



## SCRUTINY BOARD (INFRASTRUCTURE, INVESTMENT & INCLUSIVE GROWTH)

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Meeting to be held in Civic Hall, 1st Floor West, LS1 1UR on  
Wednesday, 25th July, 2018 at 10.00 am

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### MEMBERSHIP

#### Councillors

K Brooks - Little London and Woodhouse  
N Buckley - Alwoodley  
P Carlill - Calverley and Farsley  
K Dye – Killingbeck and Seacroft  
S Field – Garforth and Swillington  
R Grahame – Burmantofts and Richmond Hill  
C Harrison - Rothwell  
K Maqsood – Gipton and Harehills  
M Shazhad - Moortown  
J Taylor - Horsforth  
P Truswell (Chair) – Middleton Park  
P Wadsworth – Guiseley and Rawdon

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**Principal Scrutiny Adviser:**  
**Sandra Pentelow**  
**Tel: 37 88655**

# A G E N D A

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

4

**DECLARATIONS OF DISCLOSABLE  
PECUNIARY INTERESTS**

To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.

5

**APOLOGIES FOR ABSENCE AND  
NOTIFICATION OF SUBSTITUTES**

To receive any apologies for absence and notification of substitutes.

6

**MINUTES - 20 JUNE 2018**

1 - 6

To approve as a correct record the minutes of the minutes of the meeting held on 20 June 2018.

7

**DIRECTORS RESPONSE - SCRUTINY INQUIRY  
INTO SUSTAINABLE DEVELOPMENT (MARCH  
2018)**

7 - 54

To receive a report from the Chief Executive, Director of Resources and Housing, Director of City Development and Director of Communities and Environment which sets out the formal response to the recommendations of Scrutiny Board (Infrastructure and Investment) inquiry into sustainable development.

8

**LEEDS INCLUSIVE GROWTH STRATEGY,  
SUPPORTING THE DELIVERY OF THE BIG  
IDEAS - SCRUTINY SCOPING DISCUSSION**

55 -  
148

To consider the report of the Head of Governance and Scrutiny Support which sets out relevant information, to enable the Scrutiny Board to determine the scope of work required, relating to the delivery of the relevant Big Ideas outlined in the Leeds Inclusive Growth Strategy 2018 - 2023, and to determine draft terms of reference for agreement at the next Scrutiny Board meeting.

9		<p><b>DIRECTORS RESPONSE - SCRUTINY INQUIRY INTO INFORMATION, ADVICE AND GUIDANCE PROVISION IN LEEDS (MARCH 2018)</b></p> <p>To consider the report of the Directors of City Development and Children and Family Services which sets out the responses to the recommendations of the Scrutiny Board (Inclusive Growth, Culture and Sport) inquiry into the Information, Advice and Guidance provision in Leeds, published in March 2018.</p>	149 - 194
10		<p><b>FINANCIAL HEALTH MONITORING - BUDGET UPDATE</b></p> <p>To consider the report of the Head of Governance and Scrutiny Support and the appended budget report. This provides Scrutiny Board Members with financial health information for areas aligned with the Boards terms of reference.</p>	195 - 224
11		<p><b>WORK SCHEDULE</b></p> <p>To consider the Scrutiny Board's work schedule for the 2018/19 municipal year, including the request for scrutiny at appendix 3.</p>	225 - 254
12		<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>Wednesday 5 September 2018 at 10:30 (pre-meeting for all Board Members at 10:00am).</p>	

## **THIRD PARTY RECORDING**

Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda.

### **Use of Recordings by Third Parties – code of practice**

- a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.
- b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.

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## SCRUTINY BOARD (INFRASTRUCTURE, INVESTMENT & INCLUSIVE GROWTH)

WEDNESDAY, 20TH JUNE, 2018

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

Councillors K Brooks, N Buckley, P Carlill,  
S Field, R Grahame, C Harrison, K Ritchie,  
M Shazad, J Taylor and P Wadsworth

### 1 **Declarations of Disclosable Pecuniary Interests**

There were no declarations of disclosable pecuniary interests.

In relation to Agenda Item 12 – Submission of the Leeds Core Strategy Selective Review to the Secretary of State, Councillors R Grahame and M Shazhad informed the Board that as Members of the Development Plans Panel they had been involved in earlier discussions regarding this item.

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

Apologies for absence were submitted on behalf of Councillor K Maqsood.

### 3 **Minutes - 11 April 2018 - Scrutiny Board (Infrastructure and Investment)**

**RESOLVED** – That the minutes of the Scrutiny Board (Infrastructure and Investment) held on 11 April 2018 be confirmed as a correct record.

### 4 **Scrutiny Board Terms of Reference**

The report of the Head of Governance and Scrutiny Support presented the terms of reference for Scrutiny Board (Infrastructure, Investment & Inclusive Growth) for Members information.

**RESOLVED** – That the terms of reference be noted.

### 5 **Co-opted Members**

The report of The Head of Governance and Scrutiny Board sought Members' formal consideration of the appointment of Co-opted Members to the Board.

It was reported that the successor Board had never had Co-opted Members and that there was a preference to call in expert witnesses where necessary.

**RESOLVED** – That the report be noted.

## 6 Sources of Work for the Scrutiny Board

To assist the Board in effectively managing its workload for the forthcoming municipal year, the report of the Head of Governance and Scrutiny Support provided information and guidance on potential sources of work and areas of priority within the Board's terms of reference.

The following documents were appended to the report:

- Vision for Scrutiny at Leeds
- Best Council Plan 2018/19 – 2020/21
- Draft Inclusive Growth Strategy
- Extract of Leeds City Council 2018/19 Budget Report

The following were in attendance for this item:

- Jill Stuart, Principal Finance Manager, City Development
- Gary Bartlett, Chief Officer, Highways and Transportation
- Sue Wynne, Chief Officer, Employment & Skills
- David Feeney, Head of Strategic Planning
- Jason Singh, Communities & Environment, City Centre and Parking
- Mark Jefford, Service Manager, Communities and Environment, City Centre and Enforcement
- Councillor K Wakefield, Deputy Executive Board Member
- Councillor P Gruen, Deputy Executive Board Member and Development Plans Panel Chair

Board Members identified the Inclusive Growth Strategy as a focus for a potential area of work for this municipal year. The Board noted other responsibilities including the Flood Risk Management Plan, Budget, Performance and other strategic plans. There was also follow up action required in relation to previous enquiries.

With regard to the Inclusive Growth Strategy it was felt that there may be opportunity to influence and shape the implementation of the strategy and this should be discussed further at the meeting on the 25<sup>th</sup> of July 2018. It was reported that Scrutiny Board input would be helpful in prioritising the work programmes that would be behind the strategy.

**RESOLVED** – That the report be noted

## 7 Performance Report for Scrutiny Board (Infrastructure, Investment and Inclusive Growth)

The joint report of the Director of City Development, Director of Children and Families, Director of Communities and Environment and Chief Executive provided a summary of 2017/18 performance against the strategic ambitions, outcomes and priorities for the Council relevant to the Board within the Best Council Plan 2015-20. Updates on Car Parking and City Region functions



were also provided along with the performance indicators to be reported in 2018/19 arising from the new Best Council Plan 2018/19 – 2020/21.

Copies of the Best Council Plan Performance Summaries for 2017/18 and 2018/19 were appended to the report.

The following were in attendance for this item:

- Gary Bartlett, Chief Officer, Highways and Transportation
- Sue Wynne, Chief Officer, Employment & Skills
- David Feeney, Head of Strategic Planning
- Jason Singh, Communities & Environment, City Centre and Parking
- Mark Jefford, Service Manager, Communities and Environment, City Centre and Enforcement
- Peter Storrie, Intelligence & policy Service, Resources and Housing
- Councillor K Wakefield, Deputy Executive Board Member
- Councillor P Gruen, Deputy Executive Board Member and Development Plans Panel Chair

Officers were asked to highlight the key performance indicators relating to the Board. The following was discussed:

- Support for people to improve their skills and how this targeted those detached from the labour market particularly those in deprived areas. There was also a need for continued investment in higher skills especially with regard to growth in the City and how this related to further investment in the City.
- Claimant rates for Employment Support Allowance, and support for – those out of work with long term/health and disability problems.
- The delivery rate of courses by contracted providers for the provision of Adult Learning Programmes.
- Information was requested in the success rate of people going into employment following participation in the Adult Learning Programme.
- Comparative NEET rates. The Board were advised that there had been some joint work with providers and a new funding bid had been submitted for provision to meet local needs better. The outcome of this would be known in July. NEET figures were in line with the national average and remained an obsession in the Children and Young People's Plan.
- Concern regarding those getting paid below the Real Living Wage and how to tackle this. It was reported that there was a recent Government campaign to ensure that those not receiving the Real Living Wage could report this.
- Clarity was requested regarding the increased rate of business start-ups and what the split was between business start-ups and self-employment.
- Growth in new homes – The Board were advised that there had been success in reducing the number of empty homes which had contributed to housing growth. With regard to not meeting housing number

demands, there were a number of factors relating to this including a number of planning permissions not being delivered.

- Increase in city centre travel by sustainable transport. Further clarity was requested regarding passenger numbers using bus as a mode of travel. The Board were advised that further park and ride proposals were being developed as well as a bike share scheme.
- Numbers of people killed or seriously injured (KSI) in road traffic incidents – there had been a decrease in numbers but were still above target. Further information was highlighted in relation to road safety training and details of KSI involving children and young people. Further discussion included usage of cycle lanes, introduction of 20 MPH zones and monitoring and building up of intelligence to identify areas where safety measures would be beneficial. Concern was also expressed regarding the impact of cuts in police funding on traffic enforcement.
- Car parking – areas highlighted included parking enforcement, provision of permits and the successful use of a CCTV vehicle for enforcement. Further issues discussed included free parking for ultra-low emission vehicles, removal of abandoned vehicles and trial of new payment methods for car parking.

