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## SCRUTINY BOARD (CENTRAL AND CORPORATE)

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Monday, 10th January, 2011 at 10.00 am

*(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)*

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### MEMBERSHIP

#### Councillors

P Grahame (Chair) - Cross Gates and Whinmoor;  
S Bentley - Weetwood;  
D Blackburn - Farnley and Wortley;  
B Chastney - Weetwood;  
M Hamilton - Headingley;  
A Lowe - Armley;  
N Taggart - Bramley and Stanningley;  
J Hardy - Farnley and Wortley;  
K Groves - Middleton Park;  
J L Carter - Adel and Wharfedale;  
R Wood - Calverley and Farsley;  
A Gabriel - Beeston and Holbeck;

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

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**Agenda compiled by:**  
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**LEEDS LS1 1UR**  
**Tel: 24 74325**

**Head of Scrutiny and Member**  
**Development:**  
**Peter Marrington**  
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# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Chief Democratic Services Officer at least 24 hours before the meeting.)</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></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><b>RESOLVED</b> – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p><b>LATE ITEMS</b></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><b>DECLARATIONS OF INTEREST</b></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><b>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</b></p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p><b>MINUTES - 6 DECEMBER 2010</b></p> <p>To confirm as a correct record the minutes of the meeting held on 6 December 2010</p>	1 - 4
7			<p><b>INITIAL BUDGET PROPOSALS</b></p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	5 - 34
8			<p><b>ICT</b></p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	35 - 36
9			<p><b>IMPACT OF HOUSING BENEFIT CHANGES IN LEEDS</b></p> <p>To receive and consider the attached report of the Director of Resources</p>	37 - 52

Item No	Ward/Equal Opportunities	Item Not Open		Page No
10			<p><b>VOID PROPERTY PROCESS</b></p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	53 - 74
11			<p><b>WORK PROGRAMME</b></p> <p>To receive and consider a report from the Head of Scrutiny and Member Development outlining the Scrutiny Board's work programme for the remainder of the current municipal year.</p>	75 - 102
12			<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>To note that the next meeting of the Board will be held on Monday, 7 February 2011 at 10.00 am with a pre meeting for Board Members at 9.30 am.</p>	

# Agenda Item 6

## SCRUTINY BOARD (CENTRAL AND CORPORATE)

MONDAY, 6TH DECEMBER, 2010

**PRESENT:** Councillor P Grahame in the Chair

Councillors S Bentley, B Chastney,  
A Lowe, N Taggart, J Hardy, K Groves,  
J L Carter and R Grahame

### 47 **Declarations of Interest**

There were no declarations of interest.

### 48 **Apologies for Absence and Notification of Substitutes**

Apologies for absence were submitted on behalf of Councillors A Gabriel and R Wood. Councillor R Grahame was present as substitute member for Councillor A Gabriel.

### 49 **Minutes - 1 November 2010**

**RESOLVED** – That the minutes of the meeting held on 1 November 2010 be confirmed as a correct record.

### 50 **Scrutiny of the Budget and Performance Reports**

The report of the Head of Scrutiny and Member Development requested members to note the Council's Financial Performance, Performance Report and highlight any further related areas for scrutiny. The following reports were appended to the Agenda:

- Appendix 1 – Government Spending Review 2010
- Appendix 2 – Financial Health Monitoring 2010/11 – Half Year Report
- Appendix 3 – Council Business Plan Performance Report Quarter 2 2010/11

The Chair welcomed the following officers to the meeting:

- James Rogers, Assistant Chief Executive (Planning, Policy and Performance)
- Doug Meeson, Chief Officer (Financial Management)
- David Almond, Head of Human Resources
- Alex Watson, Human Resources Manager
- Paul Broughton, Chief Customer Services Officer

Doug Meeson gave the Board an overview of Appendix 1, Government Spending Review 2010. He reported that it covered the main aspects of the Comprehensive Spending Review and implications on Local Authority funding but did not give further detail at individual authority level which would emerge from the Local Government Financial Settlement which was due the following week. He also referred to other significant aspects of the review including the proposed grant reductions for Local Authorities, the freeze on Council Tax, funding for affordable housing and changes to the setting of social sector rents.

In response to Members comments and questions, the following issues were discussed:

- Precise details of how formula based allocations would be made were not yet known.
- Councils who froze Council Tax would receive funding from the Government to the equivalent of a 2.5% increase and the Government still retained capping powers. There are also discussions on bringing business rates back to the use of local authorities in the longer run..
- Pooled budgets and more flexible working across different organisations – there were already examples of this in Leeds with health partners.
- Concern regarding the timing of the financial settlement and potential impact on the Council's budget setting timetable, It was acknowledged that this could cause a problem, but budget proposals, based on the Spending review assumptions, would be considered at the Executive Board on 15 December 2010 and be available to Scrutiny thereafter.
- The need for the setting of the budget to reflect priorities.
- Proposals under social housing reforms, particularly changes to rents, would only apply to new tenants.
- Housing finance issues – it was reported that the new Housing Bonus would affect all new properties that came into taxation and match fund the Council Tax for each new home. Members also discussed the implications of the proposals to increase rents and the changes to benefits and it was suggested that Steve Carey, Chief Revenues and Benefits Officer be consulted for further information.
- Cuts to the Building Schools for the Future – the council's wave 1 schools were close to completion with just three schools to reach financial completion. It is understood that discussions are on going, but given the closeness to financial completion there is limited opportunity to make significant reductions. Ministerial agreement was still awaited for these schools to enable them to progress..

The Board then focussed on Appendix 2, Financial Health Monitoring 2010/11 – Half Year report. It was reported that there was a projected overspend of £8.5 million mainly in Adult's (Domiciliary and Residential Care) and Children's (Foster Care and external placements) Services. The Board was also informed that the Council reserves were considered to be relatively low and that actions were being considered to ensure that they do not fall below a minimum reserve level. In terms of action taking place, there had a been a

general freeze on external staff recruitment and the use of agency staff apart from that required to maintain critical front line services,

In relation to the Financial Health Monitoring paper and Members' comments and questions, the following issues were discussed:

- Main areas of spending where saving could be made included the reduction of the Council's workforce – around 1,700 people had shown an interest in the Early Leaver's Initiative or reducing their working hours..
- Concern that not enough had been allocated to the budgets for Adult's and Children's Services. It was hoped that demand on these services had peaked but allocations did need further consideration. There was also a need to look at the value for money provided by these services and a need to look at work with other partners such as Health Service providers to investigate best use of resources.
- Members discussed the potential of the Council having its own agency or pool of staff. It was reported that this would not necessarily be more cost beneficial due to issues such as equal pay. Options would be pursued.
- Projected savings on pension contributions following the implementation of the Early Leavers Initiative and subsequent reduction in staff.
- It was recognised that the current and future reductions being faced by the council were unprecedented and that there were challenges for both officers and Elected Members in balancing the Council's budget position whilst maintaining and improving services.

Members gave consideration to Appendix 3, the Council Business Plan Performance Report, Quarter 2 2010/11 which presented an overview of performance against the Council's priority outcomes.

In response to Members comments and questions, the following issues were discussed:

- Issues regarding the Westgate Contact Centre included service provision and staff training. Members were briefed on services available and the successful contribution of the centre to council services. Members requested that congratulations be passed to those involved.
- Progress on the Council's financial plan. Although there had been a deterioration since the last quarter, partly due to financial issues already mentioned, it was hoped that the position would be improved by the next quarter.
- Procurement issues – re-negotiation of contracts was ongoing and Members discussed the possibility of collective procurement between different service areas and bulk buying to reduce costs.
- Value for Money Training – Members to be given training in the New Year

The Chair thanked those present for their attendance.

**RESOLVED** – That the Council’s Financial and Performance Reports be noted.

(Councillor Taggart joined the meeting at 11.05 am. During the discussion on this item)

## **51 Work Programme**

The report of the Head of Scrutiny and Member Development outlined the Board’s Work Programme and also contained the Council’s Forward Plan of Key Decisions and recent Executive Board Minutes.

Members were informed of forthcoming issues to be considered at Board meetings which included Initial Budget Proposals and ICT Services. It was also reported that a request had come from the North West Inner Area Committee to scrutinise the management of sites that were surplus to requirements.

**RESOLVED** –

- (1) That the Forward Plan of Key Decisions and Executive Board Minutes be noted.
- (2) That the Board’s Work Programme be agreed.

## **52 Date and Time of Next Meeting**

Monday, 10 January 2010 at 10.00 a.m., pre-meeting for all Board Members at 9.30 a.m.

**The meeting concluded at 11.50 a.m.**



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## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (Central & Corporate Functions)

Date: 10<sup>th</sup> January 2011

### Subject: Initial Budget Proposals

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#### Electoral Wards Affected: All

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## 1.0 Introduction

- 1.1 In accordance with the Council's Budget and Policy Framework, the Director of Resources submitted to the Executive Board the attached report which sets out the Executive's initial budget proposals for 2011/12.
- 1.2 The Executive Board on 15<sup>th</sup> December 2010 agreed this report as the initial budget proposals for the Council and for these to be submitted to scrutiny for review and consideration.

## 2.0 Scrutiny of Proposals

- 2.1 Any comments or recommendations made by this Board on the Executive's initial budget proposals will need to be submitted to the Director of Resources no later than 20<sup>th</sup> January 2011 in order that the Executive Board can consider these comments at its meeting on 11<sup>th</sup> February prior to submission of the proposed budget to full Council on the 23<sup>rd</sup> February 2011.

## 3.0 Recommendations

- 3.1 Members are asked to consider the Executive's initial budget proposals as set out in the report of the Director of Resources and make any comments or recommendations.

### Background Papers

None used

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## Report of the Director of Resources

### Executive Board

Date: 15<sup>th</sup> December 2010

Subject: Initial Budget Proposals

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#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

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## EXECUTIVE SUMMARY

In accordance with the Council's Budget and Policy Framework, this report sets out the Executive's initial budget proposals for 2011/12. These proposals have been developed within a funding envelope with an assumed level of government grant based upon the announcements within the Government's October 2010 Spending Review. At the time of writing, the local government finance settlement for 2011/12 is imminently expected and further information will be provided to the board when it becomes available.

The initial budget proposals contained within this report respond to forecast reductions in government grants which are unprecedented in their scale. It is clear that it will be difficult for the Council to maintain the current model of service delivery, and therefore a fundamental review of the organisation is required if the Council is to achieve its ambition of being the best City Council in the UK.

Subject to the agreement of the board, the initial budget proposals will be submitted to Scrutiny for their review and consideration.

## **1.0 Purpose Of This Report**

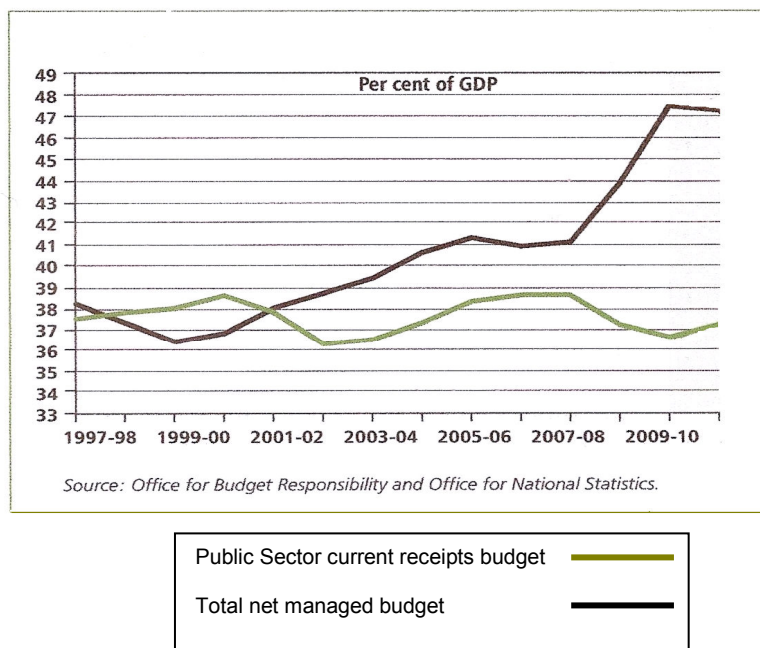
- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 23<sup>rd</sup> February 2011. The purpose of this report is thus to publish initial budget proposals for 2011/12, in the context of the development of a new medium term financial strategy for the Council. The initial proposals for 2011/12 put forward in this report are based on a funding envelope including forecast reductions in government grants as indicated in the government's spending review announced in October 2010. The actual reduction in government grants for the Council will not be known until the local government finance settlement. At the time of writing, the settlement is imminently expected and details will be provided to the board as soon as they are available. Subject to the approval of the board, this report in accordance with the constitution 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 11<sup>th</sup> February 2011.
- 1.2 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 13.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

## **2.0 National Context**

- 2.1 The last decade saw a significant increase in Government spending with total government expenditure rising from £364 billion in 2000/01 (36.8% of GDP) to £669.3 billion in 2009/10 (47.7% of GDP). In addition, the "credit crunch" commencing in 2007 and the resulting economic recession, which lasted for six consecutive quarters, had a severe impact upon the health of the public finances. The Chancellor's 2009 budget report in April revealed the sharp increase in public spending and a severe reduction in tax revenues. On the spending side this was significantly impacted by the Government's financial stability package to provide support to the finance and banking sectors. Government borrowing in 2009/10 was £155.6 billion; this was higher than at any time since World War II and the public sector debt at the end of 2009/10 represented 53.9% of GDP. The annual deficit position is illustrated in the chart below:

## Chart 1

### Government receipts and expenditure

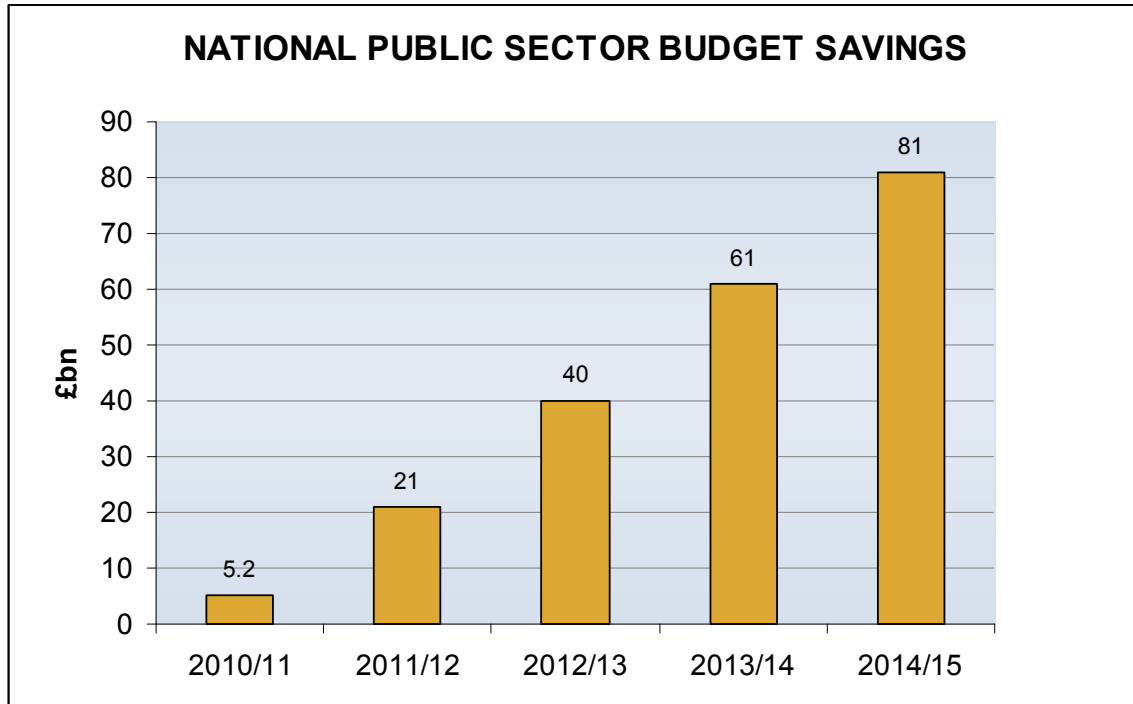


- 2.2 The new Government came into power in May 2010 and set out plans to reduce the UK's annual deficit, committing to accelerating the deficit reduction plans of the previous Government. As part of this plan, in year reductions in public spending of £6.2 billion were announced on the 10<sup>th</sup> June 2010, which included reductions in grants to local authorities totalling £1.166 billion. The Chancellor's emergency budget presented to Parliament on 22<sup>nd</sup> June 2010 set a target to eliminate the structured deficit by the end of 2015/16, which implied reducing the deficit by £128bn over five years, through a mixture of spending reductions (77%) and tax increases (net 23%).
- 2.3 At the same time, the Office of Budget Responsibility (OBR) also updated its forecast for GDP growth over the plan period to reflect this fiscal consolidation. It edged down its forecast to 1.2% (1.3% previously) in 2010 and 2.3% (2.6%) in 2011 with later years averaging 2.8% per annum. The Chancellor announced that he was continuing with the 2% target for inflation as measured by the Consumer Price Index (CPI). Whilst CPI is currently above target at 3.1% it is expected to return to trend during 2011 subject to the impact of the VAT increase from 17.5% to 20%. Public sector net debt is forecast to peak at 70.3% of GDP in 2013-14 before slowly falling back; it is likely to be many years before it returns to pre recession levels. The OBR's growth forecasts were subsequently altered in November 2010 to 1.8% for the current year, 2.1% in 2011 and 2.3% in 2012.

### 3.0 The Government's Spending Review

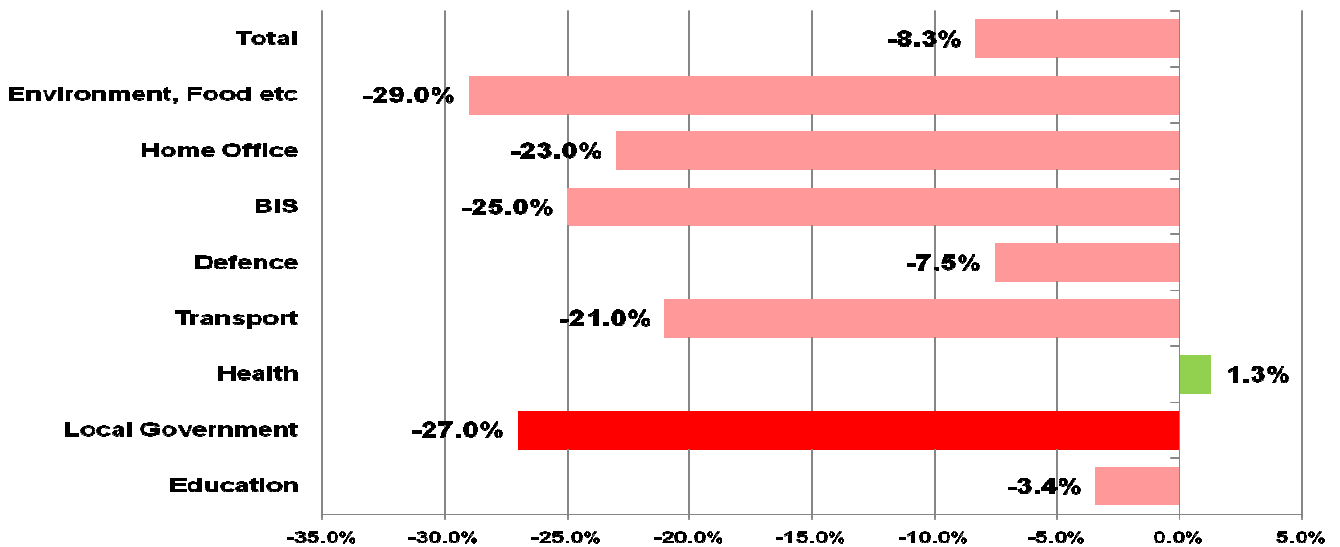
- 3.1 The Chancellor of the Exchequer published the Spending Review on the 20<sup>th</sup> October 2010 setting out expenditure plans for the next four years. A report was submitted to the Executive Board at its meeting on the 3<sup>rd</sup> November 2010, which set out the main implications for local government and Leeds City Council.
- 3.2 The review sets out plans to eliminate the structural deficit by the end of the current Parliament by reducing public expenditure by £81bn by 2014/15 as shown in the chart below:

**Chart 2**



3.3 Overall public spending is forecast to fall by 8.1%, but as illustrated in chart 3 below this varies significantly between Government departments:

**Chart 3 Departmental Real Budget Change**



Excluding Health and Overseas Aid which are protected, the average real terms reduction in departmental spending over the planning period is 19%.

3.4 On average, Central Government funding to Councils, police and fire is planned to decrease by 26% in real terms over four years which is at an average annual rate of 7.1% in real terms over the next 4 years. However, excluding Police and Fire, the reduction for Local Government is in excess of 28%, and as the table below shows, the reductions are significantly front loaded.

