



SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Thursday, 6th January, 2011 at 10.00 am

A pre-meeting will take place for ALL Members of the Board at 9.30 am

MEMBERSHIP

Councillors

- B Anderson (Chair) - Adel and Wharfedale;
A Barker - Horsforth;
G Driver - Middleton Park;
P Ewens - Hyde Park and Woodhouse;
R Grahame - Burmantofts and Richmond Hill;
G Hyde - Killingbeck and Seacroft;
M Iqbal - City and Hunslet;
J Marjoram - Calverley and Farsley;
L Mulherin - Ardsley and Robin Hood;
P Wadsworth - Guiseley and Rawdon;

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

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A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25 of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded.)</p> <p>(*In accordance with Procedure Rule 25, written notice of an appeal must be received by the Chief Democratic Services Officer at least 24 hours before the meeting.)</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes.)</p>	
4			<p>DECLARATIONS OF INTEREST</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>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p>MINUTES - 23 NOVEMBER AND 2 DECEMBER 2010</p> <p>To confirm as correct records:</p> <ul style="list-style-type: none"> (a) The minutes of the meetings held on 23 November and 2 December 2010 (b) Notes of the Gypsy and Traveller Working Group meeting held on 13th December 2010. 	1 - 14
7			<p>POSSIBLE INQUIRY ON ACQUISITIVE CRIME WITH FOCUS ON DOMESTIC BURGLARY</p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	15 - 16
8			<p>ENVIRONMENT AND NEIGHBOURHOODS PERFORMANCE REPORT QUARTER 2 - 2010/11</p> <p>To receive and consider the attached report of the Head of Policy and Performance</p>	17 - 34

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			<p>INITIAL BUDGET PROPOSALS BY THE EXECUTIVE BOARD 2011/12</p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	35 - 64
10			<p>VARIANCES AGAINST DEPARTMENT BUDGET PROPOSALS PERIODS 7 AND 8</p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development and Director of Environment and Neighbourhoods.</p>	65 - 68
11			<p>RESPONSE TO THE ENVIRONMENT AND NEIGHBOURHOODS SCRUTINY BOARD'S INQUIRY INTO INTEGRATED OFFENDER MANAGEMENT</p> <p>To receive and consider the attached report of the Director of Environment and Neighbourhoods</p>	69 - 76
12			<p>MONITORING REPORT ON THE RECOMMENDATIONS OF THE WORKLESSNESS INQUIRY</p> <p>To receive and consider the attached report of the Director of Environment and Neighbourhoods</p>	77 - 98
13			<p>STRATEGIC GOVERNANCE BOARD AND SHARED SERVICE CENTRE</p> <p>To receive and consider the attached report of the Head of Scrutiny and Member Development</p>	99 - 126
14			<p>WORK PROGRAMME</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>	127 - 162

Item No	Ward/Equal Opportunities	Item Not Open		Page No
15			<p>DATE AND TIME OF NEXT MEETING</p> <p>To note that the next meeting of the Board will be held on Monday, 17th January 2011 at 10.00 am with a pre meeting for Board Members at 9.30 am.</p>	

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Agenda Item 6

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

TUESDAY, 23RD NOVEMBER, 2010

PRESENT: Councillor B Anderson in the Chair

Councillors P Grahame, R Grahame,
G Hyde, M Iqbal, A Lowe, R Pryke,
D Schofield and P Wadsworth

ALSO PRESENT: Councillors A Blackburn and
J L Carter

55 Chair's Opening Remarks

The Chair welcomed Members to this Call-In meeting of the Board, those Members who were substituting for absent colleagues and, in particular, Councillor Wadsworth, who was attending his first meeting after replacing Councillor R Procter on the Board.

56 Declarations of Interest

The following personal declarations of interest were made:-

- Councillor G Hyde – Agenda item 7 (Minute No. 59 refers) – The Future of Council Housing - In his capacity as a Director of Leeds East North East Homes ALMO.
- Councillor R Grahame – Agenda item 7 (Minute No. 59 refers) – The Future of Council Housing - In his capacity as a Director of Leeds East North East Homes ALMO.
- Councillor A Lowe – Agenda item 7 (Minute No. 59 refers) – The Future of Council Housing - In her capacity as a Director of Leeds West North West Homes ALMO.

57 Apologies for Absence and Notification of Substitutes

Apologies for absence from the meeting were submitted on behalf of Councillors P Ewens, A Barker (substitute R Pryke), G Driver (substitute A Lowe), J Marjoram (substitute D Schofield) and L Mulherin (substitute P Grahame).

58 Call - In of Decision - Briefing Paper

The Head of Scrutiny and Member Development submitted a report regarding the procedural aspects of the Call - In process.

Draft minutes to be approved at the meeting
to be held on Thursday 6th January 2011.

Members were advised that the options available to the Board in respect of this particular called-in decision of the Executive Board were:-

Option 1 – Release the decision for implementation. Having reviewed the decision, the Scrutiny Board could decide to release it for implementation. If this option was chosen, the decision would be released for immediate implementation and the decision could not be called-in again.

Option 2 – Recommend that the decision be reconsidered. Having reviewed the decision, the Scrutiny Board may decide to recommend to the decision maker that the decision be reconsidered. In the case of an Executive Board decision – which in this case it was – the report would be presented to the next available meeting. The Executive Board would reconsider its decision and would publish the outcome within the minutes of the meeting. The decision could not be called-in again, regardless of whether or not it varied from the original decision.

In response to Members' queries, the Principal Scrutiny Adviser advised the Board:-

- that it could make recommendations to the decision taker, in this case the Executive Board, but that the decision taker was not bound to accept the Board's recommendations;
- that any Board Members or substitutes arriving late would not be allowed to vote on the matter, as they would not have heard all the evidence presented to the Board.

RESOLVED – That the report be noted.

59 Call-In - The Future of Council Housing

The Head of Scrutiny and Member Development submitted a report, together with background papers, relating to a requested review of the decisions made by the Executive Board at its meeting held on 3rd November 2010 in respect of the appended report of the Director of Environment and Neighbourhoods entitled 'The Future of Council Housing'.

The decisions had been called-in for review by Councillors J L Carter, P Harrand, G Latty, M Lobleby and M Robinson on the following grounds:-

- Proportionality (i.e. the action must be proportionate to the desired outcome).
- Clarity of aims and desired outcomes.
- An explanation of the options considered and details of the reasons for the decision.

- Concerns in relation to the changes around FRS17, and the creation of a Shared Service Centre.

Present at the meeting to provide evidence and to respond to Members' queries and comments were:-

- Councillor J L Carter.
- Councillor P Gruen, Executive Member (Neighbourhoods and Housing).
- Neil Evans, Director of Environment and Neighbourhoods.
- John Statham, Strategic Landlord Manager, Environment and Neighbourhoods.
- Richard Ellis, Head of Finance, Environment and Neighbourhoods.
- Doug Meeson, Chief Officer, Financial Management.

In brief summary, the main concerns raised by Councillor J L Carter were:-

- that the proposed arrangements in respect of the Council assuming FRS17 pension liability in respect of the ALMOs exposed the Council to, in his opinion, a substantial future risk and liability at a time when the future of Council housing in general, and the ALMO model in particular, was subject to review and speculation;
- concerns regarding why the ALMO cash balances were proposed to be returned to the Council and, if this was regarded as necessary, why they were ring-fenced to the Housing Revenue Account (HRA) and not being returned to the General Rate Fund;
- concerns about the present lack of clarity regarding the composition of the proposed Strategic Governance Board and the possibility that such a proposal would concentrate too much power in the hands of very few Members and officers, calling into question the need for the continued existence of the ALMOs;
- concerns regarding the proposed creation of a joint ALMO Shared Services Centre, and a possible lack of responsiveness to local issues and needs.

In response, in brief summary, Councillor P Gruen and the officers made the following comments:-

- That the decision in respect of the Council assuming FRS17 pension liabilities in respect of ALMO staff was in accordance with a previous decision taken by the Executive Board in November 2000 with regard to providing guarantees for pension admission arrangements. It was

also consistent with similar decisions previously taken in respect of Education Leeds, the Leeds Grand Theatre and the Craft and Design Centre, and also in line with similar decisions taken by other local authorities. It was, in practice, a default guarantee and there was no reason to suspect that the ALMOs were in danger of defaulting on their obligations, especially given the nature and closeness of their relationship with the Council.

- It was noted that the ALMOs would retain a proportion of the reserves, that were required to meet both commitments identified in their current approved business plans and to ensure that they were financially viable until March 2013.
- In terms of the composition and role of the Strategic Governance Board, the abolition of the Audit Commission and the existing ALMO inspection regime presented an opportunity to review the strategic co-ordination arrangements for the three ALMOs. The role and composition of the Board would be subject to consultation, but it was highly likely that the Board would comprise representatives (Chairs and Chief Executives) of the current ALMOs and the BITMO (Belle Isle Tenants Management Organisation), plus the Executive Member (Neighbourhoods and Housing) and Council officers such as the Director of Environment and Neighbourhoods and the Strategic Landlord Manager.

The reasoning behind the proposal was outlined in the Director's report before the Scrutiny Board, and the proposed constitution and terms of reference of the Strategic Governance Board would be reported back to the Executive Board in March 2011. The Executive Board would still retain its existing powers, e.g. in respect of financial matters.

- The options considered were all contained in the Director's report. These were a return of housing stock to the Council, a transfer to a registered social landlord, a one ALMO model or continuation of the current three ALMO arrangements. On balance, the continuation of the existing three ALMOs was regarded as the best option, for the reasons outlined in the report. However, it was clear that by combining some of back-office operations, e.g. HR, finance and estate management, and avoiding duplication, savings of approximately £1.6m per annum could be made. This would not affect the autonomy of the ALMOs or their local focus.

The Chair indicated that, regardless of the outcome of today's Call-In meeting, the Scrutiny Board would wish to establish a Working Group to work alongside the officers and the Executive Member (Neighbourhoods and Housing) in defining the proposals prior to the proposed report back to the Executive Board in March 2011, and this proposition was welcomed by Councillor Gruen.

(NB: Councillor R Pryke joined the meeting at 12:52, during the consideration of this item, and took no part in the voting.)

60 Outcome of Call-In

RESOLVED –

- a) That the called-in decision be released for implementation.
- b) That a Working Group be established to work with the officers and the Executive Member (Neighbourhoods and Housing) in defining the proposals contained in the above decision, prior to a further report back to the Executive Board in March 2011.

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SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

THURSDAY, 2ND DECEMBER, 2010

PRESENT: Councillor B Anderson in the Chair

Councillors G Driver, P Ewens,
P Grahame, R Grahame, G Hyde and
P Wadsworth

61 Chair's Opening Remarks

The Chair welcomed everyone to the December meeting of the Scrutiny Board (Environment and Neighbourhoods).

62 Late Items

The Chair agreed to accept the following documents as supplementary information:-

- Copies of documents submitted to the Scrutiny Board (Environment and Neighbourhoods) Gypsy and Traveller Working Group held on 29th November 2010
- Draft note of a meeting of Scrutiny Board (Environment and Neighbourhoods) Gypsy and Traveller Working Group held on 29th November 2010
- Submission of written evidence prepared by the Leeds Gypsy and Traveller Exchange (GATE)

The documents in question were not available at the time of the agenda despatch, but circulated by e mail and made available to the public on the Council's web site prior today's meeting.

63 Declarations of Interest

There were no declarations of interest made at the meeting.

64 Apologies for Absence and Notification of Substitutes

Apologies for absence were received on behalf of Councillors J Marjoram and L Mulherin.

Notification had been received for Councillor P Grahame to substitute for Councillor L Mulherin.

65 Minutes - 8th November 2010

RESOLVED- That the minutes of the meeting held on 8th November 2010 be approved as a correct record.

66 Scrutiny Inquiry into Gypsy and Traveller Site Provision in Leeds

Further to Minute 52, 8th November 2010, the Head of Scrutiny and Member Development submitted a report updating the Board on progress in respect of the Inquiry on Gypsy and Traveller Site provision in Leeds.

Appended to the report were notes of the Scrutiny Board (Environment and Neighbourhoods) Gypsy and Travellers Working Group held on 1st and 15th November 2010 together with the papers considered at those meetings..

The Board also received a note of the Working Group held on 29th November, together with the papers considered at that meeting (Minute 62 refers).

The purpose of today's Board meeting was to:-

- hear from and ask questions of the witnesses
- receive the meeting notes of the Gypsy and Traveller Working Group meetings held on 1st, 15th and 29th November 2010 and the reports and other papers which were considered at those sessions
- identify any further witnesses the Board would like to hear from before concluding its Inquiry
- consider what, if any, further information the Board would like to receive before concluding this Inquiry

In attendance at the meeting, and responding to Members' queries and comments were:-

- Ms Helen Jones, Chief Executive of Leeds GATE
- Ms Eileen Lowther, Chair of Leeds GATE
- Ms Kim Maloney, Vice Chair of Leeds GATE
- Ms Maddy Connors, Representing roadside gypsies and travellers
- Mr James Connors, Representing roadside gypsies and travellers
- Mr Michael Maloney, Representing roadside gypsies and travellers
- Ms Michelle McGill, Chair of New Wortley Residents Association
- Ms Bridget Emery, Head of Housing Strategy and Solutions
- Mr Ian Spafford, Head of Community Services & Litigation

The Board noted that apologies for absence had been received from Mr Xavier Chevillard, Vice Chair of New Wortley Residents Associations.

At the request of the Chair, the Board heard evidence from Leeds GATE; roadside gypsies and travellers and the New Wortley Residents Association.

In brief summary, a number of issues were discussed including:-

- the present policy of the Council moving gypsies and travellers from one unlawful encampment to the next
- the view that some local authorities including Cheshire had managed to break the cycle of moving gypsies and travellers from one unlawful

encampment to the next through the initial use of negotiated stopping sites as a short term measure

(The Head of Housing Strategy and Solutions informed the meeting that planning permission was necessary with regards to negotiated stopping sites)

- the need to build on relationships if negotiated stopping sites were introduced as the first step in identifying land for small gypsy and traveller permanent sites in the city
- the Leeds economy, the benefits system and the high rents at Cottingley Springs
- residents perceptions of gypsies and travellers
- anti social behaviour by some gypsies and travellers including fly tipping and other environmental issues, particularly on playing fields and the damage caused to drainage which was very expensive to repair
- that small sites would be preferred by gypsies and travellers
(A representative from the roadside gypsies and travellers confirmed that four to six caravans would be an acceptable number)
- in discussing small sites clarification was sought as to the number of vans a family might have
(A representative from the roadside gypsies and travellers informed the meeting that within his particular group there were eight families and sixteen vans)
- the views of Leeds GATE should the Council decide to increase the capacity of Cottingley Springs
(The Chief Executive of Leeds GATE confirmed that any further expansion of Cottingley Springs would be unacceptable)
- the initial views of Leeds GATE should the Council decide to introduce a "Council house tenant suitability test" for gypsies and travellers should some additional provision be recommended as part of the Board's Inquiry
(The Chief Executive of Leeds GATE confirmed that she would give some thought to this proposal)
- the suggestion that a register be introduced for permanent Leeds gypsies and travellers wanting pitches in the city
(The Chief Executive of Leeds GATE informed the meeting that she had some reservations about a register)
- the offer from New Wortley Residents Association to support any pilot that might be established to identify a small site in Armley for gypsies and travellers and the Board agreed to seek further clarification and the views of Armley Ward Members on this issue
- the current process for removing gypsies and travellers from unauthorised sites which often resulted in children returning home in the evening to find that their families had been moved on
- the difficulties of getting adequate toilet provision on a negotiated small site for gypsies and travellers
(A representative from the roadside gypsies and travellers confirmed that they would be prepared to pay for any toilet provision on such a site)

- clarification of which travellers would be given priority when allocating caravans on authorised sites
(The Chief Executive of Leeds GATE confirmed that the same process that was applied to Council house tenants should be applied to gypsies and travellers. The Head of Housing Strategy and Solutions provided the Board with further details on the current arrangements for allocation of pitches and procedures within the Leeds Housing Register)
- the suggestion that gypsy and traveller girls aged 12 plus were often disengaged from education
(The Chief Executive of Leeds GATE confirmed that this was not the case. She made specific reference to historical cultural background issues and the Board noted and welcomed that every effort was being made to improve the education of girls)
- the fact that some other local authorities in the City Region were not offering sites for gypsies and travellers

RESOLVED-

- a) That the contents of the report and appendices, together with the supplementary information, be received and noted.
- b) That a vote of thanks be conveyed to representatives from Leeds GATE, roadside gypsies and travellers and New Wortley Residents Association for their attendance and contribution to the Inquiry.
- c) That at the next meeting of the Gypsy and Traveller Working Group, Members identify any recommendations they would wish to put forward for inclusion in the Board's final report following the conclusion of its inquiry on this issue.
- d) That the Board's Principal Scrutiny Adviser be requested to invite the Armley Ward Councillors, together with the Chair of the BITMO Board to give evidence at the Scrutiny Board (Environment and Neighbourhoods) Gypsy and Traveller Working Group meeting on 13th December 2010.
- e) That this Board notes that that the Scrutiny Board (Environment and Neighbourhoods) Gypsy and Traveller Working Group's draft report and recommendations on gypsy and travellers site provision (Session 3) would be considered at the next Board meeting on 6th January 2011.

(Councillor P Ewens joined the meeting at 10.20am during discussions of the above item)

67 Work Programme

The Head of Scrutiny and Member Development submitted a report providing Members with a copy of the Board's current Work Programme. The Executive Board minutes of 3rd November 2010, together with the Forward Plan of Key Decisions for the period 1st December 2010 to 31st March 2011 were also attached to the report.

RESOLVED-

- a) That the contents of the report and appendices be noted.

- b) That the Executive Board minutes of 3rd November 2010, together with the Forward Plan of Key Decisions for the period 1st December 2010 to 31st March 2011 be noted.
- c) That the Director of Environment and Neighbourhoods submit an initial report on interruptions to the refuse collection service following the introduction of new rounds and the recent bad weather for consideration at the meeting of the Scrutiny Board on 17th January 2011.
- d) That the Board's Principal Scrutiny Adviser update the work programme in accordance with today's meeting.

68 Dates and Times of Future Meetings

To note the dates and times of future meetings:-

Thursday 6th January 2011
Monday 17th January 2011
Monday 14th February 2011
Monday 14th March 2011
Monday 11th April 2011

All at 10.00am (Pre-Meetings 9.30am)

(The meeting concluded at 11.55am)

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DRAFT

Meeting of Scrutiny Board (Environment and Neighbourhoods) Gypsy and Traveller Working Group held at 10am on 13th December 2010

Present:

Councillor B Anderson (BA), Chair
Councillor G Driver (GD)
Councillor Lisa Mulherin (LM)
Councillor R Grahame (RG)
Councillor G Hyde (GH)
Councillor P Ewens (PE)
Councillor P Wadsworth (PW)

Others Present

Councillor P Gruen (PG) Executive Board Member for
Neighbourhoods and Housing
Ms B Emery (BE), Head of Housing Strategy and Solutions
Ms K Murray (KM), Travellers Service Manager
Mr Gareth Self (GS) Liaison Officer
Ms K Blackmore (KB) Legal Officer, General Litigation Team
Mr R Mills (RM) Principal Scrutiny Adviser

Action

1.0 Introduction and Welcome

- 1.1 The Chair welcomed everyone to the meeting and briefly referred to the agenda and the issues before the Working Group today.

2.0 Apologies

- 2.1 Apologies were reported from Mr Ian Spafford, Head of Community Services & Litigation.

3.0 Note of Last Meeting

- 3.1 Members received the note of the meeting of the Working Group held on 29th November 2010.
- 3.2 Members received an extract from the minutes of the Scrutiny Board (Environment and Neighbourhoods) meeting held on 2nd December 2010 when a number of witnesses gave evidence to the Board on this inquiry.
- 3.3 Members noted a letter from Councillor A Lowe regarding the offer from New Wortley Residents Association at the Scrutiny Board (Environment and Neighbourhoods) meeting on 2nd December 2010 to support any pilot that might be established to identify a small site in Armley for gypsies and travelers. The letter from Councillor Lowe made it clear that the offer was conditional upon sites in the North,

East and South of the city being identified first and that any agreement must be subject to thorough consultation with affected residents

4.0 Matters Arising

- 4.1 There were no matters arising that were not included on the meeting's agenda.

5.0 Benefits

- 5.1 Mr Steven Carey, Chief Revenues and Benefits Officer attended the meeting for this item and reported on the rules concerning the payment of housing benefit. In summary anyone is entitled to housing benefit in full if they receive a job seekers allowance or income support. The job seekers allowance and income support are determined and assessed by Job Seeker Plus. They undertake the means testing of applicants. The Council works closely with Job Seeker Plus and any allegations of individuals receiving benefits they are not entitled requires detailed documentary evidence and is considered by an independent assessor at Job Centre Plus.
- 5.2 Mr Carey confirmed that roadside gypsies make no claims for Council Tax or housing benefit.
- 5.3 He stated that any issues concerning earned income was the responsibility of HR revenues and customs.

6.0 Report of the Director of Environment and Neighbourhoods

- 6.1 Members considered a report of the Director of Environment and Neighbourhoods on:
- Other local authorities who are proposing to develop additional gypsy and traveler provision within their authority.
 - Information on a current unauthorised encampment on privately owned land within the city.
 - Update on work being undertaken by officers in the Corporate Property management Service to estimate likely costs associated with increasing the number of pitches at Cottingley Springs.
- 6.2 Members noted the report.

7.0 Draft Final Report and Recommendations

- 7.1 Members identified in discussion with the Executive Board Member for Neighbourhoods and Housing a number of recommendations to be included in the Scrutiny Board's final report and recommendations following conclusion of its inquiry on this matter.



Report of the Head of Scrutiny and Member Development

Scrutiny Board (Environment and Neighbourhoods)

Date: 6th January 2011

Subject: Possible Inquiry on Acquisitive Crime with Focus on Domestic Burglary

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Introduction

- 1.1 It was suggested at the Scrutiny Board meeting in November 2010 that an inquiry be undertaken with regard to acquisitive crime with the focus on domestic burglary.
- 1.2 It was reported that whilst the number of domestic burglaries had fallen there were a number of "hot spots" in the city and these might be targeted by way of a Scrutiny Board inquiry.
- 1.3 Members of the Board were not convinced that a Scrutiny Board inquiry was the appropriate way forward and asked that the Chief Officer, Community Safety be invited to today's meeting to discuss this issue in further detail.

2.0 Chief Officer Attendance

- 2.1 The Chief Officer, Community Safety, Superintendent Simon Whitehead has been invited to attend today's meeting to report on the position, the current performance indicators concerning burglary and respond to Members questions.

3.0 Recommendation

- 3.1 The Board is asked to determine from the discussion with Superintendent Whitehead whether it wishes to undertake an inquiry on domestic burglary.

Background Papers

None used

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Report of the Head of Policy and Performance

Meeting: Environment and Neighbourhoods Scrutiny Board

Date: 6th January 2011

Subject: Environment and Neighbourhoods Performance Report Quarter 2 2010/11

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1 Executive Summary

1.1 This report presents the Quarter 2 action trackers summarising our progress against the Leeds Strategic Plan improvement priorities relevant to the Environment and Neighbourhoods Scrutiny Board. The action trackers are provided by exception only ie all trackers with an overall progress rating of red regardless of the direction of travel arrow are provided along with amber trackers with a static or deteriorating direction of travel. A complete set of action trackers are published on the intranet for information. There is no separate performance indicator report as all relevant key performance indicators are now provided on the action trackers. Overall, Members should note that for the improvement priorities relevant to the Environment and Neighbourhoods Scrutiny Board 80% (12 out of 15) of **improvement priorities** are currently assessed as green and on track.