#### **RESOLVED –**

- (1) The Best Council Plan 2017/18 performance information was noted.
- (2) The narrative updates on car parking and City Region Functions were noted.
- (3) The new Best Council Plan Key Performance Indicators to be reported during 2018/19 – 2020/21 were noted.

## **8 Work Schedule**

The report of the Head of Governance and Scrutiny Support gave the Board opportunity to consider their work schedule for the forthcoming municipal year.

A draft work schedule was appended to the report.

It was suggested that a follow up on the indicator for Numbers of people killed or seriously injured (KSI) in road traffic incidents be added to the Work Schedule.

#### **RESOLVED –**

- (1) That the work items already reflected within the attached draft work schedule be approved.
- (2) That the information presented during today's meeting and the discussion with those present at the meeting be reflected upon to draw up a list of potential areas for Scrutiny for the forthcoming municipal year.

- (3) That the Chair and principal Scrutiny Advisor consult with the relevant Directors and Executive Board Members regarding resources in line with the agreed Vision for Scrutiny and report back to the next meeting with a more detailed work programme.

## **9 Submission of the Leeds Core Strategy Selective Review to the Secretary of State**

The report of the Director of City Development provided an overview regarding the preparation of the Core Strategy Select Review.

The following were in attendance for this item:

- Councillor P Gruen – Deputy Executive Member and Development Plans Panel Chair
- David Feeney – Head of Strategic Planning
- Martin Elliott – Group Manager (Policy and Plans)
- Robin Coghlan – Team Leader, Strategic Planning

Councillor Gruen introduced the report. Members were reminded that the Council as Planning Authority had a requirement to set out a core strategy and what was planned to do across a range of planning issues. The current core strategy was approved in 2014. This review had been a culmination of consultation and work by Members and Officer, particularly the Development Plans Panel. The Board was also made aware of the recommendations made by Development Plan Panel earlier in the day. Further reference was made to projected house growth required in the city.

Members' attention was brought to the key decisions and stages of preparation for the review. Issues highlighted included the following:

- Changes to population projections had prompted the review.
- This was a selective review that focussed on housing numbers, housing quality, greenspace and environmental performance of new housing.
- Obligations on house builders including provision of affordable housing and greenspace on site as well as quality of housing.
- The consultation process.
- The need to ensure that policies were viable and deliverable.
- Issues including infrastructure and transport would be considered at future reviews.
- Reference was made to considerations given to the review through the Development Plans Panel and consultation.
- Officer commitment to providing specific guidance which will better assist members of the public.

Key areas of discussion included the following:

- Getting a fair share of development across the city – the Strategic Housing Market Assessment had not shown any evidence to change how this was being done. There remained a focus on regeneration and investment in the main urban areas and major settlements and promote growth.
- There was a general intent to achieve more greenspace through new development and to provide affordable housing on site.
- Concern that affordable housing was not affordable to those on low pay and the need to try and get developers to provide housing at the most affordable rates for those on low incomes.
- Housing mix – Current policy sought to promote the building of varying properties within developments.
- Concern that private landlords will be purchasing new properties and these won't be affordable or available for long term tenancies. It was reported that there would be a mix of new housing including owner occupiers, private rented, affordable housing (including social rented) and homes for older people.
- The inclusion of minimum space standards.
- Clarity was sought regarding the projected numbers for new housing against the Government target.
- Concern was expressed regarding gaps with relation to environmental and sustainability issues as a result of development.
- The Board would receive tracking updates on the delivery of affordable housing following the previous inquiry into Housing Mix.
- An implementation guide on greenspace would address issues contained in other plans and strategies including child friendly provision.

## **RESOLVED –**

The Scrutiny Board:

- i) Considered the proposals as outlined in the report and in the Development Plan Panel report at Appendix 1 and
- ii) Would submit their observations and conclusions on the proposals to Executive Board for their meeting on 27 June 2018.

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

Wednesday, 25 July at 10.00 a.m.

(Pre-meeting for all Board Members at 9.30 a.m.)



Report authors: Tom Knowland Tel: 0113 37 85876  
 Martin Dean Tel: 0113 037 85783  
 Nasreen Yunis Tel: 0113 37 87640

**Report of the Chief Executive, Director of Resources and Housing, Director of City Development, Director of Communities and Environment**

**Report to Scrutiny Board (Infrastructure and Investment)**

**Date: 25<sup>th</sup> July 2018**

**Subject: RESPONSE TO SCRUTINY INQUIRY REPORT ON SUSTAINABLE DEVELOPMENT**

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

**Summary of main issues**

1. An inquiry into sustainable development was undertaken by the Scrutiny Board (Infrastructure and Investment) between July 2017 and January 2018. The scope of the inquiry and its findings were set out in the final report which was published in March 2018 (appended).
2. The inquiry produced a series of recommendations covering Leeds' approach to sustainable development in relation to:-
  - Land use planning, the National Planning Policy Framework and the extent to which local priorities for infrastructure and other issues can be aligned with local sustainable development requirements (the role of Strategic Investment Board and the Community Infrastructure Levy being a particular focus) (recommendations 6, 8, 9, 10, 11, 12 refer);
  - The link between sustainable development and local inclusive growth and health priorities (recommendations 4 and 7 refer);
  - The integration of sustainable development principles in Council decision making generally (recommendations 1, 2, 3 and 5 refer).

**Recommendations**

3. The Scrutiny Board (Infrastructure and Investment) is requested to note the response to the recommendations based on their findings and to note the observations made below.

## **1 Purpose of this report**

1.1 This report sets out the formal response of the Chief Executive, Director of Resources and Housing, Director of City Development and Director of Communities and Environment to the recommendations of Scrutiny Board (Infrastructure and Investment) inquiry into sustainable development.

## **2. Background information**

2.2 The scrutiny inquiry into sustainable development was held between July 2017 and January 2018 and drew on evidence from witnesses from University of Leeds, Leeds Chamber of Commerce, Town and Country Planning Association, City Council members, officers and a range of other organisations.

## **3. Main issues**

3.3 The responses to the specific recommendations and desired outcomes of the Scrutiny Board report are summarised below. The following provides some background context to the responses.

3.4 The starting point for any consideration of the successful integration of sustainable development into Council decision making and operation is to recognise that identifying and responding to sustainability issues should be part of everyday planning and delivery of services.

3.5 However, sustainable development is not business as usual. The various definitions of sustainable development tend to agree that it has the following key characteristics that distinguish it from conventional development:-

- Sustainable development is concerned with the achievement of social, economic and environmental objectives at the same time, rather than a process of trading advantages in one sphere against losses in another. It is about integrating objectives rather than balancing them;
- Sustainable development recognises the impacts that decisions taken locally will have globally;
- Sustainable development recognises the impacts that decisions taken now will have on generations in the future;
- Sustainable development places a high emphasis on participation by the public in decisions that affect them.

3.6 In Leeds this is expressed through the priorities in the Vision for Leeds which *“is about trying to do things better and differently. It is about achieving social, environmental and economic objectives at the same time, and not at the expense of each other. We need to link these objectives together and recognise that the decisions we take in Leeds affect the rest of the world and our children. The Vision for Leeds emphasises the need for people to be involved in the decisions*

*that affect them. We aim to challenge and change the way we do things now and in the future” (Vision for Leeds 2004 to 2020).*

3.7 Sustainable development should not be treated as a separate, additional objective. Rather the aim should be to ensure that all objectives together are working towards sustainable outcomes. In other words where a local authority has fully incorporated sustainable development objectives into its strategic objectives (which the table below illustrates Leeds has effectively done), then the process of promoting sustainable development and delivering high quality services will be one and the same.

<b>National Sustainable Development Principles</b>	<b>UN Sustainable Development Goals</b>	<b>Vision for Leeds</b>	<b>Leeds City Council Values</b>	<b>Best Council Plan: Best City Priorities</b>
Ensuring a strong healthy & just society	<ul style="list-style-type: none"> <li>• No poverty</li> <li>• Zero hunger</li> <li>• Good health and well-being</li> </ul>	Leeds will be fair, open and welcoming	Being open, honest and trusted	Inclusive growth
Living within environmental limits	<ul style="list-style-type: none"> <li>• Quality education</li> <li>• Gender equality</li> <li>• Clean water and sanitation</li> </ul>	Leeds' economy will be prosperous and sustainable	Treating people fairly	Health & wellbeing
Achieving a sustainable economy	<ul style="list-style-type: none"> <li>• Affordable and clean energy</li> <li>• Decent work and economic growth</li> </ul>	All Leeds' communities will be successful	Spending money wisely	21st century infrastructure
Promoting good governance	<ul style="list-style-type: none"> <li>• Industry, innovation and infrastructure</li> <li>• Reduced inequalities</li> <li>• Sustainable cities and communities</li> </ul>	Best City for children	Working as a team for Leeds	Housing
Using sound science responsibly	<ul style="list-style-type: none"> <li>• Responsible consumption and production</li> <li>• Climate action</li> <li>• Life below water</li> <li>• Life on land</li> <li>• Peace, justice and strong institutions</li> </ul>	Best City for business	Working with communities	Child-friendly city
		Best City for communities		Culture
		Best city for health and well-being		Safe, strong communities
		Best city to live		

National Sustainable Development Principles	UN Sustainable Development Goals	Vision for Leeds	Leeds City Council Values	Best Council Plan: Best City Priorities
	<ul style="list-style-type: none"> <li>Partnerships for the goals</li> </ul>			
← ALIGNMENT →				

- 3.8 However it is acknowledged that future iterations of the Best Council Plan framework need to continue to ensure greater alignment with sustainable development principles. In particular there is scope for greater clarity on ‘Environmental Limits’ for Leeds, based on data, targets and thresholds for significant environmental limits in the city (e.g. Air Quality, Flood risk, CO2 emissions, Waste management).
- 3.9 Delivering sustainable development is not an additional, separate function of the local authority. Achieving sustainable development requires action at national, regional and local scale by a variety of actors and stakeholders and cannot be achieved by the City Council in isolation. A role of Leeds City Council is to provide the policy environment within which sustainable outcomes are more likely and the negative consequences of unsustainable development are reduced and managed appropriately.
- 3.10 Current best practice in this field suggests that assessing the policy environment provided by the City Council should seek to embed sustainable development principles in key activities and be manifested in the Council’s Governance, Policy, Operations and Procurements. In this respect it is possible to draw on the Council’s successful experience of embedding Equality and Diversity / Cohesion and Integration principles into the Council’s decision making framework through a combination of Councillor and Officer professional development, supported by appropriate guidance for decision makers and report writers on the Council intranet.
- 3.11 It is proposed that in the current climate, it would not be cost effective to review every aspect of Governance; every Policy; every Operation; every Procurement contract. Whilst all Directors collectively agree the recommended objectives made in the inquiry report, the proposed approach is to deliver the desired outcomes by prioritising the aspects previously defined as follows, in order to secure greatest traction for resource expended:-
- Governance: Executive Board decisions;
  - Policy: Council Plan, Core Strategy, Inclusive Growth, Health & Wellbeing strategy and then other policies and strategies referenced in the Council Plan as they come up for renewal. An initial synthesis of the existing policies and strategies referenced in the Council plan would help to establish areas of congruity with and divergence from the current Council Plan Best City Priorities, with the additional consideration of local environmental limits as set out in 3.8;
  - Operation: Council buildings & fleet;
  - Procurement: Contracts above a sensible £ threshold.



