET LITTER BINS	79.3	79.3	0.0	0.0
RECYCLING IMP PLAN - SORT	300.0	300.0	0.0	0.0
ROLL OUT OF GARDEN EXPANSION	527.8	527.8	0.0	0.0
CAPITALISATION OF SALARIES	953.4	472.0	481.4	0.0
Sub-Total	119,808.3	83,692.4	34,104.8	2,011.1

Investing in new technology

ICT STAFF COSTS	47.9	47.9	0.0	0.0
ADULT SOCIAL CARE MGT SYSTEM	64.2	64.2	0.0	0.0
ADULT SOCIAL CARE BUSINESS SYSTEMS REQUIREMENTS	4,500.0	4,500.0	0.0	0.0
EDRM DOCUMENT AND RECORD MANAGEMENT	2,101.0	2,101.0	0.0	0.0
WEB AND INTRANET REPLACEMENT	180.7	180.7	0.0	0.0
ESSMSS EMPLOYEE MANAGERS SELF SERVICE	367.5	250.0	117.5	0.0

IT MODEL OFFICE (IMMERSION EXPERIENCE)	30.5	30.5	0.0	0.0
GREAT GEORGE STREET - TECHNOLOGY COSTS	194.4	194.4	0.0	0.0
NON PROPERTY COSTS TO G 1 & 2 TECHNOLOGY	229.1	229.1	0.0	0.0
IT PROPERTY COSTS	257.0	257.0	0.0	0.0
ICT FUNDING-8 PFI SECONDARY SCHOOLS	3,000.0	3,000.0	0.0	0.0
CHILDRENS SOCIAL CARE MANAGEMENT SYSTEM	2,962.9	2,329.1	633.8	0.0
ICT STAFF CHARGES	1,410.0	1,030.8	379.2	0.0
ICT EXTERNAL COSTS	261.2	261.2	0.0	0.0
ICT ESSENTIAL SERVICE PROGRAMME	2,400.0	1,200.0	1,200.0	0.0
WAN/VPN - CONCENTRATORS CAPACITY UPLIFT	40.0	40.0	0.0	0.0
USER DEVICE HARDWARE REFRESH	200.0	200.0	0.0	0.0
UPGRADE EDGE NETWORK COMPONENTS	250.0	250.0	0.0	0.0
NOVELL MIGRATION TO MICROSOFT	350.0	350.0	0.0	0.0
SECURITY INCIDENTS AND EVENT MANAGEMENT	200.0	200.0	0.0	0.0
UNIFIED COMMS CORPORATE TELEPHONY	1,000.0	1,000.0	0.0	0.0
UNIX SERVER REPLACEMENT	1,400.0	1,400.0	0.0	0.0
VIRTUALISATION FOR ONLINE APPLICATIONS	80.0	80.0	0.0	0.0
IT DEVELOPMENTS EQUIPMENT FUND	2,296.1	594.5	875.0	826.6
PROJECT DEVELOPMENT	3,085.5	967.7	2,117.8	0.0
Sub-Total	26,908.0	20,758.1	5,323.3	826.6

Supporting the Leeds economy

TOWN & DIST REGEN - CONTINGENCY	134.9	134.9	0.0	0.0
LEEDS ARENA	44,988.6	36,613.4	1,022.3	7,352.9
WOODHOUSE LANE CAR PARK (ARENA)	3,446.1	3,118.0	328.1	0.0
HANGZHOU GATE OF FRIENDSHIP	200.0	200.0	0.0	0.0
LOWFIELDS ROAD - ELLAND ROAD MASTER PLAN	500.0	0.0	0.0	500.0
SOVEREIGN STREET DEVELOPMENT LAND	70.0	70.0	0.0	0.0
MIDDLETON ENTERPRISE CENTRE- LEGI SCH	54.4	54.4	0.0	0.0
CHAPELTOWN ENTERPRISE INVESTMENT - LEGI	150.0	150.0	0.0	0.0
BUSINESS GROWTH FUND - LEGI	180.0	180.0	0.0	0.0
KIRKGATE MARKET	300.0	300.0	0.0	0.0
CITY VARIETIES - MAIN SCHEME	242.0	242.0	0.0	0.0
ANDREWS STREET FARSLEY T&DC	14.6	14.6	0.0	0.0
ARMLEY THI UNCOMMITTED GRANTS	903.3	560.2	343.1	0.0
CHAPELTOWN THI UNCOMMITTED GRANTS	763.4	410.3	353.1	0.0
LOWER KIRKGATE REGENERATION THI	645.0	0.0	62.3	582.7
FREE HOME INSULATION PROGRAMME	1,000.0	1,000.0	0.0	0.0
AFFORDABLE HOUSING (AHSP) HRA	2,423.4	2,423.4	0.0	0.0
ECONOMIC INITIATIVES	15,000.0	5,000.0	5,000.0	5,000.0
Sub-Total	71,015.7	50,471.2	7,108.9	13,435.6

Overall Total

445,727.8	269,451.4	111,327.6	64,948.8
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Report of Assistant Chief Executive (Customer Access and Performance)

Report to Executive Board

Date: 14th Dec 2011

Subject: 2011/12 Quarter 2 Performance Report

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: N/A	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report presents to Executive Board a summary of the quarter 2 performance data. Five key issues have been highlighted for Executive Board attention: Budget, Looked-after children, Rate of Domestic Burglary, Transport and Planning Performance.

Recommendations

2. Executive Board is requested to:
 - Note the five key issues which have been highlighted: Budget, Looked-after children, Rate of Domestic Burglary, Transport and Planning Performance and consider if they are satisfied with the work underway to address these issues.
 - Ensure that all reports they receive clearly evidence that effective consultation has taken place as appropriate and due regard has been given to equality.
 - Note the intention for the strategic partnerships to ensure that the focus remains on delivery and that they lead a robust debate with partners on the performance reports for the shared city priorities.

1 Purpose of this report

- 1.1 This report presents to Executive Board a summary of the quarter two performance data for 2011-12 which provides an update on progress in delivering the Council Business Plan 2011-15 and City Priority Plan 2011-15. In addition it provides an update on related work to implement Outcomes Based Accountability which was requested by Executive Board at their meeting on 22nd June 2011.

2 Background information

- 2.1 A new set of delivery plans for the Council and the city were adopted by Council in July 2011 and this report is the first performance update setting out the progress in delivery of these plans. The plans and performance management arrangements that form the basis of this report have been developed alongside the revised partnership boards for the city in a whole system approach. Members will note that the delivery of City Priority Plan priorities are shared with partners across the city while the Council Business Plan sets out the Council's contribution to these shared priorities. This report whilst providing an overview of the performance relating to the City Priority Plan deliberately focuses more on the council's contribution which will best enable Executive Board to challenge the organisation.
- 2.2 Outcomes Based Accountability (OBA) is a planning and performance management methodology which is action and outcome focused. It is particularly helpful to partnership working and is a way of achieving accountability which recognises that changing outcomes for a complex and diverse city such as ours is difficult and cannot be the responsibility of one single organisation. It can only be done through effective partnership working. OBA provides tools and techniques to help partnerships to develop effective and ongoing processes to monitor achievement and to revise/improve the plans as appropriate. At the heart of OBA is an important distinction between accountability for the performance of services or programmes on the one hand, and accountability for outcomes for a particular population on the other:
 - **Population Accountability** – this is about delivering outcomes for whole populations; like all children in Leeds, all older people in Harehills or all residents of Otley. This is not the responsibility of any one organisation or programme. For example if we think about the outcome that “all children in Leeds are healthy”. Who is accountable for delivering this outcome? Perhaps the obvious answer is the health service but we know that they cannot improve health for all children without the active participation of many other partners like schools, parents, youth services, parks and countryside etc. That is the nature of population accountability – it cannot be the responsibility of one agency and they cannot be held to account for it. Effective partnership working is necessary to make progress on these quality of life outcomes for a whole population. The Vision and City Priority Plan are referenced at the population accountability level and set out the outcomes, priorities and indicators for the city.
 - **Performance Accountability** this is about individual organisations e.g. the Council or Leeds Primary Care Trust. It's about the programmes and services they provide, and their role in managing these services to make sure that they are working as well as possible. However, these services can only be held accountable for the difference they make to the wellbeing of their specific clients or service users. OBA requires an equally robust approach to managing service provision by measuring appropriate performance measures for all agencies, projects and programmes. These programmes will clearly make a contribution to the delivery of whole population outcomes and indicators. The Council Business Plan is about performance accountability and sets out the Council's contribution to the city wide outcomes.
- 2.3 In Leeds OBA is currently being rolled out and implemented, with the Children Leeds partnership at the forefront, reporting that OBA is a useful and effective tool in helping tackle difficult issues. In order to develop knowledge and understanding across the partnership, to support the roll out of OBA, a number of training events were recently run including awareness sessions which over 300 people attended and the feedback was very positive. The evaluation report of this training is published on the [intranet](#) along with a range of information and resources. In addition, 36 people were trained in more depth on the methodology and their role

will be to help design and facilitate OBA workshops and to provide briefings and further training.

- 2.4 A working group is also meeting regularly to look at how we can best use OBA, ensure momentum is maintained and share best practice. Over the next few weeks and months we are anticipating that services, teams and partnerships will start to use the methodology and build expertise and experience in OBA across the city. The real benefits of OBA are in using it consistently over a period of time – keeping the focus on outcomes and making the best use of the data to inform decision making. Consideration is also being given to how we can incorporate OBA into other processes across the council like service planning and appraisals.
- 2.5 This report includes two appendices:
- Appendix 1a – Performance Reports for the 5 Cross-Council Priorities.
 - Appendix 1b – Summary of City Priorities 'RAG' assessment.

3 Main issues

Performance Overview

City Priority Plan (CPP)

- 3.1 There are 21 priorities in the CPP and 1 is red, 13 are amber and 7 are green. The red performance report is “Make sure that people who are the poorest improve their health the fastest” and whilst life expectancy for the whole of Leeds’ population continues to increase for deprived areas it is remaining the same. As a result the gap is widening. It is also recognised that life expectancy is influenced by a range of factors that sit within the remit of other Strategic Partnership Boards like housing conditions, unemployment and transport.
- 3.2 A piece of work has been commissioned by the Leeds Initiative Board to look more broadly at what reporting arrangements are needed in order to track these contributions effectively without creating separate and potentially bureaucratic processes. Proposals are scheduled to be brought back in February.

Council Business Plan

Cross Council Priorities

- 3.3 There are 5 cross-council priorities, supporting the implementation of the values and none of these are assessed as red (all are currently amber). However, the performance indicators on the variation from the agreed directorate budget is rated as red in all directorates with the exception of Resources and Customer Access and Performance. Executive Board will note that they will be receiving more up to date financial information through the “Financial Health Monitoring 2011/12 – Month 7” which is on the same agenda. These performance reports are included in appendix 1a.

Directorate Priorities and Indicators

- 3.4 There are 56 Directorate Priorities and of these none are red, 19 are amber and 37 are green. These are supported by 70 performance indicators but for 23 of these no result is available at quarter two (these are either in-development or are annually reported). Of those that can be reported in-year, 7 (15%) indicators are rated as red (these are listed below), 11 (23%) are amber, 28 (60%) are green and 1 (2%) have no RAG rating. Red rated indicators are:
- Percentage of children’s homes rated good or better (Children’s Services)
 - Percentage of children’s complaints resolved within 20 days (Children’s Services)
 - Number of enquiries received from businesses seeking to locate in Leeds (City Development)
 - Percentage of major planning applications completed on time (City Development)
 - Income in City Development (City Development)
 - Percentage of Executive Board and Key/Major decisions that are implemented in 3 months (Resources)
 - Number of missed bins per 100,000 collected (Environment & Neighbourhoods)

Key performance issues for Executive Board

i) Budget

- 3.5 Despite a reduction in the projected year-end overall overspend (£7.2m at Month 6) and more than £80m of the budgeted savings required being on target, there remain significant financial issues. A number of actions have also been taken corporately to increase reserves; most notably the Council has been successful in a VAT claim which has increased the general reserves position by £8.4m as at the end of 2010/11. A more up-to-date position is provided in the month 7 budget update report on the same agenda.

ii) Looked-after children

- 3.6 The number of Looked After Children has stabilised over the last 6 months and the rate at which children are entering care is on a downward trend, but those who enter care remain within it for longer. Costs continue to rise because of where children are being placed and work is underway to address placement costs. There is now a greater focus on early preventative work to reduce the need for children to come into care: for example through the increase in numbers of children on child protection plans; the development of an early start service to enable intervention to take place both earlier in a child's life and earlier on in the development of need; as well improvements in embedding the common assessment framework. The three 'early adopter' clusters are an example of these developments.
- 3.7 The percentage of the council's children's homes (11 in total) rated by Ofsted as 'good' or better has declined from 62% to 50%. A number of issues have been highlighted by Ofsted's new inspection regime, including the fabric of our children's homes and their size. We are currently undertaking a full review of the homes (including staffing) and this will be ready by the end of December. Given the potential impact on the budget this is an area that we will continue to monitor closely.

iii) Rates of Domestic Burglary

- 3.8 A clear trajectory of improvement has not yet been firmly established and although burglary rates have improved in recent months they deteriorated between April and August 2011. Early indications are that the improvement in September and October is continuing but overall Leeds does have the highest rate of burglary when compared to other comparator cities. The rates vary from ward to ward, with the highest increases from the year to September 2010 and the year to September 2011 being Bramley and Stanningley (up 46%) Chapel Allerton (up 38%), Burmantofts and Richmond Hill (up 30%) and Headingley (up 25%). As brought out in the report card, the next four months during the darker nights will be critical and again this is an area we need to continue to monitor closely.

iv) Transport

- 3.9 The risk of not achieving an improved transport infrastructure for the city over the next few years remains high. This is due to funding uncertainties and delays around some of our planned major transport schemes (e.g. New Generation Transport, Rail Growth Package, Inner Ring Road, High Speed Rail etc.)
- 3.10 However, the overall progress from a performance perspective is shown on the report card as 'green', despite the headline indicator remaining static (percentage of Leeds residents who can get to work by public transport within half an hour at peak times). The "green" rating has been provided to recognise the achievements to date but the situation will be reviewed at quarter three in light of anticipated decisions relating to major funding bids. The failure of some or all of these bids would lead to a rating of "amber" or "red". Given the potential impact on the delivery of this and other related city priorities (e.g. economic development) this is an issue Executive Board need to note.

v) Planning Performance

- 3.11 Efficient and effective planning processes are a key contribution on behalf of the council for the delivery of a range of City Priority Plan priorities around economic development,

creation of jobs, housing growth and the marketing/profile of the city. As well as having a direct impact on the income targets for the City Development Directorate. It is understood that the main reason for the red indicator around the completion major planning applications on time is due to difficulties in signing off the section 106 agreements with developers. In the current economic climate, some developers may be reluctant to complete these agreements. The Council has a difficult role to play in ensuring the viability of development and obtaining appropriate contributions to developing infrastructure and providing community facilities. The new Community Infrastructure Levy (CIL) and draft regulations are currently subject to consultation (due to close on 30th Dec 2011). This new system is more flexible and provides an opportunity for the Council to re-assess its policy in this area in light of the strategic plans. However, it should be noted that CIL is intended to provide gap funding for infrastructure and there are likely to be far greater demands for funding than CIL can deliver. Further detail on this issue and work underway in this area is presented in another report on the same agenda.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 All performance information is normally reviewed by Directorate Leadership Teams, Partnership Boards (for City Priorities) and the Best Council Board (Cross-Council Priorities). However timings of some Boards did mean that this was not possible in all cases for quarter two, but in the future meetings will be scheduled to align better with the quarterly reporting cycle. All performance information has been reviewed by CLT and the Council's Performance Board.
- 4.1.2 Within the Council Business Plan, the new values are measured through a range of performance indicators. The values around 'consulting with the public' and 'giving due regard to equality' will be assessed through examining key and major decisions for assurance that decision makers have been provided with the correct information in order to make the decisions. This is important in order to protect the authority and its decision-makers from legal challenge (as has already occurred in other local authorities) and possible resulting financial consequences. Members will note that a revised reporting template was introduced on 1st September that specifically includes sections on consultation and equality which will prompt report writers to include this information. Work has commenced to develop the methodology for measuring and reporting on this indicator. It is anticipated that a result for these indicators will be reported at Q4. Members of Executive Board are also asked to ensure that any reports that come to them clearly evidence within the report that effective consultation has taken place and due regard has been given to equality.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Whilst some of the performance reports do include an update on the significant issues for the delivery of the priority from an equality perspective some do not. This is an issue that will be given further consideration through the work commissioned by the Leeds Initiative Board in order for them to monitor the cross cutting issue of poverty and inequality that runs through many of the CPP priorities (see para 3.2).

4.3 Council Policies and City Priorities

- 4.3.1 This report provides an update on progress in delivering the council and city priorities in line with the council's performance management framework.

4.4 Resources and Value for Money

- 4.4.1 There are no specific resource implications from this report; however, it includes a high level update of the Council's financial position as this is a cross council priority within the Business Plan.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 All performance information is publically available and will be published on the council and Leeds Initiative websites.

4.6 Risk Management

- 4.6.1 The Performance Report Cards include an update of the key risks and challenges for each of the priorities. This is supported by a comprehensive risk management process in the Council to monitor and manage key risks. From this quarter CLT have also reviewed the corporate risk register alongside the performance information which will further ensure that the Council's most significant risks are effectively identified and managed.

5 Conclusions

- 5.1 This is the first time that the performance reports and scorecards have been produced and there is still some work to do to ensure that they are high quality information updates, written in plain English with jargon kept to a minimum. In terms of City Priority Plan performance reports these also need to be owned and debated by the five Strategic Partnership Boards and include more information from across the partnership. Timing issues meant that this did not happen in all cases at quarter two although they were signed off by key stakeholders as appropriate. Outcomes Based Accountability support will be offered to all Boards to help them to develop and refine their action plans for the delivery of the priorities for their boards and to help them to use the data to shape their performance discussions. Some of the performance information was also incomplete and will be chased for quarter three.
- 5.2 However, overall the performance reports and directorate scorecards are a clear and simple summary of performance that Members of Executive Board can use to understand the current performance of the Council and City in relation to our strategic plans.

6 Recommendations

- 6.1 Executive Board is requested to:
- Note the five key issues which have been highlighted: Budget, Looked-after children, Rate of Domestic Burglary, Transport and Planning Performance and consider if they are satisfied with the work underway to address these issues.
 - Ensure that all reports they receive clearly evidence that effective consultation has taken place as appropriate and due regard has been given to equality.
 - Note the intention for the strategic partnerships to ensure that the focus remains on delivery and that they lead a robust debate with partners on the performance reports for the shared city priorities.

7 Background documents

- City Priority Plan 2011-15
- Council Business Plan 2011-15
- Council and City Performance Management Framework (Draft)

Value: Working as a team for Leeds

Priority: Staff have a clear understanding of their role as well as clear objectives and performance targets which are monitored through high quality appraisals.

Why this is a priority - Appraisals for all staff are essential in driving effective performance management to achieve the Council's business and service plan objectives, embed the revised values and help us meet future challenges. The Chief Executive and directors are championing regular appraisals as a priority so that all employees are managed, motivated and developed to perform their role effectively and deliver improving services for Leeds.

Overall Progress:
AMBER

Story behind the baseline:

Appraisal targets - For 2011-12 a corporate annual appraisal timetable was agreed with full appraisals will take place between April and July and interim meetings between October and December

A corporate target was set of 100% of staff having an appraisal between 1st April and 31st July 2011 to ensure objective and target setting is linked with Council, Business and Service Plans. As at 31 July 2011, the LCC average was 78% with the highest performing directorate (Legal) achieving 97% and the lowest (Resources) achieving 63%.

At 30 September 2011, the LCC average was 93% with three directorates achieving over 95% and a further three reporting over 90%.

Directorate performance:

PPI, City Development and Legal – have maintained a position of achieving consistently high levels of appraisals

Adult Social Care - no significant challenges and have improved performance since 2010 -11

Children's Services – Education Leeds joined with Children's Services in April 2011 resulting in challenges around structures but has improved significantly.

Environments & Neighbourhoods – challenges around scheduling appraisals for crew workers have been addressed with group appraisals as part of training days.

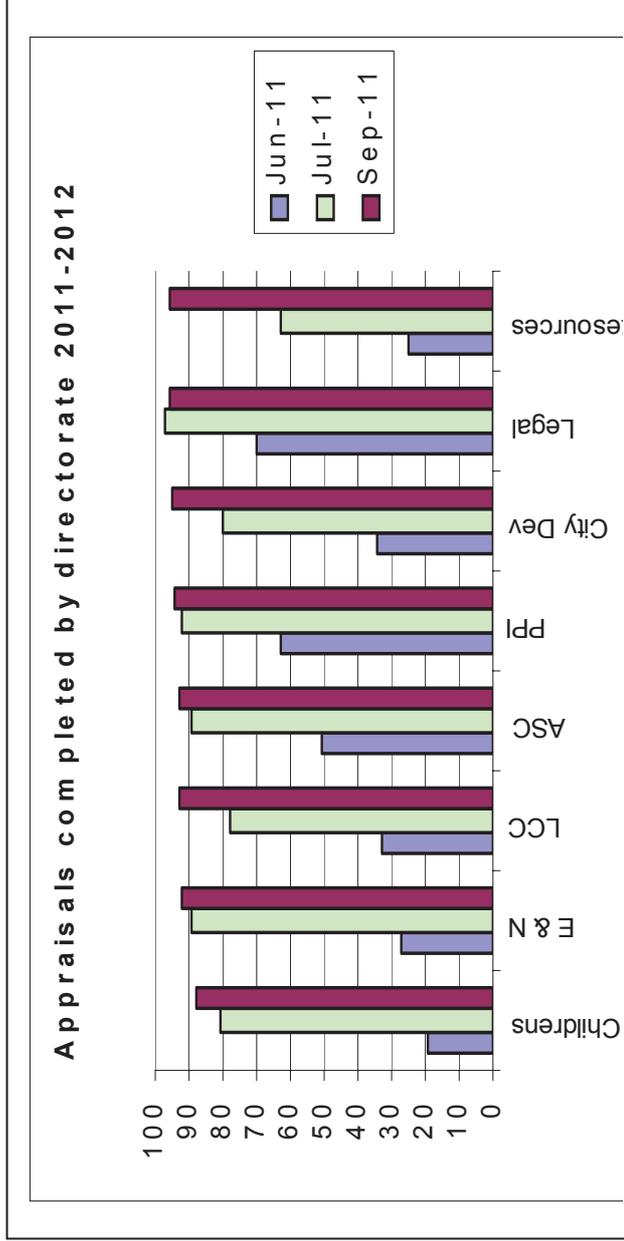
Resources – there have been challenges around scheduling appraisals for school based staff which have been addressed.

As the target of 100% appraisals is close to being achieved, this reflects the profile of the workforce with no measurable variance by equality strand. Appraisal Guidance makes appraisers aware of how not to treat staff unfairly during appraisal meetings or by the process itself.