2 Purpose of the Report

2.1 The purpose of this report is to present an overview of performance against the priority outcomes relevant to the Environment and Neighbourhoods Scrutiny Board so that the Board may understand our current performance and, as necessary, take appropriate action.

3 Background Information

3.1 A number of appendices of information are provided with this report and these are summarised below:

- **Appendix 1** – summary sheet showing the overall progress rating against all improvement priorities relevant to the Environment and Neighbourhoods Scrutiny Board.
- **Appendix 2** – selected amber and red rated action trackers from the Leeds Strategic Plan priorities relevant to the Environment and Neighbourhoods Scrutiny Board. These trackers include a contextual update as well as key performance indicator results.

This information is supported by a guidance document to aid the reader in interpreting the actions trackers.

4 Main Issues

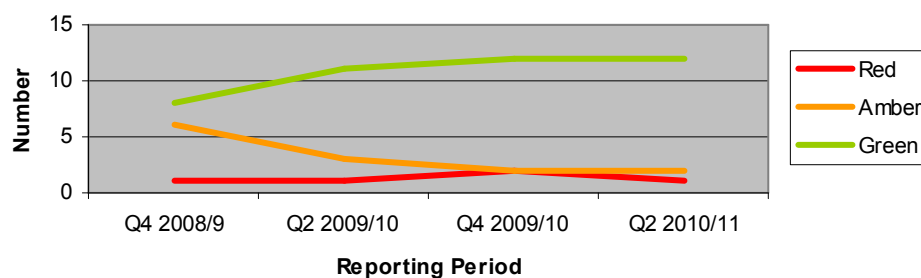
- 4.1 As part of the performance management process each strategic improvement priority is given a overall traffic light rating which denotes the progress based on all the information provided in the Action Tracker including progress against targets for all aligned performance indicators, progress in the delivery of key actions/activities and taking into account all relevant challenges and risks. This traffic light rating is assigned by the Accountable Officer and agreed with the Accountable Director. This is supplemented by a direction of travel arrow that indicates whether progress is improving, static or deteriorating.
- 4.2 The action trackers provided in this report (see appendix 2) are by exception only in order to focus attention on those areas where the overall progress is not currently on track ie:
- **Red Trackers** – these are defined as having significant delays or issues to address and unlikely to meet targets for key performance indicators. For this reason, all red trackers are provided with this report.
 - **Amber Trackers** – these are defined as minor delays/issues which are having an impact on delivery but remedial action is underway/planned and the key performance indicator(s) results are likely to be on, or close to, target. In this case the direction of travel arrow is crucial and therefore in this report the amber trackers with a **deteriorating** or **static** direction of travel have been provided.
- 4.3 The action trackers provide a high level summary of performance against each of our strategic improvement priority areas and as such include relevant aligned performance indicator results. Therefore a full performance indicator report is **not** provided on this occasion. A performance indicator report will be produced at Q3.

Analysis of Overall Performance Improvement Priorities

- 4.4 There are 15 improvement priorities from the Leeds Strategic Plan which are relevant to the Environment and Neighbourhoods Board and of these 12 are assessed as green, 2 as amber, and 1 is assessed as red. Members will note that at quarter 4 the improvement priority TP-2c Improving lives by reducing the harm caused by substance misuse was been split into two - with separate action trackers provided for “Drugs” and “Alcohol”. The drugs tracker was assessed as green and improving and the alcohol tracker as red and declining. The alcohol tracker, which was co-ordinated by NHS Leeds, has not been produced at Q2 and this is the only change to the RAG ratings compared to Q4 2009/10. This issue is being discussed with Health and will come back to both Environment and Neighbourhoods and the Health Scrutiny Boards.

	Q4 2008/9	Q2 2009/10	Q4 2009/10	Q2 2010/11
Red	1	1	2	1
Amber	6	3	2	2
Green	8	11	12	12

Change in Improvement Priority RAG Ratings



High Risk Priorities

- 4.5 A number of the action trackers are produced on a quarterly basis to enable closer monitoring of the high risk improvement priorities from the Leeds Strategic Plan. The table below shows the trackers which are relevant to the Board and how these particular trackers have progress over the past year or so.

Improvement Priority	2009/10 Q2	2009/10 Q3	2009/10 Q4	2010/11 Q1	2010/11 Q2
TP-2a Creating safer environment by tackling crime	↑	↑	↑	↔	↑
TP-3a Reduce worklessness across the city with a focus on deprived areas	↑	↑	↑	↑	↑

- 4.6 The crime tracker has been given an improved direction of travel compared to Q1 as a result of with falling numbers of offences for many types of crime including burglary. The worklessness tracker continues to be assessed as red and improving and this is the same rating that it has had for the last two and half years.

5 Implications for Council Policy and Governance

- 5.1 The Leeds Strategic Plan and Council Business Plan is part of the council's Budget and Policy Framework. Effective performance management enables senior officers and Elected Members to be assured that the council is making adequate progress and provides a mechanism for them to challenge performance where appropriate.

6 Legal and Resource Implications

- 6.1 The statutory requirement to have a local area agreement which was previously fulfilled by the Leeds Strategic Plan has been withdrawn. Any resource or funding issues are picked up in the individual trackers.

7 Conclusions

- 7.1 This report provides the Board with a high level overview of the city's performance against the key priorities relevant to the Board from the Leeds Strategic Plan as at quarter 2 2010/11. This report highlights those areas where progress is not on track and Members need to satisfy themselves that these areas are being addressed appropriately and where necessary involving partners in any improvement activity.

8 Recommendation

- 8.1 Members are asked to consider the overall performance against the strategic priorities and where appropriate, recommend action to address the specific performance concerns raised

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Thriving Places				Harmonious Communities			
Code	Improvement Priority		Accountable Director	Code	Improvement Priority		Accountable Director
TP-1a	Increase the number of decent homes	●	Neil Evans	HM-1a	An increased number of local people engaged in activities to meet community needs and improve the quality of life for local residents	●	Neil Evans
TP-1b	Increase the number of affordable homes	●	Neil Evans	HM-1b	An increase in the number of local people that are empowered to have a greater voice and influence over local decision making and a greater role in public service delivery	●	Neil Evans
TP-1c	Reduce the number of homeless people	●	Neil Evans	HM-2a	Enable a robust and vibrant voluntary, community and faith sector to facilitate community activity and directly deliver services	●	Neil Evans
TP-1d	Reduce the number of people who are not able to adequately heat their homes	●	Neil Evans	HM-2b	An increased sense of belonging and pride in local neighbourhoods that help build cohesive communities	●	Neil Evans
TP-2a	Creating safer environment by tackling crime	●	Neil Evans	Environment			
TP-2b	Reducing and managing offending behaviour	●	Neil Evans	Code	Improvement Priority		Accountable Director
TP-2c	Improving lives by reducing the harm caused by substance misuse - Drugs	●	Neil Evans	ENV-2a	Address neighbourhood problem sites; improve cleanliness and access to and quality of green spaces	●	Neil Evans
TP-3a	Reduce worklessness across the city with a focus on deprived areas	●	Neil Evans	ENV-2b	Increase the amount of waste reused and recycled and reduce the amount of waste going to landfill	●	Neil Evans
Health and Well Being							
Code	Improvement Priority		Accountable Director				
HW-2a	Increase the number of vulnerable people helped to live at home	●	Sandie Keene				

Key

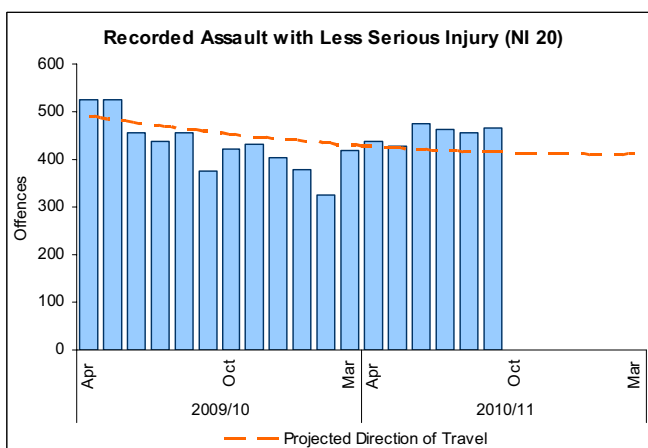
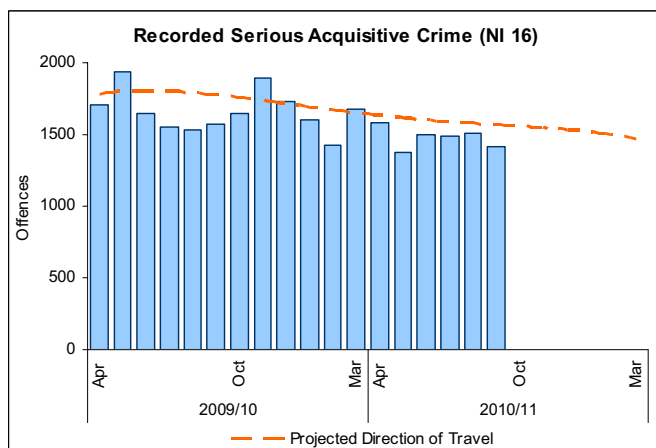
●	Significant delays or issues to address
●	Minor delays or issues to address
●	Progressing as expected – on schedule to complete actions & targets

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Why is this a priority

The public have the right to be safe and feel safe in their own home, on the streets and the places they go. Tackling serious crime and diffusing tensions in our communities is vital to people’s quality of life. This is a government and local priority and the performance indicators are part of the LAA.



Overall Progress to date and outcomes achieved

1) Overall Summary: (Acquisitive crime with a focus on domestic burglary)-

Overall assessment of progress against the outcome is fair and shows that the city is now moving in the right direction. Recorded crime figures at September 2010 suggest that Leeds can achieve the 2010/11 performance target, with an estimated out-turn of 18,100 offences. The falling trend in serious acquisitive crime (an aggregated target) however, masks a trend of increasing theft from motor vehicle offences (a component of the aggregated target). This increase is offset by falling burglary dwelling, robbery and theft of motor vehicle offences.

The sustained trend for falling offence acquisitive crime numbers continues, down 10.7% (1068 fewer offences) against previous year. The main focus within this indicator has been on securing improvements in recorded domestic burglaries. The medium term trend for falling domestic burglary offence numbers continues, down 16.4% (765 fewer offences) against the previous year. The table below provides an overview of the monthly figures for the last 18 months.

	2008/09	2009/10	Difference
Apr	635	761	126
May	612	914	302
Jun	652	806	154
Jul	654	712	58
Aug	730	727	-3
Sep	774	749	-25
Oct	817	814	-3
Nov	912	940	28
Dec	958	801	-157
Jan	857	814	-43
Feb	737	704	-33
Mar	910	779	-131

	2009/10	2010/11	Difference
Apr	761	653	-108
May	914	570	-344
Jun	806	690	-116
Jul	712	634	-78
Aug	727	689	-38
Sept	749	668	-81

Achievements since the last report

Location-based work

- Proactive target hardening (TH) in our localities of concern has had a positive impact and supports the long term plan of reducing the opportunity for offenders to commit burglary and provides reassurance to victims and their families. This has been demonstrated in the Woodhouse area following intensive TH approaches in partnership with the Police and Operation Titan, where reductions have been sustained as a consequence. A further audit has been undertaken through the burglary tasking group that demonstrates positive outcomes in terms of reducing repeat incidents where TH has been implemented. Although recent funding restrictions have been a reality, tackling domestic burglary continues to be a priority and funding available is being targeted into the areas of highest need where the greatest impact will be seen.
- The ALMOs and BITMO have been tasked with drawing up burglary improvement plans and are reporting progress against activity at a local level through the Divisional Community Safety Partnership.
- The work to engage commitment from registered social landlords and private landlords in securing their properties continues, and has led to their strategic plan including the need to improve security measures in their homes. The landlords are continuing to work with Community Safety on implementing this key area. Additionally, the Designation Order in Richmond Hill has also given opportunity to support all landlords in that area with environmental audits and recommendations as to measures to reduce risks of burglary.
- Two landlords in the selective licensing areas at Richmond Hill have been successfully prosecuted in respect of breaches of licensing legislation, the latest being fined £12,000
- Woodhouse Carr Plan - A detail neighbourhood action plan is currently being progressed involving a range of stakeholders. Plans include joint student and PCSO patrols, affording the opportunity to engage students and offer basic crime prevention advice as well as determine issues of concern to them. A number of planned Operations targeting insecure premises are being planned. CASAC are also putting in lap top safes in this locality.

Work with victims or those at higher risk

Computrace

- All licences received and delivered to the Police divisions, have now been rolled out targeting hotspots as part of a controlled distribution into this years student intake year. The scheme was re-launched in September to target both new students, but predominantly those returning to study in Leeds. This included outreach into key residential locations including Sky Plaza, the Rose Bowl and the centre of Headingley. 2 staff from the Neighbourhood Policing Team (Belle Vue) are responsible for ensuring that a consistent approach is adopted and direct liaison with the students. In addition, a poster campaign directed at burglars that attend appointments with YOS, Probation and Police has been produced warning them that computers are being tracked.

Campaign

- In September, a seasonal crime reduction campaign 'Which House Would You Burgle?' in was rolled out. Targeting large and medium companies throughout the city, messages were cascaded to over 90,000 employees via their intranets, newsletters, wage slips.

Student Crime Prevention Initiatives

- In preparation for the return of 2nd year students in September a range of crime prevention initiatives have been formulated to address student vulnerability.
- A WalkSafe Operation ran for two weeks involving WYP, Safer Leeds, the Students Unions and the 2 University's security staff. This provided high visibility presence along with crime prevention advice on key routes and areas of high footfall.

Work with offenders or those at higher risk

- In North West Leeds, a pilot project focussing on offenders, their family and associates has been established. Partner intelligence has been used to identify those individuals causing the most harm, these have been prioritised and a 'family intervention plan' has been formed. SignPost now have two dedicated

social workers co-located with the Neighbourhood Policing Team (Belle Vue) and are working in conjunction with the Police. There is an ongoing focus on Hyde Park / Woodhouse although the team can work with other families in the North West division if they meet the criteria. Following a recent police operation on the Hawksworth estate, a number of families on this estate have been identified and referred for intensive work.

Integrate Offender Management (IOM)

- The IOM cohort continue to be selected with burglary offending as a clear priority, the performance tracker continues to show positive outcomes in regard to reducing reoffending across the identified group.
- The Leeds IOM service is linked directly to Police Divisions. A Police Inspector coordinates Case Management at Divisional level and is supported by two commissioned Case Managers per Division.
- Officers responsible for IOM at Commissioning and Operational levels report fortnightly to the Burglary Intelligence and Tasking meeting ensuring proper co-ordination.
- Support and commitment from Social Care has improved. Connections at case conferencing have been made at a local level and strategic planning around linking the proposed new ASBU teams and health-well being teams is being progressed.

Challenges/Risks

- Securing continued investment and partnership buy-in to support key activity and targeting resources in areas of need.
- Securing continued investment for the development of the Safer Leeds Performance and Intelligence Unit, ensuring that it has experienced specialist staff to deliver on partnership intelligence requirements
- Co-ordination and management of multi-agency intervention plans for those emerging problematic offenders causing the most harm.
- Longer term impact of the economic recession and potential for this to impact on crime levels, including burglary.

2) Overall Summary: *(Assaults with a focus less serious injury)*

Overall assessment of progress against the outcome is fair. Recorded crime figures at September 2010 indicate a strong likelihood that Leeds will meet its performance target; with an estimated out-turn of 5,400 offences.

Performance shows a reduction of 1.5% (42 fewer offences) against previous year. Projections are stable but the trend for increasing offence numbers in North East Leeds is now having an impact on citywide performance.

Projections until March 2010 indicate that the long-term trend in monthly offence numbers could now level out, with North East Leeds projected to exceed their 2009/10 out-turn. To try and address this concern, an intensive operation is being planned for delivery in late October early November called the Dark Nights Campaign. This will include targeted work on property security, additional police resources in localities during the late evenings and pro-active advice campaigns to the public.

Achievements since the last report

- World Cup plans around alcohol related violence implemented successfully
- The number of assaults in the city centre on Friday and Saturday nights has fallen by 75% since the launch of the Street Marshalls scheme, which sees door staff from licensed premises in hotspot areas on the street alongside NPT officers; special constables and PCSO's. Since June there have been only 2 violent crimes recorded on the streets in the 3 zones and no evidence of dispersal of violence into the other areas of the city.
- A new Licensing Matrix system is now in place which identifies premises experiencing high levels of crime so problems can be addressed before escalating. Consideration is being given to how Leeds Best Bar None can work alongside the 'matrix' system. Test purchase operations both at off and on licence premises in the city centre have had only a small number of failures.

- Leeds Churches Street Chaplains (supported by Safer Leeds; City NPT; and BTP) continue to operate on the first 2 Friday nights of the month.
- Since mid August City NPT have been given the power (for a 18 month period) by LCC Highways to implement a temporary road closure of Upper Briggate on Friday and Saturday nights, when the congestion of both traffic and pedestrians presents a threat to access and public safety. To date this has been utilised over 8 weekends and is proving to be highly effective with both local businesses and the public. There is also potential for its use to be considered in other hotspot areas.
- Working with licensed premises to tackle crime and disorder as well as improving the management of licensed premises, there are now 25 PubWatch schemes across Leeds. Each scheme has a number of members ranging from 5 to over 60. This expansion has led to improved communication and activity around individuals and groups causing the most harm in and around licensed premises. Dealing with those who are anti-social has been critical to getting partners involved and thereby making environments safer for residents and visitors to the city.
- Commencement of voluntary programmes with domestic violence perpetrators focused on alcohol and anger management and targeted at perpetrators who do not fit the IDAP demographic. This has resulted in approximately 12 assessments of perpetrators being identified a package of interventions that can be put in place to reduce risk to victims and assist in behaviour change.
- 'Making Safe' programme with housing providers to provide alternative accommodation to male perpetrators of abuse extended to city-wide remit to focus on domestic violence perpetrators who return to home setting and re-offend.
- There has been a considerable improvement in attendance at MARAC meetings by key partners with nominated individuals now identified for those agencies not previously attending. Ongoing review of attendance.
- A protocol has been agreed whereby the Children Safeguarding Board will deal with DV homicide reviews of 16/17 year olds and the Adult Safeguarding Board will deal with DV homicide reviews involving 18+. Any cases falling outside the criteria of these 2 Boards will be reviewed by the Leeds Domestic Violence Homicide Group.
- A domestic violence training programme for all Social Workers in Leeds is being delivered. A key component is promoting safe, effective assessments and interventions with domestic violence perpetrators in order to reduce risk to victims and safeguard children. Interim evaluations indicate that the training has better equipped participants to risk assess families where domestic violence is present.
- All 58 Children's Centres (CC) in Leeds are working towards the Leeds Domestic Violence Quality Mark with a target for all 58 to attain Level 1 by Nov 2010. This has included training all CC staff, developing Domestic Violence Guidelines and improving access to safety and support.

Challenges/Risks ii) Assaults with Injury

- Securing continued resources for domestic violence services with particular focus on IDVA support as identified by Home Office review.
- No ongoing funding in place for Taxi Marshall's.
- Negotiating with Probation and C&YPSC to secure secondees from Probation for 2011/12, to further undertake work with DV perpetrators where Child Protection Plans are in place.

Council / Partnership Groups	Safer Leeds		
Approved by <i>(Accountable Officer)</i>	Simon Whitehead	Date	18/10/10
Approved by <i>(Accountable Director)</i>	Neil Evans	Date	9 Nov 2010

Improvement Priority – TP-2a. Creating safer environment by tackling crime

Accountable Officer – Neil Evans

Apr 09 – Sep 10

1) Key actions for the next 6 months			
	Action (Desired Achievements)	Contributory Officer / Partner	Milestone / Actions
1	Leeds will be inspected by Audit Commission and HMIC using the generic key lines of enquiry found in the joint inspectorate approach. Safer Leeds will be engaged in the scoping, delivering and reporting of this inspection. At the same time the inspectors will be reviewing Operation Titan.	Simon Whitehead Ian Whitehouse Barry South Neil Evans	Starts – w/c 22/11 03/12 Draft report on findings – 20/12 Report published 28/01
2	Continued focus on reducing domestic burglary – combination victim, offender and location based activity and operations over the next three months	Simon Whitehead Divisional Commanders	NWL policing activity focussed on organised burglary crime groups. City and Holbeck conducting overt public briefings as part of an ongoing Autumn initiative. North East Leeds introducing cold calling zones in conjunction with Trading Standards. Cross border operations will continue
3	Implement, monitor and review community safety neighbourhood management improvement plans. <ul style="list-style-type: none"> DCSPs to be reviewed and control strategies to be refreshed following JSA 	Simon Whitehead Area Community Safety Coordinators	Management transfer of Area Community Safety Co-ordinators (x5) to Community Safety by October 10 Subsequent local and accountable tasking meeting
4	Produce a joint strategic assessment to assist Safer Leeds in identifying and setting out its crime, disorder and substance misuse priorities for next year.	Simon Hodgson	Draft to be presented to the Acquisitive Crime Group in October Findings to be presented to Safer Leeds in November

Improvement Priority – TP-2a. Creating safer environment by tackling crime

Accountable Officer – Neil Evans

Apr 09 – Sep 10

2) Key actions for the next 6 months – NI 20				
1	Implement recommendations from Home Office Violence against Women and Girls guidelines in relation to offences of domestic violence and sexual assault	Michelle De Souza	Leeds Domestic Violence Strategic Group agreed to oversee a city wide Violence Against Women Strategy 2011-2014. Strategy will be informed by government guidance and local need as identified through the Domestic Violence Profile and consultation with public and service users.	March 2011
2	Part 1 of a Domestic Violence problem profile has been completed providing a baseline position across Leeds. This will be used to inform Part 2 to support the development of the Domestic Violence Strategy for 2011- 2014	Simon Hodgson/Michelle De Souza	Part 2 of the Domestic Violence Profile to be completed	March 2011
3	In partnership with Supporting People undertake a review of domestic violence services to improve responses to local need and deliver VFM.	Michelle De Souza	Commissioning plan being developed	Dec 2010 May 2011
4	Implementation of evening and night time economy strategy and action plan 2010/11	Cath Follin Inspector Francis	Services commissioned and SLAs in place Sign off of strategy and action plan	March 2011
5	Taxi Marshalls will be in place in the run up to Christmas and New Year, which has previously had a very positive impact on reducing incidents of violence, managed dispersal; rogue private hire operators; reassurance.	Gillian Mayfield	Plan in place Review of programme and outcomes	Nov 2010 Jan 2011

Improvement Priority – TP-2a. Creating safer environment by tackling crime

Accountable Officer – Neil Evans

Apr 09 – Sep 10

Performance Indicators

Performance indicators aligned to the Improvement Priority

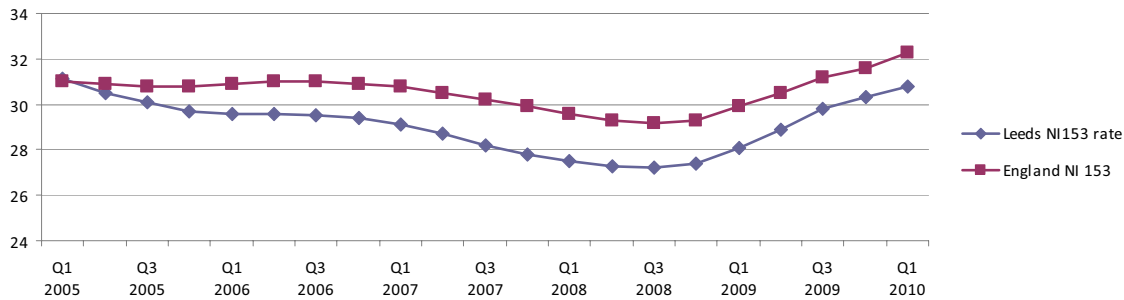
Reference	Title	Owner	Frequency & Measure	Rise or Fall	Baseline	2009/10 Result	2010/11 Target	Q2 Result Q2	Predicted Full Year Result	Data Quality
NI 16	Serious acquisitive crime rate	Community Safety	Monthly Number per 1000 population	Fall	27.0 per 1000 population (2007/08)	25.9	25.2	5.7	23.5	No Concerns with Data
NI 20	Assault with injury crime rate	Community Safety	Monthly Number per 1000 population	Fall	8.0 per 1000 population (2007/08)	7.4	7.4	1.8	7.2	No Concerns with Data
N 32	Repeat incidents of domestic violence	Community Safety	Quarterly %	Fall		23.83%	22%	19.67%	20.0%	No Concerns with Data



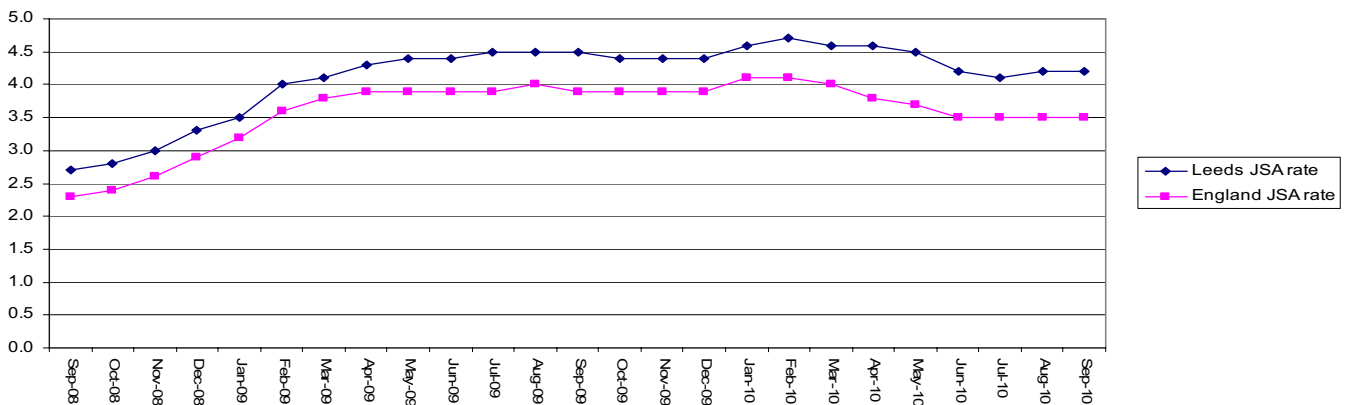
Why is this a priority

Reducing worklessness across the city with a focus on deprived areas is a key improvement priority within The Leeds Strategic Plan (2008-2011). This priority is set within the key strategic outcome of increasing economic activity through targeted support to reduce worklessness and poverty across the city under the 'Thriving Places' theme.