3.12 An efficient methodology would need to be established in order to achieve this, drawing on the successful experience of embedding Equality and Diversity / Cohesion and integration principles into these processes (Governance, Policy, Operation, Procurement) within the authority.

**4. Responses to Scrutiny Board desired outcomes and recommendations**

4.1 In terms of the Board’s desired outcomes and recommendations the responses are as follows:

<p><b>Desired Outcome</b>  <b>To enhance and promote Leeds as a Green City</b></p>
<p><b>Recommendation 1: That the Chief Executive initiates a review to identify those policies, activities, challenges and achievements that;</b>  <b>a) contribute to, or militate against, sustainable development, and</b>  <b>b) identifies the further actions, co-ordination and collaboration required to justify, promote and further enhance Leeds’s status as a Green City.</b>  <b>See also recommendations 2&amp;5</b></p>
<p><b>Response</b>  In order to make best progress within existing resources, rather than a comprehensive review, it is considered that a more appropriate response would be to prioritise attention on the most significant Council activities in terms of Governance, Policy, Operations and Procurements as outlined above (3.11 and 3.12). A list of priority activities should be agreed in liaison with Scrutiny Board.</p>
<p><b>Desired Outcome</b>  <b>To clearly identify and communicate a set of Sustainable Development aspirations and expectations that can be accessed, understood and supported by all stakeholders.</b></p>
<p><b>Recommendation 2: That the Chief Executive defines a clear set of prominent and overarching principles or framework for sustainable development in Leeds.</b>  <b>Progress to be reported to the Scrutiny Board in January 2019.</b></p>
<p><b>Response</b>  The existing Vision for Leeds 2011 to 2030 and Best Council Plan 2018/9 to 2020/1 provide a framework which is broadly consistent with sustainable development, however this needs to be made more explicit in future versions. Ensuring that its principles are fully aligned with the National Sustainable Development Strategy, by outlining Leeds’ most relevant ‘environmental limits’ (e.g. air quality, flooding, carbon emissions, waste management etc.) would assist in this regard. A refreshed framework that in particular more clearly articulates local environmental limits should then be applied to the Council Plan, Core Strategy, Inclusive Growth, Health &amp; Wellbeing strategy and then other policies and strategies referenced in the Council Plan as they come up for renewal. It is proposed that some revised principles / priorities (in particular that strengthen the Council Plan’s reference to local environmental limits) should be prepared for further review by the Scrutiny Board.</p>

<p><b>Desired Outcome</b>  <b>To make clear and prominent the commitment of Leeds City Council to Sustainable Development.</b></p>
<p><b>Recommendation 3: That the Director of Resources and Housing makes prominent the Council’s aspiration for sustainable development in the next iteration of the Best Council Plan, in advance of wider consultation.</b></p>
<p><b>Response</b>  See Recommendation 2</p>
<p><b>Recommendation 4: That the Director of City Development makes prominent the aspiration for sustainable development in the Leeds Inclusive Growth Strategy.</b></p>
<p><b>Response</b>  The aspiration for sustainable development is complementary to the aims of the Leeds Inclusive Growth Strategy and runs throughout the document. It is specifically mentioned three times, in the Big Idea 5 - supporting places and communities to respond to economic change, Big Idea 6 - doubling the size of the city centre, and the introduction. The introduction was rewritten and now includes the following passage:  “We have identified twelve big ideas to shape our city by boosting our long term productivity, competitiveness and social inclusion. Integral to this are the principles of sustainable development embracing the social, economic and environmental impacts of their implementation.”</p>
<p><b>Desired Outcome</b>  <b>To ensure that Sustainable Development is considered in decision making and that there is consistency across Council policies and strategies</b></p>
<p><b>Recommendation 5: That the Chief Executive initiates a review of all Council wide policies and strategies to ensure that there is alignment and consistency for sustainable development in Leeds, in achieving economic, environment and social objectives at the same time.</b></p>
<p><b>Response</b>  As in the response to Recommendations 1 and 2, a review of all Council wide policies and strategies would be an extremely resource intensive activities. A more productive response would be to develop an appropriate governance response that seeks to align Council decision making with the local framework for sustainable development as set out in a (refreshed) Best Council Plan, drawing on the successful experience of embedding Equality and Diversity / Cohesion and integration principles (see 3.12).</p>
<p><b>Desired Outcome</b>  <b>To ensure that sustainable development is a strategic consideration and that a system for considering the detrimental impact of growth and the protection of communities and environments for the next generation is in place.</b></p>

<p><b>Recommendation 6: That the Chief Executive, Director of Resources and Housing and the Director of City Development,</b></p> <p>a) reviews the governance arrangements and role of the SIB in the strategic co-ordination and delivery of sustainable development and infrastructure in Leeds.  b) considers the mechanisms for identifying the overarching needs of communities resulting from economic growth, for identifying the deficits created, and what can and should be delivered by all responsible organisations to remediate, and for identifying the tensions and risks arising and how they can be mitigated.</p>
<p><b>Response</b></p> <p>It is recommended that the Terms of Reference for SIB should be reviewed to ensure that there is clearer reference to the need to address sustainable development principles in delivery of the capital programme and that this is reflected in mechanisms such as the as the SIB infrastructure gap report.</p>
<p><b>Desired Outcome</b></p> <p><b>To ensure that health provision and infrastructure is sustainable to meet current and future demand as a result of housing and population growth.</b></p>
<p><b>Recommendation 7: That the Chief Executive, the Director of Adults and Health and the Director of City Development works in collaboration with the CCG Medical Director (responsible for commissioning general practice) and the NHS England North Region Lead to identify:</b></p> <p>a) how within the planning system Health Services can better collaborate in a similar way to Highways and Children’s Services with regard to planning strategies and programmes and individual planning applications.  b) provides an update report to the Scrutiny Board in January 2019 on the progress made to improve the co-ordination of health infrastructure and services in order to meet current and future needs of communities as the population and housing numbers increase.</p>
<p><b>Response</b></p> <p>a) This could will be through monitoring the health infrastructure requirements set out in the Core Strategy, and for example reviewing Community Infrastructure Levy charges so that these cover both appropriate health facilities and placemaking interventions to promote long term health and wellbeing. Further, for individual sites identified in the Site Applications Plan, health infrastructure requirements will be identified through the formulation of Planning Briefs or Supplementary Planning Documents, in consultation with Health Services colleagues. This will include requirements not only for services but also placemaking - green and blue infrastructure and the connectivity and design of open spaces. Heath Services are also then to be consulted on the receipt of planning applications for major sites to advise on specific site requirements as they may arise. Key Principles of Planning and Design, formulated with colleagues in Health Services, will also be published and will be used to work with partners on key sites including new housing developments, to improve their health and wellbeing impact. These will be Active Neighbourhoods - promotion of cycling and walking</p>

reducing car usage; Better Air Quality and Green Space - providing outdoor recreation infrastructure; and Cohesive Communities - encouraging co-location of services to encourage interaction and combat isolation.

b) A number of actions are already in place to ensure better collaboration across partners in terms of planning for and delivering health provision and infrastructure. In summary these are:

- Health and social care commissioners and providers across the city have for a number of years worked together on infrastructure matters by way of the Health and Care Strategic Estates Group (SEG) which meets on a monthly basis. In recognition of the challenge that housing and population growth poses to the city's health infrastructure and service provision membership of SEG has recently been extended to include colleagues from both Planning (housing growth) and Communities (general population growth and need);
- SEG reports on a quarterly basis to the Partnership Executive Group, membership of which is made up of Chief Executives and Directors from across Leeds' health and care system, including NHS England and the Third Sector;
- Health Partnerships (Adults & Health) has, as part of the delivery of the Leeds Health & Care Plan, appointed an Estates Programme Manager who will work across the health and care system to ensure joined up strategies, as well as plan for and deliver estate solutions to meet current and future demand; and
- The Council's One Public Estate programme, led by Asset Management (City Development), has a key focus on working with health partners to support responses to current and future demand. It also acts to create new linkages with both the wider public sector and internal council services.

The report will also include an update on the collaborative work between planning, design and health colleagues in the Planning and Design for Health and Wellbeing group.