**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%

3.5 Most ring-fencing of grants is to be removed from 2011/12, and £4 billion of specific grants increasing to £4.5bn by 2014/15 will be rolled into Formula Grant, including extra funding announced of £1bn by 2014/15 for social care. Table 2 below provides details of these grants:

**Table 2 Specific grants to be rolled into Formula Grant**

	Baseline £m	2011/12 £m	2012-13 £m	2013/14 £m	2014/15 £m
Supporting People	1,636	1,625	1,620	1,620	1,590.2
Housing Strategy Older People	20	15.5	13.5	11.5	10.5
Race Equality	0.17	0.03	0.03	0.03	0.03
Economic Assessment	11.03	1.5	1.5	3	3
Open Source Planning	0	0	0	15	20
Fire	0	0	0	49.8	50.3
Concessionary Travel	223	224	204	208	212
Other Transport Revenue	112	79	72	80	83
Animal Health Enforce	8.5	4.8	4	3.2	2.4
Dept for Education (3)	114	109.3	83.2	70.5	66.3
Aids Support	25.5	27.7	30.3	33.1	36.2
Preserved Rights	235.4	228.9	221.7	215.1	209.8
Ongoing Social Services	752.3	767	784.4	805	826.3
Recycled Social Services	303	318.1	335.7	354.9	373.1
New Social Services	0	530	930	1000	1000
	<b>3,440.9</b>	<b>3,930.8</b>	<b>4,300.3</b>	<b>4,469.1</b>	<b>4,483.1</b>

3.6 After taking account of the above, there will be a remaining set of “Core Revenue Grants” which can be summarised as follows:

- Early Intervention Grant
- Public Health Grant (from 2013-14)
- Learning Disabilities
- New Homes Bonus
- Council Tax Freeze Grant
- Housing Benefit and Council Tax Benefit Administration Grant
- PFI Grant
- Dedicated Schools Grant
- Preventing Homelessness

- 3.7 Within the overall government funding announced for local government, £1bn is included by 2014/15 for social care referred to above; another £1bn for social care is to be provided from the Health budget.
- 3.8 Capital funding from Government to Councils will fall by around 45% over four years. The Government estimate that self-financed funding will fall by 17% and capital expenditure by 30%. In addition Government will guarantee a £200 million capitalisation fund in 2011/12 to support authorities that wish to deliver efficiency savings early through internal restructuring.
- 3.9 Overall Council budgets on average are estimated by the Government to decrease by 14% in real terms over four years allowing for the Office for Budget Responsibility's projections for increases in Council tax and for growth in the tax base.
- 3.10 The Government will provide funding for a one year Council tax freeze for 2011/12. Councils will be provided with funding to cover a 2.5% increase. If any authorities choose to increase Council tax, they would not receive any support from this scheme. This funding of £650m will be for each of the next four years to cover the resultant loss to the tax base. For any authority which chooses to increase its Council tax, the Secretary of State has indicated that capping powers would be used to curb any "excessive" increases.
- 3.11 A New Homes Bonus scheme is to be introduced. This will match fund the Council tax on every new home for each of the following six years, and the scheme will commence in the financial year 2011/12. Nationally £900m funding will be provided over four years. An initial estimate for Leeds suggests this might amount to about £2.7m in the first year, depending on the number of new dwellings built and how the scheme is structured.
- 3.12 Funding for 5 to 16 year olds through the dedicated schools grant is to be protected. There is a commitment that average cash per pupil will not fall and the base funding will increase by £1.1bn to allow for this. However, the minimum funding guarantee protecting funding per pupil at individual schools may allow the funding per pupil to decrease at individual schools.

In addition, a pupil premium worth £2.5bn per year by the end of the review period is to be introduced and paid directly to schools. The premium is designed to support the educational development of disadvantaged pupils and provide incentives for good schools to take on pupils from poorer backgrounds. The overall cash increase of £3.6 billion over the Review period provides a real-terms increase in 5 to 16 funding of 0.1% a year for each of the next 4 years.

Sure Start funding (worth £1.55 billion nationally) is to be protected in cash terms but refocused on early intervention for families who need the most support. Provision is to be made to extend the 15 hours of free nursery care a week for 3 and 4 year olds to disadvantaged 2 year olds.

#### **4.0 Possible Grant Implications for Leeds**

- 4.1 The figures per the Spending Review (SR) indicate a real terms reduction of 26% over the four years of the SR. In addition, the Government's proposed reductions, rather than being spread evenly, are to be frontloaded. Table 3 below provides a forecast of the real terms reduction in government grants to the Council, based upon an extrapolation of figures within the SR:



**Table 3**

Leeds Position	Base	Variation				
	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Total £m
Government Grant	634.4					
Real terms change		- 77.2	- 47.0	- 15.1	- 40.0	- 179.3
Funding for Council Tax		6.7				6.7
New Homes Bonus		2.7	2.7	2.7	2.7	10.8
		<b>566.6</b>	<b>522.3</b>	<b>509.9</b>	<b>472.6</b>	
Reduction from previous year		- <b>67.8</b>	- <b>44.3</b>	- <b>12.4</b>	- <b>37.3</b>	

- 4.2 The Government's inflation assumptions over the period are 2.4% in 2011/12, 1.9% in 2012/13 and 2.0% in the final two years.
- 4.3 The above should be treated with caution, being a straight extrapolation of headline figures within the spending review, and does not take account of any distributional impacts such as the ending of the Working Neighbourhoods Fund which will not impact on Leeds' funding as we do not receive any, nor the transfer of specific grants to Formula Grant.
- 4.4 As noted earlier, at the time of writing, the local government finance settlement is imminently expected, and, when available, details will be provided to members of the board.

## 5.0 DEVELOPING THE COUNCIL'S BUDGET PLANS

- 5.1 It is clear that the Government's Spending Review and its reductions in grants presents a very significant financial challenge to the Council, which is without precedent in recent times. In addition to the substantial reduction in Government funding, the Council also faces significant cost pressures which will also need to be taken into account in setting budgets for the next four years. There are particularly acute cost pressures in both Adult Social Care and Children's Services, and in addition income continues to decline in both City Development and Environment and Neighbourhoods.
- 5.2 Our current forecast of reduced funding and spending pressures in cash terms over the next four years suggests that the Council will need to deliver savings in excess of £159m by 2014/15 and nearly £90m in 2011/12. In summary the position is as per table 4:

**Table 4**

	Reduced Funding £000s	Increased Spend £000s	Overall Shortfall £000s
2011/12	51,091	38,735	89,826
2012/13	76,293	50,801	127,094
2013/14	69,565	63,980	133,545
2014/15	87,546	72,062	159,608

- 5.3 Given the level of shortfalls in the Council's funding and cost pressures as illustrated above, the Council needs to develop a robust financial strategy covering the next four years. In doing so it needs to reflect the new financial environment, but equally it needs to also reflect the Council's ambitions. It will be difficult for the Council to maintain the current model of service delivery, and therefore a fundamental review of the organisation is required. All Council services will be affected by the scale of the financial challenge and the Council will be a very different organisation in four years time.
- 5.4 The city of Leeds has a new 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. Leeds Initiative has served the city well as a partnership vehicle, but its structures are now being refocused and rationalised to meet this new challenge. The Council will need to enable the provision of excellent, personalised services delivered locally by the Council itself, or, if others are better placed to do so, the third sector, public agencies or the private sector. The Council will work to a new set of values in this new environment:
- Teamwork (leading the new city-wide partnership structures),
  - Openness (including the publication of all spending transactions over £500),
  - Diversity (reflecting the diversity of the population in its workforce, and responding to the needs of the whole city),
  - Citizen-focussed (through integrated locality working) and
  - Value for money (achieving £90m of efficiencies)
- 5.5 Attached at Appendix 1 is an overview of each directorate's initial budget proposals.
- 5.6 In developing the Council's financial plans, the priority is to ensure that resources are focused as much as possible on front line services to its customers. In that context these budget proposals are designed to achieve the level of cost reductions required whilst minimising the impact on services to customers. In order to support this, the following principles were agreed by Executive Board at its meeting of 3<sup>rd</sup> November:
- a) The Council should aim to achieve maximum financial benefit from procurement and commissioning. Procurement activities should be organised on a Council wide basis wherever possible.
  - b) The Council will develop locality based management arrangements where appropriate
  - c) Common business activities across the Council should be centralised and/or should be managed from a central point in the organisation where this can demonstrate better value for money.
  - d) Fees and charges should be set at a level to recover full cost, or set at a market rate. Where charges are not at full cost, the financial subsidy should be transparent and be justified in the achievement of outcomes for service users.
  - e) Provision of services should be by the most appropriate provider taking in to account value for money, quality of service, maturity of the market, in-house resilience, etc.

- f) Where specific grants are reduced, there should be no presumption that the service to which it relates will be reduced, however it will be necessary to demonstrate that it still represents a priority.
- g) Funding of external organisations should all be on the basis of service agreements and should take account of other public sector funders.
- h) 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.
- i) Capital investment will be targeted at priorities. As a general principle, borrowing will only be used to fund projects which generate savings in excess of the cost of borrowing. Other capital investment should therefore be funded by external funding sources or receipts from the sale of assets.
- j) All proposed reductions will be subject to equality impact assessments, and we will ensure that there is a full understanding of the impact of any reductions upon the voluntary and community sector.

## 6.0 Initial budget proposals – 2011/12

6.1 Based on the grant settlement and spending projections the gap between our likely spend and our resources for 2011/12 is around **£90m** made up as follows:

**Table 5**

<b>Funding Envelope</b>	<b>£m</b>
Net spend before grants 2010/11	900.274
Formula Grant/Specific Grant:	- 61.974
Council Tax compensation	6.683
Tax Base/New Homes Bonus	4.200
Reduction in Funding	- 51.091
<b>2011/12 spending target</b>	<b>849.183</b>
<b>Spend</b>	<b>£000s</b>
Inflation: NI & Income	- 1.955
Demography:	
Adults	16.300
Children's	11.200
Waste Strategy	1.200
Loss of car parking income	1.000
Street Lighting	0.990
Debt	10.000
Sub-Total Pressures	40.690
Shortfall in government funding	51.091
<b>Funding Gap</b>	<b>89.826</b>

6.2 The key assumptions for 2011/12 are as follows:

- **Inflation of -£1.955m:** The initial proposals for the 2011/12 budget provide for no pay awards for staff in the year. Provision is made for the increase in employer's national insurance contributions announced in last year's budget. In addition it is assumed that income budgets will rise by 3% reflecting the current level of inflation. Despite cost inflation currently running at more than 3%, no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments.
- **Increased Spending commitments** – additional provision is made in the following areas of spend:
  - **Adult Social care**– These budget proposals provide for an additional £16.3m to provide funding towards the cost of the continuing demands of an ageing population, 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 budgets, which as well as reflecting increasing numbers, also reflects the increasing of cases supported.
  - **Children's Social care**– The Council has prioritised improvements in services to young people and an additional £11.2m will be provided towards the cost of safeguarding vulnerable children in the city. These additional resources will fund additional external placements and the rise in the cost of fostering care reflecting the trends experienced in the current year.
  - **Waste Strategy**– The budget will provide for the additional cost of funding the Council's Waste Strategy including the roll out of food waste collection and also provides funding for the £8 per tonne increase in landfill tax from April 2011. In total this amounts to an additional £1.2m in 2011/12.
  - **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 2011/12 will need to be adjusted to reflect this trend and to that end car parking income has been reduced by £1m in these initial proposals.
  - **Street Lighting PFI**– The five year investment in new street lighting across the city will be completed in 2011/12. The planned increase in unitary charge will increase the Council's costs by almost £1m.
  - **Capital Financing Costs** – Additional provision for the financing costs of existing capital commitments will be required in 2011/12. An increase of £10m will required assuming a continuation of the present low short term interest rates. Should rates begin to rise the Council will need to identify further funding.

6.3 It is proposed that for 2011/12, and in line with Government's expectation, that Council Tax is frozen which will mean that the Council will be compensated by the

Government for the equivalent of a 2.5% Council tax increase, which is £6.683m. On the basis of the Government's scheme, the Council will continue to receive this level of compensation for the loss of the increase in 2011/12 over the subsequent three years.

- 6.4 The delivery of £90m of savings in 2011/12 will be on a base budget of £1.1bn of spend less £200m of income. This excludes spending by schools and within the Housing Revenue Account. It also excludes Housing and Council Tax benefit which are largely met by specific Government Grant. As such the required savings represent around 10% of the Council's net spending. The £900m is summarised in the table below:

**Table 6**

	2010/11 £000s
Employees	441,760
Premises	78,878
Other Supplies & Services	273,233
Transport	34,630
Capital Charges	57,269
Payments to External Service Providers	222,117
Fees & Charges/Rents	- 207,613
<b>Net Spend before grants</b>	<b>900,274</b>
Funded by:	
Specific Grant	-330979
Formula Grant	-303444
Council Tax	-265851
<b>Total funding</b>	<b>- 900,274</b>

- 6.5 Delivering savings in excess of 10% in one year clearly represents a significant challenge. A number of policy options have been identified which will deliver savings over the period of the Comprehensive Spending Review, however in light of the front loading of grant reductions, consideration needs to be given to accelerating these options where possible. In addition it will be necessary to consider proposals which can deliver short term savings which over the planning period may be replaced as other longer term options take effect.
- 6.6 In the paragraphs below, the initial budget proposals are set out; in addition attached at Appendix 1 is an overview of the effect of these proposals within each directorate:
- 6.6.1 **Employees – current spend £442m.** – Employee expenditure represents almost 50% of the Council's relevant net expenditure of £900m. It is inevitable therefore that a substantial element of the £90m savings required will come from reducing staff costs. It is the view of officers that the maximum reduction which the Council can achieve in its staff costs in 2011/12 is approximately £30m. This saving of £30m can be saved based on the following assumptions:
- Maintaining the Council's current recruitment freeze into next year - taking account of the forecast staff savings achieved in 2010/11 and assuming a normal level of turnover in 2011/12, it is anticipated that the Council can save £6m from its current budget, provided that strict vacancy management control is maintained.

- Voluntary Early Retirement/Voluntary Severance -The Council has invited all staff to express an interest in accepting voluntary severance, early retirement or reductions in hours worked. The deadline for expressions of interest has now passed and based on an assumed level of acceptance of 75%, it is calculated that the Council would make a net saving of £20m in staffing costs next year. However this can only be achieved if the Council is successful in its application to capitalise redundancy costs; this is at the discretion of the Secretary of State for Communities and Local Government, and the Council will be informed of the decision by the 17th December. A negative response will seriously hamper our ability to set a balanced budget
- A reduction in the level of spend on agency workers will be targeted. There are many occasions when the use of agency workers is essential for the operation of services, to cover sickness, leave, etc, and in some cases may be financially beneficial. However in the present circumstances it is essential that this expenditure is reduced and therefore an exercise has been undertaken to reduce agency spend with immediate effect. This includes a review of the need for all agency workers and a renegotiation of the fees charged by agencies. It is anticipated that savings of at least £2m can be achieved in 2011/12.
- Superannuation costs - The West Yorkshire Pension Fund has undergone an actuarial review in 2010, the results of which will be reported soon. Early indications are that the rates for 2011/12 will at least stay the same and a reduction is possible.

The Council is making every effort to build a strong, strategic and proactive relationship with the trade unions during these challenging times and is working hard to fulfil its commitment to reduce staff numbers as far as possible without the need for compulsory redundancies. The extent of staff reductions set out in these initial budget proposals are considered to be the maximum achievable without compulsory redundancies. In the event that further reductions are needed, due to the timescales involved and the cost of redundancy payments it is unlikely that there would be significant savings achieved in 2011/12.

It is therefore concluded that the Council's budget plans for next year will include a reduction of £30m in staffing budgets, which is the maximum which can reasonably be achieved. Inevitably this 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. The final budget proposals to Council on 23<sup>rd</sup> February 2011 will need to include details of how this will be effected across the Council whilst ensuring staffing levels are maintained in priority services through careful workforce planning. These proposals will also encompass a review of senior management costs, in respect of which a 20% reduction will be targeted over the next 4 years. Significant staffing reductions of around 16% over the next four years will be targeted from most support service functions across the Council and a 10% reduction from the integration of Education Leeds and Children's Services will also be targeted for delivery in 2011/12.

- 6.6.2 **Premises – current spend £79m** – The initial budget proposals anticipate a reduction in premises costs of £5m. It proposed that savings of £1m can be achieved through restricting building maintenance to essential/health and safety work only; this can only be a short term measure, and reducing our building stock will enable savings to be consolidated in the future. Further savings will be achieved through targeting energy consumption. The Council currently holds a number of buildings which are currently empty but incurring costs including business rates and security;

disposal of these buildings where possible, will generate savings in 2011/12. The Council needs to reduce the number of buildings we occupy, whether this is administrative buildings or customer facing facilities. Overall the Council has more buildings than it can afford to run. A number of policy options are under consideration in Adult Social Care which will change the way services are provided in the future; this will result in the closure of some residential homes and day centres. Similarly a review of the library service is expected to lead to the closure of some libraries. The current level of sports provision will also need to be reviewed. Detailed proposals for reducing our building stock needs to be shared with the Council's partners in order to develop a cross city approach to provision. The Council aims to identify opportunities to share buildings within the Council and with partners where this can be achieved.

The Council is also considering measures to reduce the cost of street lighting by turning off some street lights beyond midnight. Options for dimming street lights in certain instances will also be considered.

A review is being undertaken to consider options to delay some highways expenditure from 2011/12 into 2012/13, whilst prioritising work on the fabric of the roads. This proposal needs to be considered together with the level of highways capital spend including resources provided directly by the Council and those provided through the Local Transport Plan allocation.

**6.6.3 Other Supplies and Services – current spend £273m** - this is a large and significant area of spend. In addition to the cash limiting of these budgets, as set out in paragraph 6.2 above, savings of at least £10m to £15m from procurement activity will be targeted and budgets will be adjusted accordingly. Savings already identified against this target include a £1.2m reduction in the cost of landfill contracts which have been recently re-let.

These procurement savings are anticipated to be 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.

The Council values its partnership with the Third Sector. The Third Sector provides many important services which are complementary to the Council's objectives, and this partnership continues to be essential into the future. However, in the context of strict financial constraints, the Council will in consultation with Third Sector representatives, review grant arrangements which are currently in place to ensure that they properly reflect the Council's priorities and represent value for money. On similar lines the Council will also review the level of support it provides to major arts organisations in the city.

**6.6.4 Transport – current spend £35m.** - The Council aims to reduce the cost of transport in 2011/12 by £3m. Deferring the replacement of vehicles will generate savings of almost £700k net of the additional cost of maintenance, and further savings can be delivered through efficiencies in the provision of transport in adults and children's social care. Further savings can be generated through the amalgamation of the parks vehicle maintenance function with the rest of the Council's vehicle maintenance service.

6.6.5 **Capital Charges – current spend £57m** – It is currently estimated that as a minimum capital financing costs will increase by around £10m in 2011/12 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. The budget proposals target a reduction in this increase next year by £5m. This 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.

6.6.6 **Payments to other providers – current spend £222m** - this is a significant category of spend and relates in large part to social care. The initial budget proposes that these costs will be reduced by £10m. The achievement of this will be through better procurement activity and better partnership working with the Health Service. Procurement activity will be particularly targeted at reducing the cost of expensive external placements of looked after children and vulnerable adults. Funding is set aside in the health service in 2011/12 to improve the system of health and social care, and the Council will work very closely with health partners to ensure that services are provided in the most effective and efficient way.

Executive Board received a report in November which set out proposals to change the way in which home care is provided in the city. The Council currently provides 36% of home care services whilst the independent sector provides 64% of services; a more cost effective provision could be achieved if a larger proportion was undertaken by the independent sector. The initial budget proposals identify a target of £0.4m to be achieved in 2011/12, with greater savings achievable in subsequent years.

6.6.7 **Income – current level £208m** – As referred to in paragraph 6.2 above, the base budget forecast assumes that income budgets will rise by 3% including the effect of increases in prices. In addition it is proposed that further income generating opportunities are identified either through higher than inflation increases where the market allows or through new income sources. It is anticipated that the Council can generate an additional £6.3m in this way. The main areas where this may be achieved are as follows:

- Charges for events - £0.5m (achieved either through charging or reducing the number of events);
- Reducing or eliminating subsidies across a range of services, including adult social care;
- Introduction of penalty charges for unauthorised use of bus lane; etc.
- Full cost recovery of services traded with schools.