NI153: Working age people claiming out of work benefits in the worst performing neighbourhoods as a % of working age population:



A comparison of JSA claimants in Leeds and England:



Overall Progress to date and outcomes achieved

Overall Progress:

Leeds WACG claimant rate remains below the national average, and has the third lowest JSA claimant rate of the Core Cities, with only Bristol and Sheffield having a lower rate in August 2010.

The most recent Department for Work and Pensions data shows that:

- 22,891 Job Seeker Allowance (JSA) claimants registered in the City - a decrease of 171 on the August 2010 JSA claimant figures which totalled 23,062.
- 4,703 people left the JSA register in September 2010 - a decrease of 787 (14.3%) against the previous month.
- 4,583 people joined the JSA register in September 2010, a decrease of 1,679 (26.8%) against the previous month.
- 5,549 vacancies were notified in Leeds, a decrease of 36 (0.6%) on July 2010 and This 750 (11.9%) less than August 2009.
- the average out of work claimant rate for the 22 target neighbourhoods (NI 153 areas) as of February 2010 was 30.8%, compared to the city average of 13.3% and down by 0.5% on the previous quarter.
- the top 3 notified vacancies in Leeds are currently for care assistants and home carers; heavy goods vehicle drivers; and sales representatives.
- the 3 most current sought after occupations by jobseekers are for sales and retail assistants; goods handlers and storage operatives; and general office assistants and clerks.

The number of 16-18 year olds not in employment, education, or training (NEET) at the end of Sep 2010 was 2150 (9.6% of 16-18 year olds in Leeds) which compares favourably to the same time last year when there were 2462 (10.3%). However, significant work is required to meet the target of 6.8% as the quarterly average for

January 2011. Work is ongoing to ensure that tracking young people is embedded into working practices. Arrangements for referring and fast tracking of young people to employability schemes are being improved in order to address this key priority for the city.

The latest available DWP data (February 2010) shows that there are approximately 66,880 Working Age Client Group (WACG) people claiming out-of-work benefits in Leeds. Of these, 24,290 (4.5% of the Working Age Population in Leeds) were claiming Job Seekers Allowance (JSA); 31,010 (5.7%) were claiming Employment Support Allowance (ESA) or Incapacity Benefit (IB); and 9,070 (1.7%) were lone parents in receipt of Income Support. The highest concentrations of inactive claimants claiming IB/ESA are in Hunslet, Chapeltown and Cottingley, and for Lone Parents in receipt of Income Support the greatest claimant rates are in South Seacroft, Belle Isle and Middleton.

Ongoing work is taking place amongst partners in Leeds to improve the targeting of resources to areas of most need. An improved approach to the use of information is being developed to support the city's work in tackling unemployment and improving its skills base. This is important in terms of designing and commissioning effective interventions from both the supply and demand side, providing value for money for the tax payer by avoiding duplication in service-provision, and developing a strong sense of partnership and ownership around intelligence-led targets and outcomes. Robust and up to date intelligence will cover data on the scale, nature and location of out of work claimants in Leeds, intelligence on employment growth prospects and analysis of the performance of current interventions.

The impact of job losses has been felt across all sectors and parts of the district. However, the highest claimant rates remain concentrated in the inner city's most disadvantaged neighbourhoods. This is the pattern nationally, but it should be noted that the size of the Leeds Metropolitan District, and the scale of deprivation to relative affluence within it, can serve to dilute the city's overall worklessness position in comparison to some of our statistical neighbours.

Achievements

Apprenticeships:

- 376 apprentices have been appointed to the Council through the Work4Leeds scheme (April 2009 – September 2010), of which 120 are aged 16 -24 yrs.
- 150 (of the 376 posts outlined above) identified for apprenticeships through the redeployment board:
 - 59 posts filled, 30 by 16-24 yr olds
 - 39 posts still within LCC redeployment and selection process
 - 59 posts returned to 'At Risk' team due to vacancies being withdrawn, application criteria, etc.

Future Jobs Fund:

- 263 young people, aged 18-24 years, started in employment through the Future Jobs Fund between December 2009 and July 2010.
- A further 112 job starts have been achieved under Contract 2, to end of September 2010, in addition to which there are 63 offers of employment (awaiting CRB checks, etc) and a further 113 vacancies that are actively being progressed following placement with Job Centre Plus (JCP) (overall programme target to March 2011 is 807 job starts)

Skilled for Success:

- 538 people have been engaged through Skilled for Success since commencement of delivery in September 2009 (target 620 by December 2010),
- 326 learners have started on accredited training courses, with 119 of these achieving qualifications (target 340 qualifications by December 2010)
- 2 of the people accredited through Skilled for Success have progressed into work to date, of target 49 people into work by December 2010

Adult Learning:

- Adult Learning activity is commissioned by the Council from a range of local providers, including colleges and third sector organisations. This includes provision for over 9,000 enrolments onto a wide range of courses delivered in community settings.

Jobshops/Outreach:

- Community Engagement Teams, working in the areas with highest numbers of out-of-work claimants, have supported over 3,700 people since April 2010 to improve their employment prospects. Over 100 have secured jobs. It is expected that the 13,000 employment support interventions delivered in the first two quarters of 2010/11 will enable many more to move into work over the coming months.

Working with Key Employers:

- The Council works closely with employers, developers and investors. It has delivered a number of employment events in recent weeks to link local people to future job opportunities with employers, including

Improvement Priority – TP-3a. Reduce worklessness across the city with a focus on deprived areas. Accountable Officer – Stephen Boyle Jul 2010 – Sep 2010

Morrisons and Waitrose. Recruitment support has also been provided to a wide range of other high profile organisations, including Tesco, O2, Royal Bank of Scotland and NHS Leeds. Bespoke activities have also taken place with Aire Valley Leeds' business base. It is anticipated that the above activity will create over 250 new jobs in the coming months.

- New retail and construction jobs will be created as a number of high profile developments start on site. The Council is working closely with developers and their partners on these schemes to maximise job opportunities for local people and to manage the impact on the city centre's retail sector. These include - Trinity Leeds, due for completion by spring 2013 and expected to create 3,000 jobs; Leeds Arena, due to start on site in February 2011 and expected to create over 450 jobs; Eastgate Quarter, currently in public consultation regarding a revised programme of works but expected to create between 4,000 and 5,000 jobs in the coming years.

Challenges/Risks:

- 25% of the Leeds workforce is employed in the public sector, therefore, public sector expenditure cuts could have a significant impact on employment rates and the local economy.
- The provision of skills and employability programmes are subject to the outcome of the Comprehensive Spending Review (announced on 20 October 2010), which may have an impact on the scale and nature of provision.
- Uncertainty about the impact of changes locally that will result from the Governments' welfare reforms, including the introduction of the Single Work Programme.
- Due to the current economic climate and public sector cuts there is a high risk that current targets will not be fully achieved.

<u>Council / Partnership Groups</u>	Worklessness Strategic Outcomes Group		
<u>Approved by (Stephen Boyle)</u>	Stephen Boyle	<u>Date</u>	
<u>Approved by (Neil Evans)</u>	Neil Evans	<u>Date</u>	

Improvement Priority – TP-3a. Reduce worklessness across the city with a focus on deprived areas. Accountable Officer – Stephen Boyle Jul 2010 – Sep 2010

Key actions for the next 6 months			
Action (Desired Achievements)	Contributory Officer / Partner	Milestone / Actions	Timescale (2010/11)
Deliver interventions to support young people into employment	Stephen Boyle LCC / Ian Hunter, Jobcentre Plus	<ul style="list-style-type: none"> Targets to be set for apprenticeships through the Work4Leeds initiative based on confirmation of funding. 544 jobs delivered through Future Jobs Fund by end of March 2011 – contract 2 	Q3 Q2 Q4
Deliver vocational and basic skills training to support people into employment	Stephen Boyle LCC	<p>By December 2010:</p> <ul style="list-style-type: none"> 620 people engaged through Skilled for Success 340 qualifications achieved 49 people into work Skilled for Success programme extension and additional funding agreed beyond December 2010 	Q3 Q3 Q3 Q3
Establish Employment Leeds as a single point of contact for employers	Stephen Boyle LCC	<ul style="list-style-type: none"> LCC/ERDF funded proposal to be submitted to Yorkshire Forward, with a view to project commencing Jan 2011 Improved engagement with employers Community benefits (training and jobs) delivered through procurement resource 	Q2 Ongoing Q3
Support strategic and locality partnership working to reduce worklessness with a focus on neighbourhoods with the highest claimant rates	I Hunter JCP	<ul style="list-style-type: none"> Develop integrated performance reports across partners to monitor effectiveness of interventions Develop a portfolio of intelligence-led products to inform and improve the targeting of employment and skills interventions to neighbourhoods and localities in most need Develop Area Action Plans to better target neighbourhoods with the highest levels of unemployment in the city and monitor performance Review commissioning strategies and targeted outreach provision in light of performance reports and economic conditions 	Ongoing Q3 Q3 Q3/Q4

Improvement Priority – TP-3a. Reduce worklessness across the city with a focus on deprived areas. Accountable Officer – Stephen Boyle Jul 2010 – Sep 2010

Performance Indicators

Performance indicators aligned to the Improvement Priority

Reference	Title	Owner	Frequency & Measure	Rise or Fall	Baseline	2009/10 Result	2010/11 Target	Q2 Result	Predicted Full Year Result	Data Quality
JSA Rate (New Measure)	Working age people claiming Job Seekers Allowance	Regen	Monthly %	Fall	4.8% (June 09) 4.1% (England rate, June 2009)	N/A	3 year target to be agreed through Worklessness Strategic Outcomes Group	4.2% (Leeds Rate, Sept10) 3.5% (England rate, Sept, 2010)	4.5%	Data is available on a monthly basis
NI 152	Working age people out-of-work benefits.	Regen	Quarterly %	Fall	0.3% (Q1 09)	0.1% (Nov. 09)	Ensure a lead over the England average rate of at least 0.3 percentage points by Q2 May 2011	0.1% (Feb. 2010)	0.1%	6 month time lag on DWP data
NI 153	Working age people claiming out-of-work benefits in the worst performing neighbourhoods.	Regen	Quarterly %	Fall	16.9% (Q1 09)	17.4% (Nov. 09)	Narrow the gap between the Leeds out of work claimant rate and the overall rate for the combined NI 153 areas to 16.5% by Q2 May 2011	17.5% (Feb. 2010)	17.5%	6 month time lag on DWP data

NB: Due to the change in economic conditions, DWP enabled local authorities to renegotiate their NI 152 and NI 153 targets. The new targets were proposed by the Worklessness Strategic Outcome Group and approved by the Council's Executive Board and DWP. The targets apply from 1 April 2010. The next update for Q2 2010/11 will be made available in mid February 2011.

Report of the Head of Scrutiny and Member Development

Scrutiny Board (Environment and Neighbourhoods)

Date: 6th January 2011

Subject: Initial Budget Proposals

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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 15th November 2010 agreed this report as the initial budget proposals for the Council and for these to be submitted to scrutiny for their review and consideration.

2.0 Scrutiny of Proposals

- 2.1 This Scrutiny Board has requested to consider the Executive's initial budget proposals in so far as it relates to their duties and responsibilities with regard to the City Development department and to make any comments or recommendations it thinks appropriate.
- 2.2 Any comments or recommendations made by this Board has to be submitted to the Director of Resources no later than 20th January 2011 in order that the Executive Board can consider proposals for the 2011/12 budget at its meeting on 11th February prior to submission to full Council on the 23rd 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 in relation to the City Development Department and make any comments or recommendations.

Background Papers

None used

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Report of the Director of Resources

Executive Board

Date: 15th December 2010

Subject: Initial Budget Proposals

<p>Electoral Wards Affected:</p> <p><input type="checkbox"/> Ward Members consulted (referred to in report)</p>	<p>Specific Implications For:</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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Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

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

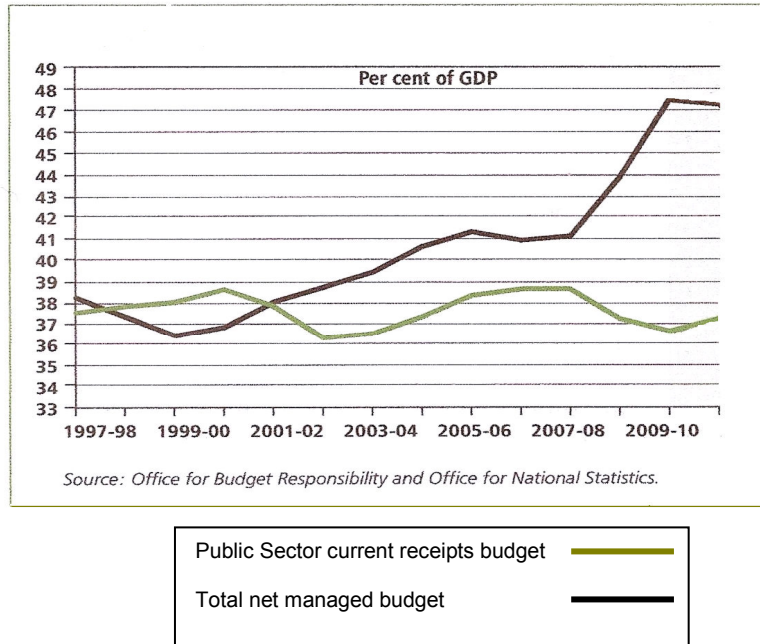
- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 23rd February 2011. The purpose of this report is thus to publish initial budget proposals for 2011/12, in the context 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 11th 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

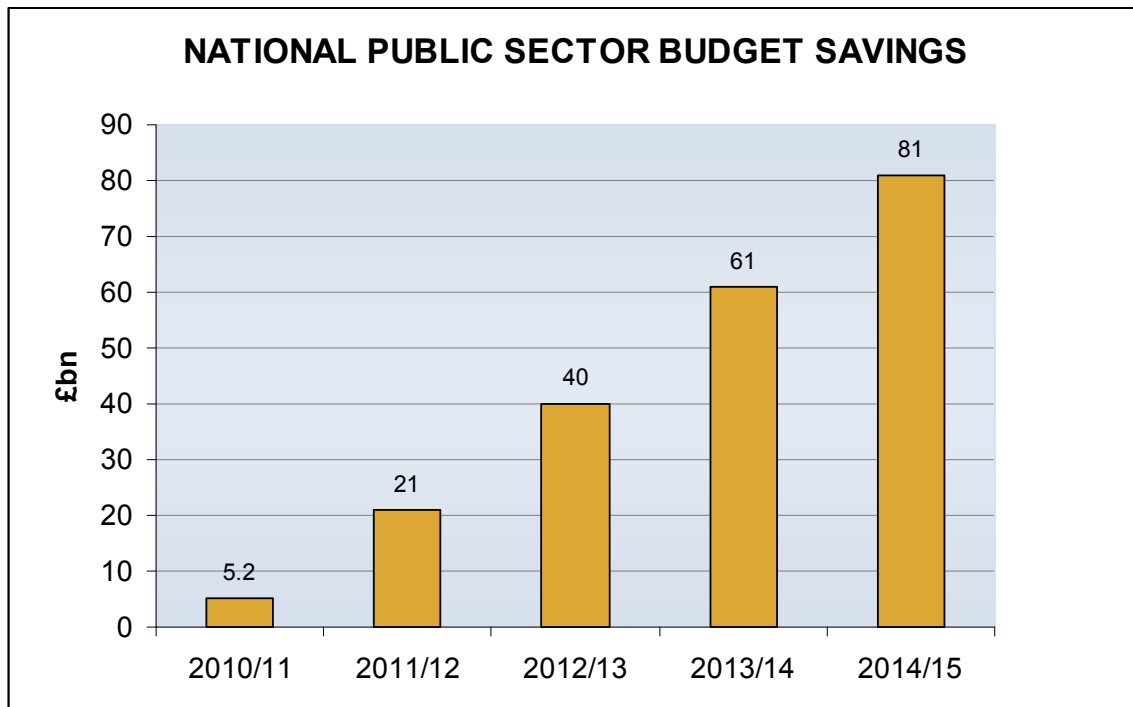


- 2.2 The new Government came into power in May 2010 and set out plans to reduce the UK's annual deficit, committing to accelerating the deficit reduction plans of the previous Government. As part of this plan, in year reductions in public spending of £6.2 billion were announced on the 10th June 2010, which included reductions in grants to local authorities totalling £1.166 billion. The Chancellor's emergency budget presented to Parliament on 22nd 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

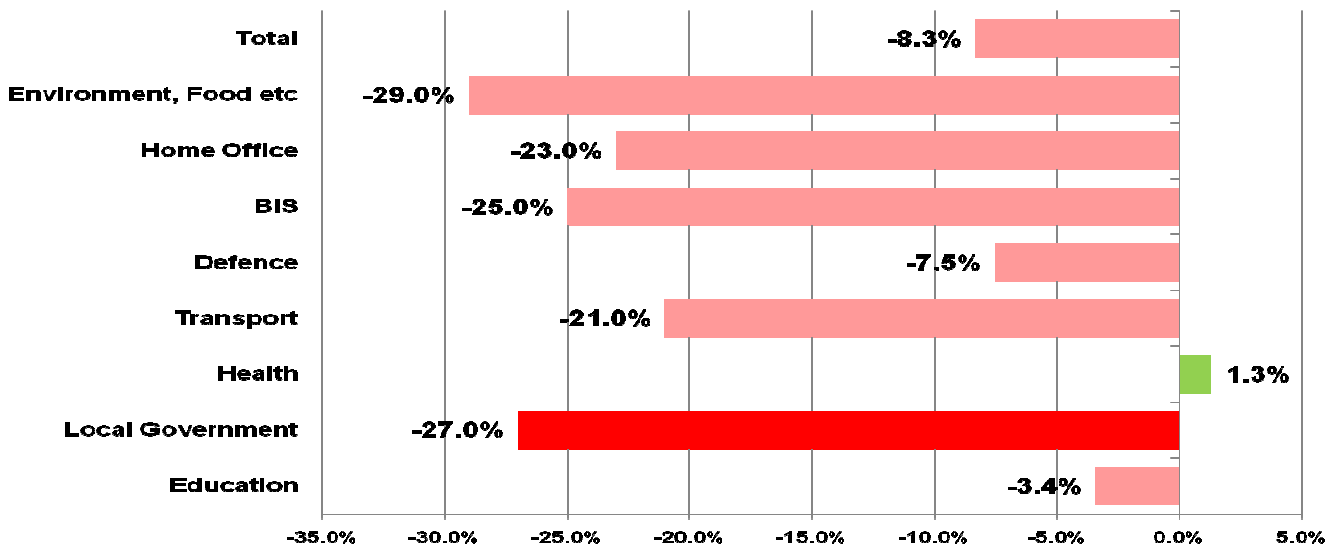
- 3.1 The Chancellor of the Exchequer published the Spending Review on the 20th October 2010 setting out expenditure plans for the next four years. A report was submitted to the Executive Board at its meeting on the 3rd November 2010, which set out the main implications for local government and Leeds 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
	3,440.9	3,930.8	4,300.3	4,469.1	4,483.1

- 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
		566.6	522.3	509.9	472.6	
Reduction from previous year		- 67.8	- 44.3	- 12.4	- 37.3	

- 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 3rd 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

Funding Envelope	£m
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
2011/12 spending target	849.183
Spend	£000s
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
Funding Gap	89.826

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
Net Spend before grants	900,274
Funded by:	
Specific Grant	-330979
Formula Grant	-303444
Council Tax	-265851
Total funding	- 900,274

- 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 23rd 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 3rd November 2010, agreed an approach to stakeholder consultation. Resident consultation on the spending challenge has now commenced which will run until the 17th 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 23rd 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 3RD November 2010 : GOVERNMENT SPENDING REVIEW 2010

Consultation 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.

Report of the Head of Scrutiny and Member Development

Scrutiny Board (Environment and Neighbourhoods)

Date: 6th January 2011

Subject: Budget Analysis for Housing Revenue Account and General Fund 2010/11

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Introduction

1.1 The Scrutiny Board has asked for regular updates on the budget of the Environment and Neighbourhoods department.

1.2 The following reports of the Director of Environment and Neighbourhoods are attached:

- Analysis of the outturn position for the Housing Revenue Account for period 7.
- Analysis of the outturn position for the Environment and Neighbourhoods Directorate General Fund for period 7.

2.0 Recommendations

2.1 Members are asked to comment and note the reports of the Director of Environment and Neighbourhoods and the extracts from the report of the Director of Resources.

Background Papers

None used

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Environment & Neighbourhoods Projected Outturn Position for 2010/11 at period 7.