#### **Desired Outcome**

**To empower Elected Members with knowledge regarding sustainability challenges in their areas, and to support decision making regarding the potential investment of the local fund.**

**Recommendation 8: That the Director of Communities and Environment, the Director of Resources and Housing (as chair of the SIB) and the Director of City Development,**

**a) considers the mechanisms for informing and consulting with Elected Members on sustainable development and infrastructure priorities in their areas so that they can be more effective in supporting their communities, providing advice and information to residents, and in making investment/funding related decisions.**

**b) ensures mechanisms are in place to consistently brief Elected Members regarding S106 obligations and schemes in their individual Wards.**

<p><b>Response</b>          Whilst this is not an area of particular focus for SIB, it is recommended that S106 procedures are reviewed to ensure that they address the need to consistently brief elected Members regarding s106 obligations and schemes in their individual wards and to ensure greater consistency with the SIB infrastructure gap report (see Recommendation 6)</p> <p>The Community Committees offer an effective framework to support members as they make decisions which impact on the wards they represent, and for services to consult on the impact of wider changes to services. The Community Committee Chairs forum provides a gateway to the committees, and this can be utilised to secure the support of the chairs for areas of work which need to be developed.</p>
<p><b>Desired Outcome</b>  <b>To enable the Scrutiny Board to support the response of the Local Authority following this inquiry.</b></p>
<p><b>Recommendation 9: Should the Government proceed with a review of CIL, that the Director of City Development obtains the views of the Scrutiny Board (Infrastructure and Investment) to support the consultation response of the Local Authority</b></p>
<p><b>Response</b>          The Review of CIL is still pending and the City Council will be given the opportunity to comment as and when it comes forward.</p>
<p><b>Desired Outcome</b>  <b>To enable the Scrutiny Board to support and inform the decision making process of the Executive Board, with regard to the Regulation 123 list, following this inquiry.</b></p>
<p><b>Recommendation 10: That the Director of City Development obtains the views of the Scrutiny Board regarding any proposed revisions to the Regulation 123 list in advance of approval by Leeds City Council's Executive Board.</b></p>
<p><b>Response</b>          See recommendation 9</p>
<p><b>Desired Outcome</b>  <b>To ensure that Community Committees and Town and Parish Councils receive and understand relevant and informative guidance that will provide clarity regarding the investment and spending of their allocated local CIL fund.</b></p>
<p><b>Recommendation 11: That the Director of City Development and the Director for Communities and Environment reviews and refreshes The Leeds City Council CIL Neighbourhood Fund – ‘Spending Guidance for Community Committees’ to</b></p>

**encompass guidance for Town and Parish Councils, and ensure that the guidance is circulated and understood by all Elected Members and Parish Councillors.**

**Response**

See recommendation 9

Executive Board in October 2015 agreed the spending guidance for Community Committees.

It is early in the implementation of the CIL Neighbourhood fund by Community Committees, but robust arrangements are in place to support members as they take decisions.

Revised guidance will be implemented in a similar manner.

CIL Neighbourhood fund will be a topic for discussion with the Parish Council's individually and collectively as a renewed Parish Council Charter is developed.

**Desired Outcome**

**To ensure that Town and Parish Councils and Community Committees fully understand the sustainable infrastructure needs in their areas and how they can work strategically with the Local Authority and other stakeholders to respond to those needs.**

**Recommendation 12: That the Director of Director of Resources and Housing explores,**

- a) the mechanisms to inform Town and Parish Councils and Community Committees of the sustainable infrastructure needs in their localities, and**
- b) how the investment of neighbourhood funds and specific S106 contributions can be co-ordinated through local governance arrangements to respond, in partnership with the Local Authority and other stakeholders accessing other funding sources, to the sustainable infrastructure needs in their areas.**

**Response**

The Community Committees and its chair's forum are suitable mechanisms for the briefing of those committees on sustainable development issues.

The revised Parish Council Charter will provide the opportunity to share sustainability issues with members of these Councils.

**5. Corporate Considerations**

**5.1 Consultation and Engagement**

- 5.2 This report recommends that a clearer alignment with sustainable development principles is developed for future versions of the Best Council Plan which would itself be subject to further consultation and engagement.

### 5.3 **Equality and Diversity / Cohesion and Integration**

5.4 This report raises no issues for equality and diversity / cohesion and integration and the recommended responses suggest drawing on good practice on how the authority has embedded these considerations into existing governance processes.

### 5.5 **Council policies and Best Council Plan**

5.6 This report proposes that for the authority to fully incorporate sustainable development objectives into its strategic objectives (i.e. the Best Council Plan), then the process of promoting sustainable development and delivering high quality services will be one and the same.

### 5.7 **Resources and value for money**

5.8 This report proposes a prioritised response to the Scrutiny Board's recommendations in order to achieve optimum value for resources expended.

### 5.9 **Legal Implications, Access to Information and Call In**

5.10 There are no specific legal implications arising from this report.

### 5.11 **Risk Management**

5.12 There are no specific legal implications arising from this report.

## 6. **Conclusions**

6.1 The Chief Executive, Director of Resources and Housing, Director of City Development and Director of Communities and Environment welcome the recommendations of the scrutiny board into sustainable development. The proposed responses include the need to work with the scrutiny board in developing and prioritising this work in the future.

## 7. **Recommendations**

7.1 The Scrutiny Board (Infrastructure and Investment) is requested to note the response to the recommendations based on their findings and to note the observations made above.

## 8. **Background documents<sup>1</sup>**

8.1 There are no background documents.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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# Scrutiny Inquiry Report

## Sustainable Development

Scrutiny Board (Infrastructure and Investment)  
21 March 2018





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# Desired Outcomes and Recommendation Summary

**Desired Outcome** – To enhance and promote Leeds as a Green City

**Recommendation 1** – That the Chief Executive initiates a review to identify those policies, activities, challenges and achievements that;

- a) contribute to, or militate against, sustainable development, and
- b) that identifies the further actions, co-ordination and collaboration required to justify, promote and further enhance Leeds's status as a Green City.

Progress to be reported to the Scrutiny Board in January 2019

See also recommendations 2&5

**Desired Outcome** – To clearly identify and communicate a set of Sustainable Development aspirations and expectations that can be accessed, understood and supported by all stakeholders.

**Recommendation 2** – That the Chief Executive defines a clear set of prominent and overarching principles or framework for sustainable development in Leeds . Progress to be reported to the Scrutiny Board in January 2019

**Desired Outcome** – To make clear and prominent the commitment of Leeds City Council to Sustainable Development.

**Recommendation 3** – That the Director of Resources and Housing makes prominent the Council's aspiration for sustainable development in the next iteration of the Best Council Plan, in advance of wider consultation.

**Desired Outcome** – To make clear and prominent the commitment of Leeds City Council to Sustainable Development.

**Recommendation 4** – That the Director of City Development makes prominent the aspiration for sustainable development in the Leeds Inclusive Growth Strategy.

**Desired Outcome** – To ensure that Sustainable Development is considered in decision making and that there is consistency across Council policies and strategies

**Recommendation 5** – That the Chief Executive initiates a review of all Council wide policies and strategies to ensure that there is alignment and consistency for sustainable development in Leeds, in achieving economic, environment and social objectives at the same time.

Progress to be reported to the Scrutiny Board in January 2019



# Desired Outcomes and Recommendation Summary

**Desired Outcome** – To ensure that sustainable development is a strategic consideration and that a system for considering the detrimental impact of growth and the protection of communities and environments for the next generation is in place.

**Recommendation 6** – That the Chief Executive, Director of Resources and Housing and the Director of City Development,

- a) reviews the governance arrangements and role of the SIB in the strategic co-ordination and delivery of sustainable development and infrastructure in Leeds.
- b) considers the mechanisms for identifying the overarching needs of communities resulting from economic growth, for identifying the deficits created, and what can and should be delivered by all responsible organisations to remediate, and for identifying the tensions and risks arising and how they can be mitigated.

Views and conclusions to be reported to the Scrutiny Board in July 2018

**Desired Outcome** – To ensure that health provision and infrastructure is sustainable to meet current and future demand as a result of housing and population growth.

**Recommendation 7** – That the Chief Executive, the Director of Adults and Health and the Director of City Development works in collaboration with the CCG Medical Director (responsible for commissioning general practice) and the NHS England North Region Lead to identify:

- a) how within the planning system Health Services can better collaborate in a similar way to Highways and Children's Services with regard to planning strategies and programmes and individual planning applications.
- b) provides an update report to the Scrutiny Board in January 2019 on the progress made to improve the co-ordination of health infrastructure and services in order to meet current and future needs of communities as the population and housing numbers increase.

**Desired Outcome** – To empower Elected Members with knowledge regarding sustainability challenges in their areas, and to support decision making regarding the potential investment of the local fund.

**Recommendation 8** – That the Director of Communities and Environment, the Director of Resources and Housing (as chair of the SIB) and the Director of City Development,

- a) considers the mechanisms for informing and consulting with Elected Members on sustainable development and infrastructure priorities in their areas so that they can be more effective in supporting their communities, providing advice and information to residents, and in making investment/funding related decisions.
- b) ensures mechanisms are in place to consistently brief Elected Members regarding S106 obligations and schemes in their individual Wards.

Progress to be reported to the Scrutiny Board in July 2018



# Desired Outcomes and Recommendation Summary

**Desired Outcome** – To enable the Scrutiny Board to support the response of the Local Authority following this inquiry.

**Recommendation 9** – Should the Government proceed with a review of CIL, that the Director of City Development obtains the views of the Scrutiny Board (Infrastructure and Investment) to support the consultation response of the Local Authority.

**Desired Outcome** – To enable the Scrutiny Board to support and inform the decision making process of the Executive Board, with regard to the Regulation 123 list, following this inquiry.

**Recommendation 10** – That the Director of City Development obtains the views of the Scrutiny Board regarding any proposed revisions to the Regulation 123 list in advance of approval by Leeds City Council's Executive Board.

**Desired Outcome** – To ensure that Community Committees and Town and Parish Councils receive and understand relevant and informative guidance that will provide clarity regarding the investment and spending of their allocated local CIL fund.

**Recommendation 11** – That the Director of City Development and the Director for Communities and Environment reviews and refreshes The Leeds City Council CIL Neighbourhood Fund – 'Spending Guidance for Community Committees' to encompass guidance for Town and Parish Councils, and ensure that the guidance is circulated and understood by all Elected Members and Parish Councillors.