6.6.8 **Specific Grants** - although the full impact and incidence of cuts in specific grants cannot be accurately assessed until the Local Government Finance Settlement is announced, there are some immediate areas where savings can be made including:

- Replicating the reductions in spend arising from the 2010/11 in-year grant reductions. Reductions implemented in 2010/11 will continue into 2011/12.
- Stopping school improvement activities where the grant has been withdrawn/reduced



- 6.9 By their nature the initial budget proposals contained in this report are those that are either significant by their scale or have implications for council policy or service delivery. Within directorates, there will be further spending pressures that directorates will need to contain.
- 7.0 Housing Revenue Account (HRA)**
- 7.1 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. The funding of the HRA is different to the way in which the rest of the Council's services are funded, with costs currently being met from rental income and HRA Subsidy.
- 7.2 The Council is currently undertaking a review of options for the future service delivery and investment in its housing stock. A key driver for this is that the Council will have insufficient resources to deliver investment needed over the next 30 years. This shortfall is estimated to be in the region of £1,767m. The recommended option of the review is for a continuation of the three ALMO/BITMO model with the establishment of a Shared Service Centre and a Strategic Governance Board.
- 7.3 The Government in October 2010 announced its intention to replace the existing HRA Subsidy system with a reformed system of Council housing finance. Under the proposals, Councils will be able to keep their rental income to fund the delivery of housing services and maintain their housing stock, subject to a one off debt settlement. The HRA will continue to operate as a ring fenced account and Councils will still be required to follow the Government's rent convergence policy with convergence assumed by 2015/16.
- 7.4 The impact of these reforms on the Council will not be known until November 2011 when the Government plans to consult on the proposed HRA reform settlements for each local authority. However, modelling undertaken to date indicates that if the HRA Subsidy system were to continue, the Council's HRA reserves would fall below required levels from 2019/20.
- 7.5 It is the Government's intention to implement the new system from 2012/13 with the existing HRA subsidy system remaining in place until then.
- 7.6 The Council's HRA budget for 2011/12 will therefore be the last budget to include HRA Subsidy. The draft HRA Subsidy Determination for 2011/12 has recently been issued for consultation by the Government. This is based upon rent convergence by 2015/16 and assumes the Council's rents will increase by a minimum of 6.8% in 2011/12. In previous years the Council has applied the Government's guideline rent increase to tenants. To do otherwise would be to financially disadvantage the Council since the Government assumes that the Council is applying this level of increase and the reallocation of resources between Government and the Council through Housing Subsidy reflects this assumption.
- 7.7 Other key factors within the draft Subsidy Determination are a 2% increase in Management Allowances, no increase in Maintenance Allowances and a reduction of £9 per property in the Major Repairs Allowance (MRA), which equates to a reduction in MRA resources of £698k for 2011/12.

- 7.8 The draft Determination includes ongoing grant for the Swarcliffe PFI scheme. However, grant support for the Little London, Beeston & Holbeck PFI scheme, due to start in 2011/12 will only be received subject to the project becoming operational.
- 7.9 Work is continuing on the Lifetime Homes PFI, but at present it is unclear whether this project will go ahead in light of the Government's spending plans.

## **8.0 Risks**

8.1 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.
- Unplanned or unanticipated impact upon the delivery of services.
- 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.
- Failure to understand and respond to the equality impact assessment.

8.2 A full risk register of all budget risks in accordance with current practice will be maintained and will be subject to quarterly review. Given the scale of the challenge it is proposed that from 2011/12 budget monitoring reports are submitted to the each meeting of the Executive Board, with significant and new risks being reported to the board on a quarterly basis. In addition, saving options will be monitored through the Resources and Performance Board, with any slippage being included in the regular reports to the Executive Board.

## **9.0 Consultation**

9.1 The board at its meeting on the 3<sup>rd</sup> November 2010, agreed an approach to stakeholder consultation. Resident consultation on the spending challenge has now commenced which will run until the 17<sup>th</sup> December 2010. The results of the public consultation will be reported to the January 2011 meeting of the board, but it is possible to provide some initial analysis of responses up to the end of November. The survey provides residents with information that sets out the challenges the Council faces and potential actions in the following themes:

- Protecting and supporting young people
- Supporting older and disabled people
- Clean and safe neighbourhoods
- Economy, jobs and culture.

- 9.2 Residents are invited to rate the importance of a range of priorities and proposed actions in each theme. They can also suggest their own priorities for the Council, and what the Council could do less of, more of, stop completely or charge (more) for. It needs to be appreciated that the interim results described below may not reflect the final results:

### **The four themes**

- Overall, 'protecting and supporting young people' and 'supporting older and disabled people' are seen as the two most important themes (both 90% very important or important).

### **Our principles**

- 'Prioritising front-line services for vulnerable people above everything else' is seen as the most important principle (84% very important or important)

The following aspects of plans in each area are seen as most important:

### **Limiting the impact on front-line services**

- 'Making better use of buildings even if that meant services had to move' (88% very important or important)
- Prioritising investment in services for vulnerable people (77% very important or important)

### **Protecting and supporting children and young people**

- Bring services together where it is practical and makes better use of buildings (87% very important or important)
- Focus services at those with the greatest need (84% very important or important)

### **Supporting older and disabled people**

- Help people stay in their own homes for as long as possible (89% very important or important)

### **Clean and safe neighbourhoods**

- Expect more people to take responsibility for their own actions (90% very important or important)
- Prioritise our resources to tackle the worst anti-social behaviour (90% very important or important)

### **Economy, jobs and culture**

- We work to get local jobs, for local people (84% very important or important)

- 9.3 Consultation is an ongoing process. Consultation has already taken place with representatives from the Third Sector and further consultation will take place, with, for example, the Youth Council and the Business sector prior to the finalisation of the budget in February 2011

## **10.0 Equality Impact Assessment**

- 10.1 The council is fully committed to assessing and understanding the impact of its decisions on equality and diversity issues. We are currently assessed as "working towards excellent" under the national Equality Framework and are hoping to achieve the "Excellence" standard in April 2011. As part of this work, we have recently reviewed our equality impact assessment processes and have particularly promoted

the importance of the process when taking forward key policy or budgetary changes. Indeed, the report to members of Executive Board earlier in the year dealing with in-year budget reductions emphasised the importance of the equality impact assessment process and included a high level assessment of the reductions being progressed at that time. Since then, the council has launched a refreshed equality assessment process which includes a new screening process which helps determine whether a full impact assessment is required to be undertaken.

- 10.2 The initial budget proposals contained within this report have, where appropriate, been the subject of the council's equality impact assessment process. For more developed proposals, this will be a full equality impact assessment, for many others, the screening process will have been undertaken to understand the significance of any potential impact on equality considerations, which then determines whether a full equality impact assessment is required.
- 10.3 As a consequence of these being initial budget proposals, this paper provides an overview of the type of issues arising from equality impact assessments and screening assessments undertaken to date. More detail on specific proposals/issues will be available should this be required, however, for the benefit of this report, the following themes are identified.
- 10.4 Where funding is being reduced or where reviews affect services to vulnerable people, it will be necessary to do a full equality impact assessment to understand the full impact of such proposals and identify actions that can be taken to mitigate the impact of reduced funding.
- 10.5 Where increased fees and charges are being considered an assessment will need to be undertaken to assess the relevant impact on vulnerable groups (e.g. low income families) and what actions could be taken to mitigate such impact.
- 10.6 Some changes will involve changing the way citizens access some council services and in progressing such developments consideration will need to be given to ensure that hard to reach groups continue to be able to access essential services.
- 10.7 A significant proportion of our expenditure is targeted at supporting vulnerable adults and children and young people. As a consequence of the scale of such expenditure and, therefore, the reductions that need to be made, careful consideration will be given to the impact on vulnerable adults and children. Indeed, a theme of our proposed budget reductions involves more targeted support to vulnerable adults and children which should assist in mitigating the impact on those most vulnerable in society.
- 10.8 In developing proposals to respond to the challenging financial climate, it is inevitable that we will need to rationalise facilities and reduce or remove subsidies in certain areas. Detailed equality impact assessments will be undertaken on individual proposals of this nature. Careful consideration will need to be given to the accessibility of revised facilities both in a geographic sense and a personal finance sense.
- 10.9 Plainly, the nature of the budget proposals is such that many will inevitably have staffing implications. Such proposals will be subject, where appropriate, to full equality impact assessments with particular consideration being given to workforce representation issues and where relocation is required, the particular impact on disabled access and the need for reasonable adjustments.

## **11.0 Implications for Council Policy and Governance**

- 11.1 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 meeting of this board at which proposals for the 2011/12 budget will be considered prior to submission to full Council on the 23<sup>rd</sup> February 2011.
- 11.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. 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.

## **12.0 Conclusions**

- 12.1 The government's Spending Review and resulting grant settlement will mean that the Council will need to operate within a more tightly constrained funding envelope than previously. This is at a time when many of the services provided by the Council face significant demand pressures now and into the future. The new financial environment will force the Council to review all its services and transform how it delivers many of them; nevertheless, the role of the Council will remain crucial in supporting communities across the City, and in particular those who are disadvantaged. The medium term financial strategy will be 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.
- 12.2 The draft proposals set out in this document for 2011/12, subject to the finalisation of the detailed proposals in February, will, if delivered, reduce the Council's spend by the required £89.8m, and all things being equal will ensure the Council's financial stability. It is imperative that members understand the need to make clear and timely decisions which will deliver the level of savings required in 2011/12 and leave the Council in a strong enough financial position to go into 2012/13. However delays in making decisions, or slippage in the delivery of actions agreed could seriously threaten the Council's financial position. It is important that members are fully aware of the potential consequences to the authority if this should happen. Section 114 of the Local Government Finance Act 1988 sets out that where the Council's expenditure is likely to exceed its resources, the Responsible Financial Officer appointed under Section 151 of the Local Government Act 1972 (in Leeds, this is the Director of Resources) is obliged to issue a notice in the form of a report to all members of Council, copied to the Council's External Auditor, which requires members to agree appropriate actions within 21 days to bring the Council's financial position back into balance. The issue of a Section 114 notice is a very significant step and has serious operational implications. From the date on which the notice is issued the Council is prevented from entering into any further financial commitments until the appropriate actions are agreed.
- 12.3 This report has highlighted the extent of the financial challenge facing local government over the next four years, and in particular the front loading of the grant reductions in 2011/12 and 2012/13. This, along with the considerable pressure on the Council's resources through many demand led services, gives rise to the need for careful budgeting and robust action planning. The challenge of reducing spending by

£90m is enormous, and it should be borne in mind that a further reduction will be required for 2012/13. The current level of reserves is low and this can only be justified if the Council's budget plans are sufficiently realistic and deliverable. No reliance can therefore be placed on the use of reserves and should the identified savings not be delivered alternative savings options would be needed.

### **13.0 Recommendations**

- 13.1 The Executive Board are asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny.

### **BACKGROUND PAPERS**

*Spending Review 2010, HM Treasury, October 2010 (Cm 7942)*

*Executive Board report 3<sup>RD</sup> November 2010 : GOVERNMENT SPENDING REVIEW 2010*

*Consultation [http://www.leeds.gov.uk/About\\_Leeds/Spending\\_challenge.aspx](http://www.leeds.gov.uk/About_Leeds/Spending_challenge.aspx)*

### **Adults Social Care**

The vision for Adult Social Services is to ensure those most vulnerable in Leeds are supported in local communities and have access to personalised services enabling them to live healthy, safe and independent lives.

Our vision is for a community based approach for everyone, with an emphasis on health and wellbeing, living safely at home for as long as possible and making the fullest use of universal services in local communities. Adult Social Care will bring together, health, wellbeing and social care, supporting preventive services to avoid hospital admission or the need for residential care.

Increasingly social care services, when they are needed, will be provided through personal budgets or direct payments. We will ensure people have good information and support to find the care they need. The local authority will continue to provide assessment and where appropriate, early intervention services for those in crisis. Other services will be provided in partnership with the Health Service and/or by the Voluntary and Independent Sector. We will support the social care sector in Leeds through effective commissioning and quality assurance. Ensuring the Safeguarding of adults will continue to be a key priority.

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.

To deliver the vision within the financial and service context will require a radical review of how Adult Social Care services are delivered across the city. Over the next five years the service provided directly by the Council will become smaller, more specialised and be delivered in partnership with the both the NHS and a range of other partners. Adult Social Care will need to continue to commission efficient and effective preventative services, but the means of delivery will need to change. In the future there will be much closer working with the voluntary and independent sectors in ensuring that these services deliver efficient and effective outcomes for vulnerable people in Leeds.

To ensure that people can maximize the benefits from exercising a greater level of choice and control over how their needs are met, and to ensure the best use of resources, will require a reduction in the services delivered directly by the Council and an increase in those provided by the independent and voluntary sectors, including those services procured through the use of personal budgets. This will apply particularly to residential and home care services, but also to day care services. The directly provided residential and day care services will also need to respond to reduced demand. Within the residential care sector an increased supply in recent years of new care homes with the most modern facilities have affected demand for Council run homes. There is significant over-capacity within older people's day care and increasingly people are likely to choose other more flexible ways of meeting their needs. The learning disability day care service is reconfiguring to provide smaller more localised bases and a greater focus on outreach services. Within mental health day services there is scope to work more effectively in partnership with the health and voluntary sectors which will reduce the requirement for Council-run day centres.

Based on these drivers, in 2011/12 the Council is likely to close 4 residential homes, rising to 13 by 2014/15. Eight day centre closures are anticipated in 2011/12, 4 for older people, 3 for people with learning disabilities and one for people with mental health problems. By 2014/15 it is expected that 16 centres will have closed, 10 for older people, 4 for people with learning disabilities and two for people with mental health needs. The reduction in day centre provision will have some impact on the level of transport provided and it may be appropriate to review the policy for customer transport to ensure that those people who are able to access services independently do so. The directly-provided home care service is expected to reduce by around 150 full-time equivalent staff by early 2011/12 and work is ongoing to develop future options for the service. There will be reduced staffing levels associated with these service changes as well as some savings in running expenses. The service has significant experience in working with individuals to ensure continuity of care and arrangement of equivalent alternative service. Special attention is given to respect the choices of individuals and their carers and maintaining friendship and support networks. It is acknowledged that this will mean change for some people in receipt of social care but it will also enable continuity of care in the current economic environment. Major consultation on these changes will commence from January.

There will be a major focus in 2011/12 on contract spend within Adult Social Care. The majority of savings will be delivered through managing inflation, efficiencies and cost reductions on major contracts, but smaller grants and contracts that are predominantly with the voluntary sector will also be reviewed. Efficiencies will also be targeted across general running expenses within the directorate. For 2011/12 a review of income will take place to reduce or remove the subsidy within the current charges. This will predominantly affect the home care, supported living, day care, transport and meals services.

The proposals outlined above will be subject to appropriate consultation and equality impact assessments. They will enable the Council to focus on influencing the solutions to the strategic challenges that the Health and Social Care system in Leeds now faces. At the forefront of these challenges is ensuring that we best meet the needs of vulnerable adults within the city through the commissioning and delivery of services in partnership with the Health, Independent and Voluntary Sectors.



## 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 welfare of these children and young people. We will develop a simpler, clearer children and young people's plan for Leeds, centred around an ambition to make Leeds a 'child friendly city', built around a collective commitment to put the child at the heart. There will be five clear outcomes: ensuring all children and young people are safe from harm, do well in learning and develop skills for life, choose healthy lifestyles, have fun growing up and are active citizens who feel they have voice and influence.

Given the continued demand pressures for our social care services – through referrals, the child protection system and Looked After Children – we must change the nature of some of the services we deliver. The current trend is not sustainable. We have to do this in a way that is safe, in partnership, and close to the community. We will look at radical ways to bring together the best of statutory and voluntary sector partners in localities and shaping more services around our schools, youth hubs and children's centres.

The creation of the new directorate is providing a critical opportunity to review the whole Children's Services budget to support the 2011/12 budget strategy and developing medium-term financial plan. Through our service and financial planning processes we are re-basing and re-prioritising all budgets whilst recognising the need to continue to invest in preventative and early intervention and to really target support & resources to the children & families who need it most.

Recognising the corporate budget principles, we are reviewing income through fees and charges, seeking to rationalise our use of premises, identifying savings across all supplies & services budgets and reducing our use of agency staff. In addition, we are using our commissioning processes to review and challenge services to deliver efficiencies and savings whilst also improving outcomes for children and young people. There are already a number of services that are commissioned from external partners and we will look for more opportunities to market test areas of service currently provided by the local authority where this would improve quality and cost effectiveness.

In line with council expectations, developing a new integrated directorate from the current arrangements with children's services and Education Leeds will mean a fundamental re-shape of leadership/management and business support functions leading to significant budget savings.

With regard to Integrated Youth Support Services specifically, the future of service delivery lies in radically changing and integrating youth work and targeted youth support so that they are delivered in localities through partnerships between the statutory, private and voluntary sector. This allows infrastructure and management costs to be shared to ensure that maximum services are delivered directly to young people for less cost.

In addition, there is a requirement to review the provision of educational support for young people/adults with learning disabilities at VINE. The current financial model is not sustainable in the medium-term with the current funding reducing significantly from August 2011. An options report, including an equality impact assessment, will be brought to Executive Board for decision in February 2011.

In line with the corporate review of transport, there is a need to fundamentally review all transport related policies and provision across Children's Services – from transport for looked after children through to Home to School transport.

School Improvement services are currently supported by significant levels of grant. Recognising the probability that these grants will be cut substantially over the next few years, savings of at least £2.5m are expected to be made for 2011/12 through managing staff reductions and trading with schools. Discussions are ongoing with schools about the scope of the traded offer to minimise financial risk.

## 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.

Staffing comprises by the far the largest element of the directorate's net managed budget at 47.5% and proposals to reduce staffing form a major part of the budget strategy. Several major staffing restructures have taken place in the previous two years, mainly as a direct response to the economic recession and consequent loss of income and the 2011/12 budget proposals include provision for further staffing reviews, including consultation over the cessation of the in house Architectural Design Service currently taking place. It is also anticipated that a significant number of staff will leave the directorate at the end of 2010/11 and in early 2011/12 as a result of the corporate Early Leaver Initiative. The directorate aims to maximise the number of staff leaving through this initiative and in most service areas this will mean that there will need to be a remodelling of services partly based on the number of staff remaining. This will include a review of destination marketing activity and links with the private sector. The planned reduction in staffing will also link closely with the strategy to review the number of buildings and facilities that the directorate currently provides. Across the directorate it is anticipated that staff numbers will be reduced by approximately 10% in 2011/12 or between 250 and 300 FTEs.

Another significant cost in the directorate is the number of facilities and buildings that are currently operated. The budget proposals for 2011/12 continue with initiatives which are included in the revenue budget 2010/11, and this includes a review of the 10 year Vision for Council leisure centres, as approved by Executive Board. Proposals include the possible transfer to community ownership or closure of up to 3 additional sport centres and or swimming pools. It is proposed to review library provision in response to the public consultation and there will also be a review of Museum and Galleries provision, both of these reviews will include opening hours, staffing levels and provision.

Running costs and the level of subsidies across all services will be reviewed. Major proposals for savings include ending the Council's contribution to the 'free' city bus; reducing discretionary budgets across the directorate; reductions in ancillary farming activities at Temple Newsam and reviewing the level of total revenue and capital spend on highway maintenance with a proposed reduction of £1.5m in the highway maintenance revenue budget. A 10% reduction to the budget for grants to arts bodies and other organisations currently supported by the directorate is also proposed. Savings are also anticipated on street lighting through lighting efficiencies which will be achieved through various options currently being developed and presented to members.

The economic recession has resulted in £7m worth of downward trends of income over the last two years, and the budget for 2011/12 does not anticipate significant increases in external income, such as from planning and building fees. It is anticipated that on average fees and charges will be increased by 3% although the budget does provided for above inflation increases in charges in sport and cemeteries and crematoria where the market will bear the increase. A review of the Events programme is proposed, to look at the number of events, cost, and possibilities for charging at certain events. The directorate will also look to identify opportunities to increase income from advertising.

## **Environment & Neighbourhoods**

The immediate priorities for the department are ensuring 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 this city. The budget proposals are designed to protect services and initiatives which advance these priorities. The proposals focus on eliminating duplication and improving collaboration with partners to make our joint resources go further.

### **Directorate wide proposals**

A rationalisation (25%) of the JNC structure seeks to consolidate strategic and commissioning functions within the Department and respond to a locality based agenda. This move is important both in providing a new shape to the department but also to protect front line delivery

A review of staff engaged in strategy and performance functions, together with a review of administrative functions, has identified £0.5m. These savings are in advance of any DECATS work.

### **Environmental Services**

The Council is committed to delivering a minimum of 50% recycling by 2014, not only as an environmental objective, but as a commitment within the PFI contract – there is a clear strategy to achieve this. A recent retendering of the landfill contract is offering a recycling boost of 4% points through pre screening of materials, as well as a £1m saving. This will enable the Council to make progress next year towards 50% without some of the service developments planned.

In 2011/12, the full year effect of the Refuse change programme will deliver further efficiencies of £0.4m, above the £1.6m in this year's budget.

In the area of enforcement, the Council has been adversely affected by reductions in external funding, with money for neighbourhood wardens and environmental enforcement officers disappearing. The Council puts considerable mainstream resources, however, into PCSO's, whose role, if redefined, could help tackle some of the shortfalls. By redefining the roles of PCSOs there is opportunity to consider a total place solution which jointly utilises our resources to best tackle enforcement within an area, relieving a £500k pressure.

This year, with a fall off in demand, the drop in car parking income represents a serious threat to the Council's budget. The closure of a number of car parks to support development opportunities in the city is recognised as a pressure. Fines for those entering the bus lanes in the city centre are due to be introduced in the New Year. The wider application of bus lane enforcement is under consideration. The motivation to introduce penalties is to impact on behaviour but its wider introduction could have an income revenue impact.

There are current discussions taking place with a view to providing a West Yorkshire service in relation to a number of regulatory functions within Environmental Health, along with improved business processes cost efficiencies in this area.

There are no proposals to reduce streetscene services. Proposals will be brought forward to implement local management and delegations to Area Committees of street cleaning and environmental enforcement.

## **Neighbourhoods and Housing**

A shift to locality working in all departments lessens the requirement for a specific area management support. Reductions in the numbers of area management staff are planned, with the department concentrating on providing a direct service to area committees, in particular on the environmental and community safety themes.