Commentary on Issues (e.g. any significant budget variances, Efficiencies etc.):

	£000
Community Safety (including Safer Leeds Partnership)	22 Variations in the delivery of targeted staffing efficiencies (£131k) have been partially offset by underspends across the service and by the identification of expenditure on CCTV for which it is more appropriate to charge to the Housing Revenue Account (£111k).
Regeneration	344 A projected overspend on staffing of £511k is largely due to variations in the delivery of targeted staffing efficiencies (£262k) and the costs associated with staff who have been displaced following restructures and who are therefore in managing workforce change (£249k). Of this £184k relates to neighbourhood wardens. The identification of other savings across the service (£167k), largely line by line savings, has contributed towards offsetting these pressures.
Jobs & Skills	917 Due to the slippage of the restructuring proposals, there is an anticipated overspend of £525k on staffing. During the year there have been further income reductions of £335k, of which £300k relates to Yorkshire Forward. Provision made for a saving of £253k in relation to 1 Eastgate will not now materialise. The identification of appropriate charges to the HRA (£200k) contributes towards offsetting these pressures.
Community Centres	(213) The identification of appropriate charges to the HRA contributes towards the projected underspend.
Housing General Fund	(122) The Government has announced a further reduction in the contract in respect of the number of asylum seekers from 289 clients per night to 150. In addition to this the Government has terminated the initial accommodation contract at Hillside Induction Centre. These actions will result in an overall impact of £669k upon the Council. Further variations are projected in respect of Temporary Accommodation (£100k) and CareRing and Medical Rehousing (£141k). These pressures are offset by a combination of savings on the Supporting People programme which are projected to be £746k as a result of voids and identified efficiencies, line by line savings of £76k and a review of balance sheet items (£200k).
General Fund Support Services	(62) Savings primarily within staffing due to vacant posts
Neighbourhoods & Housing Total	886
Waste Management	(785) Strategy (£686k) £231k is due to staff savings resulting from vacant posts. Revised advisor costs on Waste PFI are projected to save £49k. Additional income anticipated mainly from increased prices for glass and metal (£155k). Reduced Tonnes resulting in disposal cost savings £247k Operations (£99k) £74k in staff savings at Household Waste Sites are forecast resulting from a review of cover of vacant posts. Repairs to compactors and containers are projected to overspend by £33k and this is offset by savings on other costs (incl. transport) (£69k).

Streetscene	1,027 Refuse Collection +£830k Of this £818k relates to slippage in the implementation of the Streetscene change programme from June to November. Rising fuel prices creates a pressure of £77k. Street Cleansing +£101k. A £28k overspend is projected in respect of staffing expenditure. Rising fuel costs are estimated at £81k higher and revised water billing arrangements are now forecast to be £61k higher. Anti Graffiti +£94 This variation is mainly as a result of the reduction in Government Grant (LPSA) which was announced in June.
HEAS	206 Staffing variations of +£440k are mainly due to the loss of Government grant (LPSA) . Additional income from Area Committee for 2 CSO's and DEFRA grant, combined with line by line savings are helping to partially offset this pressure.
Car Parking	870 Parking income is projected to be down by £1.3m after contingency releases. This is due to a combination of reduced PCN income (£0.3m), delay in bus lane enforcement project (£0.2m), reduced income from suspended bays of £0.1m, delays in the price rise (£0.1m) , reduced fee income from both off-street and on street parking and delays in the identification of additional car parking facilities (£0.3m). A combination of projected staff savings along with line by line savings help offset these income variations.
Support Services	49 Variation in assumed number of vacancies

Environmental Services	1,367
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Overall Total Variation for E&N Directorate	2,253
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Housing Revenue Account (HRA): Summary Position: At the end of Period 7 the HRA is projecting an overall deficit of £65k. Any in year deficit will need to be funded from the HRA General Reserve.

Commentary on Issues (e.g. any significant budget variances)

Income

£2.3m of additional rental income projected due to void levels falling to 1.3%. Of this £1.8m will be paid to the ALMOs as additional void incentive payments.

Expenditure

Salaries & Wages - Projected savings of £237k due to posts being held vacant.

Supplies & Services - Projected overspend on supplies and services of £1,077k due to the following:-

- an increase in pass through costs and the cost of access refusals in relation to the Swarcliffe PFI scheme (£113k). and Swarcliffe environmental works (£177k). These costs will be funded from the PFI Sinking Fund/reserves.
- CCTV and Community Centre costs being identified as more appropriate to charge to the HRA (£500k)
- additional costs in relation to the Lifetime Homes PFI (£186k)
- increased insurance, heat lease terminations & other variations (£101k)

Reserves .

It is proposed to utilise £733k of HRA Reserves to fund the replacement of Care Ring equipment. This is projected to reduce the HRA General reserve to £3,861k at the end of 2010/11.



Originator: Jim Wilson

Tel: x50797

Report of the Director of Environment & Neighbourhoods

Date: 6 January 2011

Subject: Response to the Environment and Neighbourhoods Scrutiny Board's Inquiry report into Integrated Offender Management

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)

1.0 Purpose of this Report

1.1 This report responds to the recommendations from the recent Environment and Neighbourhoods Scrutiny Board's Inquiry into Integrated Offender Management.

The Inquiry highlighted concerns in relation to the rise in serious acquisitive crime in Leeds and the need to effectively manage and reduce offending behaviour.

2.0 Background

2.1 At the Scrutiny Board's meeting in June 2009 concerns were raised about the 9.5% rise in domestic burglaries when compared to the previous year and it was clear that reducing burglary levels would help in realising the overall target for serious acquisitive crime. Importance was placed upon managing and reducing offending behaviour which is one of the strategic outcomes of the Leeds Partnership Plan 2008 – 2011.

- 2.2 The Inquiry was established to assess and make recommendations in the areas of identification of gaps in interventions and resources, information sharing and the selection and de-selection arrangements for PPO's. The Inquiry also looked at the role of Offender Health together with the existing performance management framework to monitor delivery against agreed outcomes.
- 2.3 The Scrutiny Board met on seven separate occasions including one site visit to Mabgate Mills between October 2009 and March 2010 receiving evidence from a number of witnesses representing agencies involved in the IOM process.
- 2.4 The terminology of 'Offender Management' was first introduced in the Correctional Services Review in 2003 (Carter Report) and the subsequent Guidelines contained in the establishment of the National Offender Management Service (NOMS) in June 2004
- 2.5 The Scrutiny Board's final report makes 12 recommendations for action and work is underway or planned to address them. The actions will be monitored by Safer Leeds Executive as part of its regular recommendation and monitoring activity.

3.0 Main Issues

- 3.1 Each of the twelve Scrutiny Board's recommendations are described below, along with a response from the Director of Environment and Neighbourhoods, with actions, timescales and where appropriate resource implications.

3.2 Recommendation 1

That the Safer Leeds Partnership Executive ensures that the Leeds IOM Operational Guidelines for the Rehabilitation and Resettlement strand of IOM provides sufficient clarity about the structures and lines of accountability within the Leeds IOM Hub and are widely disseminated amongst all partners

Operational guidelines for IOM will be managed and monitored by the newly formed Reducing Re-offending Board that reports direct to safer Leeds Executive . The Board integrates the previous IOM Strategic Group and the Intensive Alternatives to Custody Group.

3.3 Recommendation 2

That the Director of Environment and Neighbourhoods leads on ensuring that particular attention is given to improving the connectivity of employability support services for offenders as part of the Leeds Works and Skills Plan

Works and Skills is a key section of the Leeds Reducing Re-offending delivery Plan 2011 – 2014 which is to be presented to the Safer Leeds Executive at the January 2011 meeting . The links between Education, Training and Employment are clearly made and work is underway to further strengthen these ties.

3.4 Recommendation 3

That the West Yorkshire Crown Prosecution Service :

- (a) Incorporates procedures within the West Yorkshire Charging Scheme which ensures that Duty Prosecutors double check whether an individual is a Prolific or Priority Offender and part of an Integrated Offender Management cohort at the point of providing pre-charge advice*
- (b) Liaises with CPS Direct to consider the feasibility of adopting similar procedures as part of the out-of- hours charging service*

Neil Moloney, Head of Leeds Probation, will liaise with Neil Franklin, Chief Crown Prosecutor, to progress this and will report back in 6 months time

3.5 Recommendation 4

- (a) That the Leeds Strategic IOM Board and the West Yorkshire Crown Prosecution Service work together to explore and develop appropriate mechanisms for ensuring that a consistent approach towards PPO cases is being adopted by the regional charging team, with particular focus on how evidence and advice provided by the Police, Probation Service and Offender Managers/Case Workers is used in the public interest.*
- (b) That the Safer Leeds Partnership conducts a progress review over the next 12 months and shares its findings with the Scrutiny Board*

Interim reports in relation to the Scrutiny Board's recommendations have been included in the Safer Leeds Executive programme of work for 2011-12.

3.6 Recommendation 5

That the Leeds Strategic IOM Board and the West Yorkshire Criminal Justice Board give consideration to the development of having a local dedicated IOM Court in order to best utilise partnership resources.

A scoping review will be commenced to look at the viability of a dedicated IOM Court in Leeds similar to the currently established Domestic Violence and Drugs Courts. The resource and training implications for magistrates will be closely

assessed when compared with the current volume of work experienced by the Leeds Courts.

3.7 Recommendation 6

That the Chief Crown Prosecutor for the West Yorkshire Crown Prosecution Service considers how they can be more proactively involved in the development of policy and process for integrated management in Leeds.

Neil Moloney, Head of Leeds Probation, will liaise with Neil Franklin, Chief Crown Prosecutor, to progress this and will report back in 6 months time

3.8 Recommendation 7

That the Director of Environment and Neighbourhoods seeks to ensure that the Deter Young Offenders Scheme within the Leeds Youth Offending Service remains a priority in terms of local authority funding and continues to champion the scheme amongst the criminal justice and other partner agencies in his capacity as Chair of the Safer Leeds Partnership Executive

The Leeds DYO Scheme is currently funded through Police and other direct grants. The local authority has not been required to contribute to this scheme. The importance of the scheme is seen as a priority and the Director of Environment and Neighbourhoods will continue to champion it across the city.

3.9 Recommendation 8

That the Leeds Offender Health and Social Care Partnership Board effectively feeds into the work of the new Alcohol Management Board in reviewing progress on the 2008 – 2020 Leeds Alcohol Harm Strategy and agreeing a revised action plan for 2010 – 2013

The issues raised by the Scrutiny Board will be included in the January agenda of the Leeds Offender Health and Social Care Partnership Board to ensure progress is made in reviewing progress on alcohol treatment services for the city.

3.10 Recommendation 9

That the Safer Leeds Partnership Executive ensures that the performance framework linked to the Partnership's future plans/strategies for reducing re-offending includes clear measurements on the effectiveness of offender management

A major piece of work is currently underway to evaluate the economic viability of DIP/IOM procedures. The Home Office together with Hallam University and

Manchester Metropolitan University are engaging with Leeds to develop a up to date break even analysis of the scheme's cost effectiveness.

3.11 Recommendation 10

That the Safer Leeds Partnership Executive leads on developing existing communication frameworks to help further raise the profile of offender management amongst local communities. In particular, attention should be given to better publicising how the IOM approach has helped to benefit local communities.

That a progress report is brought to Scrutiny within 6 months

3.12 Recommendation 11

That the Safer Leeds Partnership Executive ensures that appropriate information sharing mechanisms are put in place to enable local intelligence about prolific and other priority offenders to be shared effectively with Ward Councillors

West Yorkshire Police Superintendent of Community Safety will discuss the implications of information sharing arrangements in relation to criminal intelligence with the Director of Environments and Neighbourhoods to agree a way forward in relation to this recommendation.

3.13 Recommendation 12

That the Chair of Safer Leeds Partnership Executive reports back to Scrutiny with details of the evaluation conducted by the Ministry of Justice and Home Office on the six IOM pioneer areas and includes the response of the Safer Leeds Partnership Executive to this evaluation.

The Ministry of Justice and the Home Office have withdrawn the Sheffield Hallam review into the IOM pioneer areas from the public domain and as a consequence it will not be available for dissemination by the partners. It will, however, be seen from the response contained in Recommendation 9 above that Leeds is benefiting from some of the work undertaken in that review.

4.0 Implications for Council Policy and Governance

4.1 There are no specific implications for council policy and governance

5.0 Legal and Resource implications

- 5.1 There are no specific legal and resource implications and any improvements will be managed within existing systems

6.0 Conclusions

- 6.1 The recommendations contained in the Scrutiny Board's report have significant implications for procedural and policy change within several statutory [partner agencies and will require detailed discussion and negotiation to secure implementation. Issues such as a dedicated IOM Court have significant resource implications and within the current financial climate may require an interim procedure to assess the viability of a fully dedicated facility.
- 6.2 Work will be undertaken over the next 12 months to develop all recommendations with interim reports to Scrutiny as to progress made.

7.0 Recommendations

- 7.1 The Safer Leeds Executive is recommended to approve the proposed responses to the Scrutiny Board's recommendations.

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Originator: S Wynne

Tel: 39 50440

Report of the Director of Environment and Neighbourhoods

Date: 6 January 2011

Meeting: Scrutiny Board (Environment and Neighbourhoods)

Subject: Monitoring report on the Recommendations of the Worklessness Inquiry

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)

1.0 Purpose of this report

- 1.1 This report provides an update on actions taken to respond to the recommendations of the Board's inquiry into Worklessness undertaken earlier this.
- 1.2 Significant changes have been made to both national policy and funding for employability and skills provision since the recommendations were made. The key changes that will have an impact on local delivery are summarised for information.
- 1.3 The impact of the recession and the planned reductions in Government expenditure continue to have an impact on the number of out-of-work claimants. The latest figures were released by the Department for Work and Pensions (DWP) on 22 November and the key changes in these figures are also reported.

2.0. Inquiry Recommendations

- 2.1 The Scrutiny Board (Environment and Neighbourhoods) published a statement on Worklessness on 17 May 2010. In accordance with the requirements of the constitution, the formal response of the Director accepting the Scrutiny Board's recommendations was reported to Executive Board in June 2010. This report provides an update on actions taken to implement the above recommendations and these are summarised in the standard reporting format at Appendix 1.

2.2 Since publication of the Scrutiny Board's statement, there have been a number of changes introduced by the incoming Government and further changes are being planned for. The impact at the local level of some of these changes is not yet fully clear but this has resulted in changes in the planned activity and the delivery timetable to respond to the Board's recommendations. For example, the need to source alternate funding to support Employment Leeds following the reductions in funding the Government made available to regional development agencies has delayed the establishment of Employment Leeds.

3.0 Government Policy and Funding

3.1 There have been a number of significant changes to both policy and funding and a number of these will impact on the delivery of the employment and skills agenda at the local level. The key changes and their potential implications are summarised in Appendix 2. These relate to changes to the benefits system, changes to the delivery and funding of skills and training provision, changes in the delivery of employability programmes and enterprise support and further guidance on data sharing.

3.2 Whilst the direct impact of the above changes at a local level is not yet fully known and understood, it is clear that greater partnership working will be required at the local level to support individuals to gain skills and employment. These will include:-

- the provision of up-to-date information on claimant numbers and types and labour market information and intelligence to inform skills provision made by the Council and others providers such as Leeds City College to better meet the needs of residents and employers
- working in partnerships with employers through Employment Leeds and the National Apprenticeship Service to stimulate demand for apprenticeships and working with individuals and learning providers to put the appropriate accredited training frameworks in place and
- working in partnership with DWP contractors under the Work Programme framework to align and target effective interventions and make best of public resources invested locally in outreach and employer engagement through Employment Leeds.

4.0 Out-of-work benefit claimants

4.1 The Department of Work and Pensions provides information on Job Seeker Allowance claimant rates monthly and quarterly on all other out-of-work benefits, the latter with a 6 month time lag. Appendix 3 summarises the latest available claimant information for the City and those lower super output area with the highest rates.

4.2 There were 64,290 out-of-work benefit claimants in Leeds in May 2010, 11.8% of the city's working age population. 48% of claimants were on Incapacity Benefit or Employment Support Allowance (IB/ESA), 34% were on Job Seekers Allowance (JSA), and 14% were Lone Parents in receipt of Income Support (LP). It is anticipated that these proportions will change as claimants are migrated from inactive out-of-work benefits to Jobs Seekers Allowance over the next few years.

4.3 Over the last 2 years the JSA rate has doubled as a result of the economic downturn whilst the claimant rate for other benefits has remained fairly static. JSA claimants now total 22,758, a slight decrease from last month and for the same period last year.

4.4 There are still significant movements of people on and off the JSA register, however, 54% have been claiming JSA for longer than 13 weeks. 57% of JSA claimants are

aged between 25 and 49, with 29% aged between 18 and 24. Those aged 50 and above account for 13% and 0.1% are aged under 18 years.

- 4.5 Increases in claimant rates have been greatest in the inner city with the highest concentrations of workless households in inner east, inner north east and inner south Leeds.

5.0 Recommendations

Members of Scrutiny Board are asked to:-

- Note the progress made to implement the recommendations
- Note the key changes in Government policy and funding and the potential implications that this will have at the local level
- Note the key changes in the out-of-work benefit claimant rates.

Background Papers

17 May 2010: Statement of Scrutiny Board (Environment and Neighbourhoods): Worklessness

21st Century Welfare. 30 July 2010

www.dwp.gov.uk/21st-century-welfare

Welfare Reform White Paper. 11 November 2010

<http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/universal-credit/>

The Harrington Review of WCA. 23 November 2010

<http://www.dwp.gov.uk/docs/wca-review-2010.pdf>

The Government response to the WCA review. November 2010.

<http://www.dwp.gov.uk/docs/wca-response-2010.pdf>

Skills for Sustainable Growth, and its parallel publication, Investing in Skills for Sustainable Growth 16 November 2010

<http://www.bis.gov.uk/policies/further-education-skills/skills-for-growth>

DWP Work Programme

<http://www.dwp.gov.uk/supplying-dwp/news/#exp>

DWP Guidance for local authorities on the use of social security data. August 2010

<http://www.dwp.gov.uk/local-authority-staff/housing-benefit/performance-and-good-practice/data-sharing-guidance-for-local/>

Data Sharing to Tackle Worklessness. February 2010

<http://www.dwp.gov.uk/docs/datasharingguide.pdf>

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Scrutiny Board (Environment and Neighbourhoods) 2009/2010 – Worklessness Inquiry - Recommendation Monitoring

No	Recommendation	Where we are up to	Stage Cont
1	That the Director of Environment and Neighbourhoods ensures that appropriate briefings are provided immediately to relevant staff within Economic Development and Planning Services in City Development on the objectives of the Employment Leeds model to help raise its profile amongst employers and developers.	Following the Government's emergency budget in June 2010, around 50% of the funding sought from Yorkshire was no longer available. The business case was reworked and resubmitted to Yorkshire Forward for ERDF funding in September of £1.3m over 3 years. It is anticipated that the appraisal of the business case by Yorkshire Forward will be completed and approved before the end of December and the approach launched before the end of January 2010. Senior officers from City Development and Environment and Neighbourhoods have been involved in the development of the model and or received briefings. These include the Chief Officer / Heads of Service for Business Support (incl. Inward Investment), Renaissance (Major Projects), Economic Policy and Planning. Work has been undertaken to deliver a wider engagement programme involving briefing staff and partner agencies on joined-up working to support businesses and investors in Leeds. A communications plan to advice employers of the service is also being drafted.	
2	That the Director of Environment and Neighbourhoods leads on ensuring that a more systematic data sharing mechanism is developed between Economic Development and the Regeneration Services in relation to data gathered on the local economy and potential employers and investors coming into the city.	The Economic Development and Regeneration Services have commenced work to develop a more systematic approach to sharing data and intelligence on changes in the labour market and employer needs. Meetings have taken place with service leads to identify information and intelligence sources and processes for sharing these and supporting joint working on Employment Leeds. Overseen by an officer steering group work is progressing to adopt and embed this as a way forward on all business support approaches.	
3	That the Director of Environment and Neighbourhoods develops an action plan over the next 6 months to determine the existing customer demand for Jobshop services and to explore ways in which such demand needs can be met effectively. In particular, attention should be given to the potential demand on services in the short term in anticipation of the challenges presented by continuing decreases in public funding nationally.	A project brief has been agreed for the review of outreach provision in communities including jobshop premises and this will be completed by the end of January 2011. This will cover the location and accessibility of jobshops and outreach services to communities with the highest levels of out-of-work benefit claimants, the numbers of individuals accessing the service, customer feedback on the quality and effectiveness of the service and the cost to the service of refocusing where required.	

Scrutiny Board (Environment and Neighbourhoods) 2009/2010 – Worklessness Inquiry - Recommendation Monitoring

No

Recommendation

Where we are up to

Stage Cont

- Briefings have taken place with staff to improve the capture of information on service users and performance management information.
- In the short term, to serve the needs of the increasing number of Job Seeker Allowance claimants, the Job Shop service has been reprioritized. Revised opening hours were introduced in June to create a more coherent service offer. New provision has been made within the recently opened Joint Service Centres at Harehills and Chapeltown.
- 4 (i) That the Director of Environment and Neighbourhoods leads on producing and maintaining an up-to-date electronic directory of employability support services /schemes /agencies within Leeds.
(ii) That this directory is widely publicised and responsibility placed upon all partners to keep the directory up-to-date.
- Given the number of policy and expenditure changes over recent months, it has been difficult for providers to identify future provision with any certainty. It is proposed that this work will be undertaken in conjunction with Jobcentre Plus as part of the roll out of an enhanced community outreach approach. The directory will include information on employability support agencies / providers and the activity which they are delivering to target clients or in specific localities. The information will enable outreach workers and providers to refer clients to the most appropriate providers to meet the client's needs and make the best use of limited resources. This issue is addressed in the project brief on information and intelligence and the project brief on improving community outreach approach now being rolled out in the EASEL area.
- 5 That, in recognition of the success of the Future Jobs Fund (FJF) programme and Work4Leeds Apprenticeship programme, the Council ensures that any future expansions to these schemes also adopt a minimum of 6 months work experience.
- The DWP FJF programme will come to an end in March 2011. To date, 500 participants have been recruited to the FJF programme. 217 participants have completed their placements and 98 have secured employment and 17 have secured FE/HE or training places. The Work4Leeds Apprenticeship programme provides places covering a minimum period of 12 months. In 2009/10 it provided apprenticeship training to 254 staff and to date 125 staff have been recruited to the programme during 2010/11.

No	Scrutiny Board (Environment and Neighbourhoods) 2009/2010 – Worklessness Inquiry - Recommendation Monitoring Recommendation	Where we are up to	Stage Cont
6	That the Director of Environment and Neighbourhoods and the External Relations Manager at Leeds Jobcentre Plus produce a joint action plan aimed at generating greater awareness amongst Leeds Youth Service staff about the provisions available for addressing youth unemployment.	An action point has been included in the NEET Improvement Plan to develop better links to employability support provision. Meetings have already taken place to ensure Integrated Youth Support Services staff are made aware of the provision within the Council and Jobcentre Plus for NEET young people. Work is ongoing to ensure that staff can make referrals to appropriate provision and individuals can be tracked to ensure they remain supported and have a successful outcome. Jobcentre Plus and the Regeneration Service are working with the Integrated Youth Service to provide information on the programmes, key eligibility criteria and referral protocols and signposting information to enable IYSS staff and the Connexions providers to articulate the employment and training offers currently available. Regeneration staff will support work in Children's Services to submit a bid to become the local fund manager to commission interventions to support NEET young people through ESF funding and better link these to employment and training opportunities.	
7	To encourage the development of data sharing protocols further across the Council and its partners, we recommend that the Director of Environment and Neighbourhoods ensures that the lessons arising from the Council's data sharing pilot project with DWP on lone parent benefit claimants are reviewed and widely disseminated to illustrate the benefits of such an approach.	Learning from the pilot is being shared with services that face similar challenges to ensure effective targeting and collaborative working to improve outcomes for supported individuals. DWP has now issued guidance nationally and maintains the contact established through the Data Sharing Pilot and this is proving to be helpful in progressing information requests to DWP on FJF placements and NEETs transferring to JSA and obtaining advice and guidance. The revised approach to Community Outreach to be rolled out in the EASEL area will be supported by use of data from the Council's Revenue and Benefits Service to target outreach to specific households.	
8	That, where appropriate, the Director of Environment and Neighbourhoods leads on exploring the use of the Council's powers to promote economic and social well-being and the processes for obtaining informed consent from individuals to make best use of data to target and deliver activity to reduce worklessness.	We will seek to continue to identify opportunities to take this work forward with the Chief Officer Revenues and Benefits and the Assist Chief Executive (Corporate Governance) and other services to more effectively target activity to reduce worklessness.	