The Investors in People review highlighted the need for the council to define the expected leadership behaviours. The 'Expectations of our leaders & managers' document reinforces the importance of appraisals in ensuring people are clear about what is expected of them and receive regular feedback on their performance.

One of the Chief Executive's three 'Calls to Action' in 2011/12 to all leaders is to ensure that all employees have a quality appraisal with a PDP and at least one development action linked to service plans.

Headline Indicator: Every year 100 per cent of staff have an appraisal



<p>What do staff think? In the 2009 Staff Survey, 68% of the council's staff said that they had had an appraisal/ development review in the previous 12 months with directorate responses between 54% and 79%. The 2011 Employee Engagement Survey will provide quantitative data about how people feel about the support, guidance and feedback provided by their managers. The Improving Performance Project will sample appraisals carried out and provide feedback on staff perception of the quality of appraisals. The final Investors in People assessment will provide qualitative information regarding staff perceptions of how leaders and managers, lead, develop and support them.</p>	<p>What we did Strategic actions completed:</p> <ul style="list-style-type: none"> • For the first time, a corporate target of 100% appraisals by July 31st was set. • Call to action of 'quality appraisals' communicated by Chief Executive to all leaders and managers in organisation at start of 2011/12. • HR Business Partners, HR OD Leads and Appraisal Co-ordinators all appraised of their continuing roles • Directors and Chief Officers receive regular appraisal performance reports and directors are appraised on the percentage of their staff that are appraised. • Learning Site established on intranet to give access to managers and employees to available learning and development opportunities to support 'quality appraisals' including Appraisal Skills for Managers. • Learning Supplement distributed to all staff (electronic and hard copy) to encourage take-up of learning and development opportunities. • Expectations of Leaders and Managers developed and launched at the Leadership Conference 2011 • Equality data for the whole workforce was updated on SAP in July 2011 and will continue to be updated and developed to reach 100% compliance. 	<p>New Actions New strategic actions:</p> <ul style="list-style-type: none"> • Expectations of Leaders and Managers to be embedded • Leadership and management behaviours will be defined as part of our wider programme to develop our council-wide competencies framework based on the values • Sampling of 'quality appraisals' to take place across all Directorates • Planning and piloting of a performance management system that will provide on-line completion of appraisals and personal development plans commencing in April 2012 • Development of a set of common core appraisal forms across the Council • Range of useful tools and resources available for leaders and managers launched on SharePoint. <p>Data Development</p> <ul style="list-style-type: none"> • Further work needed to ensure integrity of SAP data e.g. correct base organisation structures and data recorded in correct fields. • Analysis of data to establish core population of Appraising Managers by directorate, service, grade, span of control etc.
	<p>What Worked Locally /Case study of impact Directorate based initiatives where there is evidence of impact / good practice</p> <ul style="list-style-type: none"> • City Development has achieved high appraisal levels by prioritising appraisals, reporting progress at DMT level and to Services' Learning Boards. • Directorate OD Leads are in the team and take on a higher level 'Appraisal Champion' role, raising the importance of quality appraisals. • Directorate HR Leads are reviewing Organisation Structures/ SAP data and records for casual and non LCC employees. • Group Appraisals for teams of front line operatives are being piloted to minimise costs and disruption to front line services. 	
		<p>Risks and Challenges</p> <ul style="list-style-type: none"> • Agreement over a series of common core appraisal forms • Resourcing issues for appraising some crew-based front line services • Tight timescale and resource support to implement the performance management system by April 2012

Value: Being open, honest and trusted

Priority: Staff are fully involved in delivering change and feel able to make an impact on how services are delivered

<p>Why is this priority - Effective staff engagement is essential to help the council meet the many challenges it faces, including improving productivity and service delivery. We recognise that there are many factors that influence staff engagement including strong, aligned leadership, and effective, engaging managers. Whether staff feel listened to and valued, are aware of a common vision and are living the council values are also important drivers of engagement.</p>	<p>Overall Progress: AMBER</p>
<p>Story behind the baseline</p> <p>The Council has adopted a new approach to measuring staff engagement based on the MacLeod Review carried out for the Government in 2009 and assesses staff perception in relation to four drivers of Leadership, Management Effectiveness, Staff Voice and Integrity. A benchmarking survey based on this new approach is being undertaken in October 2011. The whole Council workforce (excluding schools) will have an opportunity to participate in this and a representative quarter of the workforce will also be able to take part in a quarterly survey over the next year.</p> <p>Analysis by equality strands.</p> <p>The survey findings will be analysed by key characteristics of the workforce e.g. age, grade, gender, and each quarterly survey sample will reflect that profile. That way, as well as all staff having an annual opportunity to give their views, each quarterly survey will reflect the views of the whole organisation, being representative by equality and other profiles.</p> <p>Comments on any related measures</p> <p>The measure of staff engagement will integrate with a range of other measures that provide actionable detail at a local level. Existing detailed assessments such as iIP, appraisals and the Equalities framework will provide the underlying story to the headline picture which emerges from the new survey. The 'Importance/performance' analysis will help us adapt more quickly to changing needs, perceptions and beliefs of staff, whether these are a result of external factors or the effect of work done internally to strengthen the drivers of engagement. In addition, new immersive opportunities (such as a development of last year's successful focus groups) would give even greater opportunity for staff to define (become involved) the things that matter most to them at work.</p> <p>Evidence underpinning the overall trend</p> <p>Staff engagement has been a key component in the drive to change the culture of the organisation led by the new chief executive and CLT members over the past year. Appraisals taking place for 100% of staff has laid the basis for staff to have regular direct interaction with their managers. Behaviours linked to the new values underpinning our culture change are being assessed at managers' appraisals. Staff engagement at team and individual level is core to the expectations of leaders and managers launched across the Council at the Leadership Conference on September 30.</p>	<p>Headline Indicator: increase the level of staff engagement</p> <p>As the Council wide employee engagement survey will take place in October 2011 there is currently no graphical information available. Graphical information will be available for Quarter 3 reporting</p>
<p>What do staff think?</p> <p>We have involved staff and unions in developing our understanding of local employee engagement issues through discussions and research focus groups over the last 18 months. This has informed the wider strategy and more specifically the new Employee Engagement Survey. Key issues raised in the research included ensuring communications are properly cascaded by managers, improving how we involve staff in change, recognition of the council values, and providing timely and meaningful feedback from any engagement exercises. Staff overwhelmingly chose 'helping the people of Leeds' or helping colleagues' as the best things about their jobs.</p>	

What do staff think? (cont)

The content and approach of the 2009 Staff Survey was different to the current survey and told us that 83% of staff felt satisfied working for the council. The 2011 Employee Engagement Survey will:

- measure levels of employee engagement in the organisation using staff perception and track changes in engagement levels over time.
 - measure the effectiveness of work done across the key drivers to improve employee engagement
- Focus groups were asked for their views on the draft survey questions. Staff told us that we need to be clear about who are leaders and managers, what the values mean and also that we should tell everyone what has changed as a result of the them taking part in the survey.

What we did

- Raised awareness about employee engagement at Corporate and Directorate leadership team level and gained agreement to a new survey approach.
- Developed a new employee engagement survey and piloted this with focus groups of a representative sample of staff plus additional front line services and with those with literacy issues
- Linked existing change toolkit through the learning site to support managers in helping their staff through change
- Took key actions on drivers of employee engagement:
 - Leadership: Improved communications via internet with staff e.g. Tom's blog; 'quality appraisals' identified as call to action.
 - Manager Effectiveness: Key expectations of leaders and managers identified and launched across Council
 - Voice: Organised regular 'Meet Tom' meetings so that 3750 staff have now had opportunity to directly raise questions.
 - Integrity: New values embedded in appraisal documentation and in council awards that recognise excellent performance and behaviours in the organisation

What Worked Locally /Case study of impact

- As part of the changes to the Community Support services to make it more efficient and productive, in excess of 650 employees attended consultation road shows across the Council to provide the opportunity for staff to engage and influence the change to service delivery.
- As part of a review of Architectural Design Services, considerable work has been done with staff and trade unions to identify an alternative to ceasing the service. With 40 plus jobs at risk, staff and managers have worked to develop an alternative partnership solution which has been agreed with Executive Board.

Risks and Challenges

- Low response rate which invalidates the survey. Lack of leadership and management actions to address actions identified from the analysis of response
- Failure to continue sustained action on the four drivers of employee engagement
- Visibility of communication of findings and actions following on from these e.g. Failure to effectively communicate 'You said, we did.....' messages

New Actions

- New employee engagement survey to be implemented
- Communication of the employee engagement survey to all line managers, employees, and trade union representatives through tailored communications, explaining the benefit of taking part in the survey which will run from 17th October to 11th November 2011.
- Analysis of results by Directorate level and equality strands
- Correlation of results with related HR metrics as detailed in the Council's People Plan, to inform improvement action plans
- Communication of the results across the Council – and key actions that will be addressed as priority.
- Targeted investigation into areas of the Council with a low response rate and a low level of engagement reported
- Where issues are identified at corporate or directorate level or for certain staff groups, further follow-up qualitative research will take place at the appropriate level.
- Further key actions on drivers of employee engagement:
 - Leadership: Behaviours will be defined as part of the wider programme to develop our Council wide competencies framework
 - Manager Effectiveness: New development programme to be agreed and implemented
 - Voice: Additional front line opportunities for 'Meet Tom' meetings and Directors direct engagement with staff
 - Integrity: Further action to embed values to follow analysis of question regarding values in employee engagement survey.

Data Development

The survey will be completed quarterly following the baseline exercise, which will provide a more frequent measure of continual improvement, by sampling on a representative basis of the workforce

Value: Working with communities

Priority: Local communities are consulted about major changes that may affect their lives.

Why is this a priority – At a time when resources are limited we need to make sure we are providing the services that the public need in the most appropriate way. By providing clear evidence of public consultation we can ensure communities are effectively able to influence what we do at corporate, service and locality levels. This helps us move from doing things to and for people, towards doing things *with* people.

Overall Progress:
AMBER

Story behind the baseline

- The council values place engagement at the heart of the 'way we do things' in Leeds. 'Working with communities', is linked to the improvement priority of 'we will consult with local people on changes that may affect their lives'. Performance will be measured by the percentage of key and major decision reports that evidence community engagement. This measure is owned by the Assistant Chief Executive (PPI) but is also the responsibility of all Directors. The value of 'being open, honest and trusted' also encourages engagement.
- In the current climate it is inevitable that decisions will be closely scrutinised, and any perceived weakness in the process will be targeted. We need to be confident that evidence from consultation is timely and relevant to the current situation.
- The 2011 Annual Statement on community engagement for the Corporate Governance and Audit Committee identified the following key challenges for engagement in Leeds:
 - Public challenges to decisions
 - Coordination
 - Area working
 - Spending reductions
 - Localism
- The priority will be measured using a new indicator which aims to measure the extent to which there is evidence that consultation with the public is available to decision makers for key/major and Executive Board decisions. By including it as a specific indicator it shows the commitment from senior leaders to ensure that the views of the public are clearly reflected in our policies and decisions. Work is underway to develop the methodology for measuring the indicator with the Best Council Board providing oversight and challenge.
- The Corporate Consultation Manager and Corporate Governance have developed and introduced clearer guidance around including consultation in reports. The new reporting template and guidance was implemented from 1 September 2011 so a result for the indicator is not available for the Q1 and Q2 reporting period. However, a sample of reports was looked in order to inform the methodology for the indicator going forward and feedback has been provided to directorates. The first set of results will be available at quarter 4 and this will be supported by a quality assurance process that will continue to assess the quality of the evidence provided and thus drive further improvements in this area.

Headline Indicator: Every year we will be able to evidence that consultation has taken place in 100 per cent of major decisions affecting the lives of communities - *Indicator currently being developed result available at Q4*

<p>What do residents think</p> <p>In the 2010 research project into Effective Communications and Consultations, residents told us how they feel about getting involved and influencing decisions:</p> <ul style="list-style-type: none"> ○ 89% of respondents feel it is important to feel they can influence decisions about council services ○ 28% are satisfied with being able to influence decisions about public service delivery in their area (24% are dissatisfied) ○ 45% feel that there is no point taking part in council-run consultations, as decisions have already been made before people are asked ○ 39% want to be more involved in decisions about council services that affect their local area <p>New qualitative measures are being designed to be used with the new Citizens' Panel .</p>	<p>What we did</p> <ul style="list-style-type: none"> ● Corporate Consultation Group work to increase use of Talking Point system to support good practice e.g. early coordination of cross-council consultations ● Created new key and major report template to include mandatory consultation evidence requirement ● Started design and recruitment of new Citizens' Panel ● Networks of consultation leads set up within City Development. ● A review has started of the council's strategic operating framework for all types of engagement, including community development and locality arrangements, led by LIP colleagues 	<p>New Actions</p> <ul style="list-style-type: none"> ● Complete the recruitment of Citizen's Panel ● All directorates to help establish calendar of consultations to send to the Panel, including relevant BPIs and major change-related consultations ● Corporate Consultation Group to develop revised guidance, training and support networks for those delivering consultation ● LIP, in consultation with all Directorates to complete, communicate and start to embed the council's new approach to community engagement(tbc) <p>Data Development</p> <ul style="list-style-type: none"> ● Reporting on all decisions, rather than a sample should take place from Q3 onwards ● Add a qualitative aspect to the Headline Indicator to ensure that the consultation that is being done, is done <i>well</i>. ● Revise report writing guidance to insist that consultation evidence includes a link to the record of activity that should already be on the Talking Point system
<p>What Worked Locally /Case study of impact</p> <ul style="list-style-type: none"> ● Environment and Neighbourhoods are developing ways to get early warning that a service or transformation plan needs support developing consultation, to reduce challenge or delay to decisions. ● The Every Child Matters survey is a good example of a well-coordinated, partnership consultation with school pupils that covers a wide range of issue, generates a high response rate and informs a wide range of indicators, change programmes and service plans. 	<p>Risks and Challenges</p> <ul style="list-style-type: none"> ○ Not having a consistent council-wide culture of timely and effective planning of engagement ○ Lack of expert support for staff tasked with engaging ○ Inconsistent feedback on engagement to participants ○ Lack of evaluation of engagement effectiveness 	

Value: Treating people fairly

Priority: Equality is given due regard in council policy and decision making.

Why is this a priority – We are committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. By providing evidence that we have done this for our most important decisions we can be sure that we are meeting our legal and moral obligations

Overall Progress:
Amber

Story behind the baseline

Headline Indicator: Every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions

The Equality Act 2010 requires public bodies to give due regard to equality and the council has agreed to continue to use the equality impact assessment process it has developed. This was further improved and strengthened last year. It now includes formally recording where it was considered that there were no equality considerations or that they were already being taken into account via the screening process.

The priority will be measured using a new indicator which aims to measure the extent to which there is evidence that equality is given due regard in policy and decision making. By including it as a specific indicator it shows the commitment from senior leaders to ensure that there is a full understanding of the potential impact our policies and decisions could have on different communities. Work is underway to develop the methodology for measuring the indicator with the Best Council Board providing oversight and challenge.

Failure to demonstrate that due regard has been given to equality in the decision making process could result in legal challenge. This indicator will assist in focusing attention in this area to ensure both legal compliance and also to ensure that the council takes account of the needs of all communities.

The Equality Team and Corporate Governance have developed and introduced clearer guidance around addressing equality in reports. This now indicates the need to explicitly reference screening and/or equality impact assessments and their outcomes in the reports. The new reporting template and guidance was implemented from 1 September 2011 so a result for the indicator is not available for the Q1 and Q2 reporting period. However the Equality Team have looked at a sample of reports and looked at the qualitative aspects of the evidence included within key and major decisions and Executive Board reports. This is now being used to inform the methodology for the indicator going forward and to improve future work in this area.

The qualitative analysis of the sample of reports indicated that there is a need to improve the level of evidence which is included within the reports. In some instances it would be difficult to show that the available information has been used to inform the decision made, and in some instances there is no indication that consideration has been given to equality. Ongoing work by the Equality Team with directorates suggests that this does not necessarily reflect the true position. Work is taking place with directorates to address this and ensure that the evidence is obvious and it can be shown that our value of treating people fairly underpins our decision making.

In addition to specific support provided to directorates via the Equality Team it is anticipated that the use of the new reporting template will ensure that there is more explicit reference to equality considerations in Q3 and Q4. The final result for the year will be based on Q4, by which time it is anticipated that the target to evidence that equality issues have been considered in 100 per cent of key and major decisions and all Executive Board reports could be achieved.

<p>What do key stakeholders think: The What if Leeds campaign and the spending challenge consultation showed that the public saw equality and community cohesion topics such as encouraging inclusion of all social groups, reducing the gap between the rich and poor and tackling inequality as key issues. There is currently no evidence of staff perceptions in this area. The current employee engagement survey may give an indication of staff perception around the value 'treating people fairly' which could provide an avenue to explore further at a later date.</p>	<p>What we did</p> <ul style="list-style-type: none"> The report writing template and supporting guidance have been updated, and implemented from 1 September 2011; Due regard to equality workshops are being provided across all directorates by the Equality Team. This includes specific briefings in key areas eg procurement; Due regard to equality briefings are being provided to members who are involved in key decision making forums: Executive Board, Deputy Executive Board Members, Licensing Panel Members, Plans Panel Members, Scrutiny Board Chairs, and Area Committee Chairs. IODA (the council's training provider) has provided ongoing equality training (both generic and customised) to all directorates Immediate feedback and support is provided from the Equality Team on EIAs and screenings when requested by directorates Environment and Neighbourhoods have recently introduced additional checks within their process to increase the visibility of evidence of giving due regard to equality and has been promoted by their director All EIA's and Screenings are sense checked by the Equality Team before they are published <p>What Worked Locally /Case study of impact</p> <p>From the sample reports reviewed a good examples of how giving due regard to equality has influenced outcomes is: the decision to retain some libraries was specifically informed by the demographic information and the role in the community included within the EIA eg Burley and Dewsbury Road</p>	<p>Risks and Challenges</p> <p>Failure to evidence that due regard is given in decisions and policy making can result in:</p> <ul style="list-style-type: none"> legal challenges eg in the form of judicial reviews, which can be costly and time consuming.; negative national publicity impacted on reputation; undermining relationships with local communities; wasted officer and member time.
	<p>New Actions</p> <ul style="list-style-type: none"> Continue to deliver the due regard to equality briefings to all Members Progress the QA on equality impact assessments and screenings The Equality Position Statement 2011 will be widely promoted. This provides considerable factual information about outcomes for different equality communities, which can be used to inform the screenings and EIAs Consideration will be given on how to capture the effect of giving due regard to equality on decisions Continue to develop new methodology for the indicator and to provide qualitative analysis and feedback to directorates <p>Data Development</p> <ul style="list-style-type: none"> Finalise discussions with Corporate Governance to ensure a consistent approach to recognising 'evidence' of due regard. New methodology will be challenged by Best Council Board and the first result will be available for Q4 	

Value: Spending money wisely

Priority: All directorates deliver their budget action plan and stay within their approved budget

Why is this a priority - The financial climate we are in is challenging. Our funding from government is reducing and we have greater demands on our services. Through our budget-setting process we have developed a plan to manage with less, including doing things more efficiently, reducing the size of the council and changing the way services are delivered. It is vital that we stick to this plan and that all council services stay within their agreed budget and deliver on their budget action plans

Overall Progress
AMBER

Story behind the baseline

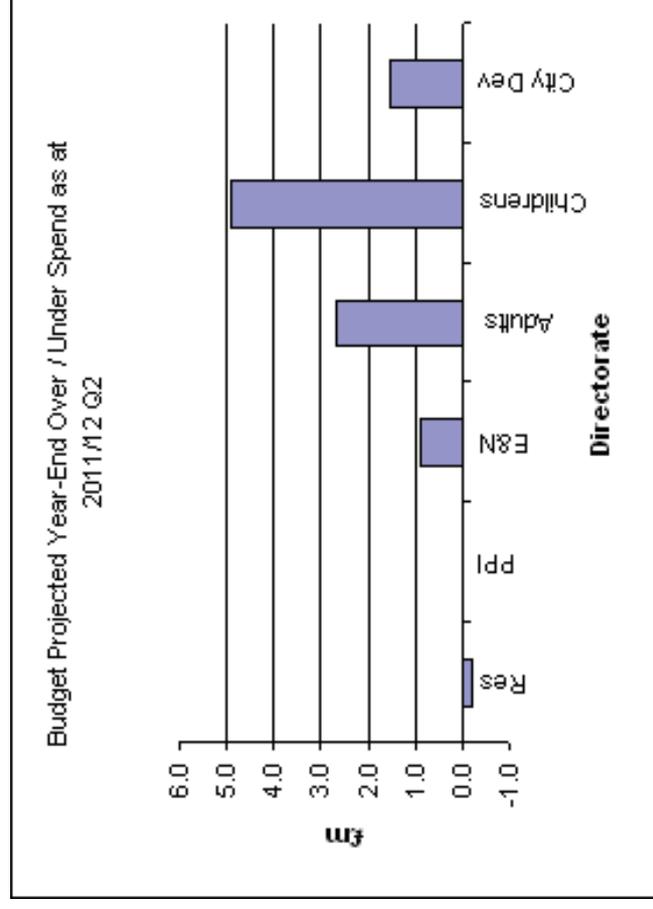
The preparation of the 2011/12 budget has been an unprecedented challenge with the Council's Government grants reducing by over £50m. In addition, demand pressures, particularly in Adult Social care and Children Services has meant that savings of around £90m have had to be built into the 2011/12 budget.

As can be seen from the graph, the in year management of the revenue budget has been challenging in each of the years illustrated, with action having to be taken in each to control overspends identified in the early part of the years.