Proposals will be brought forward to integrate the staff who administer the supporting people grant, drug funding and voluntary sector support. The integration will offer organisational savings, provide a simpler point of connection to outside bodies and reduce bureaucracy. Savings in grants to the voluntary sector will examine the opportunity to promote the consolidation of organisations offering similar services to the Authority.

The vast bulk of general fund supported housing services now falls in the Housing Options Service. Given likely increases in pressures on housing, it is not intended to make reductions in that area. Nevertheless, the service has been highly successful in preventing homelessness in recent years and this continues to offer savings within the Supporting People budget. A minimum of two hostels, currently commissioned, can be closed, utilising supported dispersed accommodation instead, which is more desirable, as well as more cost effective. This move, together with further efficiencies delivered through the commissioning of external contracts, can produce an estimated saving of £2m.

Savings are possible through the assimilation of Care Ring into Telecare services in Adult Social Care.

Community Safety continues to face funding fall out, with a further £1.3m dropping out next year. Given the significance of the service, it is not proposed to fully absorb that cut. There are two specific proposals. The Council has reduced support to Stop Hate UK to be proportionate to their activity in Leeds, rather than contributing to a national campaign. Secondly, the Council jointly funds five PCSO's per ward. It is proposed that the Council reduces its support by 20%, distributing provision based on objective evidence from the Police. This level of reduction is likely to be in line with the match funding pot available to the police. Together these savings generate £0.5m.

The size of the regeneration team will be reduced as commissioning and strategy jobs are consolidated in the department. Project staff will be reduced in proportion to the scale of regeneration activity underway. Savings in this area, however, are limited, given that a large proportion are charged to the HRA or capital.

The Council has substantially reduced the number of community centres over the past decade. Nevertheless there remain opportunities to look at the efficient utilisation of our assets and those belonging to others. Further work is required to firm up a figure for savings in this area.

The Jobs and Skills Service continues to face funding pressures with further grant reductions and in the past 5 years has reduced staffing by 75% or 250 staff. It is not proposed that the Authority reduces spending, particularly given the current economic situation. The Service will concentrate on outreach to those excluded from the labour market and connecting employers with the worklessness agenda.

## Central and Corporate Functions

The central and corporate functions portfolio of services represents a wide range of both support services and significant front line services e.g. revenues and benefits, commercial services and customer services.

Given the extent of reductions in grant and spending pressures on front line services, it is right that the Council should seek to reduce the cost of support activities as far as is practicably possible, to limit the impacts on those at the front line. At the same time, an effective organisation needs strong support services which are proportionate and efficient. Insufficient support arrangements can often be more costly in the medium to longer term. There has been a strong focus on delivering support service efficiency savings over several years; all support service staff working in Human Resources, Property, Finance and ICT across the Council are now managed from the corporate centre. Significant savings have been made in this way with, in many cases, investment in new technology supporting new and more efficient ways of working the change.

The budget proposals set out to reduce further the cost of support activities by at least 16% over the next four years, It is anticipated that as far as practical a significant proportion of this saving will be delivered in 2011/12. These savings can be achieved through more rationalisation, and a review of services provided. This may in some instances mean providing a minimum safe level of support and greater manager and employee self services. In other areas, such as performance management and communication support for example, we will be implementing new corporately led solutions similar to those already introduced for HR, ICT, Finance etc. It will also be necessary to challenge directorate held support services and in some instances this will mean the centralisation of staff employed in administrative processes.

However, as this report sets out, there is significant organisational change planned for many services right across the Council, and it is important to recognise the important contribution that support activities make to this work. It is crucial that the Council strikes the right balance between the need to make savings and cost reductions in support services in order to protect front line services, and the need to maintain sufficient capacity in the organisation to provide professional and administrative support during a period of significant change.

Efficiencies can also be made in front line activities and the student support function will cease in accordance with the timetable to transfer the function to the national Student Loans Company. Furthermore a review of staffing structures within Revenues and Benefits Administration will result in the deletion of 23 posts and anticipated savings of £0.7m. There will be reviews of the staffing structures within Cleaning, Catering and Fleet services with corresponding reductions in charges to clients.

Whilst it is important that the Council continues to promote the city to attract inward investment, a 25% reduction in the contribution to Marketing Leeds is proposed, and for the Council's own newspaper "About Leeds" to be restricted to one edition per year.

In the medium term, we will look to deliver even more efficiencies from our customer service operations across the authority, under the auspices of DECATS, with a focus on getting more things right the first time, and thus avoiding contact wherever possible, and through maximising cheaper delivery channels such as self-service options.

We will focus our change resource (e.g. Customer services, Business Transformation and BPR resources) and, performance management on delivering significant efficiencies over the period of the financial strategy such as delivering procurement/commissioning savings

and on the changing the workplace programme. To achieve some of these savings will require an invest to save approach supported by robust business cases.

We will also review the council's governance arrangements to make sure they are proportionate and fit-for-purpose as well as ensuring the same for member and democratic services.

A review of legal services is underway which will include considering whether the present arrangements for the provision of the service are appropriate and represent value for money.



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**Report of the Head of Scrutiny and Member Development**

**Scrutiny Board (Central & Corporate Functions)**

**Date: 10<sup>th</sup> January 2011**

**Subject: ICT**

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**Electoral Wards Affected:**

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

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**1.0 INTRODUCTION**

1.1 In October 2010 this Board discussed with the Chief Executive a number of issues, one of which was ICT provision and systems. Particularly Members raised issues around how 'fit for purpose' the current provision was. Also discussed was the need to invest in ICT in order to ensure a robust and reliable ICT service which not only maintains the day to day service but also plays a key part in many business change projects, whilst at the same time recognizing how this expenditure might be perceived and justified in a time of restricted budgets and reduced investment elsewhere in the organization.

1.2 Members agreed therefore to discuss these, and other ICT issues, at today's meeting with the Chief Officer (ICT).

1.3 The Chair has identified a number of subject areas the Board may wish to cover. These include;

- Changes in ICT since the publication of the ICT Strategy 2007-10
- Funding to deliver a robust and reliable operational service and the minimum expectations of the Council.
- The ICT Strategy 2010 to 2015

**2.0 RECOMMENDATIONS**

2.1 Members are asked to;

- (i) Engage in a discussion with the Chief Officer (ICT) on matters falling within his remit.

Background Papers None used

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### Report of the Director of Resources

#### *Central and Corporate Scrutiny Board*

**Date:** 10<sup>th</sup> January 2011

**Subject:** Impact of Housing Benefit changes in Leeds

<p><b>Electoral Wards Affected:</b></p>          <input type="checkbox"/> Ward Members consulted (referred to in report)	<p><b>Specific Implications For:</b></p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
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### Executive Summary

The Emergency Budget on 22<sup>nd</sup> June 2010 announced £1.8bn worth of cuts to Housing Benefit nationally over the next 4 years with the first cuts being applied from April 2011. The cuts are aimed at reducing Housing Benefit expenditure which is currently around £21bn and expected to rise to £25bn over the next few years. Many of the cuts impact on the private-rented sector which has seen a significant increase in caseload and expenditure in recent years. But a number of cuts also affect the social rented sector and will have implications for the council as well as for Housing Benefit claimants in the city.

The key issues affecting the social rented sector relate to increases in non-dependent deductions, which will rise from current levels of £47.75 a week to £60.60 a week from April 2011 and could reach a level of around £95.00 a week by 2014, caps on the amount of housing benefit payable to social-rented sector tenants where they are deemed to be living in property that is too big for their needs and proposals to cut housing benefit for tenants who have been on jobseekers allowance for more than 12 months.

## 1.0 Purpose of this report

1.1 The report provides details of the housing benefit changes announced in the Emergency Budget on 22<sup>nd</sup> June 2010 and the Comprehensive Spending Review in October 2010 and sets out the likely implication of these changes in Leeds as well as detailing the actions being undertaken within the Benefits Service both to ensure people are aware of the changes and, where possible, to mitigate the impact of the changes.

## 2.0 Background information

2.1 On 22<sup>nd</sup> June 2010 the Government announced £1.8bn worth of Housing Benefits cuts over the next 4 years. The cuts are aimed at reducing housing benefit expenditure which is currently running at around £21bn a year and is forecast to increase to around £25bn a year over the next few years.

2.2 The cuts affect tenants in both the private rented sector and the social rented sector and the table below shows the extent of the cuts.

HB changes	Impact	11/12	12/13	13/14	14/15
		£m	£m	£m	£m
Capping LHA rates	Private-sector	-55	-65	-70	-65
Change to LHA calculation	Private-sector	-65	-365	-415	-425
Extra room for carers	Private-sector	15	15	15	15
Non dependent deductions	All sectors	-125	-225	-320	-340
DHP increase	All sectors	10	40	40	40
Use of CPI to set LHA rates	Private-sector			-300	-390
Size criteria restrictions in social sector	Social-sector			-490	-490
HB reductions for long-term unemployed	All sectors			-100	-110
<b>Total HB savings</b>		<b>-220</b>	<b>-600</b>	<b>-1640</b>	<b>-1765</b>

2.3 The Comprehensive Spending Review announced a further change to Housing Benefit as well as changes to Council Tax Benefit. Specifically, Local Housing Allowance for single people aged between 25 and 35 will be limited to the shared room rate with effect from April 2012. There will also be a 'localised' Council Tax Benefit scheme from April 2013 with spend reduced by 10% compared to the current scheme.

2.4 The regulations for a number of the Housing Benefit changes were laid on 30<sup>th</sup> November 2010 and introduced further changes. The regulations:

- brought forward the date for the implementation of reduction in LHA rates from October 2011 to April 2011;
- introduced a transitional scheme to defer the impact of LHA reductions by 9 months for cases live at 1<sup>st</sup> April 2011; and
- amended the direct payment regulations to allow direct payment to landlords in more instances.

These last minute changes have meant that work undertaken on profiling the impact of the changes and planning the communication timetable for customers and stakeholders has had to be restarted.

2.5 The longer-term changes planned for April 2013, including a localised Council Tax Benefit scheme, are likely to need primarily legislation and a Welfare Reform Bill is expected in January 2011 to enable these changes to be made. The Welfare Reform Bill will also allow for the introduction of Universal Credit which is expected to start in October 2013.

- 2.6 The private-rented sector, which has seen the biggest increase in expenditure, faces the largest cuts initially. Housing Benefit in the private rented sector is called Local Housing Allowance (LHA) and the key features of LHA are:
- The amount of benefit paid is based on standard rates relating to the size of the property required by the claimant. The claimant's requirements are determined by the number, age and relationship of people in the claimant's household. The claimant can rent a property that is larger or smaller than that required by his household circumstances but benefit will still be based on the LHA rate for the size of property required;
  - where tenants pay a rent that exceeds the LHA rate for the property size they require, they need to pay the difference themselves; where tenants pay a rent that is less than the LHA rate for the property size they require, tenants can keep the extra benefit up to a maximum of £15 pw;
  - benefit is normally paid directly to the tenant and there is no right for the tenant to ask for payments to go directly to their landlord. However, there are some limited safeguards built into the system which mean that payment can be sent direct to the landlord if the tenant is deemed 'unlikely to pay their rent' or is deemed to be likely to have difficulty managing their financial affairs.
- 2.7 There are cuts planned to social sector housing from 2013. The main cut relates to the restriction of Housing Benefit where a tenant or a household is deemed to be occupying property that is too large for their needs. This restriction only applies to working age tenants and not to pension-age tenants. Also, the impact of non-dependent deduction changes, which will start in April 2011, will be felt more in the social rented sector than in the private rented sector simply because there are significantly more instances of non-dependents in the social rented sector.
- 2.8 Not all changes have an impact in Leeds.
- From April 2011, a maximum LHA rate of £400 a week will be introduced – no cases in Leeds will be affected by that cap;
  - National caps will be introduced for all LHA rates from April 2011. The national caps are set out below but none of these will impact on cases in Leeds:
    - £400 pw for 4-bed property
    - £340 pw for a 3-bed property
    - £290 pw for a 2-bed property
    - £250 pw for a 1-bed property

### 3.0 Main issues

- 3.1 The changes that will impact on cases in Leeds are set out below.

#### *April 2011 changes*

#### **RESTRICTION TO 4-BED PROPERTY RATE**

- 3.2 LHA will be restricted to the 4-bed property rate for all families requiring 5-bed properties or more. Currently, the maximum LHA is restricted to the 5-bed rate.

- 3.3 The 4-bed property rate in Leeds is around £206 pw and there are currently around 60 families getting LHA who will be affected by the change. The change will take effect at different times for different families:
- for new claims made from 1<sup>st</sup> April the change will apply straightaway;
  - for claims live at 1<sup>st</sup> April, the change will be deferred for 9 months and will then take place on the next anniversary of the clam for benefit; except
  - for claimants who move or have a significant change after 1<sup>st</sup> April the change will take place straightaway.

3.4 We will visit all families likely to be affected in January 2011 and then write to them around 3 months before the change is due to take effect

**REMOVAL OF EXCESS BENEFIT**

3.5 The current LHA rules allow tenants whose rent is *below* their LHA rate to keep the difference up to a maximum of £15 pw. This is known as the ‘excess’. From April 2011, this excess payment will be removed and tenants whose rent is below LHA levels will get LHA only up to the level of their rent.

3.6 The removal of the £15 excess was proposed by the previous Government but its implementation was deferred. Currently there are 9938 families in Leeds getting excess LHA and they will all be affected by this change. Not all receive the full £15 excess – the average excess is around £11 pw. The excess will be removed at the anniversary of the claim for benefit and the table below provides details of the numbers affected each month from April 2011 to March 2012. We will be writing to each tenant in January 2011 and again 3 months before the change will impact on them

Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
2647	586	746	914	839	843	871	738	315	408	429	502

3.7 It should be noted that the savings anticipated from this change may not materialise if landlords simply increase their rents up to the LHA levels.

**REDUCTIONS IN LHA RATES**

3.8 The way that LHA rates in the private rented sector are calculated will change from April 2011 resulting in lower LHA rates across the board and meaning that most tenants will get less benefit. This change was initially planned for October 2011 but was brought forward to April 2011 when the regulations were laid at the end of November 2010. Although the change will be deferred for 9 months for existing claims, all new claims from April 2011 will be subject to the lower rates.

3.9 LHA rates are set by the Valuation Office Agency who collects evidence of rents charged on the open market for each property size. Currently LHA rate are set at the 50<sup>th</sup> percentile (or mid point) along the range of rents. In theory this means that at least half the market is available to tenants relying on Housing Benefit. From April 2011 LHA rates will be set at the 30<sup>th</sup> percentile point along the range of rents used by the Valuation Office Agency meaning that less than a third of the market will be affordable to people claiming housing benefit.

3.10 Based on the December 2010 LHA rates, this change would affect LHA rates in Leeds as follows:

Rate	Current	30 Percentile	Reduction
Shared	£ 61.50	£ 59.00	£ 2.50
1 Bed	£ 109.62	£ 98.08	£ 11.54
2 Bed	£ 126.92	£ 114.23	£ 12.69
3 Bed	£ 144.23	£ 132.69	£ 11.54
4 Bed	£ 206.54	£ 170.20	£ 36.34
5 Bed	£ 335.00	£ 170.20	£ 164.80

3.11 This is probably the biggest change affecting the private-rented sector. Currently, there are 10,567 families getting LHA in Leeds who would be affected by this change. The new rates will apply as follows:

- For new claims from April 2011, the new rates will apply straightaway;
- For cases live at 1<sup>st</sup> April, the change will be deferred for 9 months and will then apply from the next anniversary date of the claim for benefit; except
- For claimants who move home or have another significant change, the new rates will apply straightaway

The table below profiles the number of existing claims likely to be affected in each month.

Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
1580	739	825	1146	874	1291	1258	937	311	422	525	659

3.12 The options for tenants are limited. They can:

- pay the difference themselves from a limited budget;
- negotiate with the landlord to reduce the rent;
- move to cheaper accommodation (albeit with less than third of the properties being affordable).

3.13 The regulations around direct payment to landlords will be changed with effect from April 2011. The change expands the limited circumstances in which benefit can be paid directly to a landlord and allows for direct payment where this would enable a tenant to secure or retain a tenancy.. Early discussions with landlords suggest that this change is welcome and may have some success in supporting tenants to negotiate lower rents.

3.14 We will be writing to people in January 2011 about this change and again 3 months before the change is scheduled to affect individual tenants.

#### **NON-DEPENDENT DEDUCTIONS**

3.15 There will be staged increases in non-dependent deductions each year from April 2011 which are intended to bring the deductions up to the level they would have been had they been fully up-rated since 2001. Currently the top non-dependent deduction is £47.75 pw and it is expected that this will rise to over £95 pw over the next 3 years.

3.16 Non-dependent deductions apply where there is another adult in the household other than a spouse or partner. There are varying rates of non-dependent deductions ranging from no deduction in some circumstances to the current top deduction of £47.75 a week (see table below) will increase on £60.60 in April 2011, and possibly reach £95.00 by 2014.

<b>Non Dependant Deductions</b>	Now	April 2011
Aged 18 or over and not in remunerative work	7.40	9.40
Aged under 25 and on IS/JSA(IB),	Nil	Nil
Aged 25 or over and on IS/JSA(IB),	7.40	9.40
In receipt of main phase ESA(IR)	7.40	9.40
In receipt of Pension Credit	Nil	Nil
Not in receipt of main phase ESA(IR) rate	Nil	Nil
<b>Aged 18 or over and in remunerative work</b>		
-gross income less than £120.00	7.40	9.40
-gross income not less than £120.00 but less than £178.00	17.00	21.55
-gross income not less than £178.00 but less than £231.00	23.35	29.60
-gross income not less than £231.00 but less than £306.00	38.20	48.85
-gross income not less than £306.00 but less than £382.00	43.50	55.20
-gross income not less than £382.00	47.75	60.60

- 3.17 The change, which applies to housing benefit in both the private rented sector and the social rented sector, will have a disproportionate impact in the social sector because there are significantly more non-dependents in the social rented sector. Tenants affected will get less Housing benefit and in some cases will have their benefit wiped out. ALMOs and other landlords will have to collect more rent directly from tenants in receipt of HB. The table below shows the incidence of non-dependent deduction at the present.

<b>Tenure</b>	<b>No. of cases with NDs</b>
ALMOs	1354
Private sector	379
Housing Associations	347
<b>Total</b>	<b>1980</b>

- 3.18 For completeness there are 2 small beneficial changes happening in 2011. From April 2011, an extra room for carers will be allowed in the local housing allowance calculation (subject to the 4-room cap) and this is expected to cost an extra £15m nationally.
- 3.19 Finally, the Government's contribution to the Discretionary Housing Payment scheme will increase by £10m to £30m in 2011 and will be further increased to £60m from 2012. It is expected that the majority of the extra funding will go to London and the South East where the biggest impacts of the LHA changes are expected to be felt.

*April 2012 changes*

**RESTRICTION TO SHARED ROOM RATE**

- 3.20 From April 2012 the majority of single people aged between 25 and 35 will have their Local Housing Allowance restricted to the shared room rate of LHA. At present, only people under 25 have their LHA restricted to the shared room rate. This means that single people aged between 25 – 35 will see their LHA reduce from £109 pw to £59 pw. There are around 1400 single people aged between 25 and 35 who will face this reduction in April 2012 – analysis shows that only 19 would receive enough LHA to pay their rent. The change will be implemented as follows:

- For new claims made from April 2012, the shared room rate will apply straightaway;

- For cases live at 1<sup>st</sup> April the change will apply from the anniversary of the claim; except
- For tenants who move or have another significant change, the new rate will apply straightaway

3.21 The table below profiles the number affected in each month following the implementation of the change

Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
117	90	123	166	148	173	181	144	38	62	61	99

3.22 Attached at appendix A is a table showing the total numbers affected by the changes each month. Appendix B provides an estimate of the impact on overall benefit spend of the changes on Housing Benefit spend in Leeds. The estimate has been produced by looking at the average reduction for each change and the number of people affected by the change.

*Longer-term housing benefit reform*

3.23 The changes in 2011 and 2012 are expected to be followed by further changes starting in 2013

**UPRATING OF LHA RATES**

3.24 The first change relates to the way that LHA rates will be up-rated and affects only private sector tenancies. The Government has stated that from 2013/14 the current process of up-rating LHA rates on the basis of the actual cost of rents in the locality will be replaced by a system that up-rates LHA rates annually based on the Consumer Price Index (CPI). The change is expected to achieve savings nationally of £300m from 2013.

**OVER-ACCOMMODATION**

3.25 From April 2013, working age tenants in the social sector will have their Housing Benefit restricted where they occupy property that is larger than their household size and structure would warrant. There is no detail about how this scheme will work in practice but it is likely that a scheme based around some form of average rent for each property size in the social rented sector would be introduced and would be used to set the rate to which housing benefit would be restricted when a tenant or family is over-accommodated. It should be noted that this change does not apply to pension age tenants.

**HB SANCTION**

3.26 The final HB change, also proposed to come into effect from April 2013 sees the introductions of a sanction for people on Jobseekers Allowance for more than 12 months. This change affects **all tenure types** but may have a bigger impact in the social sector because the social sector traditionally has provided housing for some of the more disadvantaged tenants.

