

## **SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)**

**THURSDAY, 26TH JANUARY, 2012**

**PRESENT:** Councillor M Rafique in the Chair

Councillors J Akhtar, S Bentley, D Cohen,  
G Hyde, M Lyons, J Matthews, V Morgan  
and P Harrand

**44 Late Items**

No formal late items of business were added to the agenda. The Board were however in receipt of a supplementary document "Transport Planning and Forecasting Data" in support of agenda item 8 – Session 1 Transport Planning Inquiry (minute 49 refers)

**45 Declarations of Interest**

The following Members declared personal 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:

Councillors Lyons and Morgan declared personal interests as Local Authority appointed Members of West Yorkshire Integrated Transport Authority in relation to agenda item 8 Session 1 Transport Inquiry (minute 49 refers).

**46 Apologies for Absence and Notification of Substitutes**

Apologies were received from Councillors Atkinson and Robinson. The Board welcomed Councillor Harrand as substitute member for Councillor Robinson

**47 Minutes**

**RESOLVED** – That the minutes of the meeting held 1<sup>st</sup> December 2011 be agreed as a correct record

**48 2011/12 Quarter 2 Performance Report**

The Assistant Chief Executive (Customer Access and Performance) submitted a summary of the Quarter 2 performance data relevant to this Board which highlighted budget, transport and planning performance as key issues having regard to the Council's Business Plan and City Priorities. The report outlined seven priorities for consideration.

Martin Farrington, Director of Development and Paul Maney, Head of Strategic Policy, Planning & Performance, City Development attended the meeting. Apologies had been received from Neil Evans, Director of Neighbourhoods and Housing. The Board also received apologies from Councillors R Lewis, Gruen and Ogilvie and noted comments from Cllr Cohen expressing disappointment that the invitations to attend had been declined.

Mr Farrington set out the challenges the Department had dealt with in terms of reduced budget and staff numbers and those ahead in relation to the impact of the outcome of the New Generation Transport and the High Speed Rail Network for Leeds. The Board discussed the following:

Major developments – Some applications completed within the 13 week target period due to the good working relationships established between officers and developers which resulted in robust applications being submitted. The Chief Planning Officer had been tasked with looking at how developers can be encouraged to engage early with the department and consistently produce applications ready for determination

Centre for Cities report – Results provided analysis of 64 UK cities and revealed where Leeds stood in comparison to the cohort in terms of growth, employment & skills and entrepreneurial endeavour

BUS 2 Improve Skills priority: requested detail on how the outcomes were measured, the number of apprentices, employed as well as unemployed persons.

BUS 3 Sustainable growth priority: requested detail on the 2007-09 VAT registrations and de-registrations and whether Leeds' experience was specific to the city or reflected the national picture.

Directorate Scorecard Marketing /Promotion: noted that Leeds dropped from 23 to 28 in "best city" status, its actual score was unchanged. Marketing Leeds had been tasked with responding and refocusing its' service. Members requested Marketing Leeds attend future Board meeting, along with Welcome to Yorkshire

Section 106 commitments and measures to:

- encourage developers to pay S106 commitments upfront to ensure the necessary infrastructure was developed in a timely fashion
- generate developers' confidence which will encourage S106 commitments being met. This could involve the public/private sectors working together. LCC could be regarded as being better placed to take risks associated with infrastructure works which would then encourage private development

High Speed Rail – focus should be on high capacity of the new network not the high speed capability and on the route of the second phase beyond Birmingham.

(Councillor Cohen withdrew from the meeting)

Utility works – Noted the Authority was seeking to implement a permit scheme for works undertaken by utility companies in order reduce the impact on development through better co-ordination

**RESOLVED –**

- a) To note the three issues highlighted : Budget, Transport and Planning Performance, and the discussions on the work underway to address the issues
- b) To note the overall progress in relation to the delivery of the Sustainable Economy & Culture City priorities. The Board did not indicate that any further scrutiny work was required at this time in any of those areas but did identify further detail required (as outlined in c below)
- c) The Board identified the following issues requiring further reports/information in order to fulfil their scrutiny role in relation to the delivery of the outcomes for Sustainable Economy & Culture

- i) BUS 2 Improve Skills priority: requested detail on how outcomes were measured, apprenticeship numbers and number of employed as well as unemployed
- ii) BUS 3 Sustainable growth priority: requested detail on the 2007-09 VAT registrations and de-registrations and whether Leeds experience was specific to the city or reflected national picture.
- iii) Directorate Scorecard Marketing/Promotion: requested Marketing Leeds attend a future Board meeting, along with Welcome to Yorkshire

**49 Session 1 - Inquiry into the impact of existing sources of travel movements within the City and plans to address the impact of known future developments on the City's transport infrastructure**

The Board considered the report of the Director of City Development providing an update on major schemes announced since December 2011 and setting out the general approach to transport planning in the city in order to provide the basis for discussion for future Inquiry sessions. The report set out current transport challenges in Leeds; forecasting, planning and delivery of transport projects. An overview of the links between transport and deprivation and the economy was also included.