At the half year stage of the current financial year, the projected overspend is £7.2m which has been rated as amber as it represents a variation of just 1.2% of the approved budget. The main areas of concern are:

- Non achievement of assumed procurement savings for residential and nursing care packages within Adult Social Care
- The number of externally provided residential and fostering placements in Children's Services
- Income shortfalls mainly relating to planning and building regulation fees, car parking, advertising and children's centres

Headline Indicator: No variation from agreed directorate budget in the year



<p>What do key stakeholders think Last autumn Leeds residents gave their priorities for the council's budget in the 'Spending Challenge' consultation. This process ensured that the views of the public were reflected in the difficult decisions that faced the Council about how we could save £150m over next four years. Nearly 2500 responses were received with priority given to protecting frontline services and the most vulnerable people in Leeds. This summer children and young people told us their priorities for the future as part of the Child Friendly City consultation. A light-touch follow-up consultation for the 2012/13 budget is currently being planned to check that the priorities are still the same with an article due to go out in About Leeds in Nov/Dec. A full re-assessment of the public's spending priorities is planned to inform the 2013/14 budget cycle.</p>	<p>What we did</p> <p>As part of the budget monitoring process, action plans built into budgets have been reviewed and the overall projection assumes the continuing delivery of action plans both corporately and within directorates.</p> <p>A number of actions have also been taken corporately to increase reserves; most notably the Council has been successful in a VAT claim which has increased the general reserves position by £8.4m as at the end of 2010/11. Although some of this sum has been used for the Early Leavers Initiative, the remainder will be used to mitigate against some of the spending pressures outlined above.</p> <p>In addition, Capital Financing costs are projected to be £2.6m less than the budget due to the Council taking advantage of the continuing low short term interest rates.</p>	<p>What Worked Locally /Case study of impact</p> <ul style="list-style-type: none"> • Purchasing hubs have been created for the centralised purchasing of consumables and changes to the Council's ordering system have been made which has ensured that the use of negotiated contracts is maximised. 	<p>Risks and Challenges</p> <p>The Council prepares and maintains a financial risk register which provides details of risks and consequences, existing controls to mitigate against these, the value in monetary terms, review dates and progress towards managing the risks. The register is prepared before the start of each financial year and is monitored on a regular basis.</p> <p>The updated register shows there are 3 very high risks and 7 high risks. The very high risks are procurement savings for residential and nursing placements, external fostering and externally provided residential childcare placements.</p>
		<p>New Actions</p> <ul style="list-style-type: none"> • All directorates have been instructed to develop and implement action plans to ensure the authority does not overspend. • Provision was made in the 2011/12 budget for around 400 staff leaving. The Council has launched a new Early Leavers initiative and over 1000 expressions of interest have been received. Action is being taken to quantify the extent to which this will impact on the current year's budget. • Within Children's Services, the action plan to deal with demands and pressures on the placements budget has been revisited and updated with additional capacity put in place to help drive through delivery of the actions • Directorates are reviewing budgets on a line by line basis and implementing spending freezes on areas of non essential spend where appropriate • Opportunities for generating additional income are also being explored within directorates <p>Data Development</p> <ul style="list-style-type: none"> • No issues. 	

Appendix 1b. City Priorities Overall Progress

4 Year Priorities	Headline Indicator	Overall Progress			
		Q2	Q3	Q4	
CITY PRIORITIES - latest quarter's assessment provided by Partnership Boards					
Best City... for Children – Children's Trust Board					
Help children to live in safe and supportive families	Reduce the number of children in care (LAC)	Amber			
Improve behaviour, attendance and achievement	Raise the level of attendance: primary schools	Amber			
	Raise the level of attendance: secondary schools				
Increase the levels of young people in employment, education or training	Reduce the number of 16- to 19-year-olds who are not in education, employment or training	Amber			
Best City... for Health and Wellbeing – Health & Wellbeing Board					
Help protect people from the harmful effects of tobacco	Reduce the number of adults over 18 that smoke	Amber			
Support more people to live safely in their own homes	Reduce the rate of emergency admissions to hospital	Green			
	Reduce the rate of admission to residential care homes				
Give people choice and control over their health and social care services	Increase the proportion of people with long-term conditions feeling supported to be independent and manage their condition	Green			
Make sure that people who are the poorest improve their health the fastest	Reduce the differences in life expectancy between communities	Red			
Best City... for Business – Sustainable Economy and Culture Board					
Create more jobs	Increase the number of new jobs	Amber			
Improve skills	Increase the number of employers offering apprenticeships	Green			
	Hectares of brownfield land under redevelopment				
Support the sustainable growth of the Leeds' economy	Increase number of businesses registering for Value Added Tax (VAT)	Green			
Get more people involved in the city's cultural opportunities	Increase the proportion of adults and children who regularly participate in cultural activities	Green			

Appendix 1b. City Priorities Overall Progress

4 Year Priorities	Headline Indicator	Overall Progress			
		Q2	Q3	Q4	
Improve journey times and the reliability of public transport	Increase the percentage of residents who can get to work by public transport within half an hour at peak times	Green			
Improve the environment through reduced carbon emissions	Reduce carbon emissions	Amber			
Raise the profile of Leeds nationally and internationally	Improve our position in the European survey of best cities in which to do business.	Amber			
Best City... for Communities – Safer and Stronger Communities Board					
Reducing crime levels and its impact across Leeds	Reduce the overall crime rate	Amber			
Effectively tackle and reduce anti-social behaviour in our communities	Improve public perception rates that anti-social behaviour is being managed effectively	Green			
Ensure that local neighbourhoods are clean	Reduce the percentage of streets in Leeds with unacceptable levels of litter	Amber			
Increase a sense of belonging that builds cohesive and harmonious communities	Increase the number of people who believe people from different backgrounds get on well together in the local area	Green			
Best City... to Live - Housing and Regeneration Board					
Maximise regeneration investment to increase housing choice and affordability within sustainable neighbourhoods.	Increase the number of new homes built per year	Green			
	Increase the number of new affordable homes built each year				
Enabling growth of the city whilst protecting the distinctive green character of the city	Increase the number of long-term empty properties brought back into use (across all tenures)	Green			
	Improve the percentage of people satisfied with the quality of the environment				
Improve housing conditions and energy efficiency	Increase the number of properties improved with energy efficiency measures	Amber			
	Increase the number of properties, which achieved the decency standard (to include all tenures)				

Report of the Director of Resources

Report to Executive Board

Date: 14 December 2011

Subject: Calls for publication of employee register of interests

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 checked="" type="checkbox"/> Yes <input 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. A scrutiny inquiry is calling for publication of part of the employees' register of interests for some employees.
2. The Chief Officer, Human Resources has plans in place to comply with the recommendations one and two set out in the inquiry report, in so far as she can legally do so.
3. The Head of Governance Services will implement, in respect of recommendation three, changes to the report template as directed by the Executive Board and will endeavour to communicate these to enable early adoption by report authors.
4. The Head of Scrutiny Support and Member Development will also, at the direction of the Executive Board, arrange for the consideration of recommendation three by the Joint Plans Panel and the Licensing Committee.
5. The Head of Internal Audit will consider the most effective way of obtaining assurances that Directors are managing employee interests appropriately.

Recommendations

6. Executive Board are asked to adopt the proposals set out in this report.

1 Purpose of this report

- 1.1 This report advises Executive Board of the results of a recent Scrutiny Inquiry into the publication of employee interests and the actions proposed as a result.

2 Background information

- 2.1 For a considerable number of years some Scrutiny Boards and the Standards Committee have expressed an interest in the officer register of interests.
- 2.2 Members have noted the differences between the legal and local frameworks for Member interests and the interests of officers, particularly in regard to the requirement to publish Member interests and the absence of a similar requirement for officers.
- 2.3 For some time, it has been the position of officers appearing before those committees to explain that although there are differences between the two frameworks, there is a legal basis for treating the interests differently.
- 2.4 In particular much of the data collected in officer declaration of interest constitutes “personal data” or “sensitive personal data” within the context of data protection legislation and hence is protected from disclosure. For Members this protection is then overruled by legislation which requires publication.
- 2.5 In June 2011 the Information Commissioner handed down a decision in a matter involving Bolton MBC, which provides that certain types of officer interests for “senior staff” may be published. Bolton MBC has appealed against this decision and the result of that appeal is still pending.
- 2.6 The Scrutiny Board (Resources and Council Services) has recently finalised an inquiry into employees’ declarations of interests and made four recommendations.
- 2.7 The Director of Resources has put forward proposals in this report to respond to the Scrutiny Board recommendations.
- 2.8 Both the Information Commissioner’s decision and the Inquiry report are attached for the information of Members.

3 Main issues

3.1 Scrutiny Board Recommendations

- 3.1.1 The scrutiny inquiry report has four recommendations which can be summarised as:

One: Officers to establish, through negotiating appropriate changes to the Employee Code of Conduct, a publicised officer register of interests, with first publication of the register to take place as soon as possible after the ‘Bolton’ appeal has been determined. The information to be publicised, and the posts to be considered, should be based on the Bolton Council ruling, subject to officers being given the opportunity to explain any particular prejudice they might suffer as a result of publication.

Two: That, subject to the above, we work towards a publication scheme which includes “high risk” posts and other groups of staff where there is a specific justification for publication based on their particular duties.

Three: That reports to Council Committees require report authors, and those in whose name the report is written, to declare any interests they may have which may be relevant to the reports subject matter. Those officers presenting or commenting on a report in a formal meeting should also declare any interests in the same fashion that elected Members do.

Four: That internal audit obtains assurances that Directors are managing officer interests appropriately and report their findings back to Scrutiny Board.

A full copy of the inquiry report is attached as Appendix 1.

3.2 Scope of interests which it may now be possible to publicise

3.2.1 The Information Commissioner’s decision notice (Appendix 2) in the Bolton case, whilst specifically couched in the terms of Bolton MBC’s employee’s register of interests, makes a clear distinction between business and personal interests.

3.2.2 The Information Commissioner has ruled that an employee’s business interests can be disclosed but specifically **excluded** disclosure of other categories of personal information. Specifically the Commissioner set out that Bolton MBC should release:

- Names
- Department
- Section
- Name and address and nature of additional business, or other employment
- Name and address of Company, firm or other body or individual of whom consultancy is undertaken and nature of the consultancy with an indication of frequency or volume of such work.
- Name and address and nature of business of each company or other body of which you are a Director, with an indication of whether it is in a paid or unpaid capacity.
- Name and address and nature of business of each firm with which you are a partner
- Name and address and nature of business of each company in which you hold shares [the Chief Officer HR intends to use a form of words to limit this requirement to exclude small shareholdings in large companies, e.g. banks.]
- Name and address of the organisation to whom you are engaged on a retainer basis and nature of the retainer

3.2.3 The intention is to publish all declared business interests for the relevant senior staff. Directors will continue to be accountable – as they are for all declared interests whether or not they are published – for ensuring that appropriate steps are taken to ensure that employees’ decision making and advice is not compromised or open to challenge on the basis of perceived conflicts of interests.

For example, someone who owns a company which provides service X should clearly be excused from any involvement in procuring a company to do X. Conversely, someone with £20 of shares in a multinational energy company is

unlikely to be seriously swayed in their assessment of who to purchase the council's electricity from.

3.2.4 This council's register of interests is not currently aligned to collect this information. Some is collected under different headings (which may include data which is not to be released) and other elements are not specifically requested at all. The Chief Officer Human Resources will ensure that the necessary changes are incorporated in the proposed review of the Employee Code of Conduct to ensure that the information to be released is collected and is clearly differentiated from other information.

3.3 Scope of officers whose business interests it may now be possible to publicise

3.3.1 The Information Commissioner decision refers only to "senior" officers, noting: "...these Officers concerned are senior officers who are responsible for taking decisions which affect the community, and are responsible for budgets and the spending of public money."

3.3.2 In response to the first Scrutiny Board recommendation it is proposed to extend compulsory publication of business interests to two groups of staff:

- The top three tiers of management
- All posts which have significant decision-making powers

3.3.3 The top three tiers of management are:

- the Chief Executive
- posts which report to the Chief Executive (other than administrative posts); and
- posts which report to posts (other than administrative posts) which report to the Chief Executive

3.3.4 Posts with significant decision-making powers may be defined to include:

- Any post to which the constitution delegates authority to make Key decisions under an Executive function, or decisions of a comparable level under a Council function
- Any post to which a sub-delegation scheme delegates authority to make Key decisions under an Executive function, or decisions of a comparable level under a Council function

3.3.5 The two categories almost certainly overlap, however it is simpler to identify the first group, and it is proposed to bring this process and then add in the second category at a later stage. In addition, the publication process will need to include an "appeal" process whereby employees have the opportunity to explain any particular prejudice they might suffer as a result of publication.

3.3.6 Once complete, this would, in effect, become the list of "high risk" posts, thus complying with the second scrutiny board recommendation.

3.3.7 However, it is important to note that this would not comprise the 2135 posts referred to in the attached scrutiny report as this list currently includes a number of relatively junior posts. For clarity, the "high risk" posts would be renamed, an alternative designation of "posts with significant decision-making powers" may be used.

- 3.3.8 This would ensure that the proposed actions were in accordance with the Bolton ruling as it currently stands, be consistent with data protection law and remove the risk of legal challenge from staff *currently* listed as high risk but clearly not “senior” by any definition.
- 3.3.9 It is also worth noting that Under the Code of Practice on Local Authority Accounting the Council’s accounts are required to disclose any significant payments between the Council and any organisation or individual over which the Council’s key management personnel have a degree of control or influence. For Leeds City Council the term key management personnel has been defined as members of the Corporate Leadership Team.

3.4 Current status of the Commissioner’s decision

- 3.4.1 The Information Commissioner’s decision has been appealed by Bolton MBC. It was anticipated that the appeal would be heard in October 2011, however Bolton MBC are unable to advise us when a decision will be made public. It is possible, therefore, that the basis for publishing even this element of the register for this element of employees may be overturned.

3.5 Practicalities of implementing recommendations

- 3.5.1 Introducing rules making the publication of certain interests for some officers will require amendments to the employee code of conduct.
- 3.5.2 The employee code of conduct is also part of the terms and conditions of employment, and changes must be negotiated with the trade unions. These changes can be included in a review of the code which is currently in hand.
- 3.5.3 It is not possible to commit to a timescale at this point due to the uncertainties surrounding the Bolton appeal and the length of time required for discussions with the trade unions. However, all preparatory work will be undertaken once the Executive Board decision has been taken.
- 3.5.4 Recommendation three concerns the arrangements by which report authors, and officers whose name the reports have been written, might record the considerations that have been made, to determine whether or not they might have interests in the matter which is the subject of the report.
- 3.5.5 The Head of Governance Services considers that this requirement could be incorporated into the recently introduced report template (specifically section 4 dealing with Corporate Considerations) adopted by Executive Board, Scrutiny Boards, and by some Council Committees.
- 3.5.6 However, because of the quasi judicial functions of the Plans Panels and the Licensing Committee, the recently introduced template was not adopted by these Committees. The Executive Board therefore may feel it appropriate to invite both the Licensing Committee and the Joint Plans Panel to consider this recommendation within their respective remits.
- 3.5.7 Further to this, recommendation three stipulates that the requirement for report authors, etc., to declare any interests relating to reports to Council Committees. Executive Board are asked to consider whether this requirement to extended to all Key, Major and Significant Operations decisions taken by employees.

- 3.5.8 Internal audit will need to consider the most effective way of obtaining assurances that Directors are managing officer interests appropriately. This will consist of placing reliance upon the governance arrangements in place, as well as compliance testing.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 This report is based upon interaction with the Standards Committee, and the Scrutiny Boards for Environment and Neighbourhoods, City Development and Resources & Council Services.
- 4.1.2 This report sets out proposals for consultation with the trade unions in regard to recommendations one and two.
- 4.1.3 The matters set out in the recommendations relate to internal matters and do not require consultation with the wider Leeds community.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening has been undertaken. There are no issues identified in connection with this report.
- 4.2.2 Any changes to the employee code of conduct will be subject to their own Equality, Diversity, Cohesion and Integration Screening and/or assessment.

4.3 Council Policies and City Priorities

- 4.3.1 The employee code of conduct is part of the council's constitution, but may be amended under delegated authority by the Director of Resources. The Director has sub-delegated this authority to the Chief Officer, Human Resources to maintain consistency with terms and conditions of employment.
- 4.3.2 If the scope of publicising declarations were to be made contingent on delegations and sub-delegations it would be necessary to review all sub-delegation schemes to ensure there is sufficient clarity as to both (a) the posts referred to, and (b) the scope of their delegated authorities, to allow a list of posts in scope to be developed.

4.4 Resources and Value for Money

- 4.4.1 The proposals will require maintenance of two separate lists in regard to the register of interests: (1) posts for which an annual return is proactively sought and (2) posts with significant delegated decision-making authority. It is anticipated that there is sufficient capacity within the HR Service to maintain two lists.
- 4.4.2 These categories are similar to, and may cause confusion with, the rules for identifying politically restricted posts, however, it is not possible to simply designate all politically restricted posts as "senior", as some demonstrably non-senior posts would be caught in scope (for example, lower graded communications staff and political assistants).

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Even if these proposals for “compulsory” publication of some interests for some staff were included in a negotiated employee code of conduct, it would be necessary to allow individuals to request that their details be withheld where publication would be an unwarranted intrusion into the private lives of the employees concerned.
- 4.5.2 Personal data is acknowledged to fall within the protection of the right to respect for private and family life under Article 8 of the Human Rights Act 1998, and it would be unlawful for the Council to act in a way which was incompatible with that Convention rights. The Council would need to demonstrate that a decision to publish was lawful, and in particular that in doing so there was no breach of the Article 8 rights. Article 8.2 provides permits an interference on certain specified grounds, where this is both “necessary” and “proportionate”.

In certain cases, it may be possible to argue that any interference with an employee’s right to respect for their private and family life was outweighed by the “protection of the rights and freedoms of others” in the sense that there is a public entitlement to a politically neutral and otherwise unbiased officer corps.

However, it is considered that in the same way as under the data protection rules, the automatic publishing of all of the information in all declarations would be a breach of the Article 8 rights. In a similar way, if the Council limited disclosures in accordance with the Bolton decision mentioned above, it is likely this will also amount to a permitted interference with the Article 8 rights.

- 4.5.3 If the Council wished to exceed the Bolton decision by making disclosures of further categories of information collected from other groups of staff it would need to have a specific justification based on the particular roles of the individual employees concerned. Plainly, if sensitive personal data were concerned, then the Council’s justification for publication would need to be significantly stronger, and it is likely that publication could only be justified in exceptional circumstances.
- 4.5.4 This report carries a security classification of “not protected”.

4.6 Risk Management

- 4.6.1 If the position in the Bolton ruling is confirmed, we may be asked to provide the information outlined under Freedom of Information legislation. Doing so would be legal – as there would be a legislative requirement to do so – but may cause discontent as it may be seen as a breach of the current employee code, and hence of the local terms and conditions of service.
- 4.6.2 Conversely, going beyond the scope of publication set out in the Bolton ruling without specific justification as mentioned above would, if it is confirmed, open the council to legal challenge and the possibility of significant fines. The Information Commissioner has recently fined a number of local authority’s amounts greater than £100,000 for significant breaches of data protection legislation.

5 Conclusions

- 5.1 The Chief Officer, Human Resources has plans in place to comply with the recommendations one and two set out in the inquiry report, in so far as she can legally do so.
- 5.2 The Head of Governance Services will implement, in respect of recommendation three, changes to the report template as directed by the Executive Board and will endeavour to communicate these to enable early adoption by report authors.
- 5.3 The Head of Scrutiny Support and Member Development will also, at the direction of the Executive Board, arrange for the consideration of recommendation three by the Joint Plans Panel and the Licensing Committee.
- 5.4 The Head of Internal Audit will consider the most effective way of obtaining assurances that Directors are managing employee interests appropriately.

6 Recommendations

- 6.1 Executive Board are asked to adopt the proposals set out in this report.

7 Background documents

- 7.1 Information Commissioner's decision notice, ref FS50359348
- 7.2 Scrutiny Inquiry Final report Employees' Declaration of Interest dated 3 October 2011
- 7.3 Employee register of interests

Scrutiny Inquiry Final report Employees' Declaration of Interest



Introduction and Scope

Introduction

The issue of Officers' register of Interests is not new. In April 2007 the matter was discussed by the Standards Committee where the following comments were made;

- That the Committee is not seeking to intrude into officers' private lives, but That a balance needs to be made between private life and public interest, and that the Council needs to be more accountable and transparent;
- That there is a distinction between officers in general and those officers who are taking delegated decisions, and whether those officers taking delegated decisions are entitled to the same protection regarding their interests;
- That some Local Authorities already have a system in place for Directors and Chief Officers to make their registers publicly accessible on a voluntary basis, and that as Leeds City Council is currently undergoing a reorganisation this may be an opportune time for Leeds City Council to implement a similar system;
- That the Committee has concerns that officers at a senior level were not being monitored properly in terms of their interests;

Unrelated, Scrutiny Board (City Development) on 17th May 2011 considered a report on Officer Registration of Interests. Following this discussion Scrutiny Board (City Development) resolved to refer the matter to this Scrutiny Board asking that it review the effectiveness of the current

arrangements and whether they were fit for purpose.

On 5th September 2011 Scrutiny Board (Resources and Council Services) undertook such a review and have agreed a number of recommendations.

Scope of the Inquiry

The purpose of the Scrutiny review was to;

- a) obtain an understanding of the current arrangements for the collection and recording of employees declarations of interest and determine whether these were fit for purpose, and
- b) merits of having a published register.

Anticipated Service Impact

The Board is of the view that the implementation of its recommendations would encourage openness and transparency in decision making which reflects our values with regards being "open honest and trusted".



Conclusions and Recommendations

The Current Scheme

Data collection

The requirement for employees to declare certain interests is contained in the Employee Code of Conduct.

Section 9 of the employee code of conduct requires all employees with relevant interests to declare them at least once a year. The responsibility for complying with the Code of Conduct lies with each individual member of staff, and failure to comply can, where appropriate, constitute a disciplinary offence.

To assist employees in complying with their duties under the Code of Conduct, all employees are reminded annually of their duty to declare their interests. A general message is released to all staff, this year this was done via the intranet and the Council's Staff News publication.

Declarations are made to the Business Support Centre (BSC), for administrative reasons, and are forwarded on to relevant directors.

The Business Support Centre maintains an electronic database containing all the register of interest data, and copies of the individual declarations which have been made. This information is shared with Directors and/or relevant Chief Officers. The Director (or his/her nominee) is asked to share the information only as far as is necessary to assess and monitor any conflict of interest. This will normally involve advising the line management chain from the employee in question back to the Director.

"High risk" posts

"High risk" staff are those staff in posts which are politically restricted or are graded at JNC Chief Officer grades (or above) or which have been identified by the director as requiring a declaration of interests to avoid any perception or risk of unfairness.

Staff in "high risk" posts are individually contacted to make a declaration each year.

Directors are responsible for identifying which posts in their areas are "high risk". Guidance is provided in making this assessment by Human Resources. This list is reviewed annually prior to sending out declaration forms to those in "high risk" posts.

The Business Support Centre monitors the annual returns from employees in "high risk" posts and provides one reminder for any that are not returned within two weeks. After a further two weeks Directors are informed of any outstanding returns and asked to take appropriate action.

The current return rate for "high risk" posts.

With the assistance of HR, Directors identified 2135 employees in high risk posts in March 2011. All employees in high risk posts were emailed in April 2011 and were instructed to complete declaration of interests forms. These employees are expected to submit their declarations of interests even if they have nothing to declare.

As of August 2011 declarations have been received back from 2094 "high risk" employees. This equates to a 98% response rate and the remaining 2% are being actively chased. (This 2% being on career breaks, long term sick or maternity leave)



Conclusions and Recommendations

Of the 2094 returns, 1571 (75%) employees reported that they had no reportable interests. This information was provided to Directors in case they were aware of any matters which they would have expected to be declared. In such cases the Director (or their nominee) discusses the matter with the employee.

Where an employee has made a declaration the information is passed to their Director to assess whether that interest represented a current or potential conflict of interest.

In terms of the above administrative system for collecting data we acknowledge that there is a requirement for all employees to make a return, we acknowledge the enhanced process for “high risk” posts and we acknowledge that directors and through them, line managers are made aware of such returns. **Given this we consider the process to be ‘fit for purpose.’**

Our concern however is not about administrative processes but the extent to which the information collected on interests should be made publicly available.