Progress to be reported to the Scrutiny Board in July 2018

**Desired Outcome** – To ensure that Town and Parish Councils and Community Committees fully understand the sustainable infrastructure needs in their areas and how they can work strategically with the Local Authority and other stakeholders to respond to those needs.

**Recommendation 12**– That the Director of Director of Resources and Housing explores,

- a) the mechanisms to inform Town and Parish Councils and Community Committees of the sustainable infrastructure needs in their localities, and
- b) how the investment of neighbourhood funds and specific S106 contributions can be coordinated through local governance arrangements to respond, in partnership with the Local Authority and other stakeholders accessing other funding sources, to the sustainable infrastructure needs in their areas.

Progress to be reported to the Scrutiny Board in July 2018



# Introduction and Scope

## Introduction

- 1 Leeds City Council has an ambition to be the best council in the UK, compassionate fair, open and welcoming with an economy that is both prosperous and sustainable so all our communities are successful. The Vision for Leeds 2011 – 2030 supports this ambition, stating that, by 2030 all communities will be successful where local services, including shops and healthcare, are easy to access and meet people's needs. It also states that local cultural and sporting activities are available to all and there are high quality buildings, places and green spaces, which are clean, looked after, and respect the city's heritage, including buildings, parks and the history of our communities.
- 2 The Best Council Plan 2018/19 – 2020/21, (approved on the 7<sup>th</sup> of February 2018), states that, the Council wants everyone to live in good quality, affordable homes within clean and well cared for places. It also states that that the Council wants everyone in Leeds to move around a well-planned city easily. The Best Council Plan also stipulates that the Council and Partners will be focusing on Inclusive Growth and 21<sup>st</sup> Century Infrastructure, as two of the best city priorities.
- 3 At our meeting on the 21 of June 2017 we considered our work programme for the 2017/18 municipal year. At this meeting we discussed the approach in Leeds to sustainable development through the provision of infrastructure that will support the physical and social needs of people, now and in the future. We stressed the importance of designing and planning places that are

supported sufficiently by transport provision, health services, education and green infrastructure. We resolved that this would be our main scrutiny inquiry for 2017/18.

## Scope of the Inquiry

- 4 Terms of Reference for this inquiry were agreed at our Board meeting on 19 July 2017, when we concluded that we would consider
  - The origins and definition of the term, sustainable development.
  - The definition of sustainable development, as set out in the National Planning Policy Framework (NPPF)
  - Against this framework and in relation to Planning, how the principles of sustainable development have been applied in Leeds, through the development plan process and via development management decisions, and how its principles have been translated into practice.
  - In translating these principles, the key policy issues that have emerged, which have skewed the delivery of sustainable development in its wider sense and how have they been addressed.
  - In terms of 'local sustainability', how Section 106 Agreements and the Community Infrastructure Levy (CIL) assist with the delivery of infrastructure to support regeneration and growth.

We also concluded that the purpose of the inquiry would be to make an assessment of and, where appropriate,



# Introduction and Scope

make recommendations on the following areas:

- Limitations placed on sustainable development by Government planning legislation and guidance, and the limitation of resources during austerity.
  - The extent to which sustainable development is reflected in the development and growth strategies and plans of Leeds City Council.
  - The extent to which Leeds City Council and its partners are delivering and/or promoting the need for good quality sustainable infrastructure.
  - The extent of collaboration between organisations to meet longer term economic, social and environmental requirements in communities.
  - The limitations of the Council's strategic planning framework in the delivery of sustainable development and the need for greater commitment and investment from other stakeholders.
  - If enough is being done in Leeds within the existing constraints of Government policies and resources, to meet the environmental and social needs of new and expanding communities as a result of infrastructure development and growth, or if that gap is widening.
- 5 The inquiry was conducted over six evidence gathering sessions which took place between July 2017 and January 2018 when we received a range of evidence both written and verbal.
- 6 Evidence was provided by a number of experts. A full list of those who participated is detailed at the end of this report. The information provided was

interesting and valuable, and we would like to thank everyone who contributed their time and expertise to support this inquiry.

- 7 During the course of our inquiry The Leeds Climate Commission<sup>1</sup> was established. The purpose of this commission is to help Leeds to make a positive choice on issues relating to sustainable energy, carbon reduction, and climate change mitigation. It is the intention of this Scrutiny Board to ask the Leeds Climate Commission to attend a future meeting to discuss how their work directly contributes to sustainable development in Leeds.
- 8 Since the conclusion of our inquiry the Government announced, on the 5 March 2018, the start of its consultation on a draft revised NPPF. The draft NPPF incorporates policy proposals previously consulted on in the 'Housing White Paper' and the 'Planning for the right homes in the right places' consultation. The draft also reflects the 2017 Budget which included additional proposals to change planning policy.

## Desired Outcomes, Added Value and Anticipated Service Impact

- 9 Our recommendations outline our expectations regarding a number of improvement measures which will require greater focus on communication, organisation and collaborative working within the Council and with external

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<sup>1</sup> <http://leeds.candocities.org/about-leeds-climate-commission>



# Introduction and Scope

stakeholders. We recognise that the planning system alone will not deliver sustainable development. This requires a wider integrated approach and commitment from Developers, Investors and other organisations.

- 10 Within this report we have highlighted why sustainable development must have greater prominence within our core corporate and wider city objectives. It is apparent that current Government objectives have greater focus on supporting development and growth and less focus on infrastructure requirements, and environment and social impacts. Locally we need to balance this deficit as far as is practicable, within resource and other constraints. We therefore need to ensure that we are building sustainable infrastructure that will benefit future generations, not burden them with a legacy of environmental and social issues that can so easily be generated by rapid growth, without consideration of the long term impacts.
- 11 In conducting the Inquiry we reflected on the role and organisational responsibilities of the Government, the NHS, Leeds City Council and Developers. The Scrutiny Board aimed to establish if robust strategies, and high impact operational practices are in place to ensure that sustainable development is at the core of all growth and infrastructure related decisions. The Scrutiny Board gathered intelligence and were informed through the collective knowledge and experience of all those who contributed to the inquiry. We hope that our findings provide a clear summary of areas that require focus and action.

- 12 Ongoing monitoring of the progress of outcomes and recommendations will be undertaken by the Scrutiny Board (Infrastructure and Investment) or successor board with the authority to discharge the relevant scrutiny functions relating to infrastructure, development or growth.

## Equality and Diversity

- 13 The Equality Improvement Priorities 2016 – 2020 have been developed to ensure that the council meets its legal duties under the Equality Act 2010. The priorities will help the council to identify work and activities that help to reduce disadvantage, discrimination and inequalities of opportunity to achieve its ambition to be the best city in the UK.
- 14 Equality and diversity issues have been considered throughout this Scrutiny Inquiry. Where a Scrutiny Board has made recommendations and these are agreed, the individual, organisation or group responsible for implementation or delivery should give due regard to equality and diversity, and where appropriate an equality impact assessment should be carried out.





# Conclusions and Recommendations

## Background and National Planning Policy Framework (NPPF)

- 15 As an introduction to our inquiry we were presented with a chronology of the evolution of sustainable development as a concept. We were advised that since the environmental movement in the early 60's, sustainable development has emerged as a constant international policy thread and governance objective.
- 16 It was explained to us that whilst there was acceptance that economic growth is necessary, a move away from a model where economic progress was the only overriding factor, was central to the early thinking on sustainable development. The Brundtland Commission introduced the first and internationally accepted definition of sustainable development in 1987. This has been represented as a '3 legged stool', whereby each leg (economic, environmental and social) are dependent on each other and need to be balanced, in order to achieve objectives over the longer term. No one element is a priority over the others. We were advised that the Brundtland report highlighted concern that economic activity had become paramount, leaving behind issues around social progress and environmental protection.
- 17 A more recent sustainable development model<sup>2</sup> was presented to us by Dr Katy Roelich from the Sustainability Research Institute, which portrays sustainable development as a doughnut mapping

out a 'safe and just space' where human needs are met without breaching ecological limits. This model and the Bruntland model are outlined in appendix 1.

- 18 We were advised that in 2005 the UK Government adopted a working policy framework when five policy principles were established, as detailed in appendix 2. We were informed however that since 2010 the Government has made no use of the framework and disbanded the advisory board who had supported its development.<sup>3</sup> We concluded that the diminished prominence in national policy directly correlates to the lack of clear sustainable development guidance for local authorities that exists today.
- 19 In September 2015, 193 member states attended the UN Sustainable Development Summit to adopt a global development framework which consists of 17 sustainable development goals. These goals came into force on the 1<sup>st</sup> of January 2016 and the UK is required to move forward on implementing these goals. These are outlined in appendix 3.
- 20 Each model or framework highlights that sustainable development is a wide ranging concept at a global and a local level. It had emerged as a key strand of public policy, with the ambition of securing development, economic prosperity, social progress and the management of environmental resources, at the same time. Information presented during the inquiry highlighted that whilst the Government's focus on sustainable development has diminished in the UK, cities in other parts of Europe, such as Copenhagen,

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<sup>2</sup> [www.kateraworth.com](http://www.kateraworth.com), Exploring Doughnut Economics, 2017.

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<sup>3</sup> The UK Sustainable Development Commission.



# Conclusions and Recommendations

have maintained their sustainable development principles as a priority and have become more environmentally and socially resilient as a result.

- 21 We were advised that reinvigorating sustainable development in Leeds will yield results over the long term for the next generation. This will build resilience particularly if there is greater focus on environmental protection, through the development of green infrastructure and focusing on solutions that will help mitigate climate change and reduce the risk of flooding. It is recognised that risk and vulnerability are not attractive legacies for those looking to invest in Leeds and that there is competitive advantage to being resilient, environmentally, economically and socially.
- 22 We can, therefore, see real advantages in continuing to advance, with supporting actions, the claims of Leeds to be a Green City. We feel that increasing the pursuit, prominence, and promotion of measures to enhance sustainable development, as advocated in this report, would be an essential aspect of this process. We believe that the mantra: 'Think Global, Act Local' is still a valid approach to sustainable development and to Leeds striving to be a 'Green City', and recognised as such locally, nationally and internationally. This process would benefit from a more co-ordinated strategic approach to promoting Leeds's aspiration to be a Green City and the social, environmental and economic benefits this provides for its citizens.