No	Scrutiny Board (Environment and Neighbourhoods) 2009/2010 – Worklessness Inquiry - Recommendation Monitoring Recommendation	Where we are up to	Stage Cont
9	That the Director of Environment and Neighbourhoods ensures that the evaluation findings from the 4 Families pilot project is brought back to Scrutiny for consideration once available.	The evaluation study has been completed and the headline findings reported to stakeholders. The report considers the ways in which agencies can work to co-operate more effectively and whether a personalised approach is a cost effective way of reducing worklessness. The 3 tiered approach to community outreach being rolled out in the Jobs and Skills service enables the mainstreaming of this approach taking board the lessons from the pilot.	
10	That the Director of Environment and Neighbourhoods leads on ensuring that the Leeds Works and Skills Plan a) complements and adds value to the Leeds City Region plan to make best use of resources; b) promotes a joined up approach towards tackling worklessness, with particular attention given to strengthening the links between employability support services for adults and young people.	The new Government has confirmed that there will no longer be a requirement to produce a Work and Skills Plan. However, partners are agreed that an evidence based approach to the use and targeting of resources is still required and a plan identifying priorities, actions and success measures will assist in developing a more coherent and joined up approach where the effectiveness of interventions can be monitored An Employment and Skills Plan will provide the partnership with a framework to build on its existing approach to delivering a sufficiently wide range of skills and employability support to meet differing needs across the City including adults and young people and to ensure that programmes are complementary and make the most effective use of limited public sector resources. Jointly planning interventions to provide a more coherent offer of support from the key agencies involved will assist in overcoming any disconnect between these. Work will commence on this shortly and will reflect the government's policy and expenditure decisions are the impact of these at a local level becomes known.	
11	That the Director of Environment and Neighbourhoods ensures that all Elected Members are made aware of the Area-based	New governance arrangements are under consideration to ensure that employability and skills initiatives are linked to the delivery of both	

No	Scrutiny Board (Environment and Neighbourhoods) 2009/2010 – Worklessness Inquiry - Recommendation Monitoring	Where we are up to	Stage	Cont
Worklessness Groups and advised on how they can be engaged in the work of these groups.	spatial and thematic regeneration and housing programmes. This will include elected member representation. We will continue to support local providers through contract meetings, networking events and through a directory of provision.			
12 That the Director of Environment and Neighbourhoods ensures that future quarterly performance management reports include more case study evidence of where actions and initiatives aimed at tackling worklessness have proved to be successful.	Case studies are being produced that will map customer journeys and outcomes to develop a better understanding and share learning on the effectiveness of different types of interventions in achieving successful outcomes for participants with different needs. This is seen as a key workstream in the project to improve information and intelligence.			

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Summary of key policy and funding announcements

1. Changes to Benefits

A number of changes have already been announced to the benefits systems and further changes are proposed by the Government over the next 4 years to reduce the total welfare bill by £18 billion.

► 21st Century Welfare

The Secretary of State for Work and Pensions, set out the plans to change the benefits system in the paper 21st Century Welfare, published on 30 July 2010.

The proposed changes aim to encourage people to move into work as they would not lose benefit until their earnings reached a certain level. Over this level benefits would gradually reduce as their earnings increased. It is not proposed to link support to the hours worked so that people will be able to progress their careers.

The proposals for a simpler benefits system could:

- Bring together parts of the current benefits and Tax Credit systems
- Simplify the financial help available to people both in and out of work, and
- Allow extra support for things like housing, children and disability.

A modern automatic payment system is proposed to allow a fast and flexible response to changes of circumstance. This would enable people to get the right level of support even if they take on temporary work.

The simplified system aims to reduce mistakes and fraud, and will mean that customers need to spend less time filling out forms when a job ends. It aims to provide an affordable welfare system for the future.

► Welfare Reform White Paper

This was published on 11 November 2010 detailing the proposals to introduce the new Universal Credit System. The new Credit will provide a basic amount with additions for those with children and other caring responsibilities, people with disabilities and those with housing needs. It will be available for people both in and out-of-work and will replace existing support including: Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowances. The plan is to migrate recipients from the current benefits and tax credits systems onto the Universal Credit starting in 2013 and finishing in the next Parliament.

To achieve the Government's commitment to 'make work pay', the new Universal Credit will see support being withdrawn gradually as people return to work and increase their working hours, meaning that they get to keep more of their earnings for themselves and their families regardless of how many hours they work.

There will be a new system of conditionality backed by tougher sanctions for those who do not comply. Claimants will be split into 4 different groups depending on how close they are to getting back to work which will determine the tailored support they will receive:-

- No conditionality – disabled people or those with a health condition that prevents them from working, lone parents or lead carer with a child under age one;

Summary of key policy and funding announcements

- Keeping in touch with the labour market – lone parent or lead carer with a young child aged over one but under five;
- Work preparation – disabled people or those with a health condition which prevents them from working at the current time;
- Full conditionality – jobseekers

Mandatory Work Activity will be introduced for some jobseekers where advisers will have the power to refer customers to a Mandatory Work Activity project. Every participant will be expected to spend at least 30 hours a week, for up to 4 weeks, on their Work Activity placement and will be required to continue to look for work.

► Changes already introduced

These include:-

- lone parents to move onto JSA when youngest child over five
- housing benefit reforms – on 2 December the Government confirmed that the £250 to £400-a-week ceiling, that was due to come into effect in April 2011, would not apply to existing tenants until January 2012 to allow tenants time to adjust to any reduction in housing benefit entitlement; a cap on benefit will peg support to the bottom third of rents in each district was also brought forward from October 2011 to April 2011; temporary discretionary powers were also announced for local authorities to make housing benefit payments to private landlords in return for reducing their rents; and from April 2013 claimants in receipt of JSA for more than 12 will have a 10% reduction in their housing benefit and in 2011 time-limiting Employment Allowance Support to 1 year, with claims beyond 1 year subject to means-testing.
- removing Child Benefit from higher-rate tax payers
- changes to the Working Tax Credit include the freezing of the both the basic element and the 30-hour credit for 3 years, couples with children have to work 24 hrs between them before they can claim, with at least one parent having to work at least 16 hrs, a reduction in the amount of childcare costs that can be covered by the childcare element, from 80% to 70% from April 2011.

► Work Capability Assessments

Employment and Support Allowance (ESA) was introduced in October 2008. For claimants making a new claim for financial support on the grounds of illness or incapacity this now replaces three other incapacity benefits - Incapacity Benefit, Income Support by virtue of a disability and Severe Disablement Allowance. ESA is intended for people who have limited capability for work (work related activity group), and those who are unable to work (support group).

The Work Capability Assessment (WCA) determines whether the claimant falls into one of these groups, or is fit for work. Those who are found to be fit for work may be eligible for Jobseeker's Allowance, which is the benefit paid to those who are actively seeking work.

It is planned that all current IB claimants will undergo a WCA over the next 3 years. The national rollout commences in spring 2011.

Summary of key policy and funding announcements

Section 10 of the Welfare Reform Act 2007 commits the Secretary of State to lay an independent report before Parliament each year for the first 5 years of operation. The Secretary of State appointed Professor Malcolm Harrington to undertake the first of these independent reviews which was published on 23 November 2010.

The review examined the fairness and effectiveness of the WCA and resulted in a series of recommendations to the Government. The main recommendations focus on empowering and investing in Jobcentre Plus Decision Makers, Jobcentre Plus taking control of the process and supporting individuals through it, Atos employing “champions” at each Medical Examination Centre, establishing a programme of work for the second review.

The Government welcomed the findings and recommendations of the review, endorsing and accepting the recommendations. The Government response includes details of how and when it will implement the recommendations.

2. Skills and Training Provision

► Freedoms & Flexibilities for Colleges & Training Organisations

On 17 June 2010, Minister, John Hayes, announced how the Skills Funding Agency will implement a range of freedoms and flexibilities for colleges and training organisations for the academic year 2010/11. The transfer of £150m from Train to Gain to Apprenticeships was also announced.

► Skills for Sustainable Growth.

Following consultation the Government published its strategy on 16 November setting out its vision for skills and the key elements of a strategy for delivering it. These include

- increasing the number of adult apprenticeships
- fully funding training for young adults aged from 19 up to 24 undertaking their first full level 2 (GCSE equivalent) or first level 3 qualification when they do not already have one.
- fully funding basic skills courses for individuals who left school without basic reading, writing and mathematics.
- Helping people who are on active job-seeking benefits to secure work through labour-market relevant training
- Introducing Government-backed loans from 2013-14 for learners aged 24 and over undertaking level 3 or higher qualifications.
- Replacing Train to Gain with an SME focused offer to help small employers train low-skilled staff.
- Initiating a demand-led growth and innovation fund of up to £50 million of government investment a year, to support employer-led initiatives within sectors and
- a streamlining of the organisational landscape and simplified systems and processes that promote greater alignment across pre and post 19 provision.

Summary of key policy and funding announcements

► A Simplified Further Education and Skills Funding System Methodology

This sits alongside the above document and examines ways in which the funding system and methodology for post-19 further education and skills can be simplified to ensure greater transparency for learners and employers and reduce burdens on Further Education colleges and training organisations aiding them to deliver high quality further education and skills training.

► Leeds City Region Employment and Skills Board

Leeds City Region secretariat hosted by Leeds City Council has supported the establishment of the Leeds City Region Pathfinder and the establishment of the employer led Employment and Skills Board. The Board has produced an Employment and Skills strategy and is progressing work on action plans to deliver on priority areas.

The ESB's vision is for effective employer and public investment in skills that will drive growth, innovation and enterprise in the Leeds City Region. The Employment and Skills Strategy, Intelligence Driving Growth, developed by the ESB has 5 strategic aims:-

- Improve skills and boost employment in selected key sectors;
- Increase employer and individual skills investment across the City Region;
- Enable those out of work to compete in the labour market by ensuring that they have the necessary skills;
- Promote better information for learners, employers, colleges, universities and training providers to make more informed decisions; and
- Create an aspirational and innovative enterprise culture.

The Minister for Business, Innovation and Skills has indicated that ESB skills and employment ambitions should be progressed through the new policy structures of Local Enterprise Partnerships (LEPs). Leeds City Region Leaders agreed over the summer to put forward a proposal, building upon its existing partnership arrangements with additional private sector representation, including the Employment & Skills Board. A submission was made to Government on 6 September which included the ESB's priorities.

► Review of 14-19 vocational education

Education Secretary Michael Gove has announced a major independent review of vocational education for 14- to 19-year-olds, to be led by Professor Alison Wolf, of King's College London. Prof Wolf will look at the organisation of vocational education and its responsiveness to a changing labour market, and will consider ways to increase incentives for young people to participate and will submit a final report in spring 2011.

Summary of key policy and funding announcements

3. Employability Programmes

► Advice and Guidance

Plans to set up a new all-age careers service have been announced by Skills Minister, John Hayes. BIS have provided details of the new service, planned to commence from September 2011, which will provide “prioritised face-to-face guidance” commissioned by schools (not local authorities as currently), although schools would still be able to commission services from existing Connexions partnerships via councils if they chose to do so (i.e., rather than use the new careers service).

► DWP Work Programme

The key features of the proposed new single Work Programme are:-

- Simplified provision delivering integrated employment-related support services to address complex and overlapping barriers to work
- Providing personalised help with greater freedoms for delivery contractors to determine appropriate provision
- Stronger incentives to focus on work with the harder to help
- Contractor funding outcome based and may be dependent on financial savings realised as a direct result of enabling people to obtain sustainable employment

The Work Programme will be delivered through a commercial vehicle - the **Work Programme Framework** - an umbrella commercial arrangement which sets out some terms of agreement on future contracts. The Framework is intended as the default vehicle for sourcing all DWP employment related support services. The Work Programme contracts themselves will be let in 11 regional lots, with 3-8 organisations contracted to each lot. Individual contract values will vary, but in the main are likely to be between £10-50 million per year.

The Work Programme will be an integrated package of support providing personalised help for people who find themselves out of work based on need rather than benefit claimed. Procurement of prime contractors to deliver the new Work Programme is underway based on a black box approach to allow local flexibility in delivery with payments based on outcomes. A pricing model and the segmentation of mandated customers has yet to be announced but could have implications for Council led delivery to achieve best use of public resources.

4. Enterprise Support

► New Enterprise Allowance

On 5 October the Secretary of State announced that the Government will give extra help to unemployed people who want to start their own business through the New Enterprise Allowance. Initially the Allowance will be available in those areas which face the greatest unemployment challenge. The Allowance will be available to

Summary of key policy and funding announcements

Jobseeker Allowance (JSA) customers who have been claiming JSA for more than 6 months.

Customers will get access to a business mentor who will provide guidance and support as they develop their business idea and through the early stages of trading. Once a customer can demonstrate they have a viable business proposition they will be able to claim financial support which will consist of a weekly allowance payable at the same level as their JSA payments for 3 months, and then at half that rate for a further 3 months. Those requiring start-up capital may be able access a loan up to £1,000 to help with their costs. The total package of support could be worth around £2,000 to each unemployed person who wants to start their own business. It is intended to phase in elements of the Allowance from January 2011, before rolling out the full offer from April 2011.

5. Data Sharing

► Guidance

DWP has just published a further guide on data sharing. This aims to help local authorities decide whether they can re-use customer data, obtained for the purpose of administering social security benefits, to help improve delivery of other services and benefits. It is aimed at Housing and Council Tax Benefit teams but should be useful to other parts of the local authority.

The above guidance is intended to be a companion piece to the DWP Worklessness data sharing guide published earlier this year:

► Small geography data

The DWP/CLG data sharing pilot that Leeds City Council participated in also requested benefits data at Lower Super Output Area level, i.e., the smallest areas for which statistical data can be supplied. The case was made to enable service planning and commissioning that is more effectively targeted. These data are now published for the first time and are to be updated quarterly.

Out-of-work Claimants

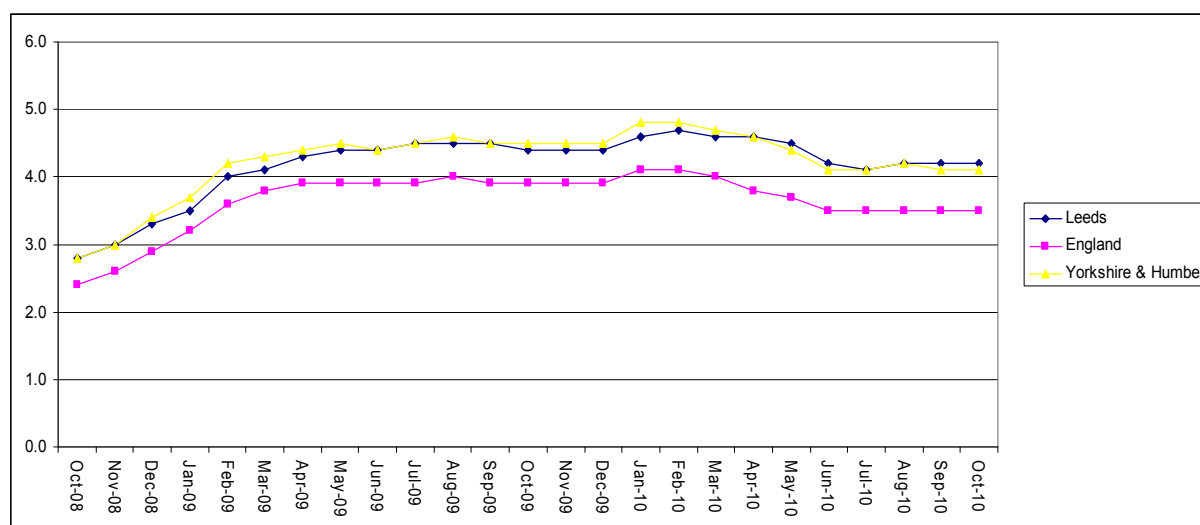
Summary report October 2010

This summary covers the Job Seeker Allowance (JSA) monthly claimant data for October 2010 and the Working Age Client Group data (i.e. out-of-work benefit claimants) for May 2010.

Jobseeker Allowance (JSA) - October 2010

- The October 2010 JSA claimant rate in Leeds is 4.2%. This is a decrease of -0.6% on the previous month and of -5.2% on the previous year.
- The JSA claimant rate in Leeds is 4.2%, this compares favourably with the region (4.1%) and is higher than the England rate of 3.5%.
- Leeds has experienced a smaller percentage decrease in the number of JSA claimants over the last year compared to the region and to England.
- Over the last two years the JSA claimant rate has consistently been higher than the rate for England and has followed closely the rate for the region.

JSA claimant rates from October 2008 to 2010 for Leeds, Yorkshire & Humber Region, and England.



- In comparison with Core Cities, only Bristol and Sheffield have a lower JSA rate than Leeds.
- 54% of JSA claimants have been claiming JSA for longer than 13 weeks.
- 57% of JSA claimants in Leeds are aged between 25 and 49, with 29% aged between 18 and 24. Those aged 50 and above account for 13% and 0.1% are aged under 18.
- 6,491 people in Leeds left the JSA register in October 2010 (an increase of 38% on the previous month) and 6,245 joined the register (an increase of 36% on the previous month).

- The Lower Super Output Areas (LSOAs) with the highest out-of-work claimant rates are in descending order: Granges, Hamiltons, Francis Street (20.9%), Spencer Place, Bankside St, Shepherds Lane (15.2%), and Lincoln Green (14.9%).

LSOAs with the highest JSA claimant rates.

LSOA Name	Ward	Total claimants	Rate
Granges, Hamiltons, Francis Street	Chapel Allerton	226	20.89%
Spencer Place, Bankside St, Shepherds Lane	Gipton & Harehills	155	15.23%
Lincoln Green	Burmantofts & Richmond Hill	258	14.87%
Scott Hall Road, Sholebrokes	Chapel Allerton	154	14.37%
Wickham St. Seftons, Harlechs	City & Hunslet	180	13.44%
East Park Drive, Glensdales, Raincliffes	Burmantofts & Richmond Hill	132	13.37%
Haselwoods, Rigtons	Burmantofts & Richmond Hill	136	13.27%
Gathorne Terr, Hares Ave, Pasture Road, Baldovan Mt	Gipton & Harehills	118	13.15%
Bismarcks, Dewsbury Road, Burton St	City & Hunslet	107	12.36%
Trentham St, Oakleys, Garnets	City & Hunslet	154	12.28%

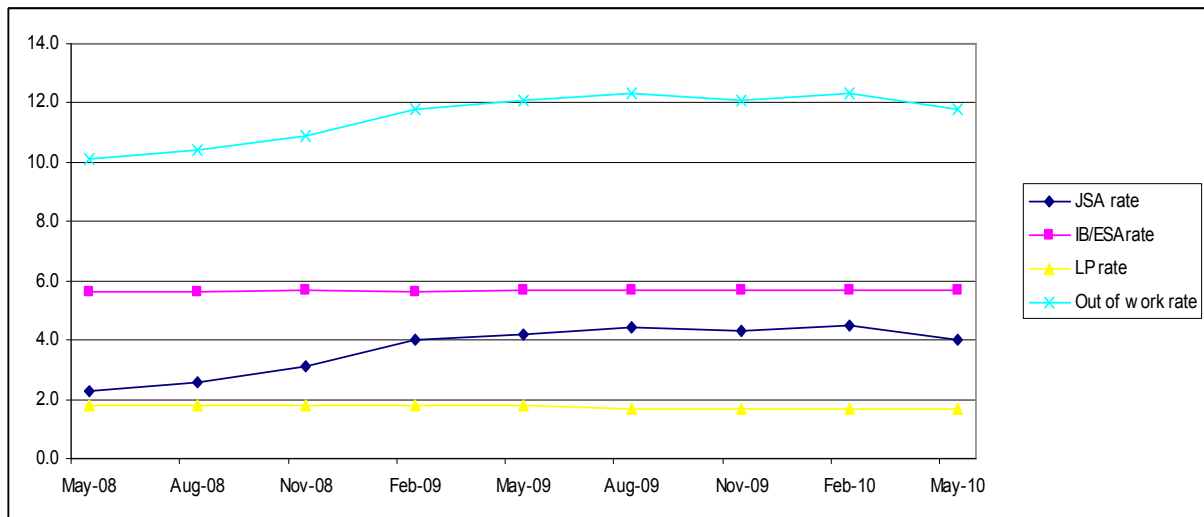
Vacancies and positions sought – October 2010

- In October 2010, there were 6,708 notified vacancies in Leeds, this is an increase of 2,206 (49%) on the previous year (September data is not available for a monthly comparison).
- Heavy goods vehicle drivers, care assistants and home carers, and sales assistants were the most common vacancies advertised in Leeds job centres in October 2010. The most common sought after occupations were sales and retail assistant, other goods handling and storage occupations and general officer assistants/clerks.

Out-of-work claimants – May 2010

The most current data on out-of-work benefit claimants shows that there were 64,290 claimants in Leeds in May 2010. This represents 11.8% of the city's working age population, 48% of claimants are on Incapacity Benefit or Employment Support Allowance (IB/ESA), 34% are on Job Seekers Allowance (JSA), and 14% are Lone Parents in receipt of Income Support (LP). This leaves 4% who are claiming 'other' benefits.

Out-of-work claimant rates in Leeds May 2008 to 2010



- Over the last 2 years, JSA claimant rates have increased more than the other main claimant types. There has been very little change in the rate of IB/ESA and LP claimants over the same period.
- The out-of-work claimant rate for Leeds increased from 10.1% in May 08 to a peak of 12.3% in August 09 and February 10. There was a slight drop in the most recent quarter to a rate of 11.8%.
- 59% of out-of-work claimants have been claiming these benefits for over a year.
- Over the last year Leeds has had the lowest overall out-of-work claimant rate of all the core cities.
- The May 2010 out-of-work claimant rate for Leeds is slightly below the rate for England – 11.8% compared to 12.0%.

LSOAs with the highest out-of-work claimant rates.

LSOA Name	Ward	Count	Rate
Granges, Hamiltons, Francis Street	Chapel Allerton	515	47.60%
Cross Green Lane, Easy Road, Dial St, Dent St	Burmantofts & Richmond Hill	370	38.66%
Scott Hall Road, Sholebrokes	Chapel Allerton	390	36.38%
Haselwoods, Rigtons	Burmantofts & Richmond Hill	365	35.61%
Thwaite Gate	City & Hunslet	325	34.28%
Winroses, Whitebeams	Middleton Park	345	33.69%
Tarnside Drive, Foundry Mill Street, South Parkway	Killingbeck & Seacroft	225	33.38%
Foundrys, Thorn Drive, North Farm Road, Amberton Approach	Gipton & Harehills	320	32.92%
Bismarcks, Dewsbury Road, Burton St	City & Hunslet	285	32.91%
Foundry Mill Drive, Hawkshead Cres, Alston Lane	Killingbeck & Seacroft	310	32.70%
Spencer Place, Bankside St, Shepherds Lane	Gipton & Harehills	330	32.42%

Incapacity Benefit / Employment Support Allowance (IB/ESA) – May 2010

- In May 2010 there were 31,070 IB/ESA claimants in Leeds, this accounts for 5.7% of the working age population.
- The number of IB/ESA claimants showed a slight quarterly increase in May 2010 by just under 0.2% and an increase of 1.2% on the previous year.
- The May 2010 IB/ESA rate for Leeds is slightly below the rate for England – 5.7% compared to 6.3%.
- In comparison to the other core cities in May 2010, Leeds had the lowest claimant rate for IB/ESA.
- 84% of IB/ESA claimants have been claiming this benefit for over a year.

LSOAs with the highest IB/ESA claimant rates.