Public register

We recognise that the act of collecting and even publishing interests will not in its self safeguard against any wrong doings. (In the same way as a clean driving licence will not prevent future motoring offences). However it is universally agreed that Members need to register their interests to comply with the law, and so the public, staff and other Members know about interests which may inform their approach to particular issues or give rise to a conflict of interest. The Register is a document that can be consulted when (or before) an issue arises. It encourages openness in Local Government and allows others to consider

whether or not Members may have a conflict of interest.

The Register also protects Members. Members are responsible for deciding whether or not they should declare an interest in a meeting, but can be helpful for them to know early on if others think a conflict may arise. It is also important for public confidence that people know about any interests that a member might have and hear these declared by members.

We are of the view that a similar publication scheme should be required of officers. It is our view that officers' Interests are equally important in an increasingly officer led council. As stated by the Standards Committee in 2007, this is not about prying into officers' private lives but about openness and transparency in decision making which reflects our values with regards being “open honest and trusted”.

We are aware that as things stand the arrangements for the declaration of interests by employees are quite distinct from the position in relation to Members' interests. There is a statutory requirement in the Local Government Act 2000 on the Monitoring Officer to establish and maintain a register of Members' financial and other interests. The Act also provides that copies of the register must be available for inspection by members of the public, at all reasonable hours. These requirements are reflected in the Members' Code of Conduct. The Members' right to have their personal information kept confidential under the Data Protection Act is, therefore, overridden by the statutory requirement to publish their interests.



Conclusions and Recommendations

We are aware that there is currently no statutory requirement for employees to declare interests, apart from pecuniary interests in contracts, in respect of which an officer must give notice in writing to the Council. In addition, there is no statutory requirement for public access to declarations by employees. (the current government has confirmed that there is no intention to proceed with such a code)

We were informed by officers that HR had made a trawl of over 60 websites including all the London boroughs, Core Cities and other Authorities in the Yorkshire & Humber region and only three published officer interests.

Having said that we note that other public bodies have publicised schemes for their most senior employees: Wakefield Council, North Yorkshire Police and Transport for London. In each case around six employees are in scope of the schemes. We are aware that one of the three schemes identified was voluntary.

An often cited reason for not publishing officer interests is that; “the details of interests provided by employees in their declarations is their “personal” data under the Data Protection Act 1998. In some instances, information declared under “close relationships” and “other interests” may also be classed as their “sensitive personal data”. Personal data falls within the protection of the Human Rights Act 1998 and it would be unlawful of the council to act in a way which contravened that legislation, i.e. by publishing employee declarations”.

However a recent decision by the Information Commissioner¹ means that there could now be a case for making

¹ Bolton Council

Registers of Senior Officers' Interests for local authorities available to the public through publication.

The complainant requested a copy of senior council officers' declaration of interests. After the Council refused to provide the Senior Officers' declaration of interests stating that it was exempt under section 40(2) of the Freedom of Information Act (personal data), the Commissioner's ruled that some of the information was exempt from disclosure under section 40(2) of the Act; however other sections were not and should be therefore be disclosed - for those officers – because the public interest test for publication overwhelmed the officers' right to privacy. These were around other business and employment interests.

Whilst acknowledging that this decision is currently under appeal, the Board nevertheless recommends that the Executive Board instructs officers to establish, through negotiating appropriate changes to the Employee Code of Conduct, and having due regard to the legal risks of challenge and the outcome of the current appeal, a publicised officer register of interests, with first publication of the register to take place as soon as possible after the 'Bolton' appeal has been determined. Those sections to be publicised, *and the posts to be considered*, should be those identified by the Information Commissioner in the Bolton Council ruling, subject to officers being given the opportunity to explain any particular prejudice they might suffer as a result of publication. We would expect the scheme in time to form part of an employees' contract and terms and conditions.



Conclusions and Recommendations

Recommendation 1

That Executive Board instructs officers to establish, through negotiating appropriate changes to the Employee Code of Conduct, and having due regard to the legal risks of challenge and the outcome of the current appeal, a publicised officer register of interests, with first publication of the register to take place as soon as possible after the 'Bolton' appeal has been determined. Those sections to be publicised, *and the posts to be considered*, should be those identified by the Information Commissioner in the Bolton Council ruling, subject to officers being given the opportunity to explain any particular prejudice they might suffer as a result of publication.

Whilst we would acknowledge that in the first instance the Bolton ruling should determine which posts should be publicised in order for the Council not to risk being challenged and fined, it should be noted that it would be our ambition for the Council to widen the scheme to include those in the "high risk" posts (2135 individuals) and other groups of staff where there is a specific justification for publication based on their particular duties.

Recommendation 2

That, subject to agreement to recommendation one, the Executive Board works towards a publication scheme which includes "high risk" posts and other groups of staff where there is a specific justification for publication based on their particular duties.

Reports

Where an employee's declared interests may conflict with matters on which they offer advice to Members then we were told that the principal responsibility lies with the officer to ensure that they do not place themselves in a position where there could be a perception of a conflict of interests. We acknowledge that this may give rise to an officer excusing themselves from further involvement in the matter. Any officers with pecuniary interests in a delegated decision are not permitted to take that decision; and all Delegated Decision Notification forms require the officer completing the form to declare any interests they may have. We are of the view that this should be extended to officer reports being considered by a committee of Council. Report authors, and those in the name they are writing, should be required to declare any relevant interests they have.

We are also of the view that those officers presenting or commenting on a report in a formal meeting should declare any interests in the same fashion that elected Members do.



Conclusions and Recommendations

Recommendation 3

That the Executive Board instructs officers to ensure that reports to Council Committees require report authors, and those in whose name the report is written, declare any interests they may have which may be relevant to the reports subject matter.

Those officers presenting or commenting on a report in a formal meeting should also declare any interests in the same fashion that elected Members do.

Recommendation 4

That internal audit obtains assurances that Directors are managing officer interests appropriately and report back to this Scrutiny Board their findings.

As we have stated earlier in this report, we recognise that the act of collecting and even publishing interests will not in its self safeguard against any wrong doings. Far more important is what Directors do with the information they receive as a result of the data collection exercise. To this end we recommend that internal audit through review receive the necessary assurances that Directors are managing risk appropriately and report back to this Scrutiny Board.



Appendix 1

Monitoring arrangements

Standard arrangements for monitoring the outcome of the Board's recommendations will apply.

The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.

Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

Reports and Publications Submitted

- Report of Head of HR 5th September 2011
- Report of Head of HR 17th May 2011

Witnesses Heard

Cllr John Procter

Dave Almond, Head of Human Resources

Neil Hunter, Head of Audit

Mark Turnbull, Head of Property, Finance and Technology

Dates of Scrutiny

5th September 2011

**Scrutiny Board (Resources and Council
Employees' Declaration of
3rd October**

Report author: Peter M

www.scrutiny.unit@lee

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Freedom of Information Act 2000 (Section 50)

Decision Notice

Date: 7 June 2011

Public Authority: Bolton Metropolitan Borough Council
Address: Town Hall
Civic Centre
Bolton
Lancashire
BL1 1RU

Summary

The complainant requested a copy of senior council officers' declaration of interests. He also requested a copy of members' declaration of interests. The Council provided the declaration of interest for Members with some redactions however it refused to provide the Senior Officers' declaration of interests stating that that was exempt under section 40(2) of the Act (personal data).

The Commissioner's decision is that some of the information is exempt from disclosure under section 40(2) of the Act; however other sections are not and should be therefore be disclosed.

The Commissioner's Role

1. The Commissioner's duty is to decide whether a request for information made to a public authority has been dealt with in accordance with the requirements of Part 1 of the Freedom of Information Act 2000 (the "Act"). This Notice sets out his decision.

The Request

2. On 13 October 2010 the complainant asked the authority for:
"Please supply copies of all declarations of interests for all current Bolton councillors."

Please supply copies of any similar declarations held by the council for all/any senior council Officers.”

3. As the Council did not initially respond within the 20 working day deadline set by the Act, (which would have been 10 November 2010) the complainant made an initial complaint to the Commissioner on 11 November 2010.
4. On 12 November 2010 the Council provided the complainant with a copy of its declaration of interests for Members. As regards the declaration of interest for Officers it stated that it would need to extend the time limit for a decision to be made in order to further consider the public interest test in detail. The refusal notice notified the complainant of this following the Council’s duty under section 17(2) of the Act.
5. The Council then responded on the 3 December 2010. It stated that the information was exempt under section 40(2) of the Act.
6. On 11 December 2010 the complainant asked the Commissioner to review the Council’s response.

The Investigation

Scope of the case

7. On 11 November 2010 the complainant contacted the Commissioner to complain about the way his request for information had been handled. The complainant specifically asked the Commissioner to whether the information he requested should have been disclosed to him.
8. The Council provided the complainant with a copy of the member’s declaration of interests, and the complainant did not raise this as an issue with the Commissioner. Accordingly the Commissioner has limited this Decision Notice to consideration of the request for the declaration of interests for Officers.
9. The complainant also raised other issues that are not addressed in this Notice because they are not requirements of Part 1 of the Act.

Chronology

10. The Commissioner wrote to the Council on 15 December 2010 stating that a valid complaint had been received.
11. On 14 January 2011 the Council wrote to the Commissioner and asked him to reconsider his decision that the complaint was valid as it had not been given the opportunity to review its decision.
12. On 21 January 2011 the Commissioner, by telephone and in writing, told the Council that it should take the complainant's complaint to the Commissioner to be an expression of his wish for the decision to be reviewed, and to review its decision and provide a response to both the complainant and to him by 18 February 2011.
13. On 1 February 2011 the Council wrote to the Commissioner and asked him to provide a copy of the complainant's complaint to the Commissioner in order to carry out its review.
14. On 4 February 2011 the Commissioner wrote to the Council indicating that the complainant's request was for the Council's entire response to be reviewed.
15. On 15 February 2011 the Council wrote to the complainant asking him to provide any comments or arguments he wished it to take into consideration in its review within 7 days. It provided a copy of that letter to the Commissioner on 17 February 2011.
16. On 18 February 2011 the Commissioner wrote to the Council stating that he had asked for the review to be carried out by 18 February 2011 and was not satisfied with the Council's response. He asked the Council to provide the withheld information and its decision by 25 February 2011.
17. The Council responded on 25 February 2011 providing the withheld information. It followed this with an email on 1 March 2011 providing further arguments in support of its position.

Analysis

Substantive Procedural Matters

18. The complainant made his request for information on 14 October 2010, however the Council did not respond to that request until 12 November 2010. This falls outside of the 20 working day deadline set for response

by section 17(1) of the Act. The Commissioner notes that a time extension under section 17(2) is only permitted when an exemption subject to the public interest test is claimed; section 40 is an absolute exemption, though the Commissioner acknowledges it does often require public interest considerations to be made.

19. Accordingly the Commissioner's decision is that the Council breached section 17(1) of the Act.

Exemptions

20. The Council stated that the information was exempt because it is the personal data relating to the Officers concerned.
21. Section 40(2) provides an exemption to disclosure where the information is the personal data of a third party and a disclosure of that information would breach one of the data protection principles of the DPA.

Is the information personal data?

22. The complainant made a number of requests seeking the declaration of interests of Senior Officers at the Council. Section 1 of the DPA defines personal data as data which relate to a living individual who can be identified:
 - from those data, or
 - from those data and other information which is in the possession of, or is likely to come into the possession of the data controller.
23. The information in question identifies the individual officer at the Council, and then provides a list of interests they have declared which could feasibly conflict with their role within the Council. These interests include such items as family associations and land owned. The list is provided to the Council in order that the Monitoring Officer is aware of any conflicting interests which might arise during the course of the officer's duties, particularly where that officer is involved in decision making.
24. The Commissioner is therefore satisfied that as a list of the individuals private interests, including associations, family relationships and Membership of organisations the information is personal data relating to them.

25. The Commissioner is therefore satisfied that the information is personal data relating to the officers concerned and other third parties.

The data protection principles

26. Section 40(2) excludes the personal data of third parties from disclosure if disclosing it would breach one of the data protection principles of the DPA.
27. The first data protection principle requires that personal information should be processed "fairly". In order for a disclosure of this information to be fair, an important factor to consider is whether Senior Officers had a reasonable expectation that their information may be disclosed by their employer to any member of the public at the time that they first provided it to the Council. This might be because the Council told them that that would occur or because it would have been reasonable for them to understand this was a possibility at the time that they provided it. Alternatively another reason might apply which would make that disclosure fair.

Would that level of disclosure lies within the officer's expectations?

28. The Council has provided information on how the declaration of interests are obtained from Senior Officers. It explained that the declarations are provided voluntarily. This is different to Members, who are required by law to provide information and complete a declaration of interests form. It also provided a link to the Council constitution which states:

"7.3 All employees on Salary Band 8 and above along with certain other posts where Directors deem appropriate must complete the form attached at Appendix B Part B of the Council's Codes and Protocols for Members and Officers or located on the Council's Intranet. If they have any personal interests or involvement which might conflict with their employment or with the interests of the Council. Such employees should complete the form if, for example, they live within the Borough and own their own home.

7.4 The Monitoring Officer will maintain a register of declared interests. The register will be accessible only to the Monitoring Officer and other authorised Officers for the purposes of ensuring that proper standards of conduct are maintained (and/or in accordance with paragraph 14.2 below). Individual employees will only have access to information recorded in respect of themselves, if requested.

7.5 The register will be reviewed annually, however, if an employee's circumstances change in the meantime he/she can make a

voluntary declaration using the proforma attached at Appendix 'B'.

- 7.6 *If any employee has a personal interest in any matter which arises at any meeting where the employee is reporting or advising (or might be called upon to advise, or otherwise be able to influence) any member(s) of the Council, or any third party, the employee must declare the interest, and take no part in the consideration or determination of the matter. Any such declaration made at an official meeting will be recorded in the minutes. If appropriate, arrangements should be made for another employee to attend and report and/or advise on the matter."*
29. The Commissioner notes that some of the information contains specific details about senior officer's private lives, which in many cases may never be relevant to their activities in public life. The information will only be relevant where council decisions could be affected by their personal interests, or could be seen to be affected by their personal interests. The declaration ensures that in such cases they can be excluded from making that decision or having an influence over that decision.
30. The information provides an insight into the individual's and their family's private interests. It provides details of their homes, their Membership of associations, private businesses which they or their family have links with and Membership of sporting clubs or associations which they have joined. It also provides details of where their families work if this might prove a point of conflict.
31. The Council highlights that a disclosure of this information would potentially give third parties with access to the information the ability to calculate where that person, or Members of their family would be at particular times outside of their work. For instance if an individual declares their Membership of a particular club an individual could deduce that they would be likely to attend that clubs premises at regular functions or meetings. The Commissioner considers that it is unlikely that an officer would expect such information which would provide such levels of detail of their private lives to be disclosed in response to a request under the Act.
32. The Council states that the code of conduct and protocols which it abides by are applied by local authorities throughout England. It argues that as these details are not disclosed by local authorities as a norm Officers who provided their information in this case would not have an expectation that the information would be disclosed.

33. The Commissioner also notes the specific stipulation within the document that only the monitoring officer and authorised Officers will have direct access to that information.

The seniority of the officer's involved

34. The Commissioner notes that the Officers are relatively senior within the Council. They are generally decision makers within the Council. As such they may have the ability to approve decisions which directly affect the community, or have a direct effect on the budgets of the authority. The Commissioner considers that it is likely that such Senior Officers would have some expectations that they would need to carry out their tasks transparently and be accountable for the decisions they take.

Would any damage or distress be caused by the disclosure?

35. The Council argues that given the private nature of the information in question Officers would be likely to sign a section 10 notice under the Data Protection Act if they considered that this information was likely to be disclosed. A Section 10 notice notifies the data controller that the data subject objects to it processing data in a particular way on the grounds that doing so is likely to cause the data subject damage or distress.
36. It stated that it has not asked the Officers whether they would consent to disclosure given that its view was that the information was of such a personal nature that they would not provide consent to the disclosure of this information. The Council argues that it is likely that the data subjects (i.e. the Officers) would be likely to submit the notices because: *"The register of interests contains information that is of a very personal nature to the people involved, including addresses, their affiliations and relationships that could be misused, misrepresented or used to locate and identify where they are at certain times"*.
37. The Commissioner is satisfied, given the nature of certain parts of the information in question, that a disclosure would be likely to cause substantial distress to some individuals whose data would be disclosed. It would be likely to lead to fears over security given the personal addresses are provided and an officer's whereabouts could potentially be identified as explained above. He also notes that the information sometimes includes details of other family Members' business interests, or their place of work, or even their children's activities or whereabouts at certain times.
38. Given the potential for disputes or controversial decisions which they may undertake as part of their official duties, a disclosure of

information of this sort may be distressing to the Officers concerned. It is clear that providing personal details of this sort could lead to a fear that repercussions may occur in some extreme instances.

39. The Commissioner is also satisfied that disclosing certain aspects of the information would be extremely intrusive into the private lives of the Officers involved.
40. The Commissioner is therefore satisfied that a disclosure of this information may cause distress to the Officers concerned.

Would a disclosure of the information be warranted?

41. The Commissioner must consider whether there are there any other compelling factors which favour a disclosure of the information to such an extent that a disclosure would be considered fair in spite of the above.
42. He has highlighted above that the Officers concerned are relatively Senior Officers and that the decisions they take are likely to affect the community or the Council's budgets in some way. Clearly as Senior Officers who may take decisions that effect individuals lives or livelihoods there is an onus to act transparently and be accountable for the decisions which they are involved in.
43. The Commissioner notes that declarations of interest provided in this way do rely to some extent on the honesty and integrity of the Officers involved. If an officer chooses not to reveal particular interests (such as Membership of associations), then it is likely that the Council would not, on its own, discover that those interests exist. Clearly if an officer were to be aware that particular interests of his conflict with a decision he is required to take it would be likely to amount to gross misconduct not to reveal that interest. Nevertheless it would be possible that some individuals might not declare their interests for some reason.
44. A disclosure of the stated interests would form part of a check to ensure that this does occur. Public disclosure of the list might allow Members of the public to recognise links or interests which have not been identified and this could be reported to the Council's monitoring officer. A fear that this might occur would be likely to dissuade Officers from failing to declare private interests in the first instance. The lack of public transparency is a relative weakness within this system of monitoring.
45. The Commissioner also considers that transparency is in the interests of good governance, and would be likely to increase trust in decisions taken by those individuals. Clearly where individual's private interests are not known there may always be a suggestion that the decision was

in some way swayed by personal preferences or interests. It is not uncommon for rumours or allegations of misconduct to be made following particularly controversial decisions. A disclosure of personal interests of this sort would be likely to lessen this somewhat. It is for this reason that Members declarations of personal interests are provided in the first instance.

46. The Council argues that the need for transparency and scrutiny are met by the information being provided to the monitoring officer in the first instance. It is a function of the monitoring officer to ensure the probity of council decisions. The Commissioner accepts this argument to an extent, however the function of the Act is to increase transparency and trust in public authorities by allowing the general public their own ability to scrutinise the decisions taken by them. In this way the public can assure themselves that Officers have acted appropriately. Scrutiny by the monitoring officer outside of the public eye does not meet this function. An example of the ability of public scrutiny to root out and affect ineffective practices in this way was provided in recent events surrounding the expenses of Members of Parliament. In that case oversight was intended to be provided by internal processes within the House of Commons however this was apparently unsuccessful in preventing inappropriate claims being made.
47. However the Commissioner must also consider that in this instance the individuals are not elected Members, or politicians. They are primarily employees of the Council, simply carrying out their duties as required.
48. The Council has argued that as the declarations are provided voluntarily, disclosure in this way may dissuade Officers being so forthright with their declarations in the future. The Commissioner finds that is argument is not clearly linked to the fairness of disclosure or harm to privacy and therefore isn't relevant to the section 40 exemption. In any case the Commissioner is not entirely persuaded by this argument given that the onus could be made compulsory. The protocols highlighted above also state the Council Members *must* complete the form on an annual basis. However the Commissioner is concerned the level of detail it provides is such that a disclosure would be likely to be stressful to Officers whose private details are disclosed in this way. In such scenarios it is entirely likely that Officers would be less open with some of the information they include at the moment. The Council's argument is that this would in fact decrease accountability and transparency. In fact, the Commissioner considers that the opposite may in fact be true, and that a fear of being publicly identified as having undeclared conflicting interests would prevent this occurring to an extent.

49. Given the obvious public interest in at least some of this information being disclose the Commissioner has considered whether it would be possible to redact particular sections or entries to protect the more private personal interests of Officers whilst disclosing a level of information necessary to increase the current level of council transparency on this issue.
50. He recognises that such redaction would still not provide the public with a way to fully scrutinise council decision making in this way, however it would provide a greater degree of transparency than is currently the case.
51. He concludes that it was possible for the Council to have provided a partial disclosure in this instance.

Conclusions

Information to which section 40(2) applies

52. Following the above the Commissioner has considered the withheld information and considers that the Council was correct to redact some information from the Senior Officers Declaration of Interests. He believes that the following information is of a private personal nature to the extent that its disclosure would breach the provisions of the first data protection principle. He therefore considers that this information is exempt under section 40(2). His decision is that the Council was correct to redact declarations provided under the following headings
 - Address or description of land or property in which you have an interest, the nature of the interest and the use to which the land is put
 - List any organisation with which you have Membership/association, including clubs and societies
 - List any voluntary bodies of which you have Membership or association
 - Please give any further information you may wish to record about your business or financial interests.
53. He has also made a small number of individual redactions from individual declarations outlined below due to the nature of the information contained within the individual's response. The Council provided the Commissioner with the declaration in the form of an excel sheet and the following individual cells numbers relate to that sheet:

- H 31
 - F 59
 - H 59
 - D 74
 - F 75
54. The Commissioner considers that a disclosure of the information above would be an unwarranted intrusion into the private lives of the Officers concerned because of the nature of that information.
55. The Commissioner recognises that a disclosure of information under these headings would be intrusive into the private lives of the individuals concerned to such an extent that the Officers involved would be likely to feel highly uncomfortable with that level of detail on their private lives being disclosed. Senior public Officers will for the most part carry out their duties with honesty and integrity and there would hopefully be few, if any occasions where they would deliberately fail to declare their interests with a view of influencing decisions to meet their own interests. The Commissioner recognises that there will always be the odd 'bad egg' within all professions, however he is concerned that addressing such individuals in this way would lead to an unwarranted disclosure of personal, private information for the vast majority of honest public officials. This could in turn lead to very serious distress to those individuals and their families, or at the least, very intrusive information about their private lives and interests being made public.
56. As such his view is that a disclosure of this information would be unfair for the purposes of the first data protection principle. His decision is therefore that the Council was correct to apply section 40(2) to the information in this instance.