**Recommendation 1** – That the Chief Executive initiates a review to identify those policies, activities, challenges and achievements that

- a) contribute to, or militate against, sustainable development, and
- b) that identifies the further actions, co-ordination and collaboration required to justify, promote and further enhance Leeds's status as a Green City.

Progress to be reported to the Scrutiny Board in January 2019

See also recommendations 2&5

- 23 It was reinforced by a number of contributors to the inquiry that the delivery of sustainable development is the responsibility of Government (local and national), the business community and wider society. This requires commitment beyond the planning system and the local authority to meet its objectives. We were informed that the planning system has a key role to play in delivering the principles of sustainable development but it is by no means the only mechanism through which these aims might be achieved. Within the limitations of Government legislation, planning provides an opportunity to shape the character of places and helps to influence and coordinate investment decisions. However, in terms of sustainable development, we consider the planning system to be limited in its scope and does not have the financial resources available to put in place all of the necessary interventions and programmes required.
- 24 It was highlighted that for the purposes of planning, broader principles of



# Conclusions and Recommendations

sustainable development have been interpreted to some extent as part of the National Planning Policy Framework (NPPF, 2012)<sup>4</sup>. This specifies that: *“The purpose of planning is to help achieve sustainable development. Sustainable means ensuring that better lives for ourselves don’t mean worse lives for future generations.*

*Development means growth. We must accommodate the new ways by which we will earn our living in a competitive world. We must house a rising population, which is living longer and wants to make new choices, we must respond to the changes that new technologies offer us. Our lives, and the places in which we live them can be better, but they will certainly be worse if things stagnate.”* (Greg Clarke, Ministerial foreword).

25 We were advised that within this context, and as a basis for national planning policy and decision making, the NPPF introduced a ‘presumption in favour of sustainable development’, a set of ‘core planning principles’ where ‘development, means growth’. We were advised that whilst the framework tries to articulate the Government’s view, the planning system is seen as responsible principally for achieving a ‘pro-development’ interpretation of sustainable development, not for delivering the generic broad principles.

26 It was highlighted to us that the NPPF does not have a more rounded definition of sustainable development and therefore diminishes the status of social justice and environmental management, in meeting the needs of future

generations, which are key components of sustainable development. We raised our concern that the NPPF also does not sufficiently address climate change, air quality and environmental resources and therefore severely constrains what can be achieved in terms of sustainable development through the planning system.

27 We were also informed that since the introduction of NPPF, subsequent supporting ministerial statements and planning guidance are regularly issued regarding housing growth, the need for local authorities to demonstrate a 5 year housing land supply, development viability, economic development and the use of new technology. This has been particularly significant for Leeds City Council since 2012. There is much less emphasis in Government guidance at the current time upon managing environmental and social resources and climate change.

28 We were advised that the NPPF does outline the role of planning in the identification and delivery of infrastructure, but some of these are outside the direct scope of the planning process. With regard to plan-making the NPPF describes the need for Local Plans to focus on strategic priorities relating to:

- the provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- the provision of health, security, community and cultural infrastructure and other local facilities;

<sup>4</sup>

<https://www.gov.uk/government/publications/national-planning-policy-framework--2>



# Conclusions and Recommendations

- plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of this Framework.
- 29 The difficulty of balancing development viability and sustainable development was highlighted to us. We were advised that through local policy the Council has outlined green space, affordable housing requirement and transportation requirements. We were advised that in recent years, and within the context of the economic downturn, the viability of development proposals and compliance with policy requirements has become a highly contested area by Developers. If planning applicants are unable to demonstrate compliance with the Council's policy requirements, they are asked to submit a viability statement to evidence their assertions. Developers also have right of appeal to the Secretary of State if permission is not granted following consideration of the viability statement.
- 30 Representatives from Leeds Property Forum (LPF) advocated pushing harder to get Developers to accept that they should deliver assets such as affordable housing, broadband and electric vehicle charging points as a matter of course. This highlighted a dichotomy as, during this current economic downturn, the Government has expressed a view that Local Authority 'asks' are complex and wide ranging and cannot be afforded. In addition the Local Authority had been advised by the Government to compromise on green space contribution to allow affordable housing. In these circumstances it is perceived that sustainable development 'goes out of the door'.
- 31 It was explained to us that this approach generally leaves us with potential major problems for the future. Creating accessible places for lifetime needs will generate long term benefits to the health and social care budget. Similarly creating access to greenspace generates benefits for wildlife and biodiversity but also has been proven to improve wellbeing and mental health for members of the public accessing it. However, in some instances Developers conclude that the delivery of development to meet those needs is not economically viable.
- ## Leeds Strategy, Policy and Development Management
- 32 We were informed that in the UK local planning authorities have the responsibility for the preparation of the Local Plan and the determination of planning applications via the development management process. In Leeds the Local Plan<sup>5</sup> is comprised of a series of documents including the Core Strategy (adopted 2014), the Natural Resources and Waste local plan (adopted 2013), the Aire Valley Leeds Area Action Plan (adoption November 2017) and the Site Allocations Plan (adoption anticipated early 2019). Once made, Neighbourhood Plans will also form part of the development plan.
- 33 It was explained that the Leeds Core Strategy 2012-28 sets out a series of interrelated objectives and strategic and thematic policies, based around the

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<sup>5</sup><https://www.leeds.gov.uk/your-council/planning/local-development-framework>



# Conclusions and Recommendations

principles of sustainable development. It is a spatial plan, which is seeking to make provision for the overall scale and distribution of regeneration and growth across the district, whilst seeking to manage environmental resources and meet social objectives, at the same time. Key components of the Core Strategy include:

- Supporting the provision of community infrastructure that is tailored to meet the needs of the community including high quality health, education and training, cultural and recreation, and community facilities and spaces.
- The provision of new educational facilities to meet increased demand either through extensions to existing establishments or through the building of new schools in areas of housing growth or adjacent to them.
- That new development should be located in accessible locations that are adequately served by existing or programmed highways, by public transport and with safe and secure access for pedestrians, cyclists and people with impaired mobility.

34 The Core Strategy, Aire Valley Leeds Area Action Plan and Site Allocation Plan are supported with Infrastructure Development Plans (IDPs). We were advised that the IDPs have been prepared with a range of key stakeholders including Clinical Commissioning Groups and Childrens Services. The purpose of the IDPs is to help provide an overall framework to identify infrastructure programmes and projects either in place or planned. These plans should help facilitate an understanding of what is required to address both existing infrastructure

shortfalls as well as planning for future growth.

35 Current IDP's provide a schedule of infrastructure projects across the following broad types of infrastructure<sup>6</sup>:

- Public transport (rail and buses)
- Cycle / Pedestrian network – local initiatives, including Core Cycle network and improving pedestrian priority in the city centre
- Highway infrastructure (Strategic Road Network with Highways England)
- Park and ride
- School provision (e.g. 2 form entry primary school and through school with 2FE primary school and 4FE secondary school)
- Green infrastructure (city park, green spaces, children's play equipment)
- Waste management
- Flood defences and management
- Superfast broadband network
- Health

36 During the several sessions spent exploring national and local planning policy we established that the planning framework does not effectively support the refusal of major development on sustainability grounds. Elected Members serving on Plans Panels expressed their frustration stating that they would like to see high quality development throughout the city which leaves a positive legacy. They felt that it is very difficult to insist upon the kind of vision that citizens have for their communities such as quality development, space, visual amenities, and services. We

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6

<https://www.leeds.gov.uk/docs/CD19a%20IDP%20Submission%20-%20Examination%20Update%20Nov%202013.pdf>



# Conclusions and Recommendations

therefore do not advocate that all growth should be automatically considered as good growth, particularly if it is focused on purely economic benefit without fully embracing environmental and social considerations.

- 37 We were advised that in practice, given the limited responsibilities of planning, development management is stronger on the economic aspects than on social progress. Social requirements such as health services and education are generally delivered outside of the planning system.
- 38 We were advised that Plans Panel Members aim for a quality of development for communities and not quantity. However, in their experience, they have found that planning inspectors do not always support that view and they tend to uphold appeals unless there is a really good reason within Government planning policies not to do so. It is therefore felt that there is a series of tensions or trade-offs, and a requirement to make compromises which may result in a poorer quality development and which does not fulfil sustainability aspirations equitably.
- 39 We were informed of the perception that most Developers do not have an immediate interest in the implications of their development in terms of sustainability. Most consider that they are contributing to Community Infrastructure Levy (CIL) or to Section 106 obligations, and this is perceived as sufficient or excessive by some Developers. We asked if local supplementary planning guidance would be effective to require Developers to do more to further mitigate some of the social and environmental issues caused

by development. In response, we were advised that it would be difficult to conceive how that could be put into effect in a way that would be consistent and uniform, and that Government and its Planning Inspectors would consider achievable and reasonable.