LSOA name	Ward	IB count	IB rate
Eastdeans, Seacroft Cres, Hansbys	Killingbeck & Seacroft	165	19.16%
Cross Green Lane, Easy Road, Dial St, Dent St	Burmantofts & Richmond Hill	170	17.76%
Granges, Hamiltons, Francis Street	Chapel Allerton	190	17.56%
Thwaite Gate	City & Hunslet	165	17.41%
Bismarcks, Dewsbury Road, Burton St	City & Hunslet	150	17.32%
Kentmere Ave, North Parkway, Easdale Cres	Killingbeck & Seacroft	165	17.05%
Stonegate Road, Queenshills, Fieldhouse Drive & Close	Moortown	140	15.93%
Glenthorpes / Gargrave Place / Brignall Garth / Middleton Ave	Burmantofts & Richmond Hill	180	15.82%
Millshaw, Elland Rd, Cottingley Approach	Beeston & Holbeck	175	15.53%
Scott Hall Road, Sholebrokes	Killingbeck & Seacroft	165	15.39%

Lone Parents (LP) – May 2010

- In May 2010 there were 9,050 LP claimants in Leeds, this accounts for 1.7% of the working age population.
- The number of LP claimants showed a slight quarterly decrease in May 2010 by -0.2% and a decrease of -4.8% on the previous year.
- The May 2010 LP rate for Leeds is slightly below the rate for England – 1.7% compared to 1.8%.
- In comparison to the other core cities in May 2010, Leeds and Sheffield both had the lowest claimant rates for LP.
- 74% of LP claimants have been claiming this benefit for over a year.

LSOAs with the highest LP claimant rates.

LSOA Name	Ward	LP Count	LP Rate
Tarnside Drive, Foundry Mill Street, South Parkway	Killingbeck & Seacroft	65	9.64%
Foundry Mill Drive, Hawkshead Cres, Alston Lane	Killingbeck & Seacroft	90	9.49%
Winroses, Whitebeams	Middleton Park	95	9.28%
Halton Moor, Kendal Drive, Cartmell Drive	Temple Newsam	80	7.68%
Brander Road, South Farms, Coldcotes	Gipton & Harehills	70	7.58%
Granges, Hamiltons, Francis Street	Chapel Allerton	80	7.39%
Neville Road, Wykebecks	Temple Newsam	75	7.18%
Boggart Hill	Killingbeck & Seacroft	60	6.73%
Scott Hall Road, Sholebrokes	Chapel Allerton	70	6.53%
Middleton Park Grove, Acre Road, Throstle Lane	Middleton Park	70	6.51%



Report of the Head of Scrutiny and Member Development

Scrutiny Board (Environment and Neighbourhoods)

Date: 6th January 2011

Subject: Strategic Governance Board and Shared Service Centre

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Introduction

- 1.1 The Scrutiny Board on 23rd November 2010 considered a Call In request concerning the decision of the Executive Board on 3rd November 2010 to approve the attached report of the Director of Environment and Neighbourhoods on the future of Council housing.
- 1.2 The outcome of the Call-In meeting was that the decision of the Executive Board was released for implementation. However, the Scrutiny Board agreed that a Working Group be established to work with the officers and the Executive Member (Neighbourhoods and Housing) in defining the proposals contained in the above decision, prior to a further report back to the Executive Board in March 2011.
- 1.3 Members were concerned at the Call In meeting about the lack of clarity regarding the composition of the proposed Strategic Governance Board and the possibility that such a proposal would concentrate too much power in the hands of very few Members and officers and what the role of the ALMOs would be under the new arrangements.
- 1.4 As the timescale is short before Executive Board is to consider a further report on this matter in March 2010 it has been agreed to scrutinise two specific issues relating to the report on the future of Council housing namely the:
 - Strategic Governance Board
 - Shared Service Centre

2.0 Terms of Reference for Strategic Governance Board

- 2.1 The Director of Environment and Neighbourhoods will report on the proposed terms of reference for the Strategic Governance Board for Members comments and input.

2.2 The terms of reference for the Strategic Governance Board are attached for the consideration of the Board at today's meeting.

3.0 Shared Service Centre Inquiry

3.1 Draft terms of reference for an inquiry on the establishment of the Shared Service Centre are attached for the consideration of the Board at today's meeting.

4.0 Working Group

4.1 The Scrutiny Board on 23rd November 2010 on hearing the call-in on the future of Council housing agreed that a Working Group be established to undertake the necessary work.

5.0 Recommendations

5.1 The Board is asked

- (i) To consider the proposed terms of reference for the Strategic Governance Board and give comments and input to this document
- (ii) To consider and approve terms of reference for an inquiry on the Shared Service Centre.
- (iii) To determine membership of the Working Group to undertake the shared service centre inquiry.

Background Papers

None used



Report of the Director of Environment and Neighbourhoods

Executive Board 3rd November 2010

Subject: The Future of Council Housing

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)

EXECUTIVE SUMMARY

This report sets out the outcomes of the review into the future of council housing. The report shows the context within which the review was undertaken and assesses the future investment need of the city. Different options were appraised as to how that investment need might be met, concluding that none of the options offer a complete solution to the ongoing investment need. Nevertheless, there are opportunities to generate significant efficiencies and improve delivery. The report proposes continuing with the three ALMO model but introducing some key reforms in order to tackle weaknesses within the current model. The first key reform proposed is the creation of a Strategic Governance Board which will ensure that there are single decisions taken on key strategic matters affecting all ALMO's. This Board will also act as a formal link back into the Council for the ALMOs, so that they can be better connected to the development of policy and strategy within the Council. The second key reform is to create a Shared Service Centre for back office services. This will offer significant efficiencies as well as creating better skilled teams within the various disciplines. The report assesses these reforms against the option of a reduction to a single ALMO and concludes that a three ALMO model with the reforms is the preferred option.

The report also outlines proposals to change the manner in which the ALMOs provision for FRS17 is dealt with to bring that process in to line with other Council owned companies, with the effect of releasing resources to meet investment needs.

1.0 Purpose Of This Report

1.1 The purpose of this report is to:

- inform the Executive Board of the conclusion of the Future of Council Housing Review;
- make recommendations on a preferred model;
- make recommendations on key reforms.

2.0 Background Information

- 2.1 Leeds established six ALMOs in 2003 and submitted a bid to the government for £450m additional investment credits to enable the council housing in Leeds to reach the government's decent homes standard. By late 2004 all six had achieved a two star status with the Audit Commission and were eligible to draw down the money.
- 2.2 Since 2003 the ALMOs have been delivering programmes of capital works and are on target to meet the government's decent homes target by the end of 2010. By the end of 2010/11 around £825m will have been spent making Council housing decent.
- 2.3 In 2006 Leeds reviewed the number of ALMOs in the city and reduced them to three. The main drivers for the change were financial viability and reducing stock numbers. That review established three financially viable ALMOs that would be able to complete the decency programme by the end of 2010/11. Now that the decency investment programme is coming to a close the Council has undertaken another options appraisal to identify a suitable model for the future of council housing in the city and this paper sets out the findings and recommendations.

3.0.0 Context for the Review

3.1.0 Localism and Customer Aspirations

- 3.1.1 In 2002, when the Council took the decision to set up ALMOs in the city, the project was entitled "Going Local". This meant having local based delivery organisations which would better meet customer need and aspirations. In 2006, when the Council took the decision to reduce the number of ALMOs, the project was about "Staying Local". This was achieved by setting up area panels beneath the ALMO management boards to feed in customer aspirations and to oversee elements of service delivery. The localisation of service delivery has been a success, with customer engagement levels far in excess of where they were prior to ALMOs. In looking at the future of council housing in the city it is essential that the advances made in relation to tenant engagement and influence are retained.
- 3.1.2 Customers' aspirations for the service have grown with the increased responsiveness of locality based service delivery. Customers have seen huge investment in their properties and improvements in the delivery of services to their homes. As a result of this they aspire for continuous improvement in service delivery and a continuity of engagement in decision making. This aspiration is in line with the Council's core values.

3.2.0 Impact of the Proposed HRA Reforms.

- 3.2.1 The previous government consulted local authorities on the reform of council housing finance. Their preferred option was the introduction of a self financing HRA, whereby the HRA subsidy system is dismantled, and the national HRA debt is redistributed amongst local authorities based on their ability to service the debt.
- 3.2.2 The Executive Board welcomed the proposals, which would bring an end to the current subsidy system, whereby rental income is pooled and then re-distributed nationally on an annual basis. Not only does the current system lack transparency but the nature of the annual funding arrangements means that councils cannot have any certainty as to the impact of subsidy over the forthcoming or future years. The self financing model proposed

at the time would give authorities more control and certainty over funding, allowing the development of medium term financial plans to support robust asset management plans, which in turn will support effective works planning and procurement.

- 3.2.3 In responding to the consultation the government debt settlement figure at the time was modelled into the 30 year HRA business plan for the Authority. Whilst further work is required to refine the business plan, the inside subsidy and the self financing position have been compared and this shows that over the life of the plan the proposed system would bring significant financial benefit to the HRA, enabling greater capital investment. The new government has pledged to end the existing system and has announced it will introduce HRA reform. However, it is not clear at this stage whether or not this will be the same scheme as that proposed by the previous government. The government has indicated it will outline more details shortly.

3.3.0 Investment Requirements

- 3.3.1 The Decent Homes programme will have delivered around £825m of investment into council housing in Leeds by 31st March 2011. This is an unprecedented level of investment. At the peak of the decent homes programme, the annual investment was £170m. The Council stock will move from a position whereby 45% of houses met the government's decent homes standard, to 95% of the stock meeting the standard at 31st March 2011.
- 3.3.2 A full 30 year investment plan has been developed from April 2011. The plan assessed investment need against three standards – minimum decent homes work, decent homes plus (incorporating additional environmental works and some additional tenant aspirations) and a Leeds regenerations standard (equivalent to a PFI standard). A comparison of the investment required and the projected available resources over 30 years is summarised in the table below:

	Minimum Standard	Decency plus	Leeds Regeneration Standard
Investment Need	£2,343m	£3,366m	£4,350m
Resources Available	£1,602m	£1,599m	£1,599m
Resource Gap	£741m	£1,767m	£2,751m
Borrowing cost to cover gap	£327m	£1,099m	£2,035m
Average Annual Revenue Cost	£10.9m	£36.6m	£67.8m

- 3.3.3 This table shows that, based on expected resources and without any reform to the HRA funding mechanisms, there will be a shortfall of £741m in resources to maintain the decent homes standard over the 30 year period. If the Council is to meet the aspirations of its tenants for higher standards, then the resourcing gap increases to £1.767bn for decency plus and £2.751bn for a regeneration standard.
- 3.3.4 After 2010/11, government support to achieve the decent homes programme comes to an end, and thereafter capital resources for major repairs and improvements will fall significantly. HRA Capital expenditure will, under the current arrangements, be funded from the usable proportion of Right to Buy (RTB) receipts, the Major Repairs Allowance, and revenue contributions to support capital outlay (RCCO). Subject to the further announcement, capital resources will reduce to approximately £40m per annum.
- 3.3.5 As a minimum the Council will meet its statutory obligations, such as Fire Safety prevention, and adaptations. It will aim to maintain the decent homes standard across the housing portfolio. There remain particular urgent pressures to find solutions for Sheltered Housing, its non traditional and pre 1919 stock.

3.4.0 Financial Sustainability

- 3.4.1 Following the successful inspection of the Leeds ALMOs in 2003 and 2004, the Council has drawn down funding under round 2 of the decency programme, which came in the form of Supplementary Credit Approval (SCA), based on an 8% interest rate for borrowing. The Council's actual consolidated rate of interest on borrowing is 4.6%, and it has therefore benefited from approximately £14m annual windfall funding which has been used by the ALMO's to supplement their management fee.
- 3.4.2 From 2011/12, the support for the borrowing will be commuted into the Council's Capital Financing Requirement, funded at 4.6%, and therefore the windfall funding will cease. Without the additional funding all three ALMO Business Plans are projecting in year operating deficits, before the utilisation of resources.
- 3.4.3 The table below identifies projected cash balances of the ALMO's for the next three years to 2012/13 as per their current business plans:

ALMO Cash Balances 2009/10 to 2012/13

Organisation	AVH £000	ENEHL £000	WNWHL £000	TOTAL £000
Cash Reserves at 31/3/2010	6,035	11,368	14,352	31,755
SCA windfall (ends 2010/11)	<u>4,001</u>	<u>4,453</u>	<u>5,054</u>	<u>13,508</u>
	<u>10,036</u>	<u>15,821</u>	<u>19,406</u>	<u>45,263</u>
In year projected surplus / (deficits):				
2010/11				
2011/12	(1,618)	(2,853)	(2,565)	(7,036)
2012/13	(1,768)	(2,184)	(2,203)	(6,155)
	<u>(1,950)</u>	<u>(2,327)</u>	<u>(2,570)</u>	<u>(6,847)</u>
	<u>(5,336)</u>	<u>(7,364)</u>	<u>(7,338)</u>	<u>(20,038)</u>
Planned expenditure (as per ALMO Business Plans)	(811)	(1,793)	(4,100)	(6,704)
Sub Total	3,889	6,664	7,968	18,521
Less minimum balance of £1m per ALMO	(1,000)	(1,000)	(1,000)	(3,000)
Total – cash reserves at 31/3/2013	2,889	5,664	6,968	15,521

- 3.4.4 The table identifies that the ALMO's are currently working with in year operational deficits, which amounts to £20m over the three year period. The ALMO's cash reserves at 31st March 2010 amount to £31.7m, and if utilised over the three year period as per the business plans, to fund the structured deficits and one off planned expenditure, would reduce those cash reserves to £15.5m at the end of 2012/13.
- 3.4.5 The Council requires that all ALMO's provide appropriate provision within their balance sheet to address the calculated FRS17 liability which requires an organisation to account for retirement benefits when it is committed to them, even if the actual payment is at some point in the future. Between March 2009 and March 2010, the ALMOs FRS17 liability

increased from £11.15m to £35.24m. The table below shows that when this liability is compared to the overall level of cash reserves held at 31st March, 2010, there is an overall deficit of £3.49m.

ALMO cash reserves and FRS17 liability at 31.3.2010

Organisation	Cash Reserves @ 31.3.2010 £000	FRS17 Liability @ 31.3.2010 £000	Net Reserves after FRS17 Liability £000	Memo:FRS17 Liability @ 31.3.2009 £000
AVH	6,035	(9,048)	(3,013)	(2,920)
ENEHL	11,368	(19,510)	(8,142)	(4,733)
WNWHL	14,352	(6,686)	7,666	(3,498)
Total	31,755	(35,244)	(3,489)	(11,151)

3.4.6 Additionally, the HRA business plan shows that by 2016/17 the HRA will be operating with reserves below the recommended level and that by 2019/20 the HRA will have no reserves.

3.4.7 These calculations do not factor in any impact of the autumn public expenditure announcements or potential changes to the HRA subsidy system. The management agreement with the ALMO's, which was extended as part of the last review, comes to an end in 2012. There will need to be a clear direction of travel regarding financial sustainability before any decision regarding further extensions can be made.

4.0 Governance

4.01 The current governance arrangements provide for three ALMO Management Boards which are able to take independent decisions on matters delegated to them from the Council within the terms of the existing management agreements and the constitutions of the ALMOs. Below the ALMO Board are a number of Area Panels. The ALMO Boards delegate some responsibilities and resources to these Panels and receive feedback from the Panels on preferences for the future direction of services.

4.0.2 There are no formal arrangements to provide the ALMOs with connectivity into the Council so that they can participate in the development of strategies and policies. Equally there are no formal arrangements by which the ALMOs can work collectively or with other locally based service providers from the Council. An example of this is the lack of formal arrangements for locality working with Area Management.

4.0.3 These arrangements lead to a best endeavours approach to engagement with the Council's strategic vision and plans and its locally based service providers, thereby losing the opportunity to influence and play a key role in the creation of improved, strong, healthy communities. Independent decision making at ALMO Board level, without the overarching Council strategy and priorities, can lead to tensions between city aspirations and local decisions.

4.2.0 Strengths and Weaknesses of the current model

4.2.1 All three ALMOs have achieved a two star and promising prospects status under the Audit Commission's inspection regime. The reports, together with the findings of other internal inspection reports and ALMO performance information have been used to develop further an overview of the strengths and weaknesses of the existing ALMO model.

4.2.2 The key current strengths can be summarised as follows:

- The arrangements enable the housing organisations to concentrate on their delivery role and the Council to take a strategic lead.

- The adoption of the ALMO model has enabled significant investment in the Council's housing stock and the delivery of the government's decent homes standard
- ALMOs are responsive to local issues
- There is an increased involvement of tenants in the decisions of the business
- Overall performance has improved since 2002
- Service standards have been agreed with tenants
- Environmental standards on estates have improved
- Tenant satisfaction is increasing

4.2.3 The key weaknesses can be summarised as follows:

- There is significant duplication across the three organisations especially in back office functions
- Service standards and service priorities vary across the city
- Contract Management/Asset Management and Investment planning are under developed
- Overall governance and associated controls have not always been fully effective
- Tension exists between city aspirations and local aspirations
- Resources are spread thinly across three ALMOs
- Performance varies across the city
- There is a lack of joint working to reduce costs or deliver services more effectively

4.2.4 Even though the Audit Commission will no longer regulate ALMOs, the focus of the review has been to build further on the identified strengths and address the weaknesses.

5.0 Options Assessment

5.0.1 Option Appraisal

5.0.2 It is within the context outlined above that the investigation into the options for future investment needs for council housing in Leeds, as requested by the Executive Board has been undertaken. The review considered four options with a view to recommending the most feasible option that offers the best value for money to deliver the long term vision for council housing. The options are:

1. Return the management of the stock to the Council
2. Transfer the ownership of the stock to a Housing Association, created for the purpose of the transfer
3. A mixed approach that could involve ALMOs, PFI, transfer and return to the Council parts of the stock.
4. The continuation of an ALMO model

5.1.0 The Process

5.1.1 An initial option assessment has been made against the four options. Each option was tested against the following criteria:

- the strategic fit to both the city wide and local objectives
- governance arrangements
- capacity to deliver strong services
- financial viability from both revenue and capital perspectives.

5.1.2 The work identified that the mixed approach was not really an option for the future management of council housing but more an approach to leveraging into the city further investment.

- 5.1.3 Leeds currently delivers its housing management service through a small scale mixed approach. The city has three ALMOs, one TMO, one PFI and bids for two further PFI schemes. The intention is to continue to develop this as part of the 30 year Investment Plan, whereby the Council will continue to make best use of any funding opportunities that present themselves.
- 5.1.4 PFI will not deliver a solution for the whole stock but could continue to provide investment in parts of the city, subject to CLG providing funding for further bidding rounds. Therefore, PFI could and will form part of mixed approach to securing additional investment.
- 5.1.5 Whilst this option will not resolve the shortfall in capital funding identified in the 30 year investment plan, the Council will continue to explore new funding opportunities as they arise.
- 5.1.6 The findings for the other options are summarised below.

5.2.0 Option 1 - Return the Management of the Stock to the Council

- 5.2.1 Under this option the Council would terminate the existing contractual arrangements and take the Council House Management Service back in-house. There are examples, mostly in London, of where management of the stock has been returned to the Local Authority. However, it is important to note that most of those decisions do not appear to have been taken following any objective options appraisal.
- 5.2.2 A fully costed option appraisal has not been undertaken for this option. A return to centralised management within the Council was not part of the previous government's thinking and does not fit with the current government's approach and is therefore unlikely to place the Authority well in relation to future opportunities. That said the benefits of this option are that savings could be made through the reduction in senior management positions and an alignment with Council objectives.
- 5.2.3 The disadvantages of this option are that the benefits of operating single purpose organisations responsive to localities, with a clear focus on tenants and accountable for delegated functions would be put at significant risk. Conversely, the day to day management of the housing stock would divert energy from the Council's strategic capacity to address housing and regeneration needs across all tenures.
- 5.2.4 In addition to the above disadvantages, the initial consultation that has been undertaken has shown that there is little demand for a return to delivery within the Council.
- 5.2.5 This option will not resolve the shortfall in capital funding identified in the 30 year investment plan

5.3.0 Option 2 - Full/Partial Stock transfer

- 5.3.1 Housing stock transfer to a registered social landlord is a well established process that has previously delivered the highest level of investment when compared to the other available options.
- 5.3.2 The value, or purchase price, of the housing stock is known as the tenanted market valuation (TMV) which is based upon 30 year projections of income from rents and service charges, together with spending on management, services, repairs, major works and improvements. These projections are then discounted to their net present values, reflecting the value of money over time, to give the final valuation.
- 5.3.3 Transfer of the Leeds stock is not a viable option for Leeds because the TMV is negative. The Council would need to achieve a net capital receipt of £823m to enable its housing debt to be redeemed. The appraisal of this option shows that based on decent homes valuations, the TMV has a £2.074m negative value. This would require a substantial dowry from the

government for a whole stock transfer to succeed, as the investment and management cost over 30 years cannot be funded from rental income generated.

- 5.3.4 This view, that stock transfer is not a viable option, is supported by the following:
- CLG funding for stock transfer dowries, known as gap funding, is no longer available and whole stock transfer would be unaffordable without it
 - CLG grant for councils to repay the HRA debt is likely to be less generous in the future, particularly if the self financing proposals are implemented.

5.3.5 Partial transfer could provide a solution for some of the Council's housing stock but it should be noted that we believe the TMVs at individual ALMO level are also negative and would require dowries.

5.3.6 Additional disadvantages are that the Council would lose strategic control over the use of the stock and would not be able to exercise any influence in the governance of the transferred organisation to ensure that policies and strategies match council priorities.

5.4.0 Option 4 - The Continuation of the ALMO Model

5.4.1 The ALMO model has delivered significant benefits to the city. The local focus brought about by management boards with tenant directors based in the locality has enabled decisions to be taken that directly benefit the locality. As a result of this, satisfaction with services has increased significantly. The ALMO model has enabled the funding and delivery of the decent homes programme.

5.4.2 Tenants satisfaction has increased with the ALMO model as they feel it is more responsive to their needs than was the case when the service was managed centrally. The Area Panels provide even more connection with communities. Paragraph 4.2.2 describes the strengths of the current ALMO model in delivering these improvements, particularly in relation to locality management and responsiveness.

5.4.3 The model does provide a strategic fit for the Council and does have the capacity to deliver services, with each ALMO rated as a good performer by the previous regulator, the Audit Commission. However, there are tensions around governance where the Council may favour a single approach to an issue and the ALMO Boards prefer local solutions. In addition the current ALMO model needs to find efficiencies to balance budgets. Like the other options the ALMO model will not resolve the shortfall in capital funding identified in the 30 year investment plan.

5.5.0 Conclusion of the Appraisal

5.5.1 The assessment of the options recommended by the Executive Board has concluded that no future model offers a solution to the investment gap identified in the 30 year investment plan. There may be a solution, should the reform of the HRA take place, and once there is greater clarity on this a further funding review will be necessary.

5.5.2 Of all the options, the ALMO model offers the Council the best strategic fit with its own corporate and local strategies. Should HRA reform take place it will offer the opportunity for bridging the investment gap. However, the assessment has identified key weaknesses in the current model in respect of governance arrangements and future financial viability. These issues would need to be resolved by reforming the ALMO model in order to ensure sustainability.

6.0.0 The Three ALMO Model

6.0.1 The continuation of the three ALMO model offers numerous advantages. With no disruption to front line service delivery, there would be continuity of service for the tenant and there should be no reduction in performance levels, avoiding the risk of a dip in performance and the additional cost to recover such a position.

6.0.2 The retention of the three ALMO model is particularly advantageous to the Council as it develops its strategies around locality working. There would be an existing organisation within localities that is recognised and which could easily participate in Council plans and take on the delivery of certain services where this is identified as beneficial. However, it is not recommended that the current model is pursued without accompanying major reforms. Proposed reforms, to make a three ALMO mode workable, are set out below.