Members were also in receipt of supplementary document "transport planning and forecasting data" sent out after the despatch of the agenda for the meeting.

The following officers attended the Inquiry Session:  
 Gary Bartlett, Chief Officer, Highways & Transportation  
 Andrew Hall, Acting Head of Transport Policy  
 Tim Harvey, Transport Initiatives Manager  
 Key issues were highlighted as being:

- Transport infrastructure and the balance between commuter traffic movements and the local transport network to service needs of residents.
- Forecasting & planning and the importance of recognising transport as a catalyst for investment into the city. Discussions were ongoing regarding proposals to create a West Yorkshire Transport Fund which would facilitate Leeds taking responsibility for the implementation of local transport policy from the Department for Transport.

(Councillor Akhtar withdrew from the meeting for a short while at this point)

Members requested both bus and train capacity figures for comparison and discussed the following matters:

Bus Routes – commented that routes should be integrated. The response regarding commercial viability and that operators followed growth rather than provided routes for emerging developments was noted. All operators sought city centre routes, thus there was a reduced offer between the suburbs, however it was important to retain routes that linked communities with services

Quality Bus Contracts – the Authority may be in a position to influence fare structure through the bidding process

City centre hub - whether the city centre remained the development/business hub and whether transport planning should refocus on emerging out-of-town developments which tended not to be easily accessible by public transport

Deprivation & accessibility – referred to figure 11 (bus accessibility to the city centre) and commented that the residential areas best served by the bus network were paradoxically areas of highest deprivation in the city. The Board discussed the impact of fare structures on people's ability to travel to services/employment. The Authority had limited influence but could assist/influence fares by negotiating travel packages with providers

(Councillor Harrand withdrew from the meeting for a short while at this point)

Population growth and the need for transport and network planning to accommodate increased volume of travellers

Utility works – Noted the Authority was seeking to implement a permit scheme for works undertaken by utility companies in order reduce the impact on development through better co-ordination. Officers noted the comment that it could be beneficial to notify local ward Councillors in advance of any utility works in their ward along similar lines as planning application notifications

**RESOLVED** – To note the contents of the report and the comments made by Members

(Councillor Cohen withdrew from the meeting)

## **50 Development Directorate : 2011/12 Budget - Financial Position and 2012/13 Initial Budget Proposals**

The Head of Scrutiny & Member Development submitted a report introducing the Development Department 2011/12 financial position including copies of reports to Executive Board setting out the Financial Health Monitoring (Month 7 and Month 8) and Initial Budget Proposals for 2012/13

Mr E Mylan, Chief Officer (Resources & Finance) and Mr S Criddle (Head of Finance) attended the meeting and highlighted that although the required savings were being delivered, problems remained with income streams due to the economic climate and from spending on planning appeals costs

The Board discussed whether planning enforcement costs could be recouped from the person committing offence. It was noted that the Chief Planning Officer would be requested to provide a written response on this matter. Members also commented on burial fee increases and requested that Executive Board be made aware of their concern over the level and timing of the increase.

The Board commended the Department on the measures taken to achieve the savings made so far

**RESOLVED –**

- a) To note the content of the reports on period 7 and period 8 and the comments made by the Board

- b) To note the initial budget proposals for 2012/13 and request that the comments regarding burial fee increases be submitted to the Scrutiny Board (Resources and Council Services) for consideration and inclusion in recommendations to Executive Board

**51 Session 2 - Inquiry into maximising existing powers to promote, influence and create local employment, training and opportunities around major development projects and the purchasing of services**

The Directors of City Development and Environment & Neighbourhoods submitted reports to Session 2 of the Inquiry providing updated information on a number of developments where the use of the S106 obligations had secured employment/training opportunities for local people and supply chain opportunities for businesses. The reports also identified how this approach could be maintained and strengthened through closer working between the relevant services and early engagement of developers.

Sue Wynne – Chief Officer, Employment & Skills; Philippa Toner – Senior Executive Manager, Public Private Partnership Unit and Martin Sellens – Head of Planning Services; attended the meeting

Ms Wynne introduced the report which clarified the methodology of the current practice. The report had been presented to the Planning and Developers Forum on 25 January 2012

Mr Sellens reported that Forum attendees had generally welcomed the authority's approach. The paper had also been discussed at the Planning Joint Member/Officer Working Group which had supported the approach but commented on the following:

- the trigger for schemes with the potential to provide employment training opportunities during construction/end uses without placing unnecessary burden on the developer as being
  - o retail developments over 2,000sqm
  - o residential developments over 250 units. JMOWG suggested this threshold should be 100 units
  - o construction sites over 10,000 sqm
- the definition of "local people". JMOWG supported the ward based approach to this term

The Board considered that large developments having a direct impact on a locality should benefit the residents of the affected wards. Members did acknowledge that some developments would seek regional/national employees or realistically bring some staff to a newly established base, but LCC would work with those residents furthest away from the employment market, providing links to jobs/skills to make them job ready, to enable them to access jobs.