## Sustainable Development Framework, Best Council Plan and Inclusive Growth Strategy

- 40 When considering the role of Developers and the wider community we were advised by representatives from LPF that businesses, including Developers are thinking more about how they can be corporate citizens. They added that there is a need to get more businesses to understand that Leeds has an agenda which is not just about growth and economic development but growth that is good for the City. When we questioned if Developers are clear about sustainable development for Leeds, they advised that in their view the Core Strategy does give Developers clarity, however the narrative to the rest of the outside world is hugely important in terms of how the city aspires to grow. Representatives from LPF also highlighted that other corporate plans and strategies do not reflect sustainable development aspirations in a co-ordinated way.
- 41 Hugh Ellis from the Town and Country Planning Association stated that Local Authorities need a very powerful and sophisticated set of principles for sustainable development, adding that cities require long term investment strategies and long term certainty around policy and direction. He reiterated that national policy does not support sustainable development



# Conclusions and Recommendations

sufficiently so cities need to decide their own principles for themselves based on their unique circumstances. He highlighted that sustainable development should be an overarching idea, not a subsidiary one. He referenced the 5 principals from the UK Sustainable Development Strategy from 2005 and the more recent United Nations 17 Sustainable Development goals as a good starting point for a set of Local Authority principles for sustainable development.<sup>7</sup>

- 42 Dr Katy Roelich from the sustainability institute also reminded us of the increasing mismatch between national policy, which recognises economic growth, and local policy, and welcomed the introduction of the Inclusive Growth Strategy in Leeds. She also brought to our attention that the Inclusive Growth Strategy, which sits outside the planning framework, needs to better influence, drive and create aspiration with regard to sustainable development principles, advising that the link between infrastructure, social development and inclusion is a key area that requires more attention.
- 43 It was emphasised to us that Leeds City Council needs to lead by example in our own strategies and that sustainable development should be a more prominent feature in our Best Council Plan and Inclusive Growth Strategy. There is opportunity to remedy this in future versions. We recognise the need to ensure that our narrative for good sustainable development is clear to businesses and the wider community and evidence a set of principles for sustainable development which is communicated beyond our Core

Strategy, to all those who can make a contribution to any of the three recognised areas of sustainable development.

- 44 When considering the proposals to refresh the Best Council Plan at our meeting on the 20 December 2017, we recommended that the Executive Board supports the need to ensure that sustainable development has prominence under the Transport and Infrastructure ambition to ensure that the environmental and social needs of communities have greater focus, and that access to supporting facilities and services such as green space, transport health services and education are not diminished due to housing and infrastructure growth.
- 45 The desire for the Council and wider stakeholders to make progress in achieving economic, environmental & social objectives at the same time, rather than being at the expense of one another, should be at the forefront of the policies, strategies and plans that we share. We continue to advocate further development of the Best Council Plan so that it is more explicit as a local framework for sustainable development. Inclusive growth and being a green city are integral to that. We consider that the Council's 'Best Council' approach, supported by the Inclusive Growth Strategy can provide the platform for innovation in order to make a lasting difference in Leeds.

**Recommendation 2** – That the Chief Executive defines a clear set of prominent and overarching principles or framework for sustainable development in Leeds . Progress to be reported to the Scrutiny Board in January 2019

<sup>7</sup> Appendix 2 and 3



# Conclusions and Recommendations

**Recommendation 3** – That the Director of Resources and Housing makes prominent the Council’s aspiration for sustainable development in the next iteration of the Best Council Plan, in advance of wider consultation.

**Recommendation 4** – That the Director of City Development makes prominent the aspiration for sustainable development in the Leeds Inclusive Growth Strategy.

**Recommendation 5** – That the Chief Executive initiates a review of all Council wide policies and strategies to ensure that there is alignment and consistency for sustainable development in Leeds, in achieving economic, environment and social objectives at the same time.

Progress to be reported to the Scrutiny Board in January 2019

## Strategic Overview, Collaboration and Communication

46 As referenced in paragraph 28, the NPPF describes the need for Local Plans to focus on a number of strategic priorities. However, during various inquiry sessions we communicated our growing concern about the perceived widening gap between economic growth and social progress in Leeds. We expressed our worry and concern that the current concentration on housing and economic growth could potentially be a diversion from considering the bigger picture of development which must include environmental

management, and social equality and inclusion.

47 A number of infrastructure planning and delivery areas are outside the direct scope of the planning process and are the responsibility of other organisations. We wanted to understand the level of integrated working and partnership oversight that would consider all community infrastructure requirements to ensure sustainability. We also sought reassurance that all parts of the Council are in a position to work genuinely together on any future development proposals particularly large developments. We expressed our concern that public health and the provision of health services are not a material planning consideration but are an essential consideration to meet the social aspect of sustainable development.

48 We were advised that the nature of legislation and the devolution of funding to different organisations by Government makes the responsibility for providing services separate. This reinforces the need for collaboration with external organisations to provide community infrastructure.

49 Dr Roelich advised us that there is a need to recognise constraints and make the most of collaboration. Private and public sector collaboration is crucial so that the Local Authority can influence the delivery of infrastructure provided by other organisations.

50 We expressed our unease that the structuring and funding of health and education services does not enable an integrated approach to sustainable development. We were advised that





# Conclusions and Recommendations

there has been an opportunity for the Council to work collaboratively through the Core Strategy, the Site Allocation Plan (SAP) and the Aire Valley Leeds Area Action Plan (AVLAAP). City Development representatives informed us that they have worked with Children's Services and Public Health on issues relating to education provision, green space provision, walking and cycling and issues of clean air. We were advised that from a planning point of view City Development has tried to integrate infrastructure programmes and commitments. School places to meet current and future need have been considered at an early stage in correlation with the identification of potential housing sites, with land being identified in the SAP and AVLAAP as possible sites for schools.

- 51 As part of our inquiry we explored the planning and provision of health services and infrastructure to meet the requirements of expanding communities due to housing and population growth. We were advised by the Clinical Commissioning Group (CCG) representative that they are aware of the need to make GP's services sustainable and to marry up service delivery, estate strategies, and consider demand when looking at requirements. There is also a requirement to consider the wider need for pharmacies and dental services and other supporting services for communities. We were not convinced that there is sufficient current and future capacity to meet the demand and need generated by development.
- 52 The Chief Officer for Adult and Health Resources stated that with budgets stretched they are looking to reconfigure current estates to future proof services and provide best value. However, there are challenges due to the differences in governance arrangements and plans for the many NHS organisations in Leeds. (CCG's, NHS England, Leeds Community Healthcare Trust, Leeds Teaching Hospital Trust, and Leeds and York Partnership Foundation Trust).
- 53 We were also advised that the GP estate is in a mixture of tenures, some of which is very poor and some of which are domestic dwellings turned into surgeries. Work has been undertaken in specific areas of Leeds to identify if improved planned development could be established which could be future proofed. It was highlighted that the investment required to deliver a solution would outweigh any saving and this funding is not available at the moment.
- 54 We were advised that efforts have been made to identify where responsibility sits for the development of the primary care estate. Although this was thought to be NHS England we were advised that this responsibility may also be shared with the CCG's. It was highlighted to us that there is an opportunity to improve co-operation, planning and co-ordination by health services in terms of the infrastructure to support communities, and that the involvement of the city's Strategic Estates Forum, which includes the NHS Leeds CCG Partnership in its membership, could support this improvement.
- 55 We were advised that there is a need to understand individual health service strategies and demand before any city wide estates strategy for health can be established, and articulating that is currently a struggle. We were concerned to hear that health provision could be



# Conclusions and Recommendations

built throughout Leeds if funding was not an issue however, there is a significant challenge in recruiting enough GPs and currently there is not enough GP's or nurses to support new or expanding services. We acknowledge that the pressure on the workforce in general practice is a national issue and that in response to this NHS Leeds CCG Partnership is taking steps to recruit additional GP's into the region.

as breakthrough projects. During our inquiry we requested the terms of reference for the Strategic Investment Board. These have now been provided as appendix 4, and clearly identify that there is a potential role for the SIB in the co-ordination and delivery of sustainable development in Leeds, which should be a core consideration of any future housing or infrastructure investment.

- 56 We concluded that the development of the health care estate cannot currently be sustained. It is frustrated by lack of investment and the complexities of the health care system which has evolved into a fragmented approach to estate and service management.
- 57 Whilst we can be sympathetic to the challenges within our health systems we did express our disappointment at the lack of determination and endeavour collectively to plan development holistically and consider all the interdependencies that must be in place for communities to thrive. In response, we were advised that there has been an attempt to co-ordinate but more can always be done.
- 58 We sought to establish where the responsibility lies for the strategic co-ordination of sustainable development and infrastructure, who considers the social and environmental deficits and who considers the conflicting priorities that arise as a result of economic growth such as transport provision and air quality.
- 59 We were advised that the Council's Strategic Investment Board (SIB) have considered investment areas, core strategy and cross cutting issues such

**Recommendation 6** – That the Chief Executive, Director of Resources and Housing and the Director of City Development,

- a) reviews the governance arrangements and role of the SIB in the strategic co-ordination and delivery of sustainable development and infrastructure in Leeds.
- b) considers the mechanisms for identifying the overarching needs of communities resulting from economic growth, for identifying the deficits created, and what can and should be delivered by all responsible organisations to remediate, and for identifying the tensions and risks arising and how they can be mitigated.

Views and conclusions to be reported to the Scrutiny Board in July 2018



# Conclusions and Recommendations

**Recommendation 7** – That the Chief Executive, the Director of Adults and Health and the Director of City Development works in collaboration with the CCG Medical Director (responsible for commissioning general practice) and the NHS England North Region Lead to identify:

- a) how within the planning system Health Services can better collaborate in a similar way to Highways and Children's Services with regard to planning strategies and programmes and individual planning applications.
- b) provides an update report to the Scrutiny Board in January 2019 on the progress made to improve the co-ordination of health infrastructure and services in order to meet current and future needs of communities as the population and housing numbers increase.

60. As elected representatives in our communities we highlighted that there is very little coordinated information provided which would facilitate our understanding of the planned infrastructure growth in our areas and how that will impact directly on residents.

61. Throughout the inquiry we talked extensively about sustainable development without fully understanding what is currently happening in our areas. We discussed the increase in student accommodation in the centre of Leeds, the construction of the East Leeds Orbital Road and the housing developments that it facilitates, and commented on the lack of

communication regarding the infrastructure and services required to service those communities. We concluded that all members would welcome more information about the sustainable development priorities in their areas, who is responding to it, what infrastructure is needed and how this is being funded. It was acknowledged by Council Officers that there is a need to have earlier strategic conversations with Ward Members about needs in each area so that a strategic approach can be agreed in advance as opposed to decisions being made on a site by site conversation further down the line.