6.1.0 A Strategic Governance Board

6.1.1 A significant weakness in the current arrangements is the lack of a co-ordinated approach to the delivery of the services delegated to them amongst the ALMOs. This independent approach has in part been driven by the inspection regime of the Audit Commission. This has been particularly evidenced by the lack of a joined up approach to asset management and investment planning, the development of service standards, multiple Service Level Agreements with Council services, contract procurement and the management and terms and conditions of employees. The abolition of the current inspection regime offers a different approach with less emphasis on the ALMO's standing alone.

6.1.2 Another significant weakness has been the lack of an overall strategic approach in the delivery of services by the ALMOs. Much of this has been due to there not being any formal arrangements linking the ALMOs with the Council's strategic arrangements, nor with other delivery structures such as Area Management. The result of this has been patchy engagement that has relied on best endeavours of individuals. Any future model needs to address this issue.

6.1.3 It is proposed to establish a new Strategic Governance Board. The Board would not take on any existing powers currently placed with the Executive Board, nor would it directly manage local delivery of services. It is proposed that the Board would meet to agree key high level strategies to ensure that there are joint approaches across the ALMOs on key issues. The ALMO Boards would remain responsible for the decisions relating to local service delivery. However, in so doing it would be expected that the Chairs of the Boards and their Chief Executives would work together to ensure that there was greater standardisation in the delivery of those services.

6.1.4 This Board would also offer a formal arrangement through which the ALMOs would be able to meet with the Council to discuss the development of key Council strategies such as the Housing Strategy.

6.1.5 This arrangement would better align the delivery of services but still allow the ALMOs to retain a locality focus concentrating on delivering a high quality service under agreed terms. In so doing this would remove the tension that has often existed between city aspirations and local independence. The independence would remain in the delivery but it would be in the context of agreed city wide objectives.

6.1.6 An example of how this would work is in Investment Planning. Given that resources are to reduce, it will be important that a city wide investment plan is developed that is based on good quality asset management information that allows the informed prioritisation of need in order to make best use of resources to maintain the asset condition. The new Strategic Governance Board will receive the intelligence and make a strategic decision on the distribution of resource across the city, based on the need identified from the data, rather than the formulaic approach operated at present. The ALMO Boards would then have responsibility for ensuring that the various programmes are delivered and that asset management systems are continuously updated with the results of those programmes. The Executive Board would continue to agree and monitor the capital programmes as it does now.

6.1.7 A further example of the work that the new Strategic Governance Board would oversee is the harmonisation of terms and conditions. Since the creation of the ALMOs in 2003 there has been a move away from the terms and conditions as operated at the time by the Council and with which the staff were TUPE transferred. The changes made have not been uniform

across the ALMOs and have not always mirrored those changes introduced by the Council. The impact has been that a range of terms and conditions now exist which adds to the complexity of management arrangements and does not assist with the movement of staff between ALMOs or between ALMOs and the Council. The Board would also be charged with negotiating single service level agreements with the Council, ensuring best practice across the city.

- 6.1.8 The reform, to create the Strategic Governance Board, will require changes to the current management agreements and constitutions of the ALMOs. The management agreements and constitutions will need to be re worked in such a way that they make clear those responsibilities and functions that will be held jointly and those which will be solely for the individual ALMO. In addition, clear and precise terms of reference will need to be developed to ensure that its purpose is clearly understood and that decision making is transparent and can be tested against the terms of reference.
- 6.1.9 The creation of this Board would also be accompanied by the making of more formal arrangements between the ALMOs and Area Management, local partnerships and the emerging locality working arrangements. In addition, it will be expected that the ALMO Chief Executives and the Council's Strategic Landlord will work more closely together to ensure that services are better aligned. Some of this work has already started with a more formal connection between the ALMOs and Area Management Committees.

6.2.0 A Shared Services Centre (SSC)

- 6.2.1 A significant weakness of the existing model is the duplication of functions and processes across the ALMOs and the Council, which leads to inefficient use of resources. Under the current arrangements, the ALMOs each have their own back office functions which include, for example, HR, Finance, Governance Support and Asset Management. This has in part been developed in response to the approach of the Audit Commission in the regulation the ALMOs and their insistence that each organisation is independent of each other and the Council, leading to the duplication of services across the three companies.
- 6.2.2 The Council also provides services from within the Strategic Landlord Group because they are not capable of being split amongst more than one ALMO. Examples of this are the administration of the advertising process in Choice Based Lettings and the procurement and administration of capital contracts. This split in processes is also inefficient and wasteful of resources.
- 6.2.3 A solution which would make better use of resources, and would unify processes, is to centralise these types of services within a Shared Services Centre. This would enable a single back office function to be created, which in addition could, where appropriate, take on services paid for by the HRA currently provided by the Department. A list of services which are proposed to be delivered from the SSC is set out below. It is proposed that the strategic service centre is managed by a nominated Chief Executive and is accountable to the strategic body.

Shared Service Centre Proposal

Corporate Support	Operational Support	Asset Management Support
Finance	Choice Based Lettings	Procurement
HR	Paralegal (possible secondment only)	Contract Administration
ICT	Leasehold management	Commercial Asset Management
Service and Performance Standards	Disrepair	HRA assets – small land / gardens, misc prop leases
Governance		Technical Monitoring
Marketing		Contract Compliance
Procurement		Contract Management
Housing Applications Support Team (Strategic Role around Systems to remain at Leeds City Council)		Investment Planning

- 6.2.4 An illustration of the advantages is in the area of asset management, procurement, contract administration, contract compliance and investment planning. There is evidence of weakness in the current arrangements in these areas, a major factor being that resources with the necessary skills and expertise are spread too thinly between the ALMOs and the Council, resulting in these vital functions being under developed and not as effective as they could be. A unified group within the SSC could develop a single approach to procurement, provide a skilled unit to administer revenue repairs and capital contracts, maximise the resources for scheme delivery and provide expertise in asset management and investment planning.
- 6.2.5 The estimated recurring savings from the creation of a SSC are £1.6m per annum. This saving can be achieved by the reduction of 8 senior management posts, as a result of the removal of the duplication of support services, equating to £500k per annum, with a further 41 posts saved in both operational and corporate support posts, providing the balance. Further savings are anticipated through the subsequent process reviews. One of the key areas for savings is efficiencies generated from procurement. It is estimated that with a consistent approach to quality and cost across the city, for example within repairs and maintenance contract management, the model should be able to deliver efficiencies of around 2.5% per annum over and above those that could be achieved by the ALMOs acting separately. On this basis this would deliver an efficiency of £3m over 2011/12 and 2012/13 on the new contracts currently in procurement and due to commence on 1st April 2011.
- 6.2.6 The Council also has a management agreement with a Tenant Management Organisation (TMO). Whilst the terms of this arrangement are different to those with the ALMOs, once the SSC is established, the TMO will be invited to explore the benefits this new approach can offer them.
- 6.2.7 The benefits of this model can be summarised as follows:
- The model retains a clear local focus
 - Service is responsive to community needs
 - Tenants remain influential in the decision making process
 - Continuity of service delivery
 - The Strategic Governance Board will remove the city versus local tension
 - Supports the Council's vision of locality working
 - Offers savings of £1.6m from the creation of the SSC

7.0 One ALMO Model with a SSC

7.0.1 The option to develop a single ALMO solution has a number of attractions. Arguably the model allows both objectives of strategic overview and efficiency to be achieved with greater clarity. The creation of a single board would deal simply with the issues the Strategic Board under the previous option are designed to deal with. Similarly the move towards a single organisation, under a single Chief Executive, would enable efficiencies to be delivered through a centralisation of functions.

7.0.2 In addition to the savings offered through the centralisation of support functions, the model would reduce the existing number of JNC posts by 8 in total. 2 Chief Executive posts would be lost along with 6 senior management posts. In effect this would remove two of the 3 ALMO senior management teams. This would create a saving of £664k. However, these savings are likely to be offset in part by a need to strengthen local management as a result of the enlarged organisation. This cost is estimated at £214k, resulting in a net saving of £450k. It is estimated that together with the centralisation of support function this option would save around £2.05m.

7.0.3 Although these are powerful arguments in favour, there are, nevertheless, considerable disadvantages to pursuing the single ALMO option. A move to a one ALMO model would involve significant upheaval to the current delivery arrangements and would risk a dip in service delivery as experienced after the 2006/7 review, which took the number of ALMOs from six to three. A third major reorganisation in 8 years will in itself be costly. A shift to a single ALMO would almost certainly alienate the many Board members and tenants who have contributed to the ALMOs over the years and undermine attempts at future engagement. Tenants may also view this move as similar to going back to the Council, with decision making becoming centralised and therefore remote and unresponsive to their needs in their localities. In order to overcome this it is likely that the role of Area Panels would need to be strengthened in order to retain a local focus, which in itself could lead to complicated governance. The remoteness of decision making could also make ALMO engagement in the Council's move to locality working more complex.

7.0.4 The benefits of this model can be summarised as follows:

- A single Board
- City wide standards
- Offers savings of £2.05m
- A single relationship with the Council
- Could retain a local focus through strengthened Area Panels

7.0.6 The risks associated with this model can be summarized as follows:

- Board becomes remote
- Tenants see this option as removing local focus
- High set up costs and risk of a performance dip in front line services during change
- The size of the organisation risks it becoming unresponsive to local needs
- It would be by far the largest ALMO in the country.
- Strengthened role for Area Panels could lead to tensions with the Board

8.0 Conclusion

8.0.1 Neither of the models will deliver the shortfall in capital funding identified in the 30 year investment plan. However, both models are capable of improving on the key weaknesses identified in the operation of the current model. In determining whether a three ALMO model

or a single ALMO model is best, a judgement has to be made as to the benefits of taking additional savings with the single ALMO, against the benefits of continuity and localism offered by three.

- 8.0.2 The single ALMO model can deliver additional savings of £450k per annum through the reduction in senior management. However, against that Executive Board has to weigh the risks of a single Board becoming remote and tenants' concerns that the organisation no longer responds to local needs. The model would not offer the best support to the Council's strategy of locality working. The reform would cause upheaval which would be costly to implement, may damage service in the short to medium term and undermine the considerable efforts of tenants and boards who operate the current model.
- 8.0.3 It is when considering these issues that on balance it is felt that the three ALMO model is the best option, as it offers stability of service and retention of a locality focus. Tenants will have no concerns about their involvement in decision making. It is important, however, that the reforms proposed are made to rectify the key weaknesses with the current model and deliver annual savings of £1.6m.
- 8.0.4 Subject to agreement on the model, it is proposed to make some minor changes to the ALMO boundaries, so that they align with the ward boundary changes which were made in 2004. This will assist ward Members and locality working arrangements.

9.0 Consultation

- 9.0.1 Consultation commenced with two events for all ALMO Board members at which they were invited to identify the strengths and weaknesses of the current ALMO model and make suggestions as to how to make improvements. The outcomes from these events were fed in to the context of the review. More specifically four core "business principles" were agreed. They were that any changes should be capable of:
- Sustaining and improving the recent capital investment
 - Meeting tenants aspirations for the quality of service delivery
 - Staying Local
 - Maintaining and increasing tenant empowerment and involvement
- 9.0.2 A project board was set up that comprised of the ALMO Chairs, one other ALMO Board member, BITMO Chair, ALMO Chief Executives and BITMO Chief Executive. This Board was chaired by the Chief Housing Services Officer. The role of the Board was to make decisions as the project moved forward so as to ensure that the ALMOs were fully engaged with the process.
- 9.0.3 Latterly, officers have visited the three Boards for a final discussion on the proposals contained within this report. Specific feedback has been received as follows

ENE

- The Board are supportive of the proposals to retain three ALMOs with the proposed reforms
- The approach is seen as the best way to continue to improve performance and services to tenants
- The Board would welcome further dialogue on the development of the reforms

WNW

- Whilst the Board has not made a formal recommendation, the general opinion of the Board was that a three ALMO option with the proposed reforms was the preferred option.

- The Board would welcome the opportunity of a continued dialogue on the development of the new model
- The Board supports the Council to drive further value for money efficiencies and consistent services to achieve excellent standards of service
- The Board is extremely keen to retain a strong locality focus and for this to continue through maintenance of local governance arrangements
- The Board felt it essential that tenants are consulted on any major changes connected to the review.

AVH

- The Board are supportive of the proposals to retain three ALMOs with the proposed reforms
- The Board viewed the proposals as an opportunity for the ALMOs and the Council to work together in a more collaborative manner
- The Board were keen to see clear terms of reference for the Strategic Governance Board to ensure that there were transparent evidence based decisions

10.0 Financial Reforms

- 10.1 The requirement that the ALMO's earmark sufficient reserves to cash back the FRS17 liability is premised on the possibility that at some point in the future the Council's housing stock, following an option appraisal, could be transferred to another Registered Social Landlord (RSL). Such an organisation would be unwilling to take on the FRS17 liability unless there was a corresponding transfer of resources equivalent to the liability. Therefore, if there were insufficient resources available in ALMO reserves to meet the accumulated net pension liabilities when Council housing stock transferred, then the Council, acting as guarantor, would be required to fund the difference.
- 10.2 The effect of this requirement to make provision has seen the need to tie up £31.5m of cash reserves. The reforms proposed below allow for this money to be released so that it can be used to sustain the ALMO business plans over the next three years and allow the Council to determine how to allocate the remaining resources in line with strategic priorities.
- 10.3 The previous Government's recent consultation paper on the reform of the HRA suggests that overhanging debt will be left with an Authority after the transfer of its housing stock, making the transfer of housing stock not financially viable, as the Council would be left having to resource residual housing debt but without a revenue stream to fund this. Therefore the requirement to completely cash back the net pension liability in ALMOs is less of a requirement since transfer of the housing stock to an RSL is not a financially viable option at the present time.
- 10.4 The 2009/2010 cash position has been projected forward to March 2013 i.e. the end of the current contract between the ALMOs and the Council for the management of the Council's housing stock. This projected position is summarised in the table below.

Organisation	Cash Reserves @ 31.3.2010*	Projected Cash Reserves @ 31.3 2013	Projected Cash Reserves @ 31.3.2013 (net of FRS17 Liability)
	£000	£000	£000
AVHL	5,035	2,889	(6,159)
ENEHL	10,368	5,664	(13,846)
WNWHL	13,352	6,968	282
Total	28,755	15,521	(19,723)

* NB - cash reserves in the table above are net of the £1m working balance that the Council requires each ALMO to retain.

As the table above shows, it is projected that cash reserves held by the ALMOs will have reduced by £13.234m from 31st March 2010 to 31st March 2013 (i.e. from £28.755 m to £15.521m). This takes into account the projected surpluses, deficits and commitments for the use of resources as identified in the ALMOs latest Business Plans.

- 10.5 Given this, it is considered appropriate that the Council acts as guarantor to the ALMOs net pension liabilities held within the West Yorkshire Pension Fund. This effectively means that if the ALMOs are not able to continue to pay the required contributions to the pension fund then the Council would be liable for any shortfall. This would be consistent with the approach taken on other Council companies such as Education Leeds and the Grand Theatre. It is also consistent with the approach taken by other Local Authorities with ALMOs. As a consequence of this guarantee, the ALMOs would no longer be required to set aside their reserves to cover future pension liabilities. Under this guarantee, the ALMO reserves would be sufficient to meet their identified business requirements as reflected in their current Business Plans, and allow the balance of ALMO cash reserves to be transferred to the Housing Revenue Account (HRA) to reflect the fact that the HRA (i.e. the Council) is taking on the responsibility for guaranteeing the FRS17 liability.
- 10.6 Whilst the ALMO business plans show significant deficits between now and 2013 they will remain sustainable until 2013 with the use of usable cash reserves made available. This allows the recurring savings to be generated from the delivery model proposals contained in this report, together with existing cashable efficiency plans already identified by the ALMO's to be generated over the period to April 2013, to achieve financial sustainability from annual resources.
- 10.7 Following the outcome of decisions relating to the reform of the HRA, it will be necessary to review the funding arrangements for the ALMOs and the TMO in the light of the reform and an assessment of needs.

11.0 Implications For Council Policy And Governance

- 11.1 The creation of a Strategic Governance Board will make a difference to current governance arrangements. The Strategic Governance Board will have responsibility for setting the strategic framework within which the ALMOs will operate. The ALMO Boards will continue to manage decisions within their areas but in accordance with the strategic decisions.
- 11.2 The creation of the Strategic Governance Board will not affect the Council's Executive Board in relation to the delegated responsibilities to the ALMOs.
- 11.3 There have been initial discussions with the Council's legal services department and these will continue as the Strategic Board is established.

12.0 Legal And Resource Implications

- 12.1 A key lesson learnt from the move from six to three ALMOs was that the project implementation needs to be carefully planned and phased so as to see a smooth transition and to offset dips in performance.
- 12.2 It is proposed to begin this process after the decision of the Executive Board with a phased implementation from 1st April 2011.

13.0 Conclusions

- 13.1 The appraisal of organisational options to deliver future investment need in the city's housing stock has concluded that none of the appraised solutions can deliver the required investment. HRA reform may assist the city in meeting its investment need but the detail of the proposals still has to be made clear.
- 13.2 Given this position, the appraisal has concentrated on the arrangements most likely to deliver the best services to tenants and which align with the Council's broad objectives. It is recommended that the 3 ALMO model should remain subject to the implementation of key reforms, notably the introduction of a Strategic Governance Board and a Shared Service Centre. These reforms will tackle some of the key weaknesses of the current model by improving the strategic decision making and bringing about efficiencies and consistent processes in the back office and support functions without affecting front line services.

14.0 Recommendations

- 14.1 The Executive Board is asked to agree the following recommendations:
- 14.2 to support the continuation of the three ALMO model
- 14.3 to agree the establishment of the Strategic Governance Board and a Shared Services Centre as set out in this report.
- 14.4 to agree to revisions of the Management Agreements and constitutions of the ALMOs to reflect the role of the Strategic Board.
- 14.5 to phase the implementation from 1st April 2011, with work beginning immediately on the change programme.
- 14.6 to agree to the proposals for the future arrangements of the provision of FRS17 in relation to the ALMOs.
- 14.7 to transfer ALMO cash reserves not identified to be used to sustain their business plans to the HRA.
- 14.8 to require the Director of Environment and Neighbourhoods, together with the ALMO Chief Executives, to bring a report back to the March 2011 Executive Board, outlining progress towards implementation of the above recommendations and the savings both achieved and planned.

Background Papers

Executive Board Report – January 2009



Report of the Director of Environment and Neighbourhoods

Neighbourhoods and Housing Scrutiny Board

Date: 6th January 2011

Subject: The Future of Council Housing – The Strategic Governance Board

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1. This report provides Scrutiny Board with the opportunity to comment on the terms of reference for the new Strategic Governance Board. The Council has been carrying out a review into the future of council housing in Leeds. The results of this review were reported to the Executive Board at its meeting in November 2010. Amongst the recommendations in the report was one to create a Strategic Governance Board with representation from the ALMOs, BITMO and the Council. The Board will be chaired by the Executive Member for Neighbourhoods and Housing. The Board would have two clear roles. One is for the ALMOs and BITMO to come together to agree common approaches on key service delivery issues and to take these decisions back to their Boards for ratification. The other is for the Board to make recommendations to the Council on the development of policy and strategy.

1.0 Purpose Of This Report

- 1.1 To offer members of the Scrutiny Board the opportunity to comment on the terms of reference for the Strategic Governance Board as recommended by the Executive Board in the report on the future of council housing in November 2010.

2.0 Background Information

- 2.1 Leeds established six ALMOs in 2003 and submitted a bid to the government for £450m additional investment credits to enable the council housing in Leeds to reach the government's decent homes standard. By late 2004 all six had achieved a two star status with the Audit Commission and were eligible to draw down the money.
- 2.2 Since 2003 the ALMOs have been delivering programmes of capital works and are on target to meet the government's decent homes target by the end of 2010. By the end of 2010/11 around £825m will have been spent making Council housing decent.
- 2.3 In 2006 Leeds reviewed the number of ALMOs in the city and reduced them to three. The main drivers for the change were financial viability and reducing stock numbers. That review established three financially viable ALMOs that would be able to complete the decency programme by the end of 2010/11. Now that the decency investment programme is coming to a close the Council has undertaken another options appraisal to identify a suitable model for the future of council housing in the city.
- 2.4 The results of the appraisal were reported to the Executive Board at its November 2010 meeting and were subsequently called in to this Scrutiny Board. The Board agreed to release the decision subject to further involvement in the development of the Executive Board recommendations.
- 2.5 This report offers members of the scrutiny Board the opportunity to comment on the terms of reference for the Strategic Governance Board the creation of which was one of the key recommendations contained within the Executive Board report.

3.0 Main Issues

- 3.1 A significant weakness in the current arrangements is the lack of a co-ordinated approach to the delivery of the services delegated to them amongst the ALMOs. This independent approach has in part been driven by the inspection regime of the Audit Commission. This has been particularly evidenced by the lack of a joined up approach to asset management and investment planning, the development of service standards, multiple Service Level Agreements with Council services, contract procurement and the management and terms and conditions of employees. The abolition of the current inspection regime offers a different approach with less emphasis on the ALMO's standing alone.
- 3.2 Another significant weakness has been the lack of an overall strategic approach in the delivery of services by the ALMOs. Much of this has been due to there not being any formal arrangements linking the ALMOs with the Council's strategic arrangements, nor with other delivery structures such as Area Management. The result of this has been patchy engagement that has relied on best endeavours of individuals. Any future model needs to address this issue.
- 3.3 It is proposed to establish a new Strategic Governance Board. The Board would not take on any existing powers currently placed with the Executive Board, nor would it directly manage local delivery of services. It is proposed that the Board would meet to agree key high level strategies to ensure that there are joint approaches across the ALMOs on key issues. The ALMO Boards would remain responsible for the decisions relating to local service delivery. However, in so doing it would be expected that the Chairs of the Boards and their Chief

Executives would work together to ensure that there was greater standardisation in the delivery of those services.

- 3.4 This Board would also offer a formal arrangement through which the ALMOs would be able to meet with the Council to discuss the development of key Council strategies such as the Housing Strategy.
- 3.5 This arrangement would better align the delivery of services but still allow the ALMOs to retain a locality focus concentrating on delivering a high quality service under agreed terms. In so doing this would remove the tension that has often existed between city aspirations and local independence. The independence would remain in the delivery but it would be in the context of agreed city wide objectives.
- 3.6 An example of how this would work is in Investment Planning. Given that resources are to reduce, it will be important that a city wide investment plan is developed that is based on good quality asset management information that allows the informed prioritisation of need in order to make best use of resources to maintain the asset condition. The new Strategic Governance Board will receive the intelligence and make a strategic decision on the distribution of resource across the city, based on the need identified from the data, rather than the formulaic approach operated at present. The ALMO Boards would then have responsibility for ensuring that the various programmes are delivered and that asset management systems are continuously updated with the results of those programmes. The Executive Board would continue to agree and monitor the capital programmes as it does now.
- 3.7 A further example of the work that the new Strategic Governance Board would oversee is the harmonisation of terms and conditions. Since the creation of the ALMOs in 2003 there has been a move away from the terms and conditions as operated at the time by the Council and with which the staff were TUPE transferred. The changes made have not been uniform across the ALMOs and have not always mirrored those changes introduced by the Council. The impact has been that a range of terms and conditions now exist which adds to the complexity of management arrangements and does not assist with the movement of staff between ALMOs or between ALMOs and the Council. The Board would also be charged with negotiating single service level agreements with the Council, ensuring best practice across the city.
- 3.8 The reform, to create the Strategic Governance Board, will require changes to the current management agreements and constitutions of the ALMOs. The management agreements and constitutions will need to be re worked in such a way that they make clear those responsibilities and functions that will be held jointly and those which will be solely for the individual ALMO. In addition, clear and precise terms of reference will need to be developed to ensure that its purpose is clearly understood and that decision making is transparent and can be tested against the terms of reference.
- 3.9 The creation of this Board would also be accompanied by the making of more formal arrangements between the ALMOs and Area Management, local partnerships and the emerging locality working arrangements. In addition, it will be expected that the ALMO Chief Executives and the Council's Strategic Landlord will work more closely together to ensure that services are better aligned. Some of this work has already started with a more formal connection between the ALMOs and Area Management Committees.
- 3.10 The proposed terms of reference are attached at appendix 1

4.0 Implications For Council Policy And Governance

- 4.1 There are no implications for Council policy and governance as this new Board will not take any powers that either currently rest with the Executive Board or those powers that rest with the Director of Environment and Neighbourhoods through delegation schemes

5.0 Legal And Resource Implications

5.1 None

6.0 Conclusions

6.1 The creation of the Strategic Governance Board is a key reform to the current arrangements. It will enable key weaknesses, in the current ALMO model to be addressed by creating a Board that will better align strategic decisions and improve the consistency in the delivery of services.