Information to which section 40(2) does not apply

57. Following on from the above the Commissioner considers that disclosure of the declarations falling within the following sections would not be unfair and should be disclosed, other than for a few individual redactions which he has highlighted above:
- Names
 - Department

- Section
 - Name and address and nature of additional business, or other employment
 - Name and address of Company, firm or other body or individual of whom consultancy is undertaken and nature of the consultancy with an indication of frequency or volume of such work.
 - Name and address and nature of business of each company or other body of which you are a Director, with an indication of whether it is in a paid or unpaid capacity.
 - Name and address and nature of business of each firm with which you are a partner
 - Name and address and nature of business of each company in which you hold shares
 - Name and address of the organisation to whom you are engaged on a retainer basis and nature of the retainer
58. The Commissioner recognises that this information provides details of each individual's interests outside that of their duties in respect of their position at the Council. However he considers that these Officers concerned are senior officer who are responsible for taking decisions which affect the community, and are responsible for budgets and the spending of public money. The interests to be disclosed have an element of public visibility and many elements may often be in the public domain already. It is therefore less reasonable for the Officers to have an expectation of non disclosure in respect of this information. In additional to the public interest already identified, the Commissioner considers there is also a strong public interest in seeing the names of the Officers so that the public can see who has submitted a declaration.
59. The disclosures offer a proportionate level of disclosure, allowing the creation of a degree of public transparency where currently none exists. The Commissioner finds that disclosure of this information would meet schedule 2 condition 6 of the DPA, he finds that:
- there is a strong legitimate public interest in disclosing the information,
 - the disclosure is necessary for a legitimate interest of the public and,

- the disclosure of this particular information would not cause unwarranted interference (or prejudice) to the rights, freedoms & legitimate interests of the data subject.
60. The Commissioner therefore finds that section 40(2) does not apply to this information.

The Decision

61. The Commissioner's decision is that the public authority dealt with the following elements of the request in accordance with the requirements of the Act:
- It correctly applied section 40(2) to the information highlighted in paragraphs 52 and 53 above.
62. However, the Commissioner has also decided that the following elements of the request were not dealt with in accordance with the Act:
- It breached section 17(1) in not providing a response to the complainant with the required 20 working days.
 - It was not correct in applying section 40(2) to the information highlighted in paragraph 57 above. In not providing this information the public authority breached section 1(1)(b) and section 10(1) of the Act.

Steps Required

63. The Commissioner requires the public authority to take the following steps to ensure compliance with the Act:
- To disclose the information highlighted in paragraph 57 above to the complainant.
64. The public authority must take the steps required by this notice within 35 calendar days of the date of this notice.

Failure to comply

65. Failure to comply with the steps described above may result in the Commissioner making written certification of this fact to the High Court

pursuant to section 54 of the Act and may be dealt with as a contempt of court.

Right of Appeal

66. Either party has the right to appeal against this Decision Notice to the First-tier Tribunal (Information Rights). Information about the appeals process may be obtained from:

First-tier Tribunal (Information Rights)
GRC & GRP Tribunals,
PO Box 9300,
Arnhem House,
31, Waterloo Way,
LEICESTER,
LE1 8DJ

Tel: 0300 1234504
Fax: 0116 249 4253

Email: informationtribunal@tribunals.gsi.gov.uk.

Website: www.informationtribunal.gov.uk

67. If you wish to appeal against a decision notice, you can obtain information on how to appeal along with the relevant forms from the Information Tribunal website.
68. Any Notice of Appeal should be served on the Tribunal within 28 (calendar) days of the date on which this Decision Notice is sent.

Dated the 7th day of June 2011

Signed

**Steve Wood
Head of Policy Delivery
Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF**

Legal Annex

General Right of Access

Section 1(1) provides that -

"Any person making a request for information to a public authority is entitled -

- (a) to be informed in writing by the public authority whether it holds information of the description specified in the request, and
- (b) if that is the case, to have that information communicated to him."

Personal information.

Section 40(1) provides that -

"Any information to which a request for information relates is exempt information if it constitutes personal data of which the applicant is the data subject."

Section 40(2) provides that -

"Any information to which a request for information relates is also exempt information if-

- (a) it constitutes personal data which do not fall within subsection (1), and
- (b) either the first or the second condition below is satisfied."

Section 40(3) provides that -

"The first condition is-

- (c) in a case where the information falls within any of paragraphs (a) to (d) of the definition of "data" in section 1(1) of the Data Protection Act 1998, that the disclosure of the information to a member of the public otherwise than under this Act would contravene-
 1. any of the data protection principles, or
 2. section 10 of that Act (right to prevent processing likely to cause damage or distress), and

(d) in any other case, that the disclosure of the information to a member of the public otherwise than under this Act would contravene any of the data protection principles if the exemptions in section 33A(1) of the Data Protection Act 1998 (which relate to manual data held by public authorities) were disregarded."

Section 40(4) provides that –

"The second condition is that by virtue of any provision of Part IV of the Data Protection Act 1998 the information is exempt from section 7(1)(c) of that Act (data subject's right of access to personal data)."

Section 40(5) provides that –

"The duty to confirm or deny-

(e) does not arise in relation to information which is (or if it were held by the public authority would be) exempt information by virtue of subsection (1), and

(f) does not arise in relation to other information if or to the extent that either-

1. the giving to a member of the public of the confirmation or denial that would have to be given to comply with section 1(1)(a) would (apart from this Act) contravene any of the data protection principles or section 10 of the Data Protection Act 1998 or would do so if the exemptions in section 33A(1) of the Act were disregarded, or

2. by virtue of any provision of Part IV of the Data Protection Act 1998 the information is exempt from section 7(1)(a) of that Act (data subject's right to be informed whether personal data being processed)."

Section 40(6) provides that –

"In determining for the purposes of this section whether anything done before 24th October 2007 would contravene any of the data protection principles, the exemptions in Part III of Schedule 8 to the Data Protection Act 1998 shall be disregarded."

Section 40(7) provides that –

"In this section-

"the data protection principles" means the principles set out in Part I of Schedule 1 to the Data Protection Act 1998, as read subject to Part II of that Schedule and section 27(1) of that Act;

"data subject" has the same meaning as in section 1(1) of that Act;

"personal data" has the same meaning as in section 1(1) of that Act."

Report of Assistant Chief Executive (Customer Access and Performance)

Report to Executive Board

Date: 14th December 2011

Subject: Equality Improvement Priorities 2011 to 2015

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes <input 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 Equality Improvement Priorities 2011 to 2015 have been produced to ensure that the council meets its legal duties under the Equality Act 2010.
2. Closer alignment with the Vision for Leeds, the City Priority Plan and the Council Business Plan has been built into the development of the priorities and provides the foundations for a move towards a city wide approach to equality.
3. In addition, the council's Equality and Diversity Policy has been revised and updated to reflect the new legal framework.

Recommendations

1. Executive Board is recommended to:
 - Note the contents of this report;
 - Agree and approve the Equality Improvement Priorities 2011 to 2015;
 - Agree and approve the revised Equality and Diversity Policy; and
 - Note the proposal to circulate this report to Area Committees so that all Members are aware of our Equality and Diversity Policy and Improvement Priorities.

1 Purpose of this report

- 1.1 This report brings to Executive Board the new Equality Improvement Priorities 2011 to 2015 and the revised Equality and Diversity Policy.
- 1.2 This new approach sets out the council's continued commitment to equality. It outlines the council's equality objectives, identifies how progress will be measured and how we will continue to improve and further embed the equality agenda.
- 1.3 This work will be developed further over the next two years with a view to move towards a city wide partnership approach to equality. This reflects the ambitions outlined in the City Priority Plan to have key improvement priorities for the city as well as the council.

2 Background information

- 2.1 Leeds City Council has a leading role in the city to promote equality and value diversity. There is considerable work that has taken place to make equality an integral part of our work and in particular in how we deliver services, how we employ people, how we work with our partners and how we make decisions.
- 2.2 Work to date has included strengthening and enhancing equality considerations in the policy, planning and performance management framework, the scrutiny process, employment policies and procedures, service planning and the regulatory framework.
- 2.3 Equality considerations are now an integral part of the decision making process and considerable work has taken place on embedding equality into all aspects of work using the Equality Framework for Local Government. In recognition of these achievements the council undertook a diversity peer assessment in May 2011 and were awarded 'excellent' status against the Equality Framework for Local Government. 'Excellent' is the highest possible rating.
- 2.4 Leeds is the largest authority to be awarded the status, which has only been achieved by a handful of other local councils. Leeds was praised for its passionate staff and their commitment to delivering high quality public services. Leadership was also praised and the assessors concluded that the council's approach to the equality agenda was 'inspirational' and 'innovative'.

3 Main issues

- 3.1 The council needs to continue to put equality into practice whilst taking into account new legislative requirements, the changing landscape in which we work and the current and future financial challenges that local authorities face. This needs to build on the work outlined above that has already taken place.

- 3.2 The Equality Act 2010 provides a new cross-cutting legislative framework
- to protect the rights of individuals and advance equality of opportunity for all;
 - to update, simplify and strengthen the previous legislation; and
 - to deliver a simple, modern and accessible framework of discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society.
- 3.3 The Equality Act 2010 brings with it a new general public sector duty that requires public bodies to:
- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act
 - advance equality of opportunity between different groups
 - foster good relations between different groups
- 3.4 The new legislative framework has also introduced specific duties to:
- publish accessible information outlining the equality analysis which has taken place to inform equality objectives
 - engage with people who have an interest in furthering the aims of the general equality duty
 - demonstrate progress against equality objectives for both employment and service delivery
- 3.5 The Equality Improvement Priorities in Appendix 1 outline how we will improve outcomes for different people across the city and meet the specific duty to set and publish equality objectives by the target date of 31st January 2012.
- 3.6 Closer alignment with the Vision for Leeds, the City Priority Plan and the Council Business Plan has been built into the development of the approach. This has resulted in a more integrated approach to equality in the council's strategic planning. The equality outcomes have been developed alongside the key priorities for the city as outlined in the City Priority Plan and action plans, and are based on an analysis of the equality perspective.
- 3.7 Progress against the equality analysis, objectives, activities and measures will be reported through the new Performance Management Framework, which has been agreed for the City Priority Plan and the Council Business Plan. An annual report will be produced and published as we will have to show compliance with the Equality Duty, at least annually. This annual report will highlight the progress that has been made in embedding the equality agenda in everything we do, from recruiting and employing staff to delivering our services.
- 3.8 Additional equality information will also be published on the Council's website, which will help us to demonstrate legal compliance. This will include:
- Consultation and Involvement in Developing Equality Objectives
 - Equality Analysis and Objectives 2011 – 2015

- Equality and Diversity Policy 2011 - 2015
- Approach to Embedding Equality 2011 - 2015

3.9 In addition the council's Equality and Diversity Policy in Appendix 2 has also been updated to reflect the new legal framework. The key aim of the policy is to ensure that we continue to work towards strengthening our approach to equality and as a council we recognise that:

“An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish. An equal society recognises different people's different needs, situations and goals and removes the barriers that limit what people can do and can be”

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 During 2010 a review took place which resulted in a number of changes to the city and council planning and partnership framework. In particular, a whole system approach has been sought which ensures the partnership structures, strategic plans and performance management arrangements all dovetail into an effective system for delivering real change across the city.

4.1.2 The Equality Improvement Priorities 2011 to 2015 is part of the city's revised planning framework and is integral to it.

4.1.3 Extensive consultation and involvement was undertaken in the development of the city's revised planning framework and the outcome of this has been used to shape and influence the council's equality objectives.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Equality and diversity has been considered throughout the development of the new strategic planning framework. This has included checking that due regard has been given to equality through the use of equality related evidence in needs assessments, outcomes from consultation and engagement activities, which include:

- The 'What if Leeds...? Campaign'
- The spending challenge consultation
- Equality assurance and impact assessment on the approach to strategic planning

4.2.2 Tackling inequality was a key issue identified through the consultation.

4.3 Council Policies and City Priorities

4.3.1 The proposed work will help to shape and deliver future equality priorities contained in and delivered through the Vision for Leeds and the City Priority Plan 2011 to 2015 and help the council to demonstrate how it is addressing the needs of the cities diverse communities.

4.4 Resources and Value for Money

4.4.1 There are no resource implications arising from this report.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The development of the new approach to improving equality and diversity and setting equality objectives will reinforce the council's commitment to equality and help us meet our legal duties.

4.5.2 This report does not contain any confidential or exempted information and is subject to call in.

4.6 Risk Management

4.6.1 The risks to the council if the approach to equality and diversity is not approved would be the failure to meet equality duties outlined in the Equality Act 2010.

5 Conclusions

5.1 The development of the Equality Improvement Priorities 2011 to 2015 will help the council to achieve its ambition to be the best City in the UK and ensure that as a city work takes place to reduce disadvantage, discrimination and inequalities of opportunity.

6 Recommendations

6.1 Executive Board is recommended to

- Note the contents of this report;
- Agree and approve the Equality Improvement Priorities 2011 to 2015;
- Agree and approve the revised Equality and Diversity Policy;
- Note the proposal to circulate this report to Area Committees so that all Members are aware of our Equality and Diversity Policy and Improvement Priorities.

7 Background documents

7.1 Vision for Leeds 2011 to 2030

7.2 City Priority Plan 2011 to 2015

7.3 Council Business Plan 2011 to 2015

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The Equality Improvement Priorities 2011 – 2015

“An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish. An equal society recognises different people’s different needs, situations and goals and removes the barriers that limit what people can do and can be”

As a council, we are committed to promoting equality and diversity in terms of the people we serve, our workforce, the partners we work with and the services we deliver. Our ambition is to be the best City in the UK. We will only achieve our ambition if as a city we work to reduce disadvantage, discrimination, and inequalities of opportunity. Failure to tackle discrimination and to provide equality of opportunity can have a negative impact on people, undermines society and costs our economy.

We want to inspire pride in our city and all our communities. No one in Leeds should be held back from reaching their potential because of who they are, or where they come from. It is all our responsibility to tackle the causes of inequality and build a stronger, fairer and more cohesive society.

The Equality Improvement Priorities have been developed from the priorities outlined in the City Priority Plan and the Council Business Plan. They provide a summary of our equality analysis and our equality objectives but is not the full picture of equality work in the council. Progress against the Equality Improvement Priorities 2011 – 2015 will be reported on an annual basis.

City Priority Plan - Best cityfor children and young people

Priority - Do well at all levels of learning and have the skills for life
(taken from the Children and Young People's Plan)

Equality focus (objective)	Equality analysis
Support children from all equality communities to be ready for learning	There are lower levels of attainment for some BME communities, people with special educational needs and those from poorer areas

City Priority Plan - Best city for.....communities

Priority - Reduce crime levels and their impact across Leeds

Equality focus (objective)	Equality analysis
Address the impact of burglary on Vulnerable Communities	There is an identified need to better assess the impact of burglary on emerging communities.
Tackle domestic violence and protect and support the most vulnerable young people.	The overwhelming majority of domestic violence is perpetrated by men against women and children.
Improve citywide approaches to dealing with hate crime	Disability, race, homophobic and transphobic hate crime is experienced by many people

Priority - Increase a sense of belonging that builds cohesive and harmonious communities

Equality focus (objective)	Equality analysis
There is a sense of belonging that builds cohesive and harmonious communities	In 2010/11 a small but concerning trend in youth related anti-social behaviour and damage which suggest deliberate targeting of vulnerable victims (adults with learning disabilities, BME residents in predominantly White British neighbourhoods, gay or lesbian couples) was recognised.

City Priority Plan - Best city to live

Priority - Maximise regeneration investment to increase housing choice and affordability within sustainable neighbourhoods

Equality focus (objective)	Equality analysis

Ensure that housing and regeneration investment meets the changing needs of individuals and communities.	Households headed by women with children, BME groups and those living in the social rented sector are more likely to live in overcrowded or substandard housing. There are also significantly higher numbers of BME people and people with disabilities who are unemployed
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Priority - Improve housing conditions and energy efficiency

Equality focus (objective)	Equality analysis
Improve energy efficiency	Many households containing people recovering from long term illness, disabled people, and pensioners can not afford to heat their homes

City Priority Plan - Best city.....for health and wellbeing

Priority - Give people choice and control over their health and social care services

Equality focus (objective)	Equality analysis
We will support individuals from all communities to access social care through personalised budgets and direct payments	The equality analysis of access to personalised budgets and direct payments is ongoing.

Priority - Support more people to live safely in their own homes

Equality focus (objective)	Equality analysis
To support adults whose circumstances make them vulnerable to live safe and independent lives	The group with the largest proportion of safeguarding investigations in 2010/2011 were service users with learning disabilities

Priority - Make sure that people who are the poorest improve their health the fastest

Equality focus (objective)	Equality analysis
All universal social care services are equally accessible to members of all communities	The equality analysis of access to universal social care services is ongoing.
To commission targeted adult social care services for specific equality communities and to ensure these services are effective	Equality analysis from specific reviews is used to inform future commissioning (or de-commissioning) of services at both a service and sector wide level
New migrant communities effectively access appropriate health and social care	Some groups eg Eritrean women, and people whose cultures prevent mental health issues being explicitly recognized, do not effectively access health and social care.

services	
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City Priority Plan - Best cityfor business

Priority - Create more jobs **City Priority Plan** **Priority - Improve skills**

Equality focus (objective)	Equality analysis
Increase access to employment opportunities and up-skill the workforce	There are lower levels of skills and employment amongst some communities in particular some BME groups, and disabled people.

Priority – Support the sustainable growth of the Leeds’ economy

Equality focus (objective)	Equality analysis
Improve financial inclusion	Lack of access to financial services disproportionately affects lone parents (typically female) disabled people, people with mental health illness, and those living in poorer areas.

Priority – Improve journey times and the reliability of public transport

Equality focus (objective)	Equality analysis
Enable access for all to local services, education and employment centres by public transport	Disabled and elderly people have specific concerns in accessing transport

Priority – Get more people involved in the city’s cultural opportunities

Equality focus (objective)	Equality analysis
Ensure the continuing development of the council’s cultural offer, including the successful transition to the new arrangements for sport and libraries	People from poorer areas, BME people and disabled people do not access sport services as much as others. Low numbers of disabled people access libraries
Enhance the quality of Leeds’ Parks	Disabled people, those from a BME background, and men tend to visit parks less than other groups

Council Business Plan

The Council Business Plan draws together aspects of the City Priority Plan with those areas and priorities specific to the council itself. There are a number of cross cutting equality objectives included in the Council Business Plan which provide the building blocks for ensuring that equality is embedded in all our service delivery and as an employer. They are outlined here:

Equality Performance Area - Understanding our communities. Leeds communities are changing and it is vital that we have a clear understanding of who our citizens are in order to provide appropriate services in the most appropriate way.

Equality focus (objective)	Council Value
There is good evidence of the equalities profile of Leeds, based on national and local data, which is regularly reviewed	Working with communities

Equality Performance Area Showing leadership and working in partnership. We will give due consideration to equality and diversity when we develop policies and make decisions. We will ensure that we fully understand the impacts of changed funding on different communities, and take this into account when making decisions

Equality focus (objective)	Council Value
Councillors and Officers have a reputation for championing equality issues and ensure that the equality issues relevant to Leeds are taken into account when making major decisions	Being open, honest and trusted

Equality Performance Area - Involving our communities - We will ensure communities are effectively able to influence what we do

Equality focus (objective)	Council Value
Equality groups are integrally involved in consultation and engagement activities	Working with communities

Equality Performance Area - A modern and diverse workforce – We will understand the make up of our workforce and work to ensure it is representative of the population of Leeds.

Equality focus (objective)	Council Value
To make LCC an 'employer of choice' for people from groups in our communities whose diverse backgrounds are not yet fully represented in our workforce	Treating people fairly
To demonstrate increased engagement, year on year, for staff from groups whose diversity is not yet fully represented in our workforce.	
To improve opportunities for progression to senior levels in the organisation particularly for black, and	

Further detail is in supporting documentation which is available on the council website, and includes:

Consultation and Involvement in Developing Equality Objectives
Equality and Diversity Position Statement 2011
Equality Analysis and Objectives 2011 – 2015
Equality and Diversity Policy 2011 - 2015
Approach to Embedding Equality 2011 - 2015

For enquiries about The Approach to Improving Equality and Diversity (Equality Scheme) 2011 – 2015 please contact the Equality Team :

By email: equalityteam@leeds.gov.uk

By telephone: 0113 2474190

By text: 07891 270162

By post:
Equality Team
Ground Floor,
Civic Hall
Calverley Street
Leeds
LS1 1UR

Website: www.leeds.gov.uk/equality

This publication can also be made available in large print, Braille, on audio tape, audio cd and on computer disk.

Appendix 2

Equality and Diversity Policy 2011-2015

Leeds City Council has adopted the Equalities Review 2007 definition of an equal society which strengthens our approach to equality and diversity. The definition is:

“An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish. An equal society recognises different people’s different needs, situations and goals and removes the barriers that limit what people can do and can be”

The council is committed to:

- eliminating unlawful discrimination, harassment and victimisation;
- advancing equality of opportunity; and
- fostering good relations within and between our communities with a view to building good community relations

The Policy is in line with Leeds City Council’s duties and responsibilities under the Equality Act 2010.

Our aims are that:

- all our existing and potential service users are treated with dignity and respect;
- our partnership and contract arrangements promote equality of opportunity;
- we will work with and between communities to help develop and strengthen relationships;
- our workforce will be reflective of all sections of society; and
- each employee feels respected and able to give of their best.

We will treat everyone with the same attention, courtesy and respect regardless of:

- Age,
- Disability,
- Race or racial group (including colour, nationality and ethnic origin or national origins),
- Religion or belief,
- Sex
- Marriage and Civil Partnership,
- Gender reassignment,
- Pregnancy and maternity
- Sexual orientation,
- Caring responsibilities,
- Social class, or
- Trade union activity.

We will take all reasonable steps to ensure that we do not unlawfully discriminate.

Our commitment is to create an environment both for staff and people of Leeds:

- that promotes dignity and respect for all;
- where people are treated fairly and according to their needs;
- where no form of intimidation, bullying or harassment is tolerated; and
- in which individual differences and the contributions of all are recognised and valued.

This policy applies to:

- all council Members;
- all service users and those applying to access services;
- all contractors and sub contractors; and
- all employees, whether part-time, full-time or temporary, and all job applicants.

Roles and responsibilities

We all have a right to be treated fairly and with dignity and respect. For this to happen we have a responsibility to ensure that our own actions and behaviours are equally fair and that we respect the dignity of others.

Less favourable treatment should be challenged directly, either by the recipient or by any witnesses. Where this is not possible, for whatever reason, then the complaints procedure can be used.

Good practice

In **all** our activities we will:

- give due regard to equality and diversity when reviewing existing and developing new strategies/ policies and services/ functions to ensure that we
 - secure flexible and fair working practices,
 - provide excellent services and
 - fairly award contracts, and commission services
- engage and involve interested groups and individuals (both internal and external to the council) with our decision making processes
- deal with all complaints of discrimination, harassment or victimisation promptly and with sensitivity to all those involved
- take all opportunities to advance equality of opportunity and foster good relations within and between our communities.

In delivering our services we will:

- assess the needs of our existing and potential service users and ensure fair access to our services. This includes making reasonable adjustments to enable disabled people to use our services;
- ensure the availability of appropriate support services. This includes translation and interpretation and making key information available in a range of alternative formats,
- provide access points for reporting hate crimes.