3.27 Tenants who have been on Jobseekers Allowance for more than 12 months will have their housing benefit reduced by 10% and this reduction will stay in place until they have left the benefit system and been in work for a period. This change affects both the private rented sector and the social rented sector and it is estimated that it will achieve savings of £100m from 13/14.

- 3.28 Currently, there are in excess of 5,000 tenants in Leeds who have been on Jobseekers Allowance for more than 12 months and claiming HB and they would each lose 10% of their Housing Benefit if these new rules were in operation.

#### **LOCALISED COUNCIL TAX BENEFIT SCHEME**

- 3.29 The Government announced in the Comprehensive Spending Review that spend on Council Tax Benefit will be cut by 10% from 2013 with the current scheme replaced by a localised Council Tax Benefit scheme run by Local Authorities. The DWP subsequently wrote to Councils to confirm that the scheme would allow for fully localised schemes that reflected local needs. No more detail has been provided and it is hoped that more information will be made available over the next few weeks.

#### **UNIVERSAL CREDIT**

- 3.30 Over the summer the Government consulted on proposals to change the current benefit system and announced in the autumn that it intended to press ahead with the implementation of Universal Credit. A Welfare Reform Bill is expected in January 2011 to bring in Universal Credit.
- 3.31 Universal Credit is intended to replace Jobseekers Allowance, Income Support, Employment Support Allowance, Tax Credits and Housing Benefit with a single benefit claimed with a single form and administered by a single agency with payment made directly to customers. The basic premise of Universal Credit is that customers will always be better off in work and this is achieved by having a single payment that is reduced by a lower amount for each extra pound that a customer earns than is currently the case. DWP will administer Universal Credit.
- 3.32 Universal Credit is due to go live with effect from October 2013. From that date any new claims for a benefit that fall within the scope of Universal Credit will be treated as a claim for Universal Credit and will be dealt with by DWP. Local councils will continue to deal with ongoing Housing Benefit claims but will have little, if any, involvement in new claims for Housing Benefit. It is expected to take until 2017 to complete the transition to Universal Credit.
- 3.33 Universal Credit is for working age claimants only. It is expected that from April 2014 Housing Benefit for pensioners will form part of the Pension Credit scheme administered by the Pension and Disability Carer's Service. These changes mean that local councils will have a diminishing benefit caseload to administer from October 2013. There is a considerable amount of work to do by DWP to implement the Universal Credit and Pension Credit changes and there are still many decisions to be made on how these schemes will operate. An implementation forum has been formed by the DWP and Leeds is represented in this forum.

#### *Implementation of the changes*

- 3.34 Work is well underway to implement the HB changes from April 2011. Significant activity has taken place to identify customers directly affected by the changes and a communication plan has been developed that will see all customers notified of the changes in January 2011 with further letters to individual tenants around 3 months before the change is due to take place for that tenant.
- 3.35 CAB, Age Concern, Housing Options and Customer Services have been involved in agreeing the guidance to be included in the letters and consideration has been given to the suite of example letters provided by DWP. Meetings have taken place with Landlord Associations to ensure they understand the changes and the potential impact of the changes and to gauge likely reaction to the changes. A number of



landlords have made it clear they would be more sympathetic to tenants facing reductions in Housing Benefit if the landlords were to receive benefit directly.

3.36 Work is underway to review guidance on use of Discretionary Housing Payment scheme and to review the direct payment policy in light of the late changes to the direct payment regulations.

3.37 Information about the changes is also available on the Council's Internet site.

#### **4.0 Implications for council policy and governance**

4.1 Housing Benefit is a national scheme and the Council will need to implement the regulations that will introduce these changes. There will be a need to review the policy on use of the Discretionary Housing Payment scheme from 2011 as well as a review of the operational guidance around direct payments to landlords.

#### **5.0 Legal and resource implications**

5.1 There are no legal implications arising directly from these changes. There are resource implications relating to system changes, however these are expected to be minimal for the 11/12 and 12/13 changes.

#### **6.0 Conclusions**

6.1 These changes will impact adversely on a large number of tenants in both the private rented sector and the social rented sector. Tenants currently getting Local Housing Allowance will not be subject to the lower LHA rates until January 2012 at the earliest but all new claims from April 2011 will have their benefit based on the lower LHA rates. This transitional protection for existing claimants allied to the ability to pay landlords directly in more cases offers the prospect of enabling tenants to negotiate lower rents and retain tenancies. However, there can be no certainty that landlords will not react unfavourably to these changes.

6.2 The longer term impact of uprating LHA rates by Consumer Price Index rates is likely to lead to LHA rates failing to keep up with market rents and this may, over a period of time, erode landlords confidence in letting to tenants on Housing Benefit. Similarly, the inclusion of Housing Benefit within Universal Credit – albeit only initially for new cases from October 2013 – is unlikely to be welcomed by private landlords. This is because there will be little scope for direct payment to landlords in Universal Credit and Jobcentre Plus may be less accessible to landlords wishing to clarify their tenants' benefit position than local councils have been.

6.3 DWP is committed to working with local councils and housing providers to ensure that it understands fully the housing issues and implications. This commitment is essential and there is much work to be done to ensure that the administration of Universal Credit is based on a full understanding of local housing requirements.

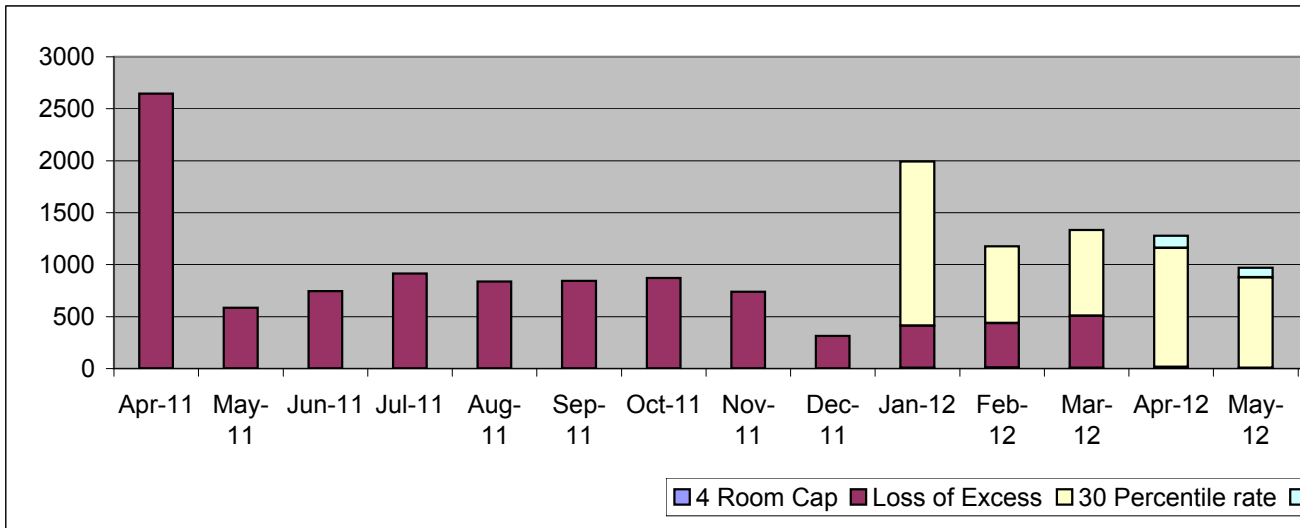
#### **7.0 Recommendations**

7.1 The Board is asked to note the detail of the changes announced in the Emergency Budget and Comprehensive Spending Review and is recommended to seek annual updates on the implementation of the changes and emerging issues. It is also recommended that a further report on the development and implementation of a localized Council Tax Benefit scheme is requested.

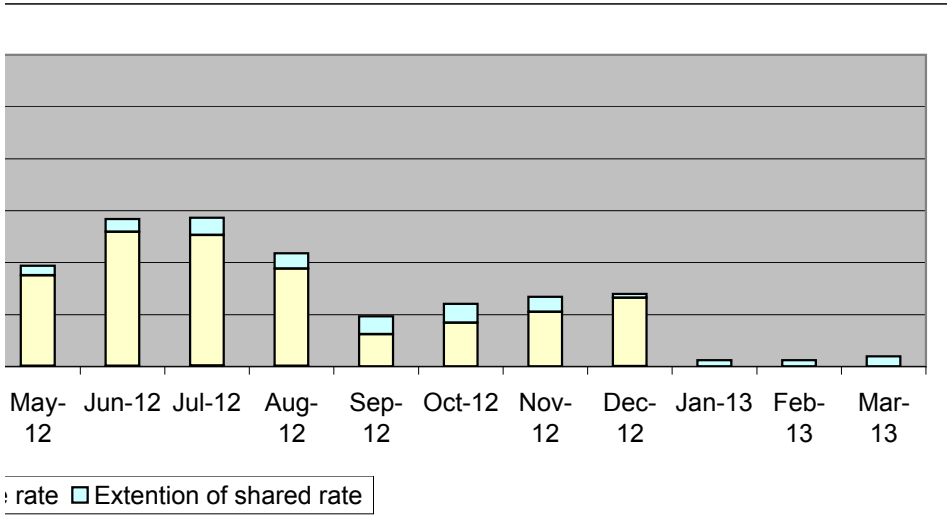
## **8.0 Background Papers**

- HB Regulations;
- HM Treasury Budget report

	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
4 Room Cap	0	0	0	0	0	0	0	0	0	5	8	6
Loss of Excess	2647	586	746	914	839	843	871	738	315	408	429	502
30 Percentile rate	0	0	0	0	0	0	0	0	0	1580	739	825
Extention of shared rate	0	0	0	0	0	0	0	0	0	0	0	0
Total	2647	586	746	914	839	843	871	738	315	1993	1176	1333



Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Total
14	5	6	8	5	0	0	1	2	0	0	0	60
0	0	0	0	0	0	0	0	0	0	0	0	9838
1146	874	1291	1258	937	311	422	525	659	0	0	0	10567
117	90	123	166	148	173	181	144	38	62	61	99	1402
1277	969	1420	1432	1090	484	603	670	699	62	61	99	21867



<b>Households</b>	Apr-11	May-11	Jun-11	Jul-11	Aug-11
4 Room Cap	0	0	0	0	0
Loss of Excess	2647	586	746	914	839
30 Percentile rate	0	0	0	0	0
Extention of shared rate	0	0	0	0	0
<b>Total</b>	<b>2647</b>	<b>586</b>	<b>746</b>	<b>914</b>	<b>839</b>

<b>Weekly reduction in HB Paid</b>					
	Apr-11	May-11	Jun-11	Jul-11	Aug-11
4 Room Cap	-	-	-	-	-
Loss of Excess	29,699	6,575	8,370	10,255	9,414
30 Percentile rate	-	-	-	-	-
Extention of shared rate	-	-	-	-	-
<b>Total</b>	<b>29,699</b>	<b>6,575</b>	<b>8,370</b>	<b>10,255</b>	<b>9,414</b>

<b>Cumulative Weely reduction</b>	<b>29,699</b>	<b>36,274</b>	<b>44,644</b>	<b>54,899</b>	<b>64,313</b>
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<b>Cumulative Annual Reduction</b>	<b>1,544,366</b>	<b>1,886,262</b>	<b>2,321,508</b>	<b>2,854,772</b>	<b>3,344,278</b>
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Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
0	0	0	0	5	8	6	14
843	871	738	315	408	429	502	0
0	0	0	0	1580	739	825	1146
0	0	0	0	0	0	0	117
843	871	738	315	1993	1176	1333	1277

Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
-	-	-	-	352	563	422	985
9,458	9,773	8,280	3,534	4,578	4,813	5,632	-
-	-	-	-	14,204	6,644	7,417	10,303
-	-	-	-	-	-	-	4,488
9,458	9,773	8,280	3,534	19,134	12,020	13,472	15,776

73,772	83,544	91,824	95,359	114,493	126,513	139,984	155,760
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3,836,118	4,344,294	4,774,873	4,958,657	5,953,620	6,578,666	7,279,185	8,099,543
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May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
5	6	8	5	0	0	1	2
0	0	0	0	0	0	0	0
874	1291	1258	937	311	422	525	659
90	123	166	148	173	181	144	38
969	1420	1432	1090	484	603	670	699

May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
352	422	563	352	-	-	70	141
-	-	-	-	-	-	-	-
7,857	11,606	11,309	8,424	2,796	3,794	4,720	5,924
3,452	4,718	6,368	5,677	6,636	6,943	5,524	1,458
11,662	16,747	18,240	14,453	9,432	10,737	10,314	7,523

167,422	184,169	202,409	216,862	226,294	237,031	247,345	254,868
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8,705,947	9,576,776	10,525,272	11,276,820	11,767,293	12,325,614	12,861,941	13,253,130
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Jan-13	Feb-13	Mar-13	Total
0	0	0	60
0	0	0	9838
0	0	0	10567
62	61	99	1402
62	61	99	21867

Jan-13	Feb-13	Mar-13	Total
-	-	-	4,223
-	-	-	110,382
-	-	-	94,997
2,378	2,340	3,798	53,781
2,378	2,340	3,798	263,384

257,246	259,586	263,384
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13,376,803	13,498,481	13,695,958
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## Report of the Head of Scrutiny and Member Development

### Scrutiny Board (Central & Corporate Functions)

Date: 10<sup>TH</sup> January 2011

Subject: Void Property Process

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**Electoral Wards Affected:**

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## 1.0 INTRODUCTION

1.1 In November 2010, Councillor Chastney requested Scrutiny on the Council's treatment of sites surplus to requirements. This matter was raised at North West Inner Area Committee at its meeting on 28<sup>th</sup> October 2010. Though the matter initially regarded the former Royal Park School, concerns were raised more broadly about asset management. An extract of the relevant minute of that meeting states

“ Members expressed concern at the Council's perceived inaction, not only in this case, but in other similar cases, where empty buildings were seemingly simply left to deteriorate until, ultimately, demolition was the only solution. It was suggested that a Scrutiny Board Inquiry or Internal Audit inquiry was necessary to investigate the Council's policy and alleged poor track record, and to effect change.”

1.2 At its December meeting, members of this Board agreed to receive a paper from the Acting Chief Officer, Corporate Property Management outlining the current void management process for properties declared surplus to services operational requirements. This report is attached as Appendix 1.

1.3 Whilst agreeing that any inquiry would focus on policy and operational performance, rather than specific individual sites, an invitation was extended to Members of North West Inner Area Members to contribute to the initial discussions.

## 2.0 RECOMMENDATIONS

2.1 Members are asked to;

- (i) Receive and discuss the report of the Acting Chief Officer, Corporate Property Management.
- (ii) Undertake any further investigations as appropriate

Background Papers

Minutes of NW Inner Area Committee - 28<sup>th</sup> October 2010



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**Report of the** Acting Chief Officer Corporate Property Management  
**Scrutiny Board** Central and Corporate Functions  
**Date:** 10 January 2011  
**Subject:** Void Property Process

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**Electoral Wards Affected: All**

Ward Members consulted  
(referred to in report)

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## 1.0 Introduction

1.1 The purpose of this report is to outline the current void management process for properties declared surplus to Service's operational requirements. Void properties are managed by Corporate Property Management (CPM) prior to re-allocation or disposal by Property Services, City Development.

## 2.0 Background

2.1 On 1 January 2008 the property staff from the former departments of Learning and Leisure, City Services, Development and Social Services were brought together to form Corporate Property Management (CPM). The management of void properties was previously undertaken in Development and the responsibility for undertaking this role transferred to CPM.

2.2 Over the last two years the many different processes, documentation and reporting lines for highlighting available space, transferring surplus property/ land and the disposal of surplus property/ land have been reviewed and new operational processes put in place

## 3.0 Information

3.1 As part of the delivery mechanism for the corporate Asset Management Plan, Services are required to produce individual Service Asset Management Plans which highlight the property requirements from which to deliver their services. This will include identifying potential properties which are surplus to their requirements for any number of reasons eg suitability, condition, declining use, cost etc.

- 3.2 As the Service moves towards declaring property surplus they are presented at either the Property Review Group (PRG) or Office Accommodation Review Groups (OARG) for consideration as to their future.

Both meetings are held monthly between officers from City Development (Asset Management) and Resources (Corporate Property Management including Directorate Property Managers as the Directorate representatives). All surplus space, properties and land are examined for potential re-use within Leeds City Council and if no alternative use is identified and no expressions of interest have been received from any community groups, then the property is listed with Property Services, City Development for disposal. The Disposals Team are responsible for all elements of disposal eg valuation for inclusion in Capital Receipt Programme, consultation with Ward Members, marketing, preparing for auction etc. It is at this point that advice is taken from Property Services whether demolition should be considered if a property is in poor physical condition and that a better receipt would be obtained if it was sold as a cleared site.

- 3.3 The formal surplus process requires Services to formally declare a building “surplus to operational requirements” with a report and Delegated Decision signed off the by Service Chief Officer.

The report should clearly state why the Service no longer requires the property and if any consultation has been carried out with local residents or Ward Members regarding the closure. Every report should be accompanied with a boundary plan clearly identifying the space the Service wish to handover. Services are responsible for running costs of the building until it has been cleared of all contents and then on formal handover all costs are then met by CPM.

- 3.4 The CPM void management programme ensures that each property is inspected on a regular basis for security and insurance purposes. Action is taken on any security or repair work identified upon inspection as soon as possible, with reference to the decision made by the Property Review Group to future use eg Leeds City Council re-use, disposal on the open market. While carrying out works essential to the security and immediate essential repair work, it is the aim not to spend too much on these buildings as it would reduce spend on operational property. All miscellaneous land is managed as void property as it is not always suitable for disposal. The list of void properties changes as properties are added, demolished, reallocated or sold. Appendix 6.1

- 3.5 The CPM void management programme was designed from reviewing the different systems previously used by the former property teams and consolidating the best areas into one process which gave an auditable trail from handover to CPM to eventual re-use or disposal – see Appendix 6.2.

- 3.6 The recent property market has proved challenging and sale at auction currently appears to be the most effective way of selling reasonably sized properties (lodges etc) or parcels of land.

In order to improve the chances of a successful disposal Property Services consider a number of options including development potential and in some cases the preparation of Planning Statements or Planning Briefs for larger sites such as schools and industrial sites. The preparation of these documents can take considerable time as they are subject to consultation with a number of groups, therefore some property can take some time before actual disposal takes place.

3.7 The cost for managing void properties was; 2008/9 - £418.6k, 2009/10 - £254.5k and to date £186.8k. This is spent predominately on NNDR, security and maintenance. CPM and City Development have worked together to instigate a process which reduces wherever possible, the time a property is managed as void. This can be shown in the reduced cost last year.

#### **4.0 Recommendations**

4.1 Management of void buildings will continue to be reviewed and adjusted in order to provide the Council with the most efficient, value for money service for the disposal of surplus property and land.