7.0 Recommendations

7.1 Scrutiny Board is asked to offer comments on the attached terms of reference.

The Future of Council Housing in Leeds Project - Strategic Governance Board

Purpose

1. This paper sets out proposals for the establishment of the Strategic Governance Board as part of the reforms to the future of council housing approved by the Executive Board on 3rd November 2010.

Background

1. The future of council housing project identified that the weaknesses with the current governance arrangements between the Council and its three ALMOs were that:
 - There is a lack of a co-ordinated approach to the delivery of the services delegated to the ALMOs. This independent approach has in part been driven by the inspection regime of the Audit Commission. This has been particularly evidenced by the lack of a joined up approach to; asset management and investment planning; the development of service standards; multiple Service Level Agreements with Council services; contract procurement; contract management and terms and conditions of employees. The abolition of the current inspection regime offers a different approach with less emphasis on the ALMO's standing alone.
 - There are no formal arrangements to provide the ALMOs with connectivity into the Council to allow opportunity for participation in the development of strategies and policies. Equally there are no formal arrangements by which the ALMOs can work together collectively and/or with other locally based service providers from the Council. An example of this is the lack of formal arrangements for locality working with Area Management.
 - These arrangements lead to a best endeavours approach to engaging with the Council's strategic vision and plans and its locally based service providers, thereby losing the opportunity to influence and play a key role in the creation of improved, strong and healthy communities. Without the overarching Council strategy and priorities, independent decision making at ALMO Board level can lead to tensions between city aspirations and local decisions.
2. To resolve these issues the project proposed:
 - To establish a new Strategic Governance Board. The Board would not take on any existing powers currently placed with the Executive Board, the delegated decision scheme with the Director of Environment and Neighbourhoods and the ALMO Boards, nor would it directly manage local delivery of services.
 - It is proposed that the Board would meet to agree key high level strategies to ensure that there is a joint approach on key issues across the ALMOs. The ALMO Boards would remain responsible for the decisions relating to local service delivery. It would be expected that the Chairs of the Boards and their Chief Executives would work together to ensure that there was greater standardisation in the delivery of those services.
 - The Board would also maintain an overview on the performance of the Shared Service Centre and the ALMO representatives on the Board would take decisions on the performance of and the provision of services within the Shared Service Centre and on relationships with the Council
 - This Board would also offer a formal arrangement through which the ALMOs would be able to meet with the Council to discuss the development of and make recommendations on key Council strategies such as the Housing Strategy and the Regeneration Strategy.

- This arrangement would better align the delivery of services whilst enabling the ALMOs to retain a locality focus concentrating on delivering a high quality services under agreed terms. This would remove the tension that has often existed between city aspirations and local independence. The independence would remain in the delivery but it would be in the context of agreed city wide objectives.

Membership

1. The members of the Board will be
 - The Executive Member for Environments and Neighbourhoods
 - The Director of Environment and Neighbourhoods
 - The Chief Statutory Housing Officer
 - The Head of Housing Partnerships
 - The Chairs of the three ALMOs
 - The Chief Executives of the three ALMOs
 - The Chair of BITMO
 - The Chief Executive of BITMO

Objectives

Leeds is a vibrant, successful and growing modern city with a thriving quality of life. In order to ensure that Leeds can develop and grow in the way the Council wants it to grow, it is essential that there is good quality council housing in the city that meets the needs, requirements and aspirations of tenants and prospective tenants.

The Strategic Governance Board will play a key role in delivering those needs, requirements and aspirations by providing a strategic approach to increasing the quality of accommodation for tenants and the quality of services delivered to tenants. This will be done by:

- providing an opportunity for involvement in the planning and delivery of the Council's key objectives
- ensuring that all decisions taken support the Council's vision for Leeds and its key strategic objectives as set out in strategies such as the Housing Strategy and the Regeneration Strategy
- being a forum for discussions about the development and delivery of the Housing Strategy and its associated strategies
- providing a strong governance lead to the ALMO/BITMO boards
- providing strategic guidance to the ALMO/BITMO Boards on a range of key policies such as but not limited to investment, adaptations, safeguarding, the Leeds Service Offer ensuring value for money and uniform approaches in all decisions
- providing regular progress reports to the Council
- ensuring that all decisions taken within the Board are uniformly implemented by the ALMO/BITMO Boards
- ensuring that ALMO/BITMO business plans reflect the priorities agreed by the Board
- providing investment data so as to maintain the currency of the Leeds Investment Plan
- taking decisions on the priority of investment in Council Houses
- Overseeing the co-regulation of the ALMOs/BITMO
- overseeing the delivery and maintenance of common terms and conditions for all staff within the ALMOs and BITMO
- agreeing the development of the shared service centre
- discussing the performance of the shared Service Centre and the Service Level Agreements with the Council.

Terms of Reference

1. The development of the terms of reference has been done in the light of some key principles. These have been established following initial discussions with officers from the Council's legal services division and are that:
 - There will be no changes to the delegation scheme under the Council's constitution
 - The current delegation arrangements mean that strategic housing matters are within the remit of the Director of Environment and Neighbourhoods/ the Chief Housing Officer, or in appropriate cases, the Executive Board
 - Specific housing management arrangements are delegated directly from the Executive Board to the ALMOs and BITMO.
 - Functions of the Executive Board can only be delegated to committee of the Board, or to a single member of the Board or to officers.

The Strategic Governance Board could, therefore, not receive delegated powers from the City Council as this would require changes to the Council's constitution which are not proposed as part of the Future of Council Housing Project.

Terms of Reference

- The Board will meet bi monthly but may meet at other frequencies as required
- The Executive Member for Environment and Neighbourhoods will chair the Board
- The ALMO/BITMO representatives on the Board may make recommendations in relation to the delegated functions and the existing ALMO constitutions will be amended to reflect this
- The ALMO/BITMO representatives on the Board will make decisions in relation to the provision of services and performance within the Shared Service Centre
- The Boards recommendations will be reached through discussion
- The Board's decisions will be recommended to the ALMO/BITMO Boards
- The ALMO/BITMO representatives on the Board can make recommendations to the Council on non delegated functions
- The Board can require other officers from either the Council or the ALMOs/BITMO to attend the Board for specific discussions
- The Board will have formal agendas and minutes will be kept of discussions
- The minutes of the Board will be a matter of public record through the publication of the ALMO/BITMO Board papers

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Scrutiny Board (Environment and Neighbourhoods)

Inquiry to Review of the Establishment of a Shared Services Centre (SSC) for the Leeds ALMOs

Draft Terms of Reference

1.0 Introduction

- 1.1 The November 2010 Executive Board approved a report on the future of council housing in Leeds. The report was subsequently called in and was discussed at a special meeting of the Environment and Neighbourhoods Scrutiny Board on 23rd November 2010.
- 1.2 The Executive Board report was released but in so doing it was agreed that the Environment and Neighbourhoods Scrutiny Board would carry out an inquiry in to one of the key recommendations of the report, the establishment of the Shared Services Centre (SSC).

2.0 Proposed Approach for the Scrutiny Review

- 2.1 It is important that the Scrutiny review compliments the wider piece of work already being undertaken to establish the SSC. To this end the work already underway will not stop but the findings of this review will be fed in to the final principles of the SSC.

3.0 The Scope of this Inquiry

- 3.1 It is proposed that the Scrutiny review will look in to three key facets in the establishment of the SSC:
- The potential for achieving the savings identified within the Executive Board in establishing the SSC and offer views on how further efficiencies could be made
 - The best fit of services to be delivered within the SSC
 - The potential to develop single service level agreements with services delivered to the ALMOs by Council service departments

4.0 Proposed Methodology and Timetable

- 4.1 It was agreed at the call in meeting on 23rd November 2010 to establish a working group to lead the inquiry in to this work. It is proposed that Scrutiny Board agree the membership of this group and that three meetings are convened in 2011 so that a report can be published by 31st March 2011.

5.0 Comments of the Relevant Director and Executive Board Member

- 5.1 The Director of Environment and Neighbourhoods and the relevant Executive Board Member have been requested to comment on these terms of reference.

6.0 Witnesses

- 6.1 The working group will want to call a range of officers from both the Council and the ALMOs to hear evidence.

7.0 Monitoring Arrangements

- 7.1 Following the completion of the scrutiny inquiry and the publication of the final inquiry report and recommendations, the implementation of the agreed recommendations will be monitored.

7.2 The final inquiry report will include information on the detailed arrangements for monitoring the implementation of the Board's recommendations.

8.0 Measures of success

8.1 It is important to consider how the Board will deem whether its inquiry has been successful in making a difference to local people. Some measures of success may be obvious at the initial stages of an inquiry and can be included in these terms of reference. Other measures of success may become apparent as the inquiry progresses and discussions take place.

8.2 The Board will look to publish practical recommendations.



Originator: Richard L Mills

Tel: 2474557

Report of the Head of Scrutiny and Member Development

Scrutiny Board (Environment and Neighbourhoods)

Date: 6th January 2011

Subject: Work Programme, Executive Board Minutes and Forward Plan of Key Decisions

Electoral Wards Affected: All

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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 as Appendix 2 and 3 respectively are the latest Executive Board minutes and the Council's current Forward Plan relating to this Board's portfolio.

2.0 Recommendations

2.1 Members are asked to;

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

Background Papers

None used

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SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
<p>Meeting date: 6th January 2011* Reports required by 19th December 2010 This meeting is the Scrutiny Board meeting which was scheduled for the 13th December which was postponed due to the fact that the Government delayed the announcement of the Budget allocation.</p>			
<p>Initial Draft Report for Pre Meeting Inquiry on Gypsy and Travellers site provision within Leeds</p>	<p><i>PRE MEETING ONLY</i> To consider the Working Group's draft report and recommendations on gypsy and travellers site provision within Leeds.</p>	<p>The terms of reference for this inquiry were considered by the Scrutiny Board on 11th October 2010.</p>	<p>RP</p>
<p>Initial Budget Proposals by the Executive Board for 2011/12</p>	<p>To consider the Executive Board's initial budget proposals for 2011/12 to be published on 15th December 2010</p>	<p>The Scrutiny Board is invited to comment on the Executive Board's proposals by 21st January 2011.</p>	<p>RP/DP</p>
<p>Variances against Departmental Budget</p>	<p>To receive a report on variances against departmental budget for 2010/11 (Months 7 & 8)</p>	<p>The Board agreed in September 2010 to receive regular updates on variances against the departmental budget for the main vote heads.</p>	<p>PM</p>
<p>Formal Responses to Previous Scrutiny Inquiry Worklessness</p>	<p>To consider the formal response to the Board's inquiry into Worklessness.</p>	<p>To be considered after the spending review announcement. The Director would like to report on this to the full Scrutiny Board now on 6th January 2011.</p>	<p>DP</p>

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
Formal Responses to Previous Inquiry IOM	To consider the formal response to the Board's previous inquiry into Integrated Offender Management. (IOM).	To consider comments from all our partner.s	DP
Possible Inquiry on acquisitive crime with focus on domestic burglary	The Chief Officer, Community Safety, Superintendent Simon Whitehead has been invited to attend the meeting to talk about the performance indicators and respond to members questions in order to determine whether to undertake an inquiry on this issue.	The Scrutiny Board was asked to agree an inquiry on this issue but Members requested to meet with the relevant officer to discuss this further, particularly as burglary figures have reduced.	PM
Meeting date: 17th January 2011		Reports required by 21st December 2010	
Possible Inquiry on acquisitive crime with focus on domestic burglary	To consider terms of reference for an inquiry on high levels of burglary in parts of the city subject to the outcome of the meeting with the Chief officer , Community Safety	Improvement priority creating safer environment by tackling crime Crime and Disorder responsibility	RP
Recommendation Tracking	This item tracks progress with previous Scrutiny recommendations on a quarterly basis		MSR

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
Vision, LSP and Business Plan priorities	Agree composite response to go to Executive Board.	This could be moved to the February Board meeting	RP
Variances against Departmental Budget	To receive a report on variances against departmental budget for 2010/11.	The Board agreed in September 2010 to receive regular updates on variances against the departmental budget for the main vote heads.	PM
Session 3 - Inquiry on Gypsy and Travellers site provision within Leeds	To consider the Board's final draft report and recommendations on gypsy and travellers site provision within Leeds.	The terms of reference for this inquiry were considered by the Scrutiny Board on 11 th October 2010.	RP
Meeting date: 14th February 2011		Reports required by 26th January 2011	
Variances against Departmental Budget	To receive a report on variances against departmental budget for 2010/11.	The Board agreed in September 2010 to receive regular updates on variances against the departmental budget for the main vote heads.	PM

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
Meeting date: 14th March 2011		Reports required by 23rd February 2011	
Performance Management	To consider Quarter 3 information for 2010/11 (Oct-Dec)	All Scrutiny Boards receive performance information on a quarterly basis.	PM
Variances against Departmental Budget	To receive a report on variances against departmental budget for 2010/11.	The Board agreed in September 2010 to receive regular updates on variances against the departmental budget for the main vote heads.	PM
City Priority Plans and Corporate Plans	To consider a report on the City Priority Plans and Corporate Plans	This was deferred from the November 2010 meeting due to uncertainty over the budget announcement	DP
Meeting date: 11th April 2011		Reports required by 23rd March 2011	
Annual Report	To agree the Board's contribution to the annual scrutiny report.		
Variances against Departmental Budget	To receive a report on variances against departmental budget for 2010/11.	The Board agreed in September 2010 to receive regular updates on variances against the departmental budget for the main vote heads.	PM

SCRUTINY BOARD (ENVIRONMENT AND NEIGHBOURHOODS)

Key:

CCFA / RFS – Councillor call for action / request for scrutiny	B – Briefings (Including potential areas for scrutiny)
RP – Review of existing policy	SC – Statutory consultation
DP – Development of new policy	CI – Call in
MSR – Monitoring scrutiny recommendations	PM – Performance management

ITEM	DESCRIPTION	NOTES	TYPE OF ITEM
Suggested Areas for Scrutiny Currently Unscheduled			
Procurement of the Grounds Maintenance Contract for 2011	To continue to oversee the procurement process for the new grounds maintenance contract.	The Board produced an interim Statement in January 2010 with a view to continuing to oversee the procurement of the new grounds maintenance contract.	RP
Vacant Housing	To consider a report on vacant housing	To determine whether the Board wishes to undertake a review of this matter	RP

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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 9th 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 3rd 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 23rd 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 7th 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 13th 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 15th 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 7th 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 2nd January 2011 be approved as follows:

Card Type	Entrance fee including VAT @ 20% £
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 13th 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 17TH DECEMBER 2010

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

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

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LEEDS CITY COUNCIL

FORWARD PLAN OF KEY DECISIONS

Extract relating to Scrutiny Board (Environments & Neighbourhoods)

For the period 1 December 2010 to 31 March 2011

Appendix 3

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Waiver report for a contract for whole house improvements under the Decent Homes standard to ALMO managed properties To agree to waive Contract Procedure rule 13.1 and agree a new contract for whole house improvements and structural repairs to cover the period from 1 January 2011	Director of Environment and Neighbourhoods	1/12/10	Previously undertaken with the ALMOs	None	Director of Environment and Neighbourhoods john.statham@leeds.gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Belle Isle Tenant Management Organisation contract extension - waiver report Decision to permit extend current responsive repair contractor for 6 months until October 2011	Director of Environment and Neighbourhoods	1/12/10	Previously undertaken – BITMO Board	Report to decision panel	Director of Environment and Neighbourhoods chris.simpson@leeds.gov.uk
Golden Triangle Partnership extension scheme Award construction contract to George Hurst and Sons Ltd in line with procurement exercise	Director of Environment and Neighbourhoods	1/12/10	2 week ward member consultation across the following wards: Alwoodley, Otley and Yeadon, Wetherby and Harewood	Tender evaluation report (compiled by ERYC)	Director of Environment and Neighbourhoods lee.paton@leeds.gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Request to enter into a Supporting People Contract with St Anne's Community Services Floating Supported Living Service at a total contract value of approximately £260,284.24 per annum Authorisation to enter into a Supporting People Contract with St Anne's Community Services Floating Supported Living Service at a total contract value of approximately £260,284.24 per annum	Director of Environment and Neighbourhoods	1/12/10	n/a	Report to be presented to the Delegated Decision Panel	Director of Environment and Neighbourhoods neil.evans@leeds.gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Farsley Andrew Street car park, toilet block and Ginnel: Re-development works</p> <p>Support the scheme design and implementation. Give authority to spend £283,100 from Town and District Centre Regeneration Scheme: Andrew Square Farsley 12154/AND/000</p>	<p>Director of Environment and Neighbourhoods</p>	<p>1/12/10</p>	<p>Consultation has already been undertaken with Local Councillors</p>	<p>Design and Cost report and feasibility study</p>	<p>Director of Environment and Neighbourhoods sam.woodhead@leeds.gov.uk</p>
<p>Restructure of Senior Management (JNC) within Environment and Neighbourhoods Directorate</p> <p>To approve the restructure of Senior Management (JNC roles) within Environments and Neighbourhoods Directorate</p>	<p>Director of Environment and Neighbourhoods</p>	<p>3/12/10</p>	<p>n/a</p>	<p>Delegated Decsion Report</p>	<p>Director of Environment and Neighbourhoods neil.evans@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Care Ring replacement programme Authority to spend on full scheme	Executive Board (Portfolio: Neighbourhoods and Housing)	15/12/10	Executive member, Chief Executives – Leeds ALMO's	The report to be issued to the decision maker with the agenda for the meeting	Director of Environment and Neighbourhoods bridget.emery@leeds.gov.uk
Small scale solar photovoltaic initiative To endorse the development of a scheme to install a minimum of 1000 solar photovoltaic (PV) systems on Council Housing at zero capital cost, which will generate an income of £3.4m over 25 years	Executive Board (Portfolio: Neighbourhoods and Housing)	15/12/10	Environment and Climate Change Working Group (complete); CLT (complete); Strategic Landlord and ALMO Chief Officers (22 nd November); tenants (February 2011 onwards).	The report to be issued to the decision maker with the agenda for the meeting	Director of Environment and Neighbourhoods george.munson@leeds.gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Developing a Rent to Mortgage Housing Model</p> <ol style="list-style-type: none"> 1. Approve the implementation of a "Rent to Mortgage" scheme as set out in this report. 2. Approve in principle 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. 3. Approve the eligibility criteria for participation in the scheme as annexed to this report. 4. Delegate the ability to make changes to the eligibility criteria to the Director of Environment and Neighbourhoods. 5. Subject to all necessary consents being obtained delegate the settlement of detailed terms for the leases to East North East Homes Limited to the Director of City Development. 6. Delegate the determination of the terms of the assured shorthold tenancy (including the amount of 	Executive Board (Portfolio: Neighbourhoods and Housing)	15/12/10	Ward member consultation, 2009	The report to the decision maker with the agenda for the meeting	Director of Environment and Neighbourhoods maggie.gjessing@leeds.gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Request to invoke the second one year extension to the Supporting People Contract currently held with Leeds Irish Health and Homes</p> <p>Authorisation to invoke the second 12 month extension to the 3(+1+1) year contract currently held with Leeds Irish Health and Homes at an annual value of £304, 547.65</p>	<p>Director of Environment and Neighbourhoods</p>	<p>1/1/11</p>	<p>n/a</p>	<p>Report to be presented to the Delegated Decision Panel</p>	<p>Director of Environment and Neighbourhoods neil.evans@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>The Leeds Local Investment Plan (LIP), 2011-15</p> <p>Approval of the Leeds LIP. This includes : -</p> <p>1 The strategy element, which consists of the aims and objectives for regeneration in Leeds, the rationale for determining Leeds' spatial and thematic regeneration priorities over the next four years, and the approach to measuring outcomes in terms of improvements to place.</p> <p>2. The programme element, which sets out the city's key regeneration investment opportunities, spatially and thematically, and the investment request of the Homes and Communities Agency (HCA) - and other potential investors - to deliver the desired outcomes.</p>	<p>Executive Board (Portfolio: Neighbourhoods and Housing)</p>	<p>5/1/11</p>	<p>A wide-ranging consultation process has been ongoing since Autumn 2009 on the Leeds Regeneration Framework – the overarching 'blueprint' for regeneration in Leeds that provides the strategic context and direction of the LIP. This has been led by the Chief Regeneration Officer, and has involved a large number of internal and external stakeholders, including those in attendance at two peer review workshops held in Summer 2010. The LIP has been developed over the last five months in close partnership with HCA colleagues. It has been informed by ongoing detailed discussions with different parts of the Council and with Members. Further internal and external consultation will take place over the next few weeks to agree the priority investment opportunities within the plan. This will include agenda items at key meetings, including Environment and Neighbourhoods Senior Management Team, City</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>Director of Environment and Neighbourhoods stephen.boyle@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Proposal to Restructure Community Safety Staffing in Leeming House A Director using Delegated Authority</p>	<p>Director of Environment and Neighbourhoods</p>	<p>10/1/11</p>	<p>Full staffed consultation commenced July 2010 including team and individual briefings. Ongoing communications plan in place and followed. Trade Union consultation also commenced July 2010 and ongoing.</p>	<p>DDP Report including appendices, EDCI Impact Assessment Action Plan</p>	<p>Director of Environment and Neighbourhoods neil.evans@leeds.gov.uk</p>
<p>Award of contracts under the Skilled For Success Programme To award contracts with an approximate value of between £40k - £325k per contract. The tendering opportunity is within £500k</p>	<p>Director of Environment and Neighbourhoods</p>	<p>21/1/11</p>	<p>Procurement Unit</p>	<p>Report to award contracts with delegated decision notification will be submitted in January 2010</p>	<p>Director of Environment and Neighbourhoods stephen.boyle@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Adaptation Strategy Endorsing results of detailed bid solution phase. To agree the Adaptation Strategy for implementation	Executive Board (Portfolio: Neighbourhoods and Housing)	11/2/11	Previously undertaken	The report to be issued to the decision maker with the agenda for the meeting	Chief Officer Environmental Services helen.freeman@leeds.gov.uk
ALMO / BITMO Wide Quality Gas Audits Key decision to approve new contract	Director of Environment and Neighbourhoods	1/3/11	With ALMO's / BITMO	Proposed new contract	Director of Environment and Neighbourhoods paul.m.clarke@leeds.gov.uk
City wide Almo properties for Abestos Removal Key decision to approve new contract	Director of Environment and Neighbourhoods	1/3/11	With ALMO's	Proposed new contract	Director of Environment and Neighbourhoods paul.m.clarke@leeds.gov.uk
ALMO and BITMO City Wide Domestic and Commercial Electrical Testing Programme Key decision to approve new contract	Director of Environment and Neighbourhoods	1/3/11	With ALMO's and BITMO	Proposed new contract	Director of Environment and Neighbourhoods paul.m.clarke@leeds.gov.uk

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