In employment, learning and development we will:

- provide increased opportunities in areas of under-representation. This could include school placements, supported trainee schemes or mentoring;
- continue to progress equal pay;
- assess the needs of our existing and potential disabled employees and provide appropriate reasonable adjustments, and
- take appropriate positive action in recruitment and selection.

Support to implement the policy

All our policies and practices are supported by appropriate training or briefing sessions and guidance. For the equality and diversity policy:

- general and bespoke equality and diversity training is available through Human Resources, and
- advice and guidance is also available from the Equality Team.

Monitoring

All our policies contribute to our overall aims around equality. Key policies – such as those relating to employment, service delivery, community engagement, commissioning and procurement - are specifically designed to promote equality of opportunity and protect people against unlawful discrimination, harassment and victimisation. We collect and analyse data relating to these areas of policy, to identify trends and areas of inequality, and then take appropriate action.

Communications

The equality and diversity policy is available on the intranet and our external website. We will use all opportunities to promote the policy. This includes key messages, induction events for new staff, and specific equality and diversity events.

Responsibility for reviewing this document

The Head of Equality will be responsible for the bi-annual review and update of this policy.

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Report author: Mariana Pexton

Tel: 0113 2474414

Report of James Rogers, Assistant Chief Executive, Customer Access and Performance

Report to Executive Board

Date: 14 December 2011

Subject: Commission on the Future of Local Government

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 checked="" type="checkbox"/> Yes	<input 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 Commission is exploring the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government. This paper provides background information so that councillors can consider the best way for Leeds to play a prominent role in the 'call for evidence' and for Leeds to increasingly use the concept of Civic Enterprise as a way to help deliver the ambitions for the city and for the council.
2. Following its first meeting on 9th November 2011, the Commission agreed that the next step was to "call for evidence". This is now taking place both nationally and locally and aims to gather a wide variety of examples of innovative ways of working that bring the concept of Civic Enterprise to life.
3. The Commission presents a significant and timely opportunity for local government to play an active role in contributing to the definition of its future role. It is hoped that the Commission will ultimately influence ministers and other key stakeholders.

Recommendations

Executive Board is asked to:

- Note the work of the Commission
- Engage with the process and receive further updates as the Commission progresses.

1.0 Purpose of this report

- 1.1. This report is to update Executive Board with the work of the Commission on the Future of Local Government, which Leeds has initiated. The Commission is exploring the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government. This paper provides background about the early work of the Commission, so that councillors can consider the best way for Leeds to play a prominent role in the 'call for evidence' and also for Leeds to increasingly use the concept of Civic Enterprise as a way to help deliver the ambitions for the city and for the council.

2.0 Background information

- 2.1. The current national policy context forms the significant backdrop to this work and there is a background policy context briefing should members require it. It is fair to say that the changes facing local government are unprecedented and that this is prompting debate about the fundamental nature and purpose of the sector. These changes are societal, financial and economic, as well as policy based and legislative, including: Open Public Services, the Localism Act, the Education Bill, the Health and Social Care Bill and the Welfare Reform Bill. This Commission will create a forum to discuss how to positively respond to these challenges through the concept of Civic Enterprise.
- 2.2. The purpose of the Commission is to reassess the role of local government in the 21st century and put forward practical actions that aim to revitalise local democracy and public service. This will provide a framework for the reinvention of local government, allowing the sector to meet current challenges and remain relevant and able to meet the needs and aspirations of citizens.
- 2.3. A key task of the Commission will be to take the concept of Civic Enterprise and test its practical application across a broad range of services to identify genuine opportunities for new ways of working between the public, private and third sectors.
- 2.4. This concept is based on the premise that services built on real partnership between the public, private and third sectors will lead to an enhanced quality of life for local people. This means pooling the sectors' combined strengths to bring greater efficiency and dynamism to service delivery while ensuring fairness and accountability throughout and ensuring that each sector learns from the expertise and strengths of the other.
- 2.5. The Commission, though initiated in Leeds, has its own identity and is not focusing solely on the Leeds context. The focus is national in order to create a blueprint on behalf of the sector that can be used in discussion with ministers and other stakeholders.
- 2.6. The Membership of the Commission is as follows:

Member	Title and organisation
Cllr Keith Wakefield (Chair)	Leader, Leeds City Council
Tom Riordan	Chief Executive, Leeds City Council
Cllr Gordon Matheson	Leader, Glasgow City Council
Jon House	Chief Executive, Cardiff City Council

Will Hutton	Executive Vice Chair, The Work Foundation
Dame Jo Williams	Chair, Care Quality Commission
Lord Laming	Expert in Children's Social Care
Prof Sir Tim Brighouse	Ex-London Schools Commissioner
Prof David Begg	Chairman, Commission for Integrated Transport
Lord Victor Adebawale	Chief Executive, Turning Point
Tony Travers	Director, Greater London Group at the LSE
Emma Maier	Editor, Local Government Chronicle
Andrew Murphy	Retail Operations Director, John Lewis Partnership
Baroness Margaret Eaton	Ex-Chair, Local Government Association
Helen Bailey	Chief Executive, Local Partnerships
Sally-Anne Greenfield	Chief Executive, Leeds Community Foundation
Christine Adshead	Partner, PwC
Prof Michael Arthur	Vice-Chancellor, University of Leeds
Simon Parker	Director, New Local Government Network
Rashik Parmar	Chief Technology Officer, North East Europe, IBM
Phil Collins	Chair, Board of Trustees, Demos
Dr Mike Grady	Principal Adviser, Marmot Review Team
Patrick White (Observer)	Director of Policy, Department for Communities and Local Government

3.0 Main issues

- 3.1. The first meeting of the Commission took place on Wednesday 9 November 2011. There was good attendance at the event and the level of debate indicated that the focus of the Commission is right and that it is timely. Where members of the Commission were unable to attend, they have been contacted by telephone to secure their input, and the response during these conversations was extremely positive and constructive.
- 3.2. The Commission agreed that the next step was to “call for evidence” and this is now taking place. Commission Members will be using this to share with their colleagues and networks and it has also been distributed via a range of media contacts. This information is available via the website: www.civicenterpriseuk.org.
- 3.3. Importantly, the Commission offers great opportunities for Leeds to both showcase examples of good practice where we are already working closely with partners, business and the third sector to make the ethos of civic enterprise come to life. It is also an opportunity for Leeds to elevate to a national level the issues, opportunities and challenges that would benefit from being addressed and which we are unable to resolve easily at a local level.

3.4. The work of the Commission is being organised into three broad phases, as follows:

- Phase 1 which includes the first meeting is about clarifying the approach and scope of the work of the Commission then issuing a call for evidence around the theme of Civic Enterprise.
- Phase 2 is about identifying the key issues being raised as a result of the evidence received and starting to work up outline propositions for early consideration by the Commission at their second meeting.
- Phase 3 is pulling together all the evidence and finalising, in consultation with Commission members, the report findings and recommendations; it is also about ensuring the final report which will be 20-30 pages long with approximately 10 major recommendations, is supported by a well researched, practical library of resources to help others to understand not only what has already achieved elsewhere but how this was made possible so it can be replicated.

4.0 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Commission is currently in the consultation and engagement phase, both nationally and locally, for example, the Area Committees, Scrutiny Boards and the Leeds Initiative Partnership Boards. The call for evidence is welcoming simple and concise submissions, ideally no more than two pages, around the following areas of interest:

- a) What challenges or obstacles exist to working in this way? How would you suggest these are overcome? How can councils unlock the potential of other sectors to help meet social objectives?
- b) What is the future role of local government? In particular, how does the democratic mandate remain relevant and credible as the drive to deliver local solutions for local communities grows? How does local government need to change the way it operates to develop sophisticated partnerships with all sectors to unlock their potential?
- c) To what extent does the way local government provides its services matter to this agenda? Can councils use their own provision to unlock resources (defined broadly) from others?
- d) What new services or investments should councils make to address social challenges, and what is the best way to make and manage those investments? Can local government's ability to raise capital be a part of its future role?
- e) What is the role of business in delivering the civic enterprise model?
- f) What is the role of the third sector in delivering the civic enterprise model?

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 At this stage there are no specific issues other than trying to ensure that the call for evidence comes from all sectors, with particular emphasis being placed on hard to reach groups, and covers how equality and diversity issues are tackled.

4.3 Council Policies and City Priorities

4.3.1 The Commission offers the opportunity to find new ways to deliver the ambitions of the city and the council.

4.4 Resources and Value for Money

4.4.1 The Commission is being managed from within existing resources and against the financial backdrop will limit spend wherever possible. The Commission is being supported across its membership, particularly through Glasgow and Cardiff City Councils, DCLG and the LGC, as a way of sharing work and resources.

4.5 Legal Implications, Access to Information and Call In

4.5.1 At this stage there are no specific implications.

4.6 Risk Management

4.6.1 There are risks associated with delivering the Commission, such as lack of engagement both nationally and locally, lack of buy in from stakeholders and the complexity of the scope. The team are working to mitigate the impacts of these risks.

5.0 Conclusions

5.1 The work of the Commission could be tremendously beneficial to the local government sector and the city of Leeds and support the delivery of improved outcomes for our citizens. It will be an ongoing challenge for the Commission to stay focused on producing practical recommendations, but this is a significant and timely opportunity for local government to play an active role in contributing to the definition of its future role.

6.0 Recommendations

6.1 Executive Board is asked to:

- Note the work of the Commission
- Engage with the process and receive further updates as the Commission progresses.

7.0 Background documents

7.1 None

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Report author: D Feeney / L Peter

Tel: 74539 / 51702

Report of the Director of City Development

Executive Board

Date: 14 December 2011

Subject: Leeds Local Development Framework: Annual Monitoring Report 2011

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Yes <input 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. This report is concerned with this year's Local Development Framework (LDF) Annual Monitoring Report (AMR), with a recommendation for Development Plan Panel to refer the report to 14 December Executive Board for approval (to submit to the Secretary of State for the 31 December 2011 deadline).

2. Following the introduction of the Local Development Framework, consistent with the regulations, the City Council has prepared the LDF Annual Monitoring Report 2011 which is included with Members' agenda papers and also available upon request from the clerk named on the front of the agenda. Consistent with previous AMRs, a series of core areas have been monitored. In addition, the AMR records a summary of progress against the Local Development Scheme, identifies a number of areas where monitoring work continues to be established and also areas of further work where the LDF evidence base is to be developed.

Recommendations

3. To approve for submission to the Secretary of State by 31 December 2011, the Leeds Local Development Framework Annual Monitoring Report, pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.

1. Purpose Of This Report

- 1.1. The purpose of AMRs is to report on both the performance of specific planning policies and a summary of progress against milestones set out for the preparation of Local Development Documents identified as part of the Local Development Scheme (LDS). The AMR is meant to provide an opportunity for local authorities to review delivery progress of the planning policies adopted through the LDF process and update, delete or revise Local Development Documents as necessary.
- 1.2. The reporting period for this AMR covers the period 1 April 2010 – 31 March 2011 for planning policy issues and the progress update on the Local Development Scheme is the position at December 2011.
- 1.3. It is therefore necessary to secure approval to submit the to the Secretary of State by 31 December 2011, the Leeds Local Development Framework Annual Monitoring Report, pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.

2. Background Information

- 2.1. Monitoring of the LDF is a statutory requirement under Section 35, Planning and Compulsory Purchase Act 2004. Each year an Annual Monitoring Report (AMR) has to be submitted to the Secretary of State (Communities and Local Government). Attached to this covering report is a copy of the 2011 submission for Members' consideration (Appendix 1).
- 2.2. Following the General Election in May 2010, the coalition government has introduced a number of changes to the Planning System. In 2011, the Core Output Indicators, which were developed to ensure consistency of reporting across the country on a number of key topic areas, were withdrawn. Authorities no longer have a duty to report on these indicators, nor do they have a requirement to ensure that their monitoring processes align with other authorities to enable cross comparison of data and performance.
- 2.3. At this stage it is still a requirement for Local Planning Authorities to prepare AMRs as set out in the Planning Legislation. In the future the Annual Monitoring Report will become part of an Authority's Monitoring Report. This new style of report removes the requirement to report to the Secretary of State but retains a requirement to report and monitor progress and implementation of the Local Development Framework.

3. Main Issues

- 3.1. The 2011 LDF AMR is the seventh of an annual series of reports as required within the Development Plan System. Over the past years, the Core Output Indicators, as required by Communities and Local Government (CLG) have formed the basis for much of the monitoring document. As noted above, the requirement to report on delivery of the Core Output Indicators has been removed. Despite their removal, the Council continue to see merit in reporting progress against these indicators (as the indicators relate to key development areas and a timeseries of

data has now been established). As such, this report continues to use the Core Output Indicators and will likely do so for the foreseeable future.

- 3.2. Progression on the Local Development Framework is outlined through the Local Development Statement (LDS). The LDS highlights that much work was undertaken on various LDF documents, including the Core Strategy, the Natural Resources and Waste Development Plan Document and the Aire Valley Leeds AAP.
- 3.3. The Planning System has been subject to a number of sweeping changes in recent months, with the Regional Spatial Strategy due to be replaced with the assent of the Localism Bill in the future. However, at present and until formally abolished the Regional Spatial Strategy remains part of the planning system.
- 3.4. Over the past year, a significant amount of progress has been made to update the evidence base that will inform the publication of the Core Strategy. The Strategic Housing Market Assessment, the Retail and Town Centres Study and the Employment Land Review Update all were published post May 2011. The Strategic Housing Land Availability Assessment 2011 Update (SHLAA) is due to be published shortly. These pieces of work have contributed to the development of the Core Strategy. It is anticipated that the Core Strategy will be submitted for publication in Spring 2012 with examination and adoption to follow later in the year.
- 3.5. Following on from the 2008/09 monitoring year, where housing delivery was at an all time high (3828 net units), housing completions have continued to drop significantly. Housing delivery reached a new low during 2010/11, with 1686 net units developed (1839 unit gross). Worryingly, market housing delivery only accounted for 1060 gross units, with the rest being affordable. Section 106 funding delivered 40 units, meaning that government funded initiatives delivered 739 gross units. Such low levels of completions from the housing market industry indicates the weak market and the scale of the challenge in delivering housing completions to meet the RSS housing requirement of 4300 units/annum.
- 3.6. The drop in housing delivery was anticipated in AMR2009 and carried forward in AMR2010. The level of start data reached a low in 2009/10 and recovered slightly in 2010/11. However starts remain low, and combined with units under construction, there still is not enough development activity to enable delivery to meet the annual requirement nor for the coming five years (as outlined in the five year supply section).
- 3.7. Gross affordable housing delivery is also monitored in the report. 779 units were completed in the past year, which is an 89% increase from 2009/10. Of the 779 units, just 40 were delivered through Section 106 Agreements with 413 through grant assisted schemes and 326 through Government initiatives. Whilst affordable housing delivery has increased, the expected target of 927 units for 2010/11 was not met. The reasons for not meeting the target is due in part to some anticipated completions slipping into 2011/12 together with the end of the Homebuy Direct programme in September 2010.
- 3.8. The downward trend of completions in employment floorspace has continued again this year registering the lowest level of space completed (11 906 sqm) since AMR

reporting began in 2003. Office completions in the City Centre only measured 220 sq m, due to some large schemes (such as South Parade and Indigo Blu) completing after the 31 March 2011. Only 500 sq m of new warehousing completed over the past year. The contribution of within curtilage development (Extensions to existing developments/etc) was increased, and accounted for an additional 7612 sq m).

3.9. In the retailing sector there was an increase in floorspace completed as compared to last year. This is due to replacement of food stores, notably the Waitrose in Meanwood and the Morrisons in Harehills. There has been a large increase in the number of convenience retail applications over the past year, and it is anticipated that combined with ongoing development of the Trinity scheme, retail completions will remain steady and increase over the next few years.

3.10. For the first time since 2006/07, waste arisings have increased as compared to the previous year. Whilst this is discouraging, recycling and composting continue to increase in their total percentage share of Leeds' waste management type. This has contributed to the continued decline in the total amount of waste sent to landfill. Following a significant dip in the 2008/09 monitoring year, incineration as a management method continues to increase.

4. Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Annual Monitoring Report is not subject to consultation and engagement as it is reporting tool. The figures in the Annual Monitoring Report should, however, be used to identify if policies set out in the development plan are being implemented correctly and having the desired effect.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An equality, diversity, cohesion and integration screening exercise has not been carried out. This is because it is felt that Annual Monitoring Report is a reporting back mechanism and by itself, does not have an impact on community groups. Instead, the Annual Monitoring Report is meant to highlight what and where change is happening and how that relates to policies in the development plan.

4.2.2 Once the Core Strategy is formally adopted, the monitoring framework that it will contain will set out the proposed actions if monitoring identifies that the policies and objectives of the development plan are not being met. It is these actions that will need to be screened against their overall impact on equality and diversity, cohesion and integration.

4.3 Council Policies and City Priorities

4.3.1 The Annual Monitoring Report reflects on the Council's policies as it relates to the development Plan.

4.4 Resources and Value for Money

4.4.1 No implication.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There is a legal requirement for the Council to submit an Annual Monitoring Report to the Secretary of State by 31 December each year.

4.5.2 The report does not contain any exempt or confidential information.

4.5.3 The report is eligible for call-in.

5. Risk Management

5.1 Not applicable.

6. Conclusions

6.1 The Annual Monitoring Report identifies that there are a number of key development areas (specifically in relation to meeting housing targets) in which the Council is falling short. Although it is considered that this is predominantly the result of economic conditions beyond the Council's control. However the figures also identify an improved forecast, as housing starts and units under construction have increased from the previous year.

7. Recommendations

7.1 To note the content of the report and to approve the Leeds Local Development Framework Annual Monitoring Report 2011 for submission to the Secretary of State for 31 December 2011.

8. Appendix

8.1 Leeds Local Development Framework Annual Monitoring Report 2011.

9. Background documents

9.1 None

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Report author: Lora Hughes/Steve Speak
3950714/2478086

Report of: Director of City Development

Report to: Executive Board

Date: 14th December 2011

Subject: The Community Infrastructure Levy - Background information, the Leeds context, and consultation response to the Government's draft regulations for reform

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

Summary of main issues

1. The Government is consulting on the 'Community Infrastructure Levy; Detailed proposals and draft regulations for reform' from 10th October until 30th December 2011. This report sets out the City Council's proposed response.
2. The CIL regulations involve the scaling back of S106 obligations so that they are primarily used for on-site mitigation only. The pooling of funds towards infrastructure delivery will in future be through CIL. The government is concerned to ensure that developers are not charged twice for the same type of infrastructure.
3. The key issues and questions relevant to Leeds are based around the following points:
 - The implementation of neighbourhood funds.
 - The 'meaningful proportion' percentage of the CIL to be passed to the community.
 - Requiring authorities to report more openly and regularly on receipts and expenditure.
 - Allowing the CIL receipts to be used to provide affordable housing.
4. Work on the development of the Community Infrastructure Levy (CIL) for Leeds is in the very early stages. A broad background to the CIL and its implementation in Leeds is also provided in order to set out the issues for the above consultation document and

to gain consensus for Officers to take this work forward, and includes resource costs to be incurred to establish the CIL in Leeds.

5. The report also addresses the recommendation of Scrutiny Board on the proportion of CIL that should go to local communities, previously considered at Executive Board on 2 November.
6. It is concluded that a CIL scheme for Leeds should be progressed as a matter of urgency. Most of the reforms to CIL are welcomed in giving greater flexibility. However, given uncertainties over the scale of CIL receipts, the fundamental need to support strategic infrastructure and the range of competing pressures for funds it is not considered appropriate to support the Scrutiny recommendation.
7. Developing a CIL scheme for Leeds will be a complex undertaking. There will be a need for further reports to Executive Board as work on the Charging Schedule and other aspects of the scheme progresses.

Recommendations

Executive Board is recommended to:

- 1 Note the background information relating to the implementation of the Community Infrastructure Levy in Leeds.
- 2 Agree the development of a Community Infrastructure Levy Charging Schedule as a matter of priority and approve the necessary funding set out in paragraph 4.4.2 of this report
- 3 Approve the response to the Government's proposals for reform of the Community Infrastructure Levy as set out in section 3 of this report and in the questionnaire attached at Appendix 1.
- 4 Confirm that it is not considered appropriate to accept the Scrutiny Board recommendation on the "meaningful proportion" for local communities for the reasons set out in this report.
- 5 Agree that this report be circulated to Town and Parish Councils for information.

1. Purpose of this Report

- 1.1 The Planning Act 2008 established powers to create a Community Infrastructure Levy, and the Community Infrastructure Levy Regulations (April 2010 and April 2011) used these powers to allow a charging authority to levy a charge on the owners or developers of land that is developed, so that they contribute to the costs of providing the infrastructure needed to support the development of the area.
- 1.2 The Scrutiny Board Inquiry on Housing Growth recommended on 10th October 2011 that Executive Board support the introduction of the Community Infrastructure Levy (CIL) in Leeds. Scrutiny also recommended that there should be agreement that a significant proportion (80%) of the income to be raised through the CIL be ring fenced for the benefit of local communities, with the balance being directed into a general fund to support City and LCR projects. Executive Board considered the Scrutiny recommendations on 2nd November 2011 but did not agree the 80% proposal. The response to Executive Board pointed out that such a proposal runs counter to the purpose behind the CIL, which specifically seeks to loosen the present link between a development and the infrastructure it funds, in order to fund strategic level infrastructure. The Executive Board requested a further report on this issue to its December meeting.
- 1.3 It was also noted that the Government has recently published a consultation paper on new draft regulations for the CIL (10th October 2011) which includes the issue of the 'meaningful proportion' to be passed to local communities. This proposal arises directly from the Localism Bill now nearing completion of its progress through Parliament. The previous report to Executive Board suggested that the Council will need to review its position in the light of emerging regulations and as part of the development of a Leeds CIL scheme.
- 1.4 The Government consultation runs until 30th December 2011. This report therefore outlines the background and purpose of the CIL, and how it could relate to the Leeds context. It also sets out the suggested response to the consultation on the draft Regulations, which addresses the issue of local funding raised by Scrutiny Board. The main purpose of this report is for Executive Board members to consider and agree the City Council's response.

2.0 Background information

What is the Community Infrastructure Levy?

- 2.1 The Community Infrastructure Levy (CIL) is a tariff system that local authorities can choose to charge on new developments in their area by setting a Charging Schedule. The CIL Regulations initially came into force in April 2010 with minor amendments made in April 2011. The CIL derives from the Planning Act 2008, with the most recent changes arising through the Localism Bill.
- 2.2 The CIL aims to support and incentivise sustainable growth, because it will directly meet some of the infrastructure needs created by new growth. It must be spent on such infrastructure, but the draft regulations now allow a proportion to go to projects that directly benefit those communities where the growth is located. The incentive

for business is that it should provide more certainty and confidence than the current S106 system that is subject to case by case negotiation.