#### **5.0 Background reports**

None

#### **6.0 Appendices**

6.1 Void properties/ land

6.2 Void management operating procedure – November 2009

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# CPM VOID PROPERTIES MATRIX

## Buildings

MO	UNIFORM ASSET NO	SITE	PROPERTY	NOTES	
E	TF	ASSET/1039/BLDG ASSET/2303/BLDG	37 Gledhow Valley Woods Residential Residential Garage	Being marketed for disposal	
E	TF	ASSET/4734/BLDG	116 York Road, LS9	Offices (formerly Welfare Rights)	To be demolished and land sold.
S	ME	ASSET/5276/BLDG	Barraclough Yard (No 7), Rothwell		
W	AR	ASSET/009291/BLDG	Beckett Park Primary School	School building (Incl kitchen)	
S	DM	ASSET/3785/BLDG	Beeston St Lukes PS Nursery (AKA Temporary 1)	Former off site nursery building.	Being considered for Children's Services, possible Cap Rec.
S	ME	ASSET/4960/BLDG	Belle Isle Neighbourhood Cntr 92 Windmill Road	Office (First Floor) Office (Ground Floor)	
E	TF	ASSET/4036/BLDG	Bramham House, Freely Lane, Bramham	House	
S	DM	ASSET/4239/BLDG ASSET/4176/BLDGC	Broom Road Community Centre, Middleton	Office (Ground Floor) Community Centre (First Floor)	
W	JM	ASSET/2325/BLDG	Burley HMO Woodsley Green Woodhouse	Administrative Building	171108 Vacant. SC to look as possible disposal.
E	TF	ASSET/4875/BLDGC	Canal Gardens and Tropical World	Princes Avenue Public Conveniences	Pre 2000 140410 ASC costing to use as Changing Places PC.
S	ME	ASSET/9092/BLDG	Chapel Hill (Bank Court), Morley	Land and Buildings	260809 Properties 1-8 Bank Court and 47-57 Chapel Hill and land adjacent to east. LCC to acquire land and sell on to housing association. Buildings to be demolished.
E	TF	ASSET/0605/BLDG	Chapelton Library	Library	201010 Handed over to CPM
W	AR	ASSET/0014/BLDG	Clifford Brooke Resource Centre Roundhay Road Harehills	Day Centre - Phys Disability	Being marketed for disposal
E	TF	ASSET/9042/BLDG	Clifford Primary School	Primary School	Playgroup to use temporarily.
E	TF	ASSET/9030/BLDG	Darfield Avenue	Office	Being marketed for disposal
S	DM	ASSET/2960/BLDG	Drighlington Junior School	Primary School	
W	AR	ASSET/1905/BLDG	Eastmoor School, Cookridge	School	Handed to Dev 1999. Boarded up.
E	TF	ASSET/3187/BLDG	Ebor Gardens Design Base, 93 Haslewood Drive, Burmantofts LS9 7PS	E&N Retail	140410 Meeting with SC to progress declaring surplus.
W	AR	ASSET/5911/BLDG	Farfield Day Centre, Farsley	Day Centre - Learn Disability	271108 Vacated. Confirming if this is actually an E&N property.
W	JM	ASSET/1041/BLDGC ASSET/1049/BLDGC ASSET/1042/BLDGC	Farnley Hall Estate	Cottage No 1 Hall Lane No 2 Hall Lane	200606 Awaiting boundaries to dispose. Being marketed for disposal Being marketed for disposal
W	JM	ASSET/0247/BLDG	Farsley Town Street (Andrew Square) Public Conveniences	Public Conveniences	
S	DM	ASSET/2957/BLDG ASSET/3344/BLDG ASSET/3345/BLDG	Fountain Street Primary School	Primary School Block 1 Block 2	Going to auction.
S	ME	ASSET/0705/BLDG	Garforth OSC, Main Street	Former One Stop Centre	Being marketed for disposal
S	ME	ASSET/2091/LAND	Haigh Farm, Rothwell	Farm Buildings (SW part of Rothwell Country Park)	Being marketed for disposal
W	JM	ASSET/0834/BLDGC	38 Bennett Road, North Lane (adj to Headingley Com Cntr)	Caretakers House	Being marketed for disposal
W	AR	ASSET/2996/BLDG	Headingley Primary School, Bennett Road	Primary School	Being marketed for disposal
W	JM	ASSET/4992/BLDG	Hillside Reception Centre	Reception Centre	Being marketed for disposal
S	DM	ASSET/5049/BLDG	Hunslet District Centre	Public Conveniences	LEI: Closed - limited information. 081209 125 yr LEI from Morrisons wef 20 April 1977 (TERR/025734/LEI) MK
S	DM	ASSET/0176/BLDG	Hunslet Lake Centre	Community Centre	<b>101210 Sold at auction 091010. Comp due 130111.</b>
S	DM	ASSET/9008/BLDGC ASSET/8724/BLDGC	Jack Lane Car Repair Units	Office No 5 (1st flr brick bldg) Office No 6 (1st flr brick bldg)	
E	TF	ASSET/4772/BLDGC	Kellett Day Centre Roundhay Road	Day Centre - Phys Disability	Being marketed for disposal
S	DM	ASSET/3021/BLDG	Kippax Ash Tree Primary School	Primary School	Building to be demolished.. Site to b marketed for disposal
W	AR	ASSET/9078/BLDG	Kirkstall Avenue (No 36)	Caretakers House	Former Ed Lds prop, used by Caretaker of Wyther PS.
E	ME	ASSET/2863/BLDG	Lincoln Green EMO, Cromwell Street, Burmantofts	Office	290409 SC advised E&N stating vacant property and not responsible. SC to request surplus property report to be forwarded to CPM.
E	TF	ASSET/2864/BLDG	Meanwood, 6 - 10 Green Road	Office	Lease terminates late 2011.
S	DM	ASSET/3040/BLDG	Methley Infants School	Primary School	
W	AR	ASSET/0766/BLDGC	Micklefield House, New Road Side, Rawdon	Caretakers House	Being marketed for disposal
W	JM	ASSET/7095/BLDG	Nunroyd Park	Nunroyd House (Brummels)	Being marketed for disposal
W	JM	ASSET/4075/BLDG	Otley Lodge	Lodge	Being marketed for disposal
W	JM	ASSET/2157/BLDG	Otley Civic Centre Cross Green LS21 1HD	Community Centre	LEO Otley Town Council. Closed May 2010. External works and lift Leeds City Council, OTC to find fund to do internal fit out.
C	BG	ASSET/8661/BLDG	Park Square East No 13	Office	260610 To be let to the Together Women Project when H&S checks completed (MK)
S	GH	ASSET/2324/BLDG	Prospect House, 10 Moor Road LS10 2LX	HS Hostel	Closed July 2005. Declared surplus to oper reqs. With City Dev. Interest from Soc Ser PFI.
W	JM	ASSET/0413/BLDG ASSET/4153/BLDGC	Pudsey Cemetery	Lodge Spire (Link) between Chapels	Being marketed for disposal
W	JM	ASSET/009288/BLDG	Pudsey Lowtown Public Conveniences	Public Conveniences	120210 Been empty for at least 12 months. 041010 Awaiting progression by Area Committee of funding for Capital Project to refurbish stone PC's. 111010 Building Control have "made safe" as structure was dangerous.
E	TF	ASSET/5903/BLDG	Ramshead Hill (No 51) Seacroft	Residential Accommodation	
E	TF	ASSET/0384/BLDGC	Reginald Terrace Office	Offices	310309 Vacated by Sport. 040110 Awaiting funding to enable works for Children's Service to move in.
E	TF	ASSET/0016/BLDG ASSET/5063/BLDGC	Roseville - Enfield Avenue	Training Centre - General (AKA Door Company) Training Centre - Computer Workshop	Being marketed for disposal Being marketed for disposal
E	TF	ASSET/1105/BLDG ASSET/0544/BLDG ASSET/0543/BLDG ASSET/1101/BLDG	Roundhay Park Estate	3 Roundhay Park Cottage, Mansion Lane Clock Tower Building (AKA Carriage House) Mansion Cottage Park Cottage (No 4) (Formerly 6 & 7)	Being marketed for disposal Being marketed for disposal Being marketed for disposal Being marketed for disposal
S	DM	ASSET/0132/BLDG	Rowan Gardens, Middleton	Residential Home - Children and Family	Closed, replaced with Acorn Lodge. Attached to Broom Court.

W	AR	ASSET/3429/BLDGC	Royal Park Primary School	Caretaker's Property	
		ASSET/3100/BLDGC		Primary School	
S	GH	ASSET/0807/BLDGC	South Leeds Sports Centre	Sports Centre	
E	TF	ASSET/3819/BLDGC	St Gregory's Primary School	Caretakers Bungalow	Being marketed for disposal
E	TF	ASSET/9080/BLDGC	St Hilda's Crescent (No 3)	Residential Accommodation	140410 INST No80 raised for disposal. 290410 Joe Ratcliffe emailed "The Council is in the process of acquiring all remaining privately owned property on this side of St Hilda's Crescent with a view to demolition and future regeneration. Consequently it would be inappropriate for the Council to seek to sell the subject property at this time. We therefore assume that your instructions to dispose are withdrawn in these circumstances".
S	DM	ASSET/009290/BLDGC	St John's Ambulance Hall, Barkly Road, Beeston	INVEST Meeting Hall	Building to be demolished, land marketed for disposal.
W	AR	ASSET/3233/BLDGC	St Lawrence House EYC	Early Years	Being marketed for disposal
S	DM	ASSET/0201/BLDGC	Stanhope Drive Youth Centre	Centre	Being marketed for disposal
S	DM	ASSET/3246/BLDGC	Stanhope Memorial Hall	Community Centre	
S	DM	ASSET/1647/SITE	Stank Hall	Site Record	
		ASSET/009584/LAND		Land	
		ASSET/9107/BLDGC		Barn	Listed building.
		ASSET/3250/BLDGC		Cottages	Listed building.
		ASSET/1647/BLDGC		Hall	Listed building.
W	AR	ASSET/1129/BLDGC	The Hollies	Lodge 1	Being marketed for disposal
		ASSET/1130/BLDGC		Lodge 2	Being marketed for disposal
		ASSET/1009/BLDGC		Public Conveniences - Gents	010104 Closed due to ASB. Awaiting demolition, attached to P&C store.
W	JM	ASSET/4136/BLDGC	Tong Road Highways Depot, Windmill Gate	Main Building	Being marketed for disposal
		ASSET/5078/BLDGC		Storage Shed	
W	AR	ASSET/8656/BLDGC	Towngate, Calverley	No 1	Being marketed for disposal
W	JM	ASSET/9089/BLDGC	Victoria Avenue (No 21) Yeadon	Residential Accommodation	Owned by 5 WY councils. Bradford maintain and recharge. Void pending sale.
E	TF	ASSET/8620/BLDGC	Victoria Cottage Barn	Barn	Being marketed for disposal
S	DM	ASSET/0218/BLDGC	Wesley Street, Morley	Public Conveniences	010210 Ceiling fell in on disabled part on Wed 27 Jan. Whole building now void (gents, ladies and disabled). 060910 Demolition being considered.
W	JM	ASSET/1366/BLDGC	Westroyd Park	Lodge	Being marketed for disposal
W	JM	ASSET/0571/BLDGC	Wharfemeadows Park	Public Conveniences within complex	
E	TF	ASSET/9110/BLDGC	Sholebroke Mount (No 5)	House (former HMO, 3 flats)	Being marketed for disposal
S	ME	ASSET/9175/BLDGC	Fewston Avenue (No 19)	House	Being marketed for disposal
S	DM	ASSET/9186/BLDGC	Woodhouse Hill Road (No 47)	House (AKA Springfield Place)	Being marketed for disposal

## LAND

	MO	UNiform Asset No	Site	Former Use	Notes
W	JM	ASSET/009702/LAND	Alwoodley, Land adj High Ash Drive (Wigton Moor)	Land	Former Ed Lds land, formal handover to CPM awaited.
W	JM	ASSET/009582/LAND	Back Burley Street	Formerly Nos 13, 15, 17 and 19	Bldgs demolished, used for car parking. LEO? Possible site for ILP.
S	ME	ASSET/5276/BLDGC	Barracough Yard (No 7), Rothwell		
S	GH	ASSET/2764/LAND	Birch Grove (No 36) Kippax	Former house	
S	GH	ASSET/2766/LAND	Birch Grove (No 44) Kippax	Former house	
E	TF	ASSET/2917/LAND	Braim Wood School Site	Former school site	
E	TF	ASSET/5329/LAND	Brander Road (Nos 68-70) Gipton	Former house	
S	DM	ASSET/009567/LAND	Britannia Road, Morley	Land	
S	ME	ASSET/0034/LAND	Brooksbank Home For Older People, Halton	former Res Home - Older People	310309 Handed over to CPM. 140410 Demolition ongoing. <a href="#">140410 INST 74 raised for disposal.</a>
W	JM	ASSET/5305/LAND	Buckingham Road (No 31) Headingley	Former house	Land only
E	TF	ASSET/009571/LAND	Carr Manor Road	Land	
E	TF	ASSET/4858/LAND	Copperfields College, Cross Green Lane	Former college	Building demolished. Some land used for East Leeds Link Road construction.
W	JM	ASSET/009554/LAND	Cottingley Springs - Land, Gelderd Road	Land	Land between Travellers Site A and Gelderd Rd.
E	TF	ASSET/0804/SITE	East Leeds Family Learning Centre	Former FLC	Demolition completed Feb 2010.
E	TF	ASSET/3204/LAND	Frankland Place Nursery, Chapeltown	Land former EYC	070610 Demolished. To be sold as part of Roundhay Road site.
S	GH	ASSET/5166/LAND	High Ridge Park Garage Site, Rothwell	Former Garage Site	
S	DM	ASSET/5264/LAND	Kenneth Street Light Industrial Estate Site	Former LIE	All buildings demolished 2005, land only.
S	DM	ASSET/009550/LAND	Matthew Murray School Site	Former school site on Brown Lane East	Footprint of former school buildings.
S	ME	ASSET/9039/LAND	Merlyn Rees School Site	Former school site in Belle Isle	Footprint of former school bldgs. Possible Cap Rec 2012/ 13.
E	TF	ASSET/009594/LAND	Meanwood Community Centre	Land to NE of site	<a href="#">140410 INST 79 raised for disposal.</a>
S	GH	ASSET/009568/LAND	Middleton Grove, Middleton	Land adj No 4	Surplus 050406. 220709 P&C taking report to AMB to request land returned for use as community orchard. Adj to Clarksfield Allotments.
E	TF	ASSET/3447/SITE	Miles Hill Primary School	School	
		ASSET/8550/LAND		Caretakers bungalow	Demolished 27/07/09 by Area Mgmt.
W	JM	ASSET/009566/LAND	Moor Lane, Guiseley	Garage Site In Quarry	
W	JM	ASSET/8087/LAND	Moseley Wood Gardens	Land to rear	
E	TF	ASSET/5164/LAND	Newmarket Approach, Land off, Cross Green Industrial Estate	Land	
E	TF	ASSET/5159/LAND	Nowell Mount, Land off	Land	
W	JM	ASSET/5162/LAND	Orchard Way, Guiseley	Land	
S	ME	ASSET/009553/LAND	Osmondthorpe Primary School land	Land	
S	DM	ASSET/009532/LAND	Phoenix Way, Micklefield	Former Pit site	
S	DM	ASSET/5158/LAND	Pit Field Road, Wakefield	Land	Between 11 & 17 Pit Field Road.
S	DM	ASSET/009562/LAND	Pontefract Road site, Stourton	Land	
E	TF	ASSET/3877/LAND	Primrose High School site, off Dolly lane	Land	
W	JM	ASSET/009588/LAND	Rigton Bank	Land in front of Wincroft	
E	TF	ASSET/009561/LAND	Seacroft Crescent, Seacroft	Land	Former Youth Club - Demolished (Adj Library).
E	TF	ASSET/0166/LAND	Seacroft Family Activity Centre	Former Community Centre	Demolished
W	JM	ASSET/009688/LAND	1 South View, Kent Road, Pudsey	Land	
E	TF	ASSET/3120/LAND	St Gregory's Primary School	Former Primary School	Aug 08 School closed. Awaiting disposal.
E	TF	ASSET/2320/LAND	Stanley Road Depot - Florence St site	Land in rear of depot	



W	JM	ASSET/2015/LAND	Station Top (Depot) Otley	Land	Depot
		ASSET/009559/LAND		Site A	East - Queens Terrace To East Chevin Road
		ASSET/009560/LAND		Site B	West - Queens Terrace To Inglewood
S	DM	ASSET/6486/LAND	Thornes Farm, Osmondthorpe Lane, Halton	Land	
E	TF	ASSET/7013/LAND	Torre Drive, Burmantofts	Land	Between Torre Drive and Torre Close
S	DM	ASSET/5079/LAND	Wakefield Road (No 23 - 25) Drighlington	Land	
W	JM	ASSET/009708/LAND	Walmer Grove, Pudsey	Land	151010 Ruth Rutter dealing with disposal, ACI dealing with barrier and earth mound.
S	DM	ASSET/009558/LAND	Whitebridge Primary School site	Former Primary School	
W	JM	ASSET/0203/LAND	Wyther Community Centre	Former community centre	Former community centre demolished 2008
W	JM	ASSET/3181/LAND	Wyther Park Primary School	Former Primary School	

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Originator: Michele Kelly

Tel: 22 43846

<b>Report of:</b>	<b>Property Services Manager</b>
<b>Meeting:</b>	<b>Strategic Management Team</b>
<b>Date of meeting:</b>	<b>29 October 2009</b>

<b>SUBJECT:</b>	<b>Void Management/ Risk Assessment Procedure</b>
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<b>This Report is for:</b>		
Discussion Only <input type="checkbox"/>	Information Only <input checked="" type="checkbox"/>	Advice/consideration prior to taking a decision <input checked="" type="checkbox"/>

**1.0 Purpose of the Report**

1.1 To seek approval from Strategic Management Team for the new Void Management/ Risk Assessment Procedure to commence from 1 November 2009.

**2.0 Background Information**

2.1 Void Management has been handled a number of different ways by the different sections which now make up Corporate Property Management. A review of all the systems and software currently used has led to the creation of the new process which is to be a fully auditable Quality Process using the best of the systems.

**3.0 Main Issues**

3.1 The procedure has been streamlined and merges the void management process with the risk assessment process. This ensures that each property is handed over to CPM in a suitable condition. Consultation will have been held between the Service and the Responsive Maintenance team and the UNIFORM database will be updated.

3.2 A new Void Inspection/ Risk Assessment sheet has been created which will be signed off at Risk Assessment Level 2 (Pre-handover) and Risk Assessment Level 3 (Handover) which allows for planning and organization for the handover and ensures that every party is aware of the risks on site and any protective equipment/ clothing that may be required for each visit.

3.3 A Void Management Screen has been created and will be filed in the appropriate electronic building file until the creation of a User Defined Screen has been completed within the UNIFORM database.

3.4 It is proposed to commence the new process from 1 November 2009 and review after three months, ensuring the process is functioning correctly before auditing later in 2010.

**4.0 Legal and Resource Implications**

4.1 It is a requirement of LCC's insurance provision that all void property is inspected at regular, pre-determined intervals.

- 4.2 It is a health and safety requirement to ensure that any employee inspecting the property is fully aware of any risks attached and takes any protective equipment or clothing they may require for the visit.
  - 4.3 No additional resource requirements have been identified as the Property Services Team will create and store the Void Management/ Risk Assessment paperwork and inspections are already ongoing within the Responsive Maintenance team.
  - 4.4 The new process simplifies the existing processes and releases the use of multiple software packages, some of which are no longer viable running from Lotus Notes.
- 5.0 Recommendation**
- 5.1 The Chief Officer, Corporate Property Management, approves the implementation of the new Void Management/ Risk Assessment process with effect from 1 November 2009.

CORPORATE PROPERTY MANAGEMENT

OPERATING PROCEDURES MANUAL

PROPERTY MANAGEMENT

PROCEDURE: OP 01

PAGE: 1 of 4

ISSUE: 1

ISSUE DATE: 19/10/2009

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**VOID PROPERTY MANAGEMENT**

Authorised by:

<b>Nature and location of the latest change to the procedure</b>

Appendix Revision Control:

<b>Appendix</b>	<b>1</b>	<b>2</b>
<b>Revision</b>	<b>0</b>	<b>0</b>

## CORPORATE PROPERTY MANAGEMENT

OPERATING PROCEDURES MANUAL

PROPERTY MANAGEMENT

PROCEDURE: OP 01  
ISSUE: 1PAGE: 2 of 4  
ISSUE DATE: 19/10/2009**TITLE:** VOID PROPERTY MANAGEMENT**PURPOSE:** The purpose of this procedure is to detail the method used to ensure void management is efficiently transferred to Corporate Property Management and managed effectively.**SCOPE:** Environmental Issues and Monitoring Procedure**RESPONSIBILITY:** The Responsive Maintenance Manager is responsible for ensuring Risk Level 3 is achieved for each property and that regular inspections are carried out in accordance with the frequency set when Risk Level 3 achieved. The Property Services Manager is responsible for ensuring that all newly void properties are set up and have Risk Level 1 in place.**APPENDICES:** UNiform "User Defined Screen" Appendix 1  
Risk Assessment/ Appendix 2  
Monitoring Inspection Form**PROCEDURE:****1.0 Property surplus to Service's operational requirements**

- 1.1 Service no longer has any operational requirement for the property, once this decision has been reached the Service the Directorate Property Manager will co-ordinate the preparation of a Report and Delegated Decision Notice which is signed off by the Service Chief Officer.
- 1.2 The Directorate Property Manager forwards a copy of the report and Delegated Decision Notice to the CPM Property Services Team and updates either the Office Accommodation Review Group or Property Review Group papers, these groups will agree on the most appropriate future use of the property/ space.

## CORPORATE PROPERTY MANAGEMENT

## OPERATING PROCEDURES MANUAL

## PROPERTY MANAGEMENT

PROCEDURE: OP 01

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**2.0 Risk Level 1 (Desktop)**

2.1 CPM Property Services team will update the database records and create a void management file for the property using the information and dates given in the Service report. A **Stage 1** risk assessment (desktop assessment of building without a visual witness) is prepared for the property by CPM Property Services Team using a copy of the Risk Assessment/ Monitoring Inspection Form for a base line assessment.

**3.0 Risk Level 2 (Pre-Handover)**

3.1 At the pre-handover meeting (4-6 weeks before formal handover) the Risk Assessment is reviewed on-site by the Maintenance Officer and the Responsive Maintenance Manager or the Assistant Responsive Maintenance Manager, in liaison with the Service and updated to **Stage 2** (informal visual inspection).

3.2 The pre-handover meeting enables CPM to advise the Service of any requirements/ work they need to undertake before CPM can formally accept the property as a void (eg removal of fixtures and fittings, condition of property etc - dependent upon the proposed future of the property).

3.3 Required works eg termination of utilities, level of security required will be decided at this stage.

3.4 The Responsive Maintenance Manager updates the paperwork and hands back to CPM Property Services team for updating the database and void records.

**4.0 Risk Level 3 (Handover)**

4.1 When the formal handover date has been confirmed the Maintenance Officer and a member of the CPM Property Services team will meet the Service on site. The **Stage 3** Risk Assessment is completed noting security arrangements in place for the building and any PPE or equipment required for future monitoring visits.

4.2 The Stage 3 Risk Assessment is reviewed and signed off by the Responsive Maintenance Manager (acting as the Risk Assessment Manager).

CORPORATE PROPERTY MANAGEMENT

OPERATING PROCEDURES MANUAL

PROPERTY MANAGEMENT

PROCEDURE: OP 01

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4.3 The Responsive Maintenance Manager sets the inspection frequency at this time (weekly, monthly, bi-monthly, quarterly).