(Councillor Cohen rejoined the meeting at this point)

It was also acknowledged that there were a number of skilled workers seeking employment who were not eligible for LCC assistance; however a specialist firm providing advice/skills marketing had been appointed by Job Centre Plus.

The Board also discussed the impact of the introduction of the Community Infrastructure Levy and how this would operate in conjunction with S106 planning obligations to secure affordable housing and provide jobs & skills and employment.

(Councillor Lyons left the meeting at this point)

Philippa Toner addressed procurement issues and explained that higher profile contracts awarded by LCC sought to reference local services. The report set out those regulations that informed the Councils contract process and requirements and highlighted the legal challenges LCC could face.

The Board noted that a “toolkit” was being prepared in conjunction with LCC Jobs & Skills, to target skill sets; and the Procurement Unit was reviewing all LCC major contracts to assess whether the general approach of local purchasing/employment/training could be incorporated without subjecting LCC to risk of challenge. Consultation with current contractors had been undertaken and the Board requested that the outcome of that review be presented at the 3<sup>rd</sup> inquiry session in February.

The Board discussed:

- the guidance available and sharing of best practice between local authorities, whilst noting that Leeds’ policy had to be tailored to Leeds own economic/business situation. The Social Responsibility Bill was expected to provide authority’s with clarity.
- Members requested the draft toolkit and policy be brought to the 3<sup>rd</sup> session of the inquiry in February if suitably ready for consideration prior to it being presented to Executive Board for approval
- the £100k threshold set for local procurement trigger in line with contract procedure rules/processes with the same trigger and requiring senior staff to manage. 110 contracts had been awarded in 2010/11 which fell within that threshold, but it was not possible to calculate how many jobs those contracts had brought.

(Councillor Matthews left the meeting at this point)

- the strategy being developed for suppliers with multiple contracts which could “bundle” contracts with suppliers to achieve savings and could link to jobs & skills
- the proposal to undertake a 6 monthly review of contracts in conjunction with Jobs & Skills

The Board commented that research on major applications and numbers of jobs directly arising; and an indication of the benefits brought to the city from the council awarding contracts of £400m last year would be beneficial. It was noted that that type of assessment was not currently in place but examples

could be presented of larger developments such as the PFI schemes or the Arena where that approach had been adopted.

**RESOLVED** – To note the contents of the reports and

- a) To note the request for examples of good working practice with employers and contractors be presented to Session 3 of the Inquiry
- b) To note the planned work to support the dissemination of information and closer working between services and the early engagement of developers
- c) To note that the guide “Buying into Communities - jobs, skills and business opportunities from council contracts” recently launched by the Local Government Association will be made available to members and Senior officers via the Councils intranet in an effort to equip them with the knowledge to provide leadership to the delivery of community benefit through procurement
- d) To note the intention to develop a toolkit, including guidance and training, to ensure all necessary factors are appropriately addressed, and relevant legislation complied with when assessing the employment and skills opportunities suitable for particular contracts
- e) To request that the draft toolkit/policy be presented to the Board for comment at the appropriate time if possible prior to its submission to Executive Board for approval
- f) To support the recommendation that employment and skills opportunities should be assessed for every contract valued in excess of £100,000 and included in the tender documents where appropriate, with further work being undertaken to identify additional opportunities with suppliers who hold a number of contracts which cumulatively exceed £100,000
- g) To request that the outcome of the consultation undertaken with contractors be presented at Session 3 of the Inquiry
- h) To request a progress report be presented to the Board in 12 months time

## **52 Work Schedule**

The Head of Scrutiny & Member Development submitted a copy of the Work Schedule for the 2011/12 Municipal Year which had been populated with the priority areas for scrutiny as identified at previous meetings. Copies of the minutes of the Executive Board meetings held 14 December 2011 and 4<sup>th</sup> January 2012 were attached for consideration along with a copy of the Forward Plan covering the period of 1 January to 30 April 2012.

With reference to minute 51 above the Board discussed Session 3 and the attendance of external organisations who could provide their perspective on securing opportunities via S106 obligations or procurement.

**RESOLVED** –

- a) To note the contents of the Work Programme and the requirement for external witnesses to attend Session 3 of the Inquiry into maximising existing powers to promote, influence and create local employment, training and opportunities around major development projects and the purchasing of services

- b) To note any matters raised at this meeting above will be included appropriately
- c) To note the contents of the Forward Plan and the Executive Board minutes

**53 Date and time of next meeting**

**RESOLVED** – To note the date and time of the next meeting as Thursday 23<sup>rd</sup> February 2012 at 10.00 am