- 2.3 The CIL Regulations have also changed the use of S106 planning obligations. From April 2014 it will no longer be possible to secure S106 financial contributions for District wide requirements such as greenspace, transport schemes and education facilities, and this is already becoming more difficult due to changed regulations.

What types of developments are charged?

- 2.4 The CIL will be charged at a rate of £ per sq metre and applies to all development of new buildings that people normally use. The CIL does not apply to development for charitable purposes or for affordable housing (which under current regulations will continue to be provided as at present through S106). It also does not apply to developments under 100 sqm, unless they are for housing. Developments that already have outline planning permission prior to the CIL being adopted will not be liable. It only applies to the net increase of floorspace in cases of redevelopment or change of use.
- 2.5 A CIL charge has to be based on evidence of viability. This may mean that a zero rate is set for specified types of development or geographical areas. However, it is not possible to set a zero rate as an incentive to development in the absence of clear viability evidence. Once the CIL is adopted, it can only be waived for individual developments in very exceptional circumstances, hence the need to specify the types of development or locations where it will not be viable to charge the CIL.

How is the Charging Schedule developed?

- 2.6 Authorities wishing to charge the levy must produce a Charging Schedule setting out the levy's rates in their area. Charging Schedules are a new type of document within the folder of documents making up the Local Development Framework.
- 2.7 Authorities should use the infrastructure planning that underpins the Core Strategy to identify a selection of infrastructure projects that are likely to be funded by the CIL. This allows identification of the total infrastructure funding gap that the Levy is intended to support, having taken account of the other sources of available funding. It is very important to note that the CIL is not intended to fully meet this funding gap, and the wide range of other funding sources will continue to be necessary.
- 2.8 The CIL rate or rates must not put at serious risk the overall development of the area. Authorities must therefore use a range of detailed viability evidence to strike an appropriate balance between providing sufficient infrastructure funding, and the potential effects of the Levy upon the economic viability of development as a whole across the District.
- 2.9 Authorities must consult local communities and stakeholders on their proposed CIL rates. The first stage is the Preliminary Draft of the Charging Schedule, although the Regulations do not specify how or for how long authorities should consult on this. A Draft Charging Schedule must then be formally published for

representations for a period of at least four weeks. The Draft Charging Schedule will then be subject to public examination and, if approved by the Inspector, the final Schedule must be approved by resolution of full Council before being adopted.

How is the CIL spent and monitored?

- 2.10 A very separate but essential aspect of the CIL workstream is to set up and maintain ongoing spending, assessment, and monitoring. The CIL can be spent on a very wide interpretation of infrastructure, including maintenance, as long as it is required as a result of new growth and not to remedy existing deficiencies. There are clear links to neighbourhood planning and the localism agenda where communities have a say in setting their own priorities. There is also the need for co-operation with neighbouring authorities and the wider City Region in order to investigate a CIL contribution towards cross-boundary strategic infrastructure.
- 2.11 Discussions with senior officers of the authorities across the Leeds City Region have indicated support for working collaboratively through the City Region Partnership in the development and implementation of their CILs. With regard to pooling of CIL revenues to pay for sub-regional infrastructure, all authorities agree that any such strategy would need to be proportionate and fair and reflect the distribution of benefits of the proposed infrastructure projects.
- 2.12 Governance and spending and decisions on funding priorities need to be addressed in the wider Council democratic context, and for instance, the asset management programme. Preparation of governance and priority setting needs to be done alongside the drafting of the CIL so that as soon as the Inspector approves the final charging schedule, the Council can start collecting the levy. Infrastructure delivery planning for the Core Strategy (which takes into account other departments' and external stakeholders' infrastructure plans) will be a key element in setting priorities. There will also need to be administrative procedures in place to enable the relevant departments to collect and enforce the CIL, likely to be undertaken alongside Council tax and/or business rates.

What are the links with Section 106 Planning Obligations?

- 2.13 The CIL is intended to provide infrastructure to support the development of an area rather than to make individual planning applications acceptable in planning terms. As a result, S106s will still have an important role in mitigating on-site or very local impacts.
- 2.14 In order to ensure that individual developments are not charged for the same infrastructure items through both S106s and the CIL, the authority publishes on its website a list of infrastructure projects or types of infrastructure which may be funded by the CIL. This is called the Reg123 List. A S106 contribution cannot then be required towards the same item on the List. S106s can still be used to fund a specific item of infrastructure (if not on the List), but there is a limit of five separate obligations which can be pooled for this purpose, as it is intended that the CIL becomes the main mechanism for pooled contributions.

- 2.15 As an example if the Reg 123 list includes funding for schools, then providing a school on-site, even where the scale of development warrants such provision, could not be done via S106 but only via CIL. It would however be open to an authority to accept a school/site as payment in kind either towards or as the whole of a CIL contribution. The only other option would be to make an exception in the Reg 123 list for a particular project so that it could then be secured by planning obligation. As part of the emerging CIL proposals it will be necessary to consider which if any projects would require infrastructure on such a scale that they are best dealt with through S106 obligations. Any such sites would still be subject to the 5 contributions limit.
- 2.16 It is of note that the infrastructure projects and types on the Reg123 List can be entirely different to those originally referred to in the CIL evidence at examination, and can be updated whenever necessary without needing consultation. This gives the authority the flexibility to address new, and changing, priorities.
- 2.17 The Regulations require specific monitoring of the CIL receipts and spending on an annual basis. The CIL Charging Schedule can be reviewed at any point, although this would require another public consultation and examination. As yet there are few monitoring examples from other authorities to learn from.

How much could be charged in Leeds?

- 2.18 The CIL can be set at different rates according to development type, to location, or a mixture of both, although the main aim is for it to be simple and easy to understand and apply. Any differences in rates must only be based on viability considerations, as determined through the collection of evidence. It should not be set so high that it will be at the margin of viability across the great majority of sites. The Government considers that if the CIL is set at a sensible rate, there will only be rare instances where the addition of the CIL is the tipping point which makes schemes unviable.
- 2.19 Only three authorities have been through Examination and received Inspectors' approval of their Charging Schedules, and only a small number of others have progressed to publishing a draft Schedule. Example Levy rates for new residential floorspace are Newark and Sherwood £45 - £75, the London Borough of Redbridge £70, Shropshire £40-£80, and Portsmouth £105. CIL collected from residential development is assumed to be the major income source.
- 2.20 It is the aim that the CIL would provide at least the level of revenue historically gained by S106 contributions (excluding affordable housing S106s which will continue to be provided as at present). A first aspect to consider is therefore a breakdown of S106 receipts by floorspace.
- 2.21 Based on recent planning permission data the Leeds District average S106 charge per dwelling unit was £2104. This equates to between £16 - £48 per sqm based on the range of dwelling sizes across the District. However, in reality a very wide range of S106 contributions applies depending on geography and size of scheme. The Leeds Economic Viability Assessment (DTZ 2010) examined the theoretical amounts which could be collected under the current S106 regime, across the range

of potential market positions, housing and scheme types, and geographical locations.

- 2.22 Translating this information for the purposes of the CIL, in the city centre although at £3 - £18 per sqm the individual S106 charge per sqm would be minimal, schemes generally deliver a high number of units and therefore the total contribution could be considerable, ranging from £40,659 to £284,610 (high density scheme), and from £69,325 to £475,490 (medium density). Outside of the city centre, the S106 range would be from £33 - £163 per sqm. Although these expected S106 receipts don't take into account detailed viability or S106 negotiations, and therefore can only be a proxy for a potential CIL, they do indicate that there is a fairly wide range at which the CIL could be set.
- 2.23 Relating solely to residential receipts, an estimate of potential CIL revenues in Leeds (based on available housing supply to 2028 rather than a predicted supply/housing target) is £10.75million per year at a residential rate of £50 per sqm, or £21.5 million per year at £100 per sqm. This is inevitably a very broad estimate until further detailed work is undertaken, and cannot be used as a firm basis of the rates which would be set, including that it does not assume any redevelopment of existing sites or conversions. However, the figures do include assumptions and calculations about geographic spread and differing percentages of affordable housing across the District, plus the very limited levels of viability in the City Centre and inner areas where it has been assumed that CIL could not be charged.
- 2.24 The Leeds Core Strategy indicates proposed levels of floorspace for some commercial uses across the District. However, without further viability evidence it would be inappropriate to estimate any potential CIL rate for most of these types of uses at this stage. It is also more likely that as new retailing and offices is generally directed into existing centres where schemes would be redevelopments, a CIL charge would have limited impact as it can only be charged on net increases in floorspace. It is also possible that a zero rate would be set for uses such as leisure and culture, hotels, and community uses.

Timetable

- 2.25 Given the timescale to have a charging schedule in place at the latest by April 2014, and preferably as early as possible in order to maximise revenue for the District, work needs to be progressed as a matter of urgency. Initial project planning indicates that the CIL could be adopted in the first half of 2013, albeit this is highly dependent on resources.
- 2.26 The preparation of the CIL will require considerable technical work, consultation, and ongoing legal and financial advice, along with other specialisms. The Council already holds a wide range of data and studies which would form the basis of the viability evidence, but in particular it is recommended that consultants are engaged to inform the development of the charging schedule as detailed viability testing, costings, and market/agency view and analysis are required. The use of consultants would also make the standard setting more objective and therefore better able to withstand scrutiny at Examination. All authorities with published draft charging schedules have used consultants in such a role. The preparation of the CIL will need input from a wide range of partners on a project team alongside

Forward Planning and Implementation, for instance, officers dealing with S106s, Asset Management, Finance, other infrastructure providers both internally and externally, community representatives, and developers.

3 Main issues

3.1 As noted above, there are a number of key issues set out in the Government's CIL consultation document. The headings below include a brief summary of each issue, the specific questions asked by the Government, the City Council recommended response, and some further bullet points to explain the recommendation.

3.1.1 Neighbourhood Funds – Passing a proportion to the community

- The Government considers people are more likely to accept and support new development if they are satisfied that it is meeting the demands that it will place on their area and see that their communities will benefit, or at least not suffer, as a result. Channelling resources close to where development takes place will help change attitudes towards development, particularly when neighbourhoods see that the needs arising from development are being directly met and with meaningful control over the funds placed with the community itself. It will give local authorities and their communities the means and flexibility to manage the impacts of new development and ensure that they share in the benefits of growth.
- The government therefore propose that a 'meaningful proportion' of the CIL will be passed onto locally elected councils, i.e. in Leeds this is parish and town councils.
- Where no parish council exists, the authority would retain the funds and should engage with their communities in determining how to spend those receipts. This includes setting the geographical areas within which that proportion should be spent.

Q1. Should the duty to pass on a meaningful proportion of levy receipts only apply where there is a parish or community council for the area where those receipts were raised?

Q2. Do you agree that for areas not covered by a parish council, statutory guidance should set out that charging authorities should engage with their residents and businesses in determining how to spend a meaningful proportion of the funds?

City Council Recommendation 1: The proposal to only pass on the contribution to elected and accountable bodies seems sensible. Authorities such as Leeds already have area management arrangements in place that could become the vehicle for engagement and spending in non-parished areas. Statutory guidance on community engagement would be too onerous. Local authorities should be left free to engage as they see fit, with a duty to ensure that funds are spent on the community's behalf.

The “meaningful proportion” should relate to the total received across the district as a whole rather than the amount received in any locality. This should then be distributed to all communities where growth is occurring in proportion to the scale of growth in any given year. Otherwise communities where growth is to take place but where a zero CIL rate is applied would receive no funding. The ability to distribute funds in this way should be clarified in the regulations.

- Only half of the Leeds District is covered by existing parish or town councils (31 in total), and these are mostly the freestanding towns and rural areas. The majority of the urban area does not have such elected bodies in place. Whilst under the Localism Bill Neighbourhood Forums may be designated in non-parished areas this may not provide universal coverage and may happen over many years. Even where such bodies are established they will not be elected and accountable in the same way as town and parish councils. Furthermore under the Localism Bill these bodies would only be designated for 5 years at a time, whereas income and spending decisions will occur over much longer timescales. It would therefore seem sensible in non-parished areas to rely on existing area management arrangements where elected members are ultimately accountable.
- The method of the Council determining spending through community engagement to a certain extent reflects how existing S106 contributions and other neighbourhood funding is currently considered for spending. This is considered to work well, although there would need to be a greater level of involvement and consultation relating to setting local infrastructure priorities than at present. It is likely that this could be undertaken through existing Area Management mechanisms or similar. National statutory guidance on consultation would therefore be unnecessary and in addition would not take into account the range of processes and consultation mechanisms which are already in place across different authorities across the country.
- A matter not apparently covered in the consultation is how to reward communities where growth will occur (e.g. through housing development) but where for viability reasons a zero or very low rate of CIL is charged. If this “community incentive” is to operate in an equitable way then the meaningful proportion needs to relate to the funding pool as a whole and should then be distributed at the same rate across the district in proportion to the scale of growth in that locality irrespective of the CIL rate applying in that area. Otherwise communities with modest growth but a high CIL rate would be well rewarded but communities with significant growth could receive nothing towards the cost of community infrastructure projects. It is not clear that this is the government’s intention and whether the regulations as currently drafted allow for such arrangements.

3.1.2 Neighbourhood Funds – the ‘meaningful proportion’ percentage

- The Government will specify the set minimum percentage of receipts from development in an area to be passed to that area/spent in that area. No percentage figure has been proposed as an indication. The level must be sufficient to give neighbourhoods a meaningful contribution to meeting the impacts of development in their area, balanced with the central purpose of the CIL which is to ensure that the costs of providing the infrastructure necessary to support new development are met by that development.
- In order to ensure an inappropriately high amount is not passed to communities, a payment cap per house is also proposed, see Section 3.1.3.

Q3. What proportion of receipts should be passed to parish or community councils?

City Council Recommendation 2: As a minimum it would be appropriate to set a low percentage, perhaps 5-10% as the ‘meaningful proportion’ as it would always be open to authorities to increase this if local circumstances and priorities made this appropriate. This would take into account the overriding need for the CIL to fund strategic infrastructure, that councils should have flexibility over their spending decisions, and that they could still choose to spend the CIL in locally affected areas as necessary.

- One of the aims of the CIL is to help pay for strategic infrastructure necessary as a result of cumulative development, which does not get funded under the current S106 system as it is not directly attributable to specific developments. This is the sort of funding currently obtained through S106 for such uses as off-site greenspace, public transport and education. These requirements will still exist and there are major infrastructure projects to which CIL may need to make a significant contribution. These include NGT (£250m), the flood alleviation scheme (Phase 1 - £75m, full scheme £180m), a City Centre park (£40m), park and ride facilities and major repairs to the Inner Ring Road amongst others. Such schemes and the replacement for the pooled S106 funds that we have collected under the current system are what CIL was originally intended to deliver. Allocating a high % to be passed to local areas would be at odds with these intentions and could frustrate the Council’s ability to bring forward these major initiatives. This is most certainly true at the level suggested by Scrutiny Board.
- It should also be noted that the costs of these major schemes and the replacement for pooled contributions will form the basis for the Council’s Charging Schedule. These are the things that the Council will have to establish as necessary to support growth and which it is therefore reasonable to fix the charge against. It would be perverse in these circumstances if the great majority of the funding received did not go to deliver the very projects that the Council has said are essential.

- In addition, and unless the regulations are changed as suggested in the response on Q1, some areas which are zero rated for the CIL would not generate any direct funding, meaning there would be no funding for local projects. Setting a high % meaningful proportion means there would again be much less in remaining funds for the Council to spend in such areas.
- It is also important to remember that this % is not the total amount of Levy which would be spent by the Council in local areas. CIL will need, for instance, to provide funding towards schools and green space provision/enhancement to replace S106 funding. This will clearly need to be spent, as now, in locations where growth has put pressure on existing facilities. In the case of greenspace funding there is no reason why the existing arrangements for agreeing priorities with ward members should not remain in place.
- Another factor that should be borne in mind is the existence of other funding arrangements under which local ward members and /or localities have access to funds for use within their local areas. These include:

Area Wellbeing – where Area Management Committees award funds to projects which support the Area priorities. In 2011/12 £1.8m is allocated for this.

Members Improvement in the Community & Environment (MICE) – where each Member can recommend grant awards for local projects from an annual allocation of £2.5k per Member.

Ward Based Initiatives – for Members to progress minor capital projects within their Wards. Of the funding made available under the scheme, approximately £300k is still available.

Capital Receipts Incentive Scheme – this is a new scheme to be introduced in April 2012 under which a proportion of new capital receipts can be retained locally for investment in local priorities.

Neighbourhood Pride – the Council is considering the introduction of a Neighbourhood Pride scheme with effect from 2012/13 which is intended to support the continuing regeneration and renewal of inner city terraced neighbourhoods in the City; complementing the integrated locality working agenda.

- CIL is about gap funding but has to be set at a level that doesn't simply reflect the infrastructure bill and which is adjusted to take account of viability. In simple terms the demands on the fund are likely to far outstrip the amount generated. As well as strategic infrastructure and the needs of communities there is also the potential for some of the CIL to be used to fund City Region or sub-regional infrastructure. Early work to achieve a £1 billion West Yorkshire Transport Fund identifies CIL as a potential source of funding. It is also likely that a range of other services will see CIL as a means of dealing with the pressures created by growth. For example, the Council has recently received a request from the West Yorkshire Fire and Rescue Service that

they receive a share of any Leeds CIL to deal with the additional demands that growth places on their services.

- Setting a high % as the “meaningful proportion” for communities would not provide local authorities with much flexibility to direct spending. Figures of 5-10% have been proposed from recent Planning Officers Society and Leeds City Region officer meetings, although there is a recognition that any figures are as yet not based on evidence. Given that the scale of funding that might be generated is uncertain and the wide range of competing funding requirements it would be inappropriate to settle on a proportion for local communities at this stage.
- It is suggested that the ‘meaningful proportion’ set by Government should therefore be low, as local authorities can always choose to use more for this purpose as well as directing spend from CIL on schools, open space and other essential facilities to the communities where growth is taking place. This would provide local authorities with greater flexibility and align with the localism agenda. Marginal areas may be at risk of insufficient funding for strategic infrastructure if it is at a higher level.

3.1.3 Neighbourhood Funds – Capping Payments

- The draft proposals suggest a per household cap (based on the number of Council tax dwellings) on the amount of money which must be passed to a Parish Council each year, in order to provide a safeguard against situations where significant funding is generated from development in a sparsely populated area.

Q4. At what level should the cap be set, per council tax dwelling?

City Council Recommendation 3: Support the setting of a cap per council tax dwelling as a method to ensure equal provision of the CIL. To determine the level the Government should consider costs of providing local infrastructure items and assess these against housing figures. The cap will need to be low if it is to have any effect, particularly given the potential for phased CIL payments.

- In order to provide sufficient funding for strategic level infrastructure as discussed above, and to target spending at where it is most needed, it is considered that a cap should be set.
- At the present time in Leeds it is very premature to assess the locations where the majority of the CIL will be generated and the level of expected CIL receipts in each parish. This makes setting a specific cap figure difficult, with any such figure not based on evidence. A good method for the Government to consider is therefore to investigate the generic costs of creating a range of local level infrastructure items, e.g. play facilities, road junction improvements or pedestrian crossings etc. Costs could then be correlated against the average numbers of council tax properties in parished areas to determine a reasonable figure. Council tax properties per parish in Leeds range from 76 in Ledsham and 99 in Walton, to 4203 in Kippax. Properties

in the four town council areas range from 4913 in Wetherby to 14,112 in Morley.

- The cap would also need to correlate with the meaningful proportion itself, as there would be no point in setting e.g. a 10% proportion if the cap means that in reality the amount which could be provided within many areas would be 5%.
- The Draft Regulations state clearly that the cap shall not be exceeded. However, Councils could still spend their own proportion of the CIL in such areas, even if the cap had been reached. This indicates that setting a low cap should not harm local infrastructure provision.
- The Government's CIL consultation document states that the receipt cap is per year but the Regulations themselves do not, and so this reference should be added.

3.1.4 Reporting – AMR and Parish Council reports

- The Council's Annual Monitoring Report is to include income and expenditure of CIL receipts, in order to maintain levels of accountability and transparency.
- Parish Councils also have a statutory requirement to report on levy funding and spending, although this is not intended to be onerous.

Q5. Do you agree that the proposed reporting requirements on Parish Councils strike the right balance between transparency and administrative burden?

Q6. Draft regulation 19 (new regulation 62A(3)(a)) requires that the report is to be published on the council's website, however we recognise that not all parish or community councils will have a website and we would welcome views on appropriate alternatives.

City Council Recommendation 4: Support reporting financial details in AMR and Parish Council reports, which will demonstrate progress with both LDF proposals and associated infrastructure priorities. Two thirds of Parish Councils in Leeds have their own website, and reports of other Parish Councils and non-parished areas could be hosted on the Leeds City Council website.

3.1.5 Reporting – Parish Council spending

- Parish Councils will not be required to produce their own list of items for expenditure, or to only spend their proportion on items on the authority's published list (the Reg123 List).

Q7. Do you agree with our proposals to exclude Parish Councils' expenditure from limiting the matters that may be funded through planning obligations?

City Council Recommendation 5: Agree it is important for the meaningful proportion to spent on infrastructure chosen by the community, rather than be set by the local authority.

- As long as reporting requirements are up to date and there are good working relationships between the Council and parish councils/representatives in non-parished areas, then it is unlikely that S106 Agreements would be sought for items which have already been provided, and double counting would be rare.
- However, it is unclear what sanctions, if any, might apply if parish councils do spend the money on infrastructure which does not support the growth of the area, i.e. to remedy existing deficiencies, or on items which are not considered to be infrastructure. This greater flexibility is another reason why a relatively low level for the “meaningful proportion is appropriate.

3.1.6 Reporting – Administrative Costs

- Currently, the CIL Regulations allow for charging authorities to use up to 5% of the CIL collected in the first three years to pay for administrative expenses in relation to its set up and maintenance, and 5% of the ongoing receipts after the third year to pay for its continuing administrative costs. Effectively therefore, the initial set up costs can be borrowed against the future income stream.
- It is now proposed to remove the 5% cap of CIL receipts able to be retained by the authority for administrative costs, including in setting up the levy and in engaging with communities.
- Authorities will be required to set out in the AMR how much of the receipts have been applied to administrative costs.

Q8. Do you agree with our proposals to remove the cap on the amount of levy funding that charging authorities may apply to administrative expenses?

City Council Recommendation 6: Agree the 5% administrative expenses cap should be removed as the authority should be able to recover all costs concerning the CIL’s set up and maintenance. This does need to be balanced against the need to use the receipts effectively in order to provide the necessary infrastructure, but the reporting requirements should ensure this is transparent and efficient.

3.1.7 Allowing CIL receipts to be used to provide affordable housing

- S106 obligations already provide an appropriate mechanism to deliver affordable housing. However, there are circumstances where on-site provision may not be the most effective or efficient means. Therefore, asks for views on providing local authorities with an option to use the CIL to deliver affordable housing where there is robust evidence that doing so

would demonstrably better support its provision and offer better value for money.

Q9. Do you consider that local authorities should be given the choice to be able if they wish to use Levy receipts for affordable housing?