**5.0 Monitoring**

5.1 When the formal handover paperwork is returned to the CPM Property Service team, an email notification is sent out to all interested parties\*\* advising of the change of responsibility. A new void property/ land cost centre is allocated (03548 – property or 03557 – land) by Finance. Database is updated.

\*\* Business rates, Land records, Council Tax, Energy Unit, Finance and Insurance are included in the circulation.

5.2 A void property report will be run monthly by the CPM Property Services team and emailed to the Maintenance Officers to enable them to inspect the property and the Responsive Maintenance Manager for information.

5.3 After each void inspection the Maintenance Officer updates UNiform directly with the inspection date and notes if any works have been requested.

5.4 When a property is demolished the CPM Property Services team will update UNiform to reflect it is now void or miscellaneous land along with the date of demolition.

5.5 When a property or land is sold/ disposed of the CPM Property Services team will update the database with the date of disposal and issue an email to interested parties informing them of the disposal.

5.6 City Development Land Records creates a disposal record in UNiform on receipt of formal confirmation from Legal Services of the disposal.

**6.0 Quality Records**

6.1 The quality records are maintained in accordance with the requirements of operating procedure COP 02 ( see section 6.0 ).

Quality Record	Location	Minimum Retention Period	Disposal Method
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L:\SS-PROP\PROPMAN\Personal Drive's\Development and Support\Kelly, Michele\Void Management\Void Property Management Operating Procedure 131009.doc



CORPORATE PROPERTY MANAGEMENT

OPERATING PROCEDURES MANUAL

PROPERTY MANAGEMENT

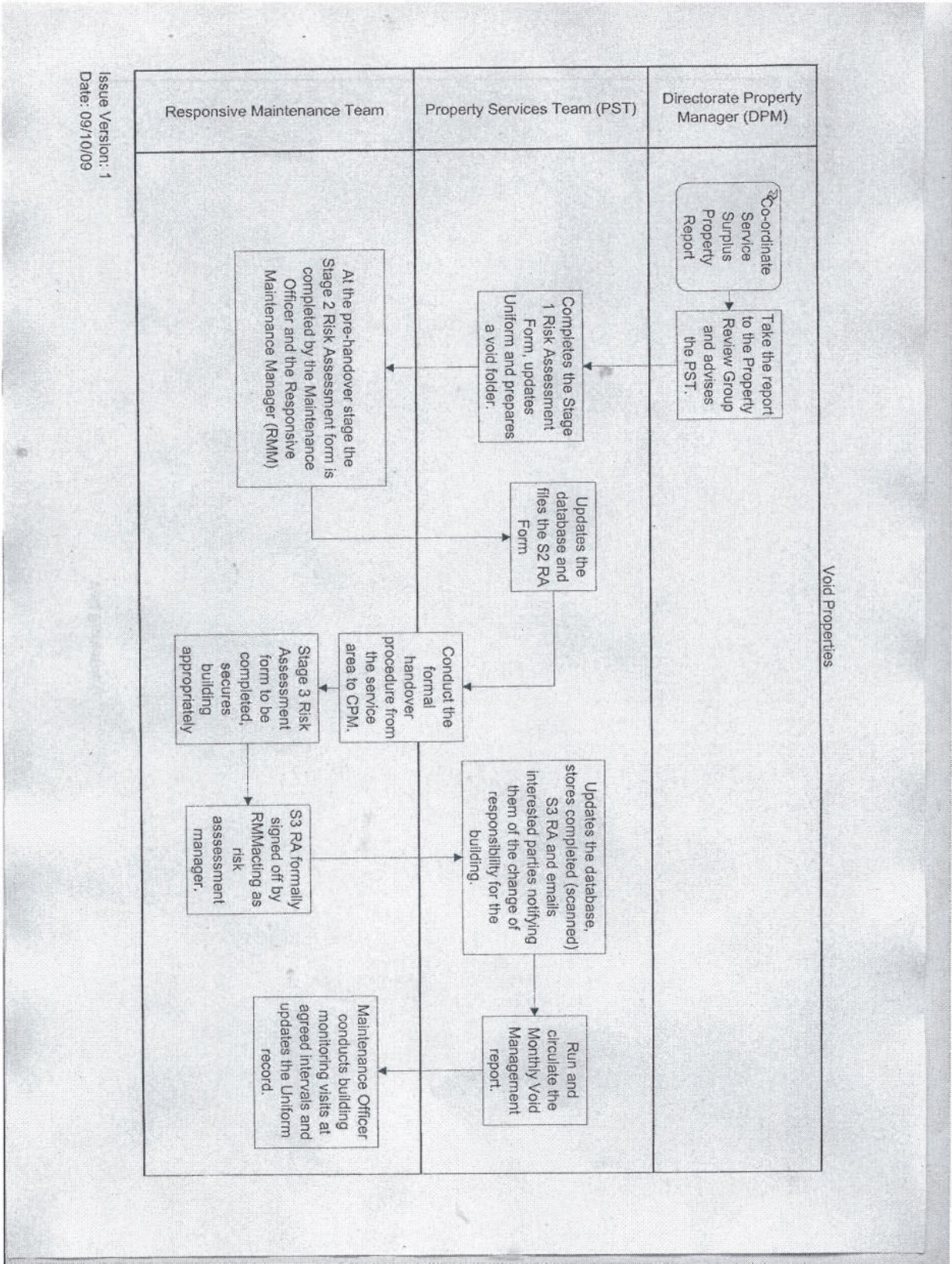
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		Whilst applicable	Destroy
		Whilst applicable	Destroy
		Whilst applicable	Destroy

DRAFT



Issue Version: 1  
Date: 09/10/09

**UNiform Void Management User Defined Screen**

UNiform Asset No: ASSET/1129/BLDG

Lodge 1  
The Hollies  
Weetwood Lane  
Weetwood  
Leeds LS16 5NZ

Service DDN & Report NA

Date Signed: P&C Non Operational Property Review 2006

		<u>Date Reviewed</u>
Risk Assessment Level 1	(Desktop)	27/10/2009
Risk Assessment Level 2	(Pre Handover)	00/00/0000
Risk Assessment Level 3	(Handover)	00/00/0000

CPM Officer:

Andy Ross

City Development Case Officer:

TBA

Void Inspection Frequency:

Monthly

PPE required for inspection visit:

Mobile phone

Key Location/ Requirements to access property:

Security Alarm:  Yes/  No

Void Status:

Disposal (Capital Receipt) - TBC

CPM DDN & Report

Date Signed 00/00/0000

Notes:

Free text

**Last Inspection Date**

TBC  
10 November 2009

**Inspected by:**

Andy Ross/ Terry Rhodes  
Andy Ross/ George Seedhouse

**Reason for visit:**

Pre Handover  
Handover  
Management Inspection  
Vandalism  
Other (state reason in notes area)

Updated on: 27/10/2009 11:20

Updated by: Michele Kelly

**Void Inspection/ Risk Assessment**

<b>Property Address:</b>	Lodge 1, The Hollies Park. Weetwood Lane, Leeds, LS16	<b>UNiform Asset Ref:</b>	ASSET/1129/BLDG
<b>Last known use:</b>	Residential (Service Tenant)	<b>Risk Level:</b>	<input checked="" type="checkbox"/> Level 1 (desktop)
<b>Last Date Occupied:</b>	Due to vacate 10/11/09.		<input type="checkbox"/> Level 2 (pre-handover)
			<input type="checkbox"/> Level 3 (final handover)

**GENERAL**

<b>Date of Visit:</b> (Levels 2 and 3 only)		<b>Inspecting Officer:</b>	
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<b>Access to property:</b>	<input type="checkbox"/> Key	<b>Has there been prior police involvement:</b>	Yes / No
	<input type="checkbox"/> Alarm	<b>Has the property been fully cleared by Service?</b>	Yes / No
	<input type="checkbox"/> Joiner (sheeted building)	<small>If not state reason:</small>	
	<input type="checkbox"/> Locksmith		

**SECURITY**

<b>Security Alarm installed:</b>	Yes / No	<b>Access Code:</b>		<b>Maintained by:</b>	
<b>Manufacturer:</b>					

<b>CCTV installed</b>	Yes / No	<b>Maintained by:</b>	
<b>Manufacturer:</b>			

<b>Fire Alarm installed:</b>	Yes / No	<b>Maintained by:</b>	
<b>Manufacturer:</b>			

<b>Building Boarded:</b>	Yes / No	<b>Type:</b>	Steel / Timber	Full/ Part
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<b>Security Requirements for formal handover</b> (to be agreed between Responsive Maintenance Manager and CPM Officer at Pre-Handover):	
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**SERVICES/ UTILITIES**

<b>Gas:</b>	<input type="checkbox"/> NA	<input type="checkbox"/> Connected	<input type="checkbox"/> Disconnected	<b>Date:</b>	
<b>Electric:</b>	<input type="checkbox"/> NA	<input type="checkbox"/> Connected	<input type="checkbox"/> Disconnected	<b>Date:</b>	
<b>Lifts:</b>	<input checked="" type="checkbox"/> NA	<input type="checkbox"/> Connected	<input type="checkbox"/> Disconnected	<b>Date:</b>	26 October 2009
<b>Water:</b>	<input type="checkbox"/> NA	<input type="checkbox"/> Connected	<input type="checkbox"/> Disconnected	<b>Date:</b>	
<b>Telecoms:</b>	<input type="checkbox"/> NA	<input type="checkbox"/> Connected	<input type="checkbox"/> Disconnected	<b>Date:</b>	

**Meter Readings (To be completed at RA Level 3 only by Property Services Team)**

<b>Gas:</b>				
<b>Electric:</b>				
<b>Water:</b>				

**Void Inspection/ Risk Assessment**

**CONDITION - External**

Chimney Stacks/ Parapet:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Roof:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Walls:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Fall Pipes/ Gutters:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Windows (if not boarded):	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Fences/ Hedges:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Trees:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Outbuildings/ Garages:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Gates:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous

**CONDITION - Internal**

Walls/ Plaster:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Ceiling:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Floors:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Staircases:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Attics:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous
Cellars:	<input type="checkbox"/> NA	<input type="checkbox"/> Sound	<input type="checkbox"/> Damaged	<input type="checkbox"/> Dangerous

**RISK AWARENESS**

	Observed	Likely	Location/ Notes
Hypodermic Needles:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Pigeon Droppings:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Blood Spillages:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Excrement:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Broken Glass:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Pests:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Smoke Damage:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Fire Damage:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Asbestos:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Animal/ Human Remains:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Sewage:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Timber Defects:	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Loose, Trailing, Exposed Wiring	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Photographs Taken:  Yes  No Location Stored:

**RISK ASSESSMENT - LEVEL 2 (PRE-HANDOVER)**

Signed:		Position:	Risk Assessment Manager (Responsive Maintenance Mgr)
Print Name:		Date:	

**RISK ASSESSMENT - LEVEL 3 (HANDOVER)**

Signed:		Position:	Risk Assessment Manager (Responsive Maintenance Mgr)
Print Name:		Date:	

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**Report of the Head of Scrutiny and Member Development**

**Scrutiny Board (Central & Corporate Functions)**

**Date: 10<sup>TH</sup> January 2011**

**Subject: Scrutiny Board (Central & Corporate Functions) – Work Programme,**

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**Electoral Wards Affected:**

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

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**1.0 INTRODUCTION**

1.1 Attached as Appendix 1 is the current Work Programme for this Scrutiny Board. This has been amended to take into account discussions held at the last meeting.

1.2 Also attached are the Executive Board minutes of 15 December 2010 and the Council's current Forward Plan.

**2.0 RECOMMENDATIONS**

2.1 Members are asked to;

- (i) Agree the Board's work programme.
- (ii) Note the Executive Board minutes and Forward Plan.

Background Papers

None used

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**SCRUTINY BOARD (CENTRAL & CORPORATE FUNCTIONS) – WORK PROGRAMME 2010/11 LAST REVISED DECEMBER 2010**

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Suggested Areas for Scrutiny Currently Unscheduled</b>			
Employment issues around diversity within the workforce			
Leeds City Region and Governance			
Data Information shared throughout the Council			

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<b>Meeting date: 7th February 2011</b>			
One Council Communications Project	To receive an update on this project		PM
Scrutiny of the Budget	To receive Budget proposals		PM/SC
Draft Enforcement Policy	To consider the draft		RP
<b>Meeting date: 7th March 2011</b>			
Scrutiny of the Budget	To receive and consider quarter 3 financial report.		PM
Council Business Plan and City	To receive as part of the Council's Budget and Policy Framework procedure		SC

**SCRUTINY BOARD (CENTRAL & CORPORATE FUNCTIONS) – WORK PROGRAMME 2010/11 LAST REVISED DECEMBER 2010**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>NOTES</b>	<b>TYPE OF ITEM</b>
<b>Priority Plans</b>			
<b>Recommendation Tracking</b>	To monitor progress on meeting the recommendations agreed following an Inquiry into the use of consultants		MSR
<b>Quarterly Accountability Reports</b>	To receive quarter 3 performance reports including questions to the Executive Board Member		PM
<b>Meeting date: 4<sup>th</sup> April 2011</b>			
<b>Annual Report</b>			

Key:

CCFA / RFS – Councillor call for action / request for scrutiny

RP – Review of existing policy

DP – Development of new policy

MSR – Monitoring scrutiny recommendations

PM – Performance management

B – Briefings (Including potential areas for scrutiny)

SC – Statutory consultation

CI – Call in

## EXECUTIVE BOARD

WEDNESDAY, 15TH DECEMBER, 2010

**PRESENT:** Councillor Blake in the Chair

Councillors A Carter, S Golton, P Gruen,  
R Lewis, T Murray, A Ogilvie, L Yeadon,  
J Dowson, A Blackburn and R Finnigan

Apologies Councillor K Wakefield

### Chair's Opening Remarks

The Chair gave apologies for absence from Councillor Keith Wakefield following his recent knee surgery. Councillor Wakefield was recovering well and it was envisaged he would return to his duties early in the New Year.

The Chair announced that Chris Edwards was stepping down as the Chief Executive of Education Leeds and today's meeting would be his last. In paying tribute the Chair said that his contribution to the young people of Leeds was outstanding and we all owed him a debt of thanks.

Board Members joined the Chair in expression their best wishes to Mr Edwards in his future endeavours

### 115 Exempt Information - Possible Exclusion of the Press and Public

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

- (a) The appendix to the report referred to in Minute No 126 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that disclosure may prejudice negotiations yet to be concluded between the Council and CES and CES's commercial interests could be prejudiced if these financial terms became available to their competitors. It is considered that the public interest in maintaining this information as exempt outweighs the public interest in disclosing the information, as disclosure would prejudice the outcome of the procurement process.

### 116 Late Items

In accordance with his powers under Section 100B (4)(b) of the Local Government Act 1972, the Chair consented to the submission of the following late item of business:

Draft minutes to be approved at the meeting  
to be held on Wednesday, 5th January, 2011

- Agenda Item No.20 – Ofsted’s Annual Children’s Services Assessment for Leeds – Report late because the assessment from Ofsted was only received on 9<sup>th</sup> December 2010

It was noted that supplementary information had been circulated to Board Members prior to the meeting which provided the most up to date information in respect of the Leeds local Development Framework Annual Monitoring Report 2010 (Minute No.125 refers)

## **117 Declaration of Interests**

Councillor Blake declared personal interests in respect of the items relating to: Assessment of Adult social Care, Future Options for Long Term Residential and Day Care for Older People and Charges for Non-Residential Adult Social Care Services (Minutes Nos. 138,139 and 141 refers), due to being a Member of Middleton Elderly Aid and a Member of Belle Isle Elderly Winter Aid

Councillor Gruen declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Primary Place Planning (minutes Nos. 120, 125 and 130 refers), due to being a Member of Leeds Initiative – Safer Leeds Partnership, Member of Council Housing Investment Review – Consultation Group and as Chair of the Leeds Admission Forum

Councillor Dowson declared personal interests in respect of the item relating to: Primary Place Planning (Minute No. 130 refers), due to being a Member of the Leeds Admission Forum

Councillor Lewis declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being a Member of Leeds Initiative – Safer Leeds Partnership and a Member of ALMO Outer West Area Panel

Councillor Ogilvie declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing, Assessment of Adult Social Care Commissioning for Leeds City Council 2009/10, Future Options for Long Term Residential and Day Care for Older People and Charges for Non-Residential Adult Social Care Services (minutes Nos. 120, 125, 127, 138, 139 and 141 refers), due to being a Member of Leeds Initiative – Culture Partnership and a Member of ALMO Inner South Area Panel and Member of Holbeck Elderly Aid

Councillor Yeadon declared personal interests in respect of the item relating to: Assessment of Adult Social Care Commissioning for Leeds City Council

2009/10 (Minute No. 138 refers), due to being a Member of North Regional Association for Sensory Support and a Member of Roseville Advisory Board

Councillor Murray declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being Chair of the Leeds Initiative Climate Change Partnership and a Member of Outer South East Area Panel – Aire Valley Homes. A personal and prejudicial interest was declared in respect of the item: Towards a Strategy for Kirkgate Market (Minute No. 123 refers) due to his involvement in a charitable organisation involved in the running of a Kirkgate Market stall

Councillor Golton declared personal interests in respect of the items relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework, Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 120, 125 and 127 refers), due to being a Member of Leeds Initiative - Assembly, Leeds Initiative Executive, Leeds Initiative Going Up a league Board, Leeds Initiative – Narrowing the Gap Board and a Director of Aire Valley Homes ALMO

Councillor A Carter declared personal interest in respect of the item relating to: Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework (minutes No. 120 refers), due to being a Member of Leeds Initiative – Economy Partnership and Leeds Initiative – Integrated Transport Partnership

Councillor A Blackburn declared personal interests in respect of the items relating to: Solar Photovoltaic Panel Initiative and Care Ring Replacement Programme – Sheltered Housing (minutes Nos. 125 and 127 refers), due to being a Director of West/ North West Leeds Homes ALMO

#### **118 Minutes**

**RESOLVED** – That the minutes of the meeting held on 3<sup>rd</sup> November 2010 be approved as a correct record.

#### **119 Initial Budget Proposals**

The Director of Resources submitted a report in accordance with the Council's constitution presenting initial budget proposals two months prior to adoption by full Council which is scheduled for the 23<sup>rd</sup> February 2011. The report presented initial budget proposals for 2011/12, in the context of the development of a new medium term financial strategy for the Council.

**RESOLVED** - That this report be agreed and the initial budget proposals be submitted to Scrutiny.

(Under the provisions of Council Procedure Rule 16.5, Councillors: A Blackburn, A Carter and Golton required it to be recorded that they abstained from voting on this matter)

**120 Proposed Changes to the Leeds Initiative Partnership and the City Planning Framework**

The Assistant Chief Executive (Planning, Policy and Improvement) submitted a report setting out proposed changes to partnership structures and planning arrangements operating at a strategic level in the city. Specifically, the report set out revisions to the Leeds Initiative Partnership framework with the aim of creating a simpler and more legible framework.

The report also sought to provide for closer integration with the planning and performance management arrangements, with a focus on effective partnership delivery of priorities. The framework also created a context for wider partnership working.

Significantly the evolution of these arrangements would impinge upon the Council's Budget and Policy Framework (contained in Article 4 of the Constitution) and the report explained some of these implications and sought Executive Board's views in advance of consideration of amendments to Article 4 by the General Purposes Committee and Full Council in the new year.

**RESOLVED** – That the broad direction of the proposals outlined in the submitted report be endorsed and that the responsibility for finalising the arrangements be delegated to the Assistant Chief Executive (Planning, Policy and Improvement) prior to consideration by Full Council in the new year.

**121 Quarter 2 Corporate Performance Report**

The Assistant Chief Executive (Planning, Policy and Improvement) submitted a report presenting an overview of performance against priority outcomes as set out in the Leeds Strategic and Council Business Plans 2008-11 so that Executive Board understood current performance and take appropriate actions as necessary.

**RESOLVED -**

- a) To note the overall performance against strategic priorities.
- b) That Scrutiny be requested to further investigate performance issues around closer working partnership arrangements with the Health Authority and Children's Services

**122 Driving the City Forward: City Marketing, Supporting Investment and Engaging Business**

The Assistant Chief Executive (Planning, Policy and Improvement) and Acting Director of City Development submitted a joint report which set out the current challenges facing a number of city marketing, tourism and inward investment services across the city. The report recommended the development of a new operating model for such services, in order to maximise efficiencies, whilst protecting critical functions that are at risk from public sector budget reductions, and supporting activities aimed at securing future investment and new jobs for the city.

**RESOLVED -**

- a) That the outline proposition detailed in paragraph 3.1 to 3.15 of the submitted report be agree in principle
- b) That the proposal that those Council services detailed at paragraph 3.2 be part of the new delivery arrangement be agreed in principle;
- c) That as joint shareholder of Marketing Leeds that Leeds City Council is content for the existing company arrangement to be evolved into the new delivery vehicle as part of a broader merger for these services;
- d) That as joint shareholder of Financial Leeds that Leeds City Council is supportive of the proposal for sector marketing and inward investment activities to become the responsibility of the new delivery vehicle;
- e) That the Assistant Chief Executive (Planning, Policy and Improvement) and Acting Director of City Development be authorised to take the necessary steps to bring about the change proposed, ensuring Members are kept informed as matters progress.
- f) That a further report be submitted to Executive Board in March 2011, outlining a set of specific proposals for implementation in April 2011.