Q10. Do you consider that local authorities should be given the choice to be able if they wish to use both the Levy and planning obligations to deliver local affordable housing priorities?

City Council Recommendation 7: Local authorities should be given the choice to use CIL receipts for affordable housing if they so wish. However, the CIL should not be the sole mechanism for providing affordable housing.

- Affordable housing commuted sums at present are subject to very strict clauses as to their spending and timescales, and spending of the monies is necessarily reactive. Increasing the choice in provision and payments for affordable housing is highly beneficial and therefore it would be valuable to gain increased flexibility in spending through also using the CIL. It would be helpful to have a funding source to call on as opportunities arise.
- Affordable housing (and other S106 requirements) are often subject to negotiation at the planning application stage on grounds of viability, and the introduction of the fixed CIL rate will mean that affordable housing remains one of the few factors which will still be open to negotiation. Following the introduction of the CIL it is likely that in some instances developers will seek a reduction in affordable housing due to CIL requirements on viability grounds, even though across the District the CIL would have been set to take affordable housing targets into account. It is therefore reasonable to be able to use some of the CIL receipts to spend on affordable housing provision, especially where only low levels of provision are otherwise achieved.
- However, it is not agreed that CIL should be the sole mechanism. On site provision of affordable housing through S106 is still the preferred approach and likely to produce more affordable housing and with greater certainty over delivery. The ability to use CIL would provide a useful addition.

3.1.8 Affordable Housing – local plans to set out the proportion split between CIL and S106

- Views are invited on the appropriate balance or combination between the CIL and S106 obligations to best support the delivery of affordable housing. For example, permitting a combination of the mechanisms to be used whereby local authorities set out where they would wish to collect affordable housing contributions from planning obligations, such as key sites where on-site delivery is viable and essential. For the remainder of their area, affordable housing could be funded with Levy contributions. Local authorities could then be clear on their intended approach and ensure this is reflected in their charge setting process.

- We would welcome views on requiring local authorities to set out clearly in local plans the approach they will take to collecting contributions for affordable housing under the levy and/or planning obligations, and the anticipated level of contribution and delivery through each.

Q11. If local authorities are to be permitted to use both instruments, what should they be required to do to ensure that the choices being made are transparent and fair?

City Council Recommendation 8: Strongly oppose requiring the proportions and anticipated delivery of affordable housing to be set out in the local plan, as it would not give the necessary flexibility to best promote the provision of affordable housing in Leeds, and contradicts the purpose of allowing the CIL to be spent on affordable housing. It would not support the affordable housing policy in Leeds. It would also slow progress on the Local Development Framework.

- The choice to use CIL to pay for affordable housing (alongside S106s) should be for the authority to decide, and to prioritise against other infrastructure projects.
- The CIL could not be set in a simple and equitable manner across the District if some sites were planned in advance to provide on-site affordable housing but others to provide affordable housing solely through the CIL. On-site delivery of affordable housing is essential, and S106 already allows council's to take a commuted sum for off-site provision where this is the most appropriate solution.
- Requiring spending mechanisms to be set out in local plans would delay the Local Development Framework timetable, and no consideration has been given as to how authorities with adopted local plans would meet this requirement.
- The CIL in Leeds will be set at a rate(s) which takes into account the need to also provide affordable housing on site. CIL would be most helpful as a means to top up provision levels given the likely level of delivery compared to the scale of need.

3.1.9 Affordable Housing – Pooling of Contributions

- The limit on pooling only five Section 106 contributions was created because the levy offers a fairer, more transparent and certain arrangement. However, the Government does not want the rules on limits of pooled contributions to have a detrimental effect on the provision of affordable housing.

Q12. If the Levy can be used for affordable housing, should affordable housing be excluded from the regulation that limits pooling of planning obligations, or should the same limits apply?

City Council Recommendation 9: Affordable housing should be excluded from the pooling limits which apply to the rest of S106 contributions.

- The provision of affordable housing in relation to developer contributions from a private scheme is normally on-site, undertaken through individual S106s for each site. Pooling considerations would therefore not apply in the majority of cases. However, in the instances where a commuted sum is provided instead of on-site delivery, it would not be reasonable for there to be a cap on the pooling as the current S106 pooling mechanism should continue.

3.1.10 Adding new Development Orders to the list of developments that may be liable to a charge

- The Localism Bill introduces new provisions to allow for planning permission to be granted through Neighbourhood Development Orders, including Community Right to Build Orders. It is proposed that the CIL will also be charged on development commenced under these Orders (after 2013). This will ensure fairness and remove potential distortion, as these types of development will also have an impact on infrastructure.

City Council Recommendation 10: Adding new Development Orders to the list of developments that may be liable to a charge is reasonable, and would align with existing similar proposals for CIL charging on permitted development where it meets the criteria.

4. Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The consultation on the detailed proposals and draft regulations for reform has been subject to national public consultation since 10th December and the deadline for representations is 30th December 2011.

4.1.2 As discussed at Section 1.2, Scrutiny Board considered the ‘meaningful proportion aspect’ to the community element of the CIL in relation to their Inquiry into Housing Growth, and Executive Board in response requested further consideration of this matter in relation to the Government’s wider consultation.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Bringing forward the CIL in Leeds will enable the Council to direct spending on necessary infrastructure items, give more choice in priority setting for spending to local communities, and balance out the costs and benefits of development across the District. It is therefore considered that it is a beneficial mechanism to help promote equality which would be improved if the government recognises the Council’s concerns for those communities where little or no CIL funding will be generated.

4.2.2 The Government’s proposed changes to the CIL Regulations may have some potential implications for equality and diversity, and cohesion and integration, particularly around the provision of affordable housing, and in potentially disadvantaging communities which do not benefit from being parished areas. However, with the range of multiple questions posed and no clear steer on a number of details, it is difficult to ascertain exactly what the implications might be.

4.2.3 In preparing this report due regard has been had to equality and diversity issues and a screening assessment has been carried out. Council will ensure that whichever proposals in the Government's consultation document become the final Regulations, that decisions and priorities enacted by the Council will be in the interests of equality and diversity.

4.3 Council Policies and City Priorities

4.3.1 The CIL is already a process which local authorities can use, as supported by the CIL April 2010 and 2011 Regulations. The proposed changes to the regulations broadly reflects Council policies and city priorities in that it has an increased emphasis on community engagement, localism, specific spending in local areas, and an intent to increase the amount of affordable housing which can be provided.

4.4 Resources and Value for Money

4.4.1 There are clear resourcing costs and constraints in terms of the work needed to set up the CIL in Leeds, including the recommendation to employ consultants for detailed viability testing. However, the government recognises that costs will be incurred and the regulations allow set up and administration costs to be reclaimed from future CIL receipts. It is difficult to be precise about the scale of costs likely to arise. In its Community Infrastructure Levy – Final Impact Assessment (Feb 2010) CLG set out a range of possible costs. Set-up costs are estimated as: viability testing £25-70k; consultation £10-20k; examination £30-40k; and printing £1.5k. This does not include any assessment of in-house staff resource costs. For an authority of the size and complexity of Leeds it can reasonably be assumed that costs will be at the upper end if not beyond indicative national averages.

4.4.2 It is therefore suggested that the Council make provision for initial costs of £150k and an additional £40k staff costs in order to progress a CIL charging schedule for Leeds. If early progress is to be made then some costs may be incurred in 2011/12. Most costs are likely to fall in 2012/13 and depending on consultation and the timing of Examination may carry over into 2013/14. These costs can be reclaimed from future CIL receipts. The costs do not cover any arrangements that may need to be put in place in advance of the introduction of CIL to address on-going monitoring and administration.

4.4.3 The CLG Assessment also recognises that there will be on-going costs in administering the system. These will include; advising developers of their CIL liability, collecting, monitoring, reporting and enforcing CIL. Enforcement will involve, issuing fines, serving a stop notice, debt recovery measures and prosecuting for persistent non-payment.

4.4.4 The implementation of the CIL in Leeds is expected to result in increased funding for strategic infrastructure across the District. The recommended responses to the Government's consultation document therefore reflect the need for this to be the main priority for the CIL, albeit that neighbourhood funds have a very important role to play in mitigating the local impacts of development and allowing communities to set their own priorities. The impetus to deliver the CIL as early as possible would therefore provide the most value for money.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Once the Government adopts the Regulations the situation will become clearer as regards the meaningful proportion to be passed to local communities, and whether affordable housing can be paid for through the CIL. This will enable a better understanding in Leeds of how the CIL can progress and possible forecasting of receipts.

4.6 Risk Management

4.6.1 If the Community Infrastructure Levy is not brought forwards in Leeds, then the Council is at risk of losing out on monies which under the present system are gained through the S106 mechanism, as this system will no longer be available. In addition, the introduction of the CIL is supposed to bring in a greater amount of infrastructure funding than at present, alongside wider benefits to incentivise development such as more certainty to developers, and more acceptance by local communities. In order to manage this risk it is recommended that Officers continue to work on the early stages of developing the CIL.

5 Conclusion

- 5.1 CIL offers real potential to secure significant funding for infrastructure from a wider range of developments than at present. Being a fixed tariff it avoids the need for case by case negotiation and provides greater certainty for developers. As the ability to pool commuted sums will be limited after April 2014 it is important that the Council makes progress in developing a CIL charging schedule.
- 5.2 The proposal that a proportion of CIL receipts be made available to communities for local projects is to be welcomed and is entirely consistent with the emerging localism agenda. However, the recommendation of Scrutiny Board that this “meaningful proportion” should be set at 80% is not considered appropriate. As explained earlier in this report there is uncertainty about the scale of CIL receipts, but it is certain that infrastructure requirements will far outstrip available funds. CIL is primarily aimed at strategic infrastructure and a range of services are likely to seek a share of the funding pot , in addition to any community provision. Fixing the proportion at this stage is premature in the absence of a better understanding of the funding pressures and likely level of income.
- 5.3 Most of the proposed amendments to the CIL regulations can be supported for the reasons set out in this report. The flexibility to use CIL as well as S106 for affordable housing would be welcomed.

6 Recommendations

- 6.1 Executive Board is recommended to:
1. Note the background information relating to the implementation of the Community Infrastructure Levy in Leeds.
 2. Agree the development of a Community Infrastructure Levy Charging Schedule as a matter of priority and approve the necessary funding set out in paragraph 4.4.2 of this report.

3. Approve the response to the Government's proposals for reform of the Community Infrastructure Levy as set out in section 3 of this report and in the questionnaire attached at Appendix 1.
4. Confirm that it is not considered appropriate to accept the Scrutiny Board recommendation on the "meaningful proportion" for local communities for the reasons set out in this report.
5. Agree that this report be circulated to Town and Parish Councils for information.

7 Background documents

- 7.1 'Community Infrastructure Levy; Detailed proposals and draft regulations for reform.'

8 Appendices

- 8.1 Appendix 1 - Questionnaire response to 'Community Infrastructure Levy; Detailed proposals and draft regulations for reform.'

APPENDIX 1

Leeds City Council Completed Questionnaire Response to 'Community Infrastructure Levy; Detailed proposals and draft regulations for reform'

About you

i) Your details:

Name:	Steve Speak / Lora Hughes
Position:	Deputy Chief Planning Officer / Senior Planner
Name of organisation:	Leeds City Council
Address:	2 Rossington Street, Leeds, LS2 8HD
Email:	Steve.Speak@leeds.gov.uk / Lora.Hughes@leeds.gov.uk
Telephone number:	0113 247 8086 / 01113 395 0714

ii) Are the views expressed on this consultation an official response from the organisation you represent or your own personal views?

Organisational response

iii) Please tick the box which best describes you or your organisation:

Metropolitan District Council

iv) What is your main area of expertise or interest in this work (please tick one box)?

Planning policy/implementation

v) Do your views/experiences mainly relate to one or more specific regions within England and Wales, to one or both countries?

Yorkshire & Humberside

Would you be happy for us to contact you again in relation to this questionnaire?

Yes No

Chapter 1: Neighbourhood funds

Question 1:

Should the duty to pass on a meaningful proportion of levy receipts only apply where there is a parish or community council for the area where those receipts were raised?

Yes No

The proposal to only pass on the contribution to elected and accountable bodies seems sensible. Authorities such as Leeds already have area management arrangements in place that could become the vehicle for engagement and spending in non-parished areas.

Only half of the Leeds District is covered by existing parish or town councils (31 in total), and these are mostly the freestanding towns and rural areas. The majority of the urban area does not have such elected bodies in place. Whilst under the Localism Act Neighbourhood Forums may be designated in non-parished areas this may not provide universal coverage and may happen over many years. Even where such bodies are established they will not be elected and accountable in the same way as town and parish councils. Furthermore under the Localism Act these bodies would only be designated for 5 years at a time, whereas income and spending decisions will occur over much longer timescales. It would therefore seem sensible in non-parished areas to rely on existing area management arrangements where elected members are ultimately accountable.

The meaningful proportion should relate to the total received across the district as a whole rather than the amount received in any locality. This should then be distributed to all communities where growth is occurring in proportion to the scale of growth in any given year. Otherwise communities where growth is to take place but where a zero CIL rate is applied would receive no funding. The ability to distribute funds in this way should be clarified in the regulations.

A matter not covered in the consultation is how to reward communities where growth will occur (e.g. through housing development) but where for viability reasons a zero or very low rate of CIL is charged. If this "community incentive" is to operate in an equitable way then the meaningful proportion needs to relate to the funding pool as a whole and should then be distributed at the same rate across the district in proportion to the scale of growth in that locality irrespective of the CIL rate applying in that area. Otherwise communities with modest growth but a high CIL rate would be well rewarded but communities with significant growth could receive nothing towards the cost of community infrastructure projects. It is not clear that this is the Government's intention and whether the Regulations as currently drafted allow for such arrangements.

Question 2:

Do you agree that, for areas not covered by a parish or community council, statutory guidance should set out that charging authorities should engage with their residents and businesses in determining how to spend a meaningful proportion of the funds?

Yes No

Statutory guidance on community engagement would be too onerous. Local authorities should be left free to engage as they see fit, with a duty to ensure that funds are spent on the community's behalf.

The method of the Council determining spending through community engagement to a certain extent reflects how existing S106 contributions and other neighbourhood funding is currently considered for spending. This is considered to work well, although there would need to be a greater level of involvement and consultation relating to setting local infrastructure priorities than at present. It is likely that this could be undertaken through existing Area Management mechanisms or similar. National statutory guidance on consultation would therefore be unnecessary and in addition would not take into account the range of processes and consultation mechanisms which are already in place across different authorities nationwide.

Question 3:

What proportion of receipts should be passed to parish or community councils?

A low proportion should be set, for example 5-10% as it would be open to councils to increase this if local circumstances and priorities made this appropriate. This would take into account the overriding need for the CIL to fund strategic infrastructure, that councils should have flexibility over their spending decisions, and that they could still choose to spend the CIL in locally affected areas as necessary. This would provide local authorities with greater flexibility and align with the localism agenda. Marginal areas may be at risk of insufficient funding for strategic infrastructure if it is at a higher level.

The key aim of the CIL is to help pay for strategic infrastructure necessary as a result of cumulative development, which does not get funded under the current S106 system as it is not directly attributable to specific developments. There are major infrastructure projects in Leeds to which CIL will need to make a significant contribution. Allocating a high % to be passed to local areas would be at odds with these intentions and could frustrate the Council's ability to bring forward these major initiatives. It would be perverse if the great majority of the funding received did not go to deliver the projects that the Council has identified as essential through its infrastructure evidence supporting the Charging Schedule and Core Strategy.

The demands on the CIL fund in Leeds and in the Leeds City Region are likely to far outstrip the amount generated. As well as strategic infrastructure and the needs of communities there is also the potential for some of the CIL to be used to fund City Region or sub-regional infrastructure. Early work to achieve a £1 billion West Yorkshire Transport Fund identifies CIL as a potential source of funding. It is also likely that a range of other services will see CIL as a means of dealing with the pressures created by growth. Setting a high % as the meaningful proportion for communities would not provide local authorities with much flexibility to direct spending.

In addition, and unless the Regulations are changed as suggested in the response on Q1, some areas which are zero rated for the CIL would not generate any direct funding, meaning there would be no funding for local projects. Setting a high % meaningful proportion means there would again be much less in remaining funds for the Council to spend in such areas.

It must be noted that this % is not the total amount of Levy which would be spent by the Council in local areas, for instance, to provide funding towards schools and greenspace which will clearly need to be spent, as now, in locations where growth has put pressure on existing facilities. Another factor is the existence of a number of other funding streams in Leeds under which local ward members and localities have access to funds for use within their local areas.

Question 4:

At what level should the cap be set, per council tax dwelling?

Support the setting of a cap per council tax dwelling as a method to ensure equal provision of the CIL. To determine the level the Government should consider costs of providing local infrastructure items and assess these against housing figures. The cap will need to be low if it is to have any effect, particularly given the potential for phased CIL payments.

Of note, the Government's CIL consultation document states that the receipt cap is per year but the Regulations themselves do not, and so this reference should be added.

At the present time in Leeds it is very premature to assess the locations where the majority of the CIL will be generated and the level of expected CIL receipts in each parish. This makes setting a specific cap figure difficult, with any such figure not based on evidence. A good method for the Government to consider is therefore to investigate the generic costs of creating a range of local level infrastructure items, e.g. play facilities, road junction improvements or pedestrian crossings etc. Costs could then be correlated against the average numbers of council tax properties in parished areas to determine a reasonable figure. Council tax properties per parish in Leeds range from 76 in Ledsham and 99 in Walton, to 4203 in Kippax. Properties in the four town council areas range from 4913 in Wetherby to 14,112 in Morley.

The cap would also need to correlate with the meaningful proportion itself, as there would be no point in setting e.g. a 10% proportion if the cap means that in reality the amount which could be provided within many areas would be 5%.

The Draft Regulations state clearly that the cap shall not be exceeded. However, Councils could still spend their own proportion of the CIL in such areas, even if the cap had been reached. This indicates that setting a low cap should not harm local infrastructure provision.

Question 5:

Do you agree that the proposed reporting requirements on parish or community councils strike the right balance between transparency and administrative burden?

Yes No

Support reporting financial details in AMR and Parish Council reports, which will demonstrate progress with both LDF proposals and associated infrastructure priorities.

Question 6:

Draft regulation 19 (new regulation 62A(3)(a)) requires that the report is to be published on the councils website, however we recognise that not all parish or community councils will have a website and we would welcome views on appropriate alternatives.

Two thirds of Parish Councils in Leeds have their own website, and reports of the others including non-parished areas could be hosted on the Leeds City Council website.

Question 7:

Do you agree with our proposals to exclude parish or community councils' expenditure from limiting the matters that may be funded through planning obligations?

Yes No

Agree it is important for the meaningful proportion to spent on infrastructure chosen by the community, rather than be set by the local authority.

As long as reporting requirements are up to date and there are good working relationships between the Council and parish councils/representatives in non-parished areas, then it is unlikely that S106 Agreements would be sought for items which have already been provided, and double counting would be rare.

However, it is unclear what sanctions, if any, might apply if Parish Councils do spend the money on infrastructure which does not support the growth of the area, i.e. to remedy existing deficiencies, or on items which are not considered to be infrastructure. This greater flexibility is another reason why a relatively low level for the meaningful proportion is appropriate.

Question 8:

Do you agree with our proposals to remove the cap on the amount of levy funding that charging authorities may apply to administrative expenses?

Yes No

Agree the 5% administrative expenses cap should be removed as the authority should be able to recover all costs concerning the CIL's set up and maintenance. This does need to be balanced against the need to use the receipts effectively in order to provide the necessary infrastructure, but the reporting requirements should ensure this is transparent and efficient.

Chapter 2: Affordable housing

Question 9:

Do you consider that local authorities should be given the choice to be able if they wish to use levy receipts for affordable housing?

Yes No

See Question 10.

Question 10:

Do you consider that local authorities should be given the choice to be able if they wish to use both the levy and planning obligations to deliver local affordable housing priorities?

Yes No

Local authorities should be given the choice to use CIL receipts for affordable housing if they so wish. However, the CIL should not be the sole mechanism for providing affordable housing.

Affordable housing commuted sums at present are subject to very strict clauses as to their spending and timescales, and spending of the monies is necessarily reactive. Increasing the choice in provision and payments for affordable housing is highly beneficial and therefore it would be valuable to gain increased flexibility in spending through also using the CIL. It would be helpful to have a funding source to call on as opportunities arise.

Affordable housing (and other S106 requirements) are often subject to negotiation at the planning application stage on grounds of viability, and the introduction of the fixed CIL rate will mean that affordable housing remains one of the few factors which will still be open to negotiation. Following the introduction of the CIL it is likely that in some instances developers will seek a reduction in affordable housing due to CIL requirements on viability grounds, even though across the District the CIL would have been set to take affordable housing targets into account. It is therefore reasonable to be able to use some of the CIL receipts to spend on affordable housing provision, especially where only low levels of provision are otherwise achieved.

However, it is not agreed that CIL should be the sole mechanism. On site provision of affordable housing through S106 is still the preferred approach and likely to produce more affordable housing and with greater certainty over delivery. The ability to use CIL would provide a useful addition.

Question 11:

If local authorities are to be permitted to use both instruments, what should they be required to do to ensure that the choices being made are transparent and fair??

Strongly oppose requiring the proportions and anticipated delivery of affordable housing to be set out in the local plan, as it would not give the necessary flexibility to best promote the provision of affordable housing in Leeds, and contradicts the purpose of allowing the CIL to be spent on affordable housing. It would not support the affordable housing policy in Leeds. It would also slow progress on the Local Development Framework.

The choice to use CIL to pay for affordable housing (alongside S106s) should be for the authority to decide, and to prioritise against other infrastructure projects.

The CIL could not be set in a simple and equitable manner across the District if some sites were planned in advance to provide on-site affordable housing but others to provide affordable housing solely through the CIL. On-site delivery of affordable housing is essential, and S106 already allows councils to take a commuted sum for off-site provision where this is the most appropriate solution.

Requiring spending mechanisms to be set out in local plans would delay the Local Development Framework timetable, and no consideration has been given as to how authorities with adopted local plans would meet this requirement.

The CIL in Leeds will be set at a rate(s) which takes into account the need to also provide affordable housing on site. CIL would be most helpful as a means to top up provision levels given the likely level of delivery compared to the scale of need.

Question 12:

If the levy can be used for affordable housing, should affordable housing be excluded from the regulation that limits pooling of planning obligations, or should the same limits apply?

Yes No

Affordable housing should be excluded from the pooling limits which apply to the rest of S106 contributions.

The provision of affordable housing in relation to developer contributions from a private scheme is normally on-site, undertaken through individual S106s for each site. Pooling considerations would therefore not apply in the majority of cases. However, in the instances where a commuted sum is provided instead of on-site delivery, it would not be reasonable for there to be a cap on the pooling as the current S106 pooling mechanism should continue.

Other Comments

Adding new Development Orders to the list of developments that may be liable to a charge is reasonable, and would align with existing similar proposals for CIL charging on permitted development where it meets the criteria.

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