**123 Towards a Strategy for Kirkgate Market**

(Councillor Murray, having declared a personal and prejudicial interest, left the meeting during consideration of this item)

The Acting Director of City Development submitted a report informing members of the wider context in which Kirkgate Market operates, the issues it faces and the options for its future. The report identified the key issues which need to be addressed and proposed a consultation process to inform the development of a final strategy for Kirkgate Market.

**RESOLVED –**

- (a) That the current rental levels be maintained and that the recommended increase be not imposed for the 1904 Hall for at least the next ten months
- (b) That the imminent maintenance and essential works to be undertaken be noted and agree the proposals to identify funding to undertake such works

- (c) That the proposed way forward on developing a strategy for the future of the market and the consultation outlined in Appendix 2 of the submitted report be agreed
- (d) That a further report on the outcome of the consultation and final strategy for Kirkgate Market be submitted to a future meeting of the Board.

(Councillor Murray resumed his seat in the meeting)

**124 Leeds Local Development Framework Annual Monitoring Report 2010**

The Acting Director of City Development submitted a report presenting the Annual Monitoring Report which has to be submitted to the Secretary of State (Communities and Local Government). Appended to the report was a copy of the 2010 submission for Members' consideration.

The report was considered by the Development Plan Panel on 7<sup>th</sup> December 2010 where the view was expressed that that the Executive Board be recommended to approve the report

**RESOLVED** - That the Leeds Local Development Framework Annual Monitoring Report 2010 be approved for submission to the Secretary of State pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.

**125 Solar Photovoltaic Panels Initiative**

The Director of Environment and Neighbourhoods submitted a report seeking endorsement to develop a scheme to install a minimum of 1,000 solar photovoltaic (PV) systems on council housing at zero capital cost, which would generate a significant income over 25 years and seeking endorsement to use the income from the trial and subsequent roll-out as collateral for prudential borrowing to run a private sector free insulation scheme.

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

**RESOLVED -**

- a) That a partnership with CES to install at least 1,000 PV systems to Council homes before March 2012, subject to successful conclusion of contractual negotiations with CES by the Director of Environment and Neighbourhoods be approved.
- b) That the proposals concerning improvement of the economic, and environmental well-being of the whole or part of the Council's area, or all or any persons resident or present in that area, in the manner set out in the submitted report be agreed.
- c) That the CES offer to private sector households across the city in order to generate additional income be extended.

Draft minutes to be approved at the meeting to be held on Wednesday, 5th January, 2011



- d) That in principle the use of the income from this trial and subsequent roll-out as collateral for prudential borrowing to run a private sector free insulation scheme be explored.
- e) That the CES experience be used to assist in developing a Council run scheme to pick up from March 2012 at the latest to increase benefits to the Council (assuming FIT payments still provide adequate incentives).
- f) That alternative options for the Council's corporate buildings be assessed and either extend the CES scheme or procure services in-house.

(Under the provisions of Council Procedure Rules 16.5, Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**126 Towards Integrated Locality Working**  
(Councillor Finnigan entered the meeting)

The Assistant Chief Executive(Planning, Policy and Improvement) submitted a report informing Members on the progress of work that was being progressed on Locality Working in Leeds. The Locality Working Pathfinder project commenced earlier this year with a view to developing more integrated locality working across public services in Leeds.

**RESOLVED -**

- a) That the progress made on the Locality Working Pathfinder project to date be noted;
- b) That the proposal to implement a new locality leadership model, consisting of three Area Leader roles reporting to the Assistant Chief Executive (Planning, Policy and Improvement), to lead the integrated Locality working agenda in the three council wedge areas of East North East, South East, West North West be endorsed;
- c) That a set of draft design principles as detailed in Appendix 1 of the submitted report forms the basis of what is being sought to achieve through the locality working agenda in Leeds be agreed
- d) The development of a communications strategy to consult upon and inform the further development of the work be endorsed.

(Under the provisions of Council Procedure Rules 16.5, Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**127 Care Ring Replacement Programme - Sheltered Housing**

The Head of Housing Strategy and Solutions submitted a report seeking approval for funding the replacement of emergency alarm equipment located in sheltered housing schemes managed by the Leeds ALMOs/Belle Isle Tenant Management Organisation across the city.

**RESOLVED** – That expenditure of £733,000 on equipment and installations to 113 sheltered housing schemes across the city as detailed in Appendix 1 of the submitted report be authorised.

**128 Development of a Rent to Mortgage Housing Model**

Further to minute 193 of the meeting held on the 13<sup>th</sup> February 2009 the Director of Environment and Neighbourhoods submitted a report proposing the use of a new housing product to support people moving from renting to purchasing their homes. The report also seeks approval to dispose of ten properties to East North East Homes Limited and approve the implementation of a “rent to mortgage” scheme as set out in the submitted report

**RESOLVED -**

- a) That the implementation of a “Rent to Mortgage” scheme as set out in the submitted report be approved.
- b) That the disposal of ten properties to East North East Homes Limited on the terms set out in this report so as to facilitate the implementation of the Rent to Mortgage scheme be approved in principal.
- c) That the eligibility criteria for participation in the scheme as annexed to the report be approved.
- d) That the ability to make changes to the eligibility criteria be delegated to the Director of Environment and Neighbourhoods.
- e) That subject to all necessary consents being obtained the settlement of detailed terms for the leases from the Council to East North East Homes Limited be delegated to the Director of City Development.
- f) That the approval of the terms of the Assured Shorthold Tenancy and the determination of the amount of the intermediate rent be delegated to the Director of Environment and Neighbourhoods and the Director of City Development.

**129 Deputation to Council - Leeds Youth Council regarding the Equality and Diversity Action Plan**

The Assistant Chief Executive (Policy, Planning and Improvement) submitted a report responding to the deputation from Leeds Youth Council on the 15<sup>th</sup> September 2010.

The report outlined some of the work that had been undertaken to address the issues raised by the delegation and proposed actions to be considered by Executive Board.

**RESOLVED** – That the actions being taken in response to the deputation be noted.

**130 Primary Place Planning for 2012**

The Chief Executive of Education Leeds submitted a report seeking permission of Executive Board to consult on the latest proposals to ensure the authority meets its statutory duty to provide enough primary school places in 2012/13.

The six proposals outlined in the submitted report would create a total of 240 places for September 2012. The creation of new places was dependent on additional land being secured for educational use, the required consultation and statutory processes being followed, and sufficient capital resources being secured from the DfE.

Approval was also being sought to make available the sites listed in the report for expanding educational provision and to support the consultation on the proposals identified.

**RESOLVED -**

- a) That permission to consult on the proposals contained in Paragraphs 3.3 – 3.8 of the report be given.
- b) That a report detailing the outcome of the consultation be submitted for consideration at a future meeting of the Executive Board
- c) That the earmarking and utilisation of the sites listed in the report for the proposals outlined be agreed
- d) That an approach to the DfE for the necessary capital funding for these proposals be agreed.

**131 Design and Cost Report and Final Business Case: Building Schools for the Future Phase 3: Mount St Mary's High School**

(Prior to consideration of the following item, Councillor Golton left the meeting, with the permission of the Chair, Councillor Downes replaced Councillor Golton, but without the right to vote)

The Chief Executive Education Leeds submitted a report requesting approval of the Final Business Case for the Mount St Mary's High School Project and to authorise submission to Partnerships for Schools (PfS). The report also sought approval of the Executive Board to proceed with the design and build project for Mount St Mary's High School and approval of the Final Business case for the Mount St Mary's High School Project.

**RESOLVED** – That the Final Business Case for the Mount St Mary’s Catholic High School Project be approved and submission to Partnerships for Schools (PfS) be authorised.

**132 Children's Services Improvement Update Report**

The Director of Children’s Services submitted a report providing an update on key developments in children’s services in Leeds since August 2010.

The main focus of the report was around:

*Vision for the future* – through an update on work to develop a new Children and Young People’s Plan for the city by spring 2011 in line with the city’s partnership and planning context. It also referred to the complex ongoing, emerging national policy context and financial context.

*Improvement Activity and Performance* – through an update on the progress being made against the improvement plan and the work of the improvement board, as well as an update on other key inspection and assessment developments. Progress of the new Children’s Trust Arrangements were also briefly discussed.

*Service redesign* – through further details about progress on the transformation programme to deliver a more integrated children’s service. The update focused particularly on the proposed emerging model for leadership arrangements across the Council’s children’s services functions and the next stage of development on working locally within the context of the Council’s Locality Working Pathfinder.

**RESOLVED -**

- a) That the aspiration that Leeds becomes a child friendly city be noted and endorsed, the five outcome areas be noted and a more detailed update on the city’s new Children and Young People’s Plan be received in the spring of 2011.
- b) That the progress reported to the Improvement Board and Department be noted.
- c) That the proposed revised outline leadership structure and outline remit for children’s services be endorsed and an update on the implementation of these arrangements be received in early 2011.

**133 The Annual Children's Services Assessment 2010**

The Director of Children’s Services submitted a report providing some brief analysis on Ofsted’s 2010 Annual Assessment for Children’s Services in Leeds. The letter from Ofsted formed appendix 1 of the submitted report.

**RESOLVED –**

- a) To note the contents of the Annual Assessment letter and the recognition within it of both continuing challenges and areas of progress and achievement
- b) To recognise the ongoing work, as reported separately to Executive Board, to deliver a range of improvements in children’s services leading to improved safeguard and promoting the welfare of children

**134 Leeds Card and Breeze Card Entry to Tropical World and Home Farm**

The Acting Director of City Development submitted a report setting out the background to the delegated decision to remove free entry for LeedsCard and Breezecard holders at Tropical World and Home Farm (Temple Newsam) following the referral from Scrutiny Board (City Development) on 7<sup>th</sup> September 2010. The report provided further information for Executive Board to take a decision on this matter.

**RESOLVED -**

- a) That the decision to replace free entry for LeedsCard and Breezecard holders with an appropriate discount for LeedsCard and Breezecard holders similar to those applied to other visitor facilities be endorsed
- b) To approve that LeedsCard Extra cardholders will receive a discount of 50%
- c) That subject to the above, the price points that will apply from 2<sup>nd</sup> January 2011 be approved as follows:

<b>Card Type</b>	<b>Entrance fee including VAT @ 20% £</b>
Adults	3.30
LeedsCard	2.65
‘Extra’ cardholders	1.65
Breezecard	1.65

- d) That under 5s continue to get free entry.
- e) That Acting Director of City Development be requested to continue to monitor visitor numbers

(Under the provisions of Council procedure Rule 16.5 Councillor A Carter required it to be recorded that he was not supportive of the agreed proposals)

(This item is not eligible for Call In)

**135 A New Chapter for Libraries and for Integrated Services - Consultation Proposals: Supplementary Information**

The Acting Director of City Development submitted a report in response to a Scrutiny Board request. The report now submitted provides greater detail on the consultation process, background data, information used in analysing the library service and arriving at the proposals outlined in the 13<sup>th</sup> October Executive Board report.

**RESOLVED –**

- a) That the improved detail on the consultation process be accepted
- b) That the consultation process begin with immediate effect, running for a 10 week period

(This item is not eligible for Call In)

**136 Kippax Cemetery Extension**

The Acting Director of City Development submitted a report seeking approval for the disposal of the land (as shown edged black on the plan appended to the report) by way of the grant of a 99 year lease for a less than best consideration, to enable Kippax Parish Council to take on the role of burial authority in order for them to manage the cemetery.

**RESOLVED –**

- a) It was the view of Members that the disposal was likely to promote or improve the economic, social and/or environmental well-being of the area or of local residents.
- b) That an in principle approval be given for the disposal of the land adjacent to Robinson Lane, Kippax (as outlined on the plan appended to the report) by way of the grant of a 99 year lease to enable Kippax Parish Council to take on the role of burial authority in order for them to manage the cemetery.
- c) That authority to approve the detailed terms of the lease be delegated to the Acting Director of City Development.

(Under the provisions of Council Procedure Rule 16.5 Councillor A Carter required it to be recorded that he abstained from voting on this matter)

**137 European Year of Volunteering 2011 and Leeds City Council Volunteering Framework**

The Director of Adult Social Care submitted a report summarising the successes of the Leeds Year of Volunteering 2010, providing the background and proposed work programme for 2011 and to consider the City Council's own approach to volunteering. The report was also sought approval to a Leeds European Year of Volunteering 2011 and to the development of a

comprehensive volunteering framework to govern the use of volunteers and volunteering by staff

**RESOLVED –**

- a) That the proposal to make 2011 the Leeds European Year of Volunteering be endorsed.
- b) That the funding implications in paragraph 6.3 of the submitted report for the likely cost of the 2011 Leeds European Year of Volunteering be noted and that these costs be built into the 2011/12 budget preparations so a decision could be made on funding alongside other competing demands.
- c) That additional activities and events that will contribute to making the year a success for the city be sponsored and encouraged.
- d) That officers work up a draft Volunteering Framework for Leeds City Council for wider consultation by January 2011, with the objective of bringing back a finalised report to Executive Board for adoption in spring 2011.

**138 Assessment of Adult Social Care Commissioning (Performance Rating) for Leeds City Council 2009/2010**

The Director of Adult Social Services submitted a report alerting Members to the judgment made about social care services for adults in the city in the performance year 2009/10. A brief summary was also provided of the key points raised by Care Quality Commission in making their judgment.

**RESOLVED -**

- a) That the contents of the report and the final assessment letter and performance review report from the Care Quality Commission for adult social care services in 2009/10 be noted
- b) That the areas for improvement, as set out in the submitted annual performance rating report be included for referral to the Adult Social Care Scrutiny Board for their oversight of performance.

**139 Future Options for Long Term Residential and Day Care for Older People**

The Director of Adult Social Services submitted a report setting out the Council's vision for the future of residential care and daytime support for older people in Leeds . The report takes as its central principle people's increasing expectations of choice, quality and control over the care they receive.

The report highlighted the urgent need to bring forward strategic options that maximise opportunities to develop more person-centred services, whilst ensuring the needs of people currently using existing services continued to be met safely and appropriately.

Draft minutes to be approved at the meeting to be held on Wednesday, 5th January, 2011

## **RESOLVED –**

- a) That proposals to use Richmond House as an intermediate care facility as set out in paragraphs 4.1.6 to 4.1.8 of the submitted report together with the need to make alternative arrangements for people requiring respite care and who would expect to receive that care at Richmond House be endorsed.
- b) That the need to take action to address the issues set out in paragraphs 3.1 to 3.3.3 of the report be supported.
- c) That the options for change set out in paragraphs 4.1.4 to 4.2.8 of the report be endorsed.
- d) That the establishment of an Advisory Board, Chaired by an Executive Member, consisting of representatives from all provider and stakeholder groups as described in paragraph 4.2.7 of the report be approved
- e) That a public consultation as described in paragraphs 6.1 to 6.16 of the report and following consultation with the Executive Board member responsible, be approved
- f) That further recommendations to be brought to a future meeting, following the outcome of the public consultation.

(Under the provisions of Council Procedure Rule 16.5 Councillor A Carter required it to be recorded that he was not supportive of the Richmond House element of the proposal)

### **140 The Future of Mental Health Counselling, Day and Supported Living Services**

This item was withdrawn at the commencement of the meeting

### **141 Charges for Non-Residential Adult Social Care Services**

The Director of Adult Social Services submitted a report setting out proposals for a public consultation on removing the subsidy from charges for non-residential adult social care services, which would result, in future, customers who could afford it would pay the full cost of the service. The report also set out the way in which the public consultation would be conducted. A financial assessment of a person's ability to pay would, as now, be used to decide whether he/she pays the full cost of the service, or a proportion. The report identified the reasons for the proposal, the likely implications for customers and income levels and the further work required.



**RESOLVED –**

- a) That the public consultation as described in paragraphs 5.1 to 5.5 of the submitted report on the proposal for the removal of subsidy from services as described in paragraphs 4.1 to 4.7 of the report and how this might be implemented be approved.
- b) That more detailed analysis of financial and customer implications as described in paragraph 5.6 of the report be approved.
- c) That a further report with proposals following the more detailed analysis, including comparison charges and the outcome of the consultation be presented to Executive Board in July 2011.

DATE OF PUBLICATION                      17<sup>TH</sup> DECEMBER 2010

LAST DATE FOR CALL IN  
OF ELIGIBLE DECISIONS                      24<sup>TH</sup> DECEMBER 2010 (5.00PM)

(Scrutiny Support will notify Directors of any items called in by 12noon on 29<sup>th</sup> December 2010)

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**LEEDS CITY COUNCIL**

**FORWARD PLAN OF KEY DECISIONS**

**Extract relating to Scrutiny Board (Central & Corporate Functions)**

For the period 1 December 2010 to 31 March 2011

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
Corporate Records Management Facility - Westland Road Approve the Authority to spend of £857,729	Director of Resources	1/12/10	Consultation between Chief Business Transportation Officer and the Director of Resources	Design and Cost Report	Director of Resources lee.hemsworth@leeds.gov.uk

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
<p>Community Support Service Early Leavers Initiative</p> <p>Approval for employees to leave the organisation by voluntary early retirement or voluntary severance</p>	<p>Director of Resources</p>	<p>1/12/10</p>	<p>Members of ASC DMT will make recommendations for early leavers from the service and these will then be reviewed corporately for a decision. The trade unions have been consulted about the ELI scheme and provided with regular updates</p>	<p>Business case for each employee and summary business case for the Community Support Service</p>	<p>Director of Resources cath.sullivan@leeds.gov.uk</p>

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
<p>Walking and Cycle Track at Killingbeck Fields and associated links and highway crossings Approval of track at Killingbeck Fields, associated links and highway crossings. Approval to accept £250,000 external funding from Sustrans, inject in to the Capital Programme and seek authority to spend.</p>	<p>Director of Resources</p>	<p>1/12/10</p>	<p>Consultations were undertaken as part of 2006 UDP process, in advance of Executive Board approval dated 22 September 2009, and with Ward Members on 17 February 2010. Currently consultation is being undertaken with Members in affected wards (Gipton and Harehills and Killingbeck and Seacroft) and with community groups relevant to Killingbeck Fields through the Wyke Beck Community Forum. The current round of consultation will close on 16 November.</p>	<p>Dwg No TPP 32.2.016-KFD Killingbeck Fields Detailed Drawings</p>	<p>Director of Resources tim.parry@leeds.gov.uk</p>

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
Leeds Year of Volunteering Members are asked to endorse the proposal for Leeds City Council involvement in the 2011 European Year of Volunteering. Members are asked to encourage additional activities and events that will help sustain the successful Leeds Year of Volunteering campaign run over the last twelve months.	Executive Board (Portfolio: Resources and Corporate Functions)	15/12/10	Area Committees, Member consultations, Voluntary Sector consultations, Harmonious Communities group	The report is due to be issued to the decision maker with the agenda for the meeting	Director of Environment and Neighbourhoods steve.crocker@leeds.gov.uk
Web and Intranet Replacement Project Approval of Business Case	Executive Board (Portfolio: Resources and Corporate Functions)	15/12/10	Business Case has been reviewed and approved by I.O Programme Board, R & P Board, CLT and ICT Commissioning Board	The report to be issued to the decision maker with the agenda for the meeting	Chief ICT Officer dylan.roberts@leeds.gov.uk

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Council-Wide Early Leavers Initiative Approval for employees to leave the organisation by voluntary early retirement or voluntary severance	Director of Resources	8/12/10	Members of CLT will make recommendations for early leavers from their Directorates and these will then be reviewed corporately for a decision. The trade unions have been consulted about the ELI scheme and provided with regular updates	Business case for each employee; summary business case for each Directorate and collective business case across the whole Council	Director of Resources karen.fentem@leeds.gov.uk
Collection of Local Taxation Approval of Council Tax and Business Rate write off for period 1 <sup>st</sup> April 2010 to 30 <sup>th</sup> September 2010	Chief Revenues and Benefits Officer	1/1/11	Director of Resources	Report on values and type	Chief Revenues and Benefits Officer steven.carey@leeds.gov.uk
Review of Revenues and Benefits Structure Make amendments to the Revenues and Benefits structure	Director of Resources	31/1/11	Unions and staff affected, HR, Legal and Finance	Proposals relating to Revenues and Benefits Establishment report	Director of Resources steven.carey@leeds.gov.uk

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
<p>Trade Union Consultations (S188)</p> <p>To consider the outcomes and impact of the trade union consultations. At the moment it is not known what the savings/cost will be but it is assumed that this will be a key decision.</p>	Director of Resources	8/2/11	90 day period – Outcomes from the consultations cannot be prejudiced, therefore, costings/savings cannot be projected, however, there it is expected that there could be a significant impact.	Collective agreements with the trade unions	Director of Resources lorraine.hallam@leeds.gov.uk
<p>Frozen Food Tender</p> <p>To approve the arrangements for the supply of frozen foods to educational establishments for a 4 year period</p>	Director of Resources	28/2/11	Procurement Department	Tender Submissions	Director of Resources mandy.snaith@leeds.gov.uk





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