62. We also commented on the perceived inconsistencies in the way that Elected Members are consulted about Section 106 (S106) funding for schemes in their electoral wards. One Elected Member advised us that they had not received any briefings regarding S106 and how it could be spent. They added that quite often, by the time information is presented to members, decisions have already been made. This was not the experience of all Elected Members, as it was also stated that full information is regularly provided. It is evident that there is a need for regular and consistent consultation with all Elected Members regarding S106 obligations and the investment of funds.



# Conclusions and Recommendations

**Recommendation 8** – That the Director of Communities and Environment, the Director of Resources and Housing (as chair of the SIB) and the Director of City Development,

- a) considers the mechanisms for informing and consulting with Elected Members on sustainable development and infrastructure priorities in their areas so that they can be more effective in supporting their communities, providing advice and information to residents, and in making investment/funding related decisions.
- b) ensures mechanisms are in place to consistently brief Elected Members regarding S106 obligations and schemes in their individual Wards.

Progress to be reported to the Scrutiny Board in July 2018

63. We were informed that the responsibility for authorising the spending of S106 monies now lies with the Chief Officer/Head of Service for the relevant Service Areas. We were informed that the Planning Agreement Manager (City Development) still maintains a database of information about contributions and can provide members with information where requested.
64. As stated earlier in this report, a multi-organisational approach is required in order to deliver sustainable development objectives, within the constraints of resources and planning regulations. This requires investment, capacity and co-ordination of all

organisations who are able to support sustainable development. We have heard that infrastructure planning both within the Council and by partner organisations can be disparate and fragmented and we acknowledge that this can be due to organisational structures determined by the Government.

65. We continue to have concern regarding the level of pressure and determination to deliver individual schemes, as this increases the risk of missing broader sustainability issues as the bigger picture is not being considered in terms of long term detrimental impact or conflict. (see recommendation 6)
66. We acknowledge that organisational structures, governance arrangements and funding streams outside of Local Authority control can be barriers and do not always support ambitions. We were advised that matters of infrastructure and impact have been high on the public's agenda at public meetings and people do expect the planning system to provide and fund infrastructure to meet community needs. We acknowledge that the Local Authority cannot be held responsible or accountable for meeting all community infrastructure and service needs. We need to manage public perception and expectations in this regard and therefore we consider that there is a need to be more open about the limitations of the planning system and the limitations of the Local Authority, particularly when there is a negative impact to Leeds residents that cannot be resolved. In addition we must be clear with residents about the sustainable development priorities in



# Conclusions and Recommendations

their areas and where those priorities can or cannot be met.

## Community Infrastructure Levy and Section 106

67 Through the planning process Developers are required to make contributions through Section 106 (S106) agreements or the Community Infrastructure Levy (CIL).

68 We were informed that S106 agreements are contractual agreements made between Local Authorities and Developers which are attached to a planning permission. These obligations are used for three purposes, to prescribe the nature of the development, to compensate for loss or damage created by a development and/or to mitigate a development's impact and make it acceptable in planning terms. Within this context, S106 contributions are used for site specific requirements.

69 CIL allows local planning authorities to raise funds from Developers who are creating new buildings in their area. The funds raised will go towards infrastructure that is needed to support the growth of the city, such as schools and transport improvements. CIL is applied as a charge on each square metre of certain types of new buildings, with the funds generated to be used to deliver infrastructure projects and priorities identified on the Regulation 123 list (Appendix 5).

70 The spending of CIL income was determined by Executive Board in

February 2015<sup>8</sup>. CIL is directed into two main funding streams; a strategic fund, and a neighbourhood fund. The Strategic Fund is 70-80% of the total CIL received, and priorities for its spend is decided on an annual basis as part of the Council's budget setting process, in line with the Regulation 123 List. In July 2017 Executive Board approved the investment of the CIL strategic fund, for monies accumulated up until November 2016<sup>9</sup>. The Executive Board agreed that the investment of CIL strategic fund would be used to contribute to learning places deficit for schools.

71 The Neighbourhood Fund is 15% in an area without a Neighbourhood Plan, and 25% in an area with an adopted Neighbourhood Plan. The neighbourhood fund is passed to Parish Council areas, as required by national CIL regulations. In non-parished areas the decisions about spending are delegated to the relevant Leeds City Council Community Committees, and the neighbourhood fund is ring fenced by the City Council for that purpose.

72 During the inquiry we sought to establish if CIL or S106 obligations are sufficient to ensure that Developers fully mitigate the negative impact created by their development, or to support the development of sustainable infrastructure required by communities such as green space, education and health services.

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8

<http://democracy.leeds.gov.uk/documents/s127185/CIL%20Cover%20Report%20300115.pdf>

9

<http://democracy.leeds.gov.uk/mgConvert2PDF.aspx?ID=163008>



# Conclusions and Recommendations

73 It was established that neither CIL nor S106 contributions, separate or combined, are sufficient in terms of funding the delivery of sustainable development. Dr Roelich reinforced this conclusion, adding that the limitations on how funding can be invested also creates challenge to delivering broader sustainability. It was clarified that S106 and CIL provides investment in infrastructure to remedy issues created by new developments rather than to remedy existing deficiencies and problems within communities. Therefore there is a need for a strategic approach that goes beyond planning funding functions to bridge the gap.

74 During our inquiry a significant amount of information was presented to us which provided a comprehensive overview of the levy, administration and collection of CIL and S106 obligations. We established that the administration of the two schemes and the complexities of CIL creates difficulties for both Developers and home extenders. It was stated that for Council Officers and Developers the practical everyday experience is confusing. We were advised that both systems have their strengths but both are very bureaucratic and CIL is particularly difficult. In addition, the CIL regulations have brought about more robust controls for the use of S106, which means that there is now less flexibility with regard to how it can be invested.

75 We were advised that due to the complexities of CIL the Government is expected to review the system, but this has been subject to delay. We consider that the views of this Scrutiny Board should be provided to support a response to future Government

consultation on CIL or any alternative proposed scheme.

**Recommendation 9** – Should the Government proceed with a review of CIL, that the Director of City Development obtains the views of the Scrutiny Board (Infrastructure and Investment) to support the consultation response of the Local Authority.

76 In addition, we were advised that a review of the Regulation 123 list would also be undertaken early in 2018.

**Recommendation 10** – That the Director of City Development obtains the views of the Scrutiny Board regarding any proposed revisions to the Regulation 123 list in advance of approval by Leeds City Council's Executive Board.

## Neighbourhood Fund, Parish Councils and Community Committees

77 Community Committees and Parish Councils have responsibility for spending of the neighbourhood fund as highlighted earlier in this report, which is not constrained by the Regulation 123 List. Elected members sitting on both Community Committees and Parish Councils stated that there is still a lack of clarity and general confusion regarding the spending of the neighbourhood fund. In addition one of our external representatives advised us that it is not clear how sustainability considerations and appraisal are managed and considered for the neighbourhood fund, adding that it is



# Conclusions and Recommendations

also unclear how the general public would have a say.

78 We appreciate that decision making for the investment of CIL at a local level can become complex when there are uncertainties regarding S106 investment on local schemes or a lack of shared intelligence regarding local priorities for sustainable infrastructure in the area. We highlighted the importance of ensuring Parish Councils and Community Committees are fully aware of the sustainable development needs in their areas to support the decision making processes regarding spending priorities. We also stressed the importance of having clear shared priorities and goals and improved integrated arrangements between Parish Councils, Community Committees and the City Council to enable conversations about the investment of the strategic fund, the neighbourhood fund and S106 funds, to provide single solutions rather than disparate, fragmented spending on individual projects that may provide little or no long term benefit for communities.

79 We were advised that The Leeds City Council CIL Neighbourhood Fund – Spending Guidance for Community Committees was agreed by Executive Board on 21<sup>st</sup> October 2015. This was drawn up following four workshops held during 2015, to which all Ward Members, Town and Parish Councils, and Neighbourhood Planning Groups were invited. It was evident that Scrutiny Board members, who are also Community Committee members had no current knowledge of the protocol. We therefore recommend that the guidance is refreshed and all Elected Members and Parish Councillors are fully informed

of its contents, particularly as one of the principles relates directly to the consultation and relationships between Neighbourhood Forums, Parishes and Community Committees.<sup>10</sup>

**Recommendation 11** – That the Director of City Development and the Director for Communities and Environment reviews and refreshes The Leeds City Council CIL Neighbourhood Fund – ‘Spending Guidance for Community Committees’ to encompass guidance for Town and Parish Councils, and ensure that the guidance is circulated and understood by all Elected Members and Town and Parish Councillors.

Progress to be reported to the Scrutiny Board in July 2018

80 It was acknowledged by Leeds City Council Officers that more could be done to build relationships and provide training. It was also acknowledged that more can be done to consider community aspirations, how they link to neighbourhood plans and how those aspirations can be delivered by potential CIL receipts coming into the area. We consider that there is a need for greater clarity on how specific projects in communities are contributing to sustainability objectives, including consideration of negative impacts. This will facilitate better decision making regarding investment that supports social progress and environmental protection.

<sup>10</sup>

<http://democracy.leeds.gov.uk/documents/g7245/Public%20reports%20pack%2021st-Oct-2015%2013.00%20Executive%20Board.pdf?T=10>



# Conclusions and Recommendations

**Recommendation 12** – That the Director of Director of Resources and Housing explores,

- a) the mechanisms to inform Town Parish Councils and Community Committees of the sustainable infrastructure needs in their localities, and
- b) how the investment of neighbourhood funds and specific S106 contributions can be co-ordinated through local governance arrangements to respond, in partnership with the Local Authority and other stakeholders accessing other funding sources, to the sustainable infrastructure needs in their areas.

Progress to be reported to the Scrutiny Board in July 2018





# Evidence

## Monitoring arrangements

Standard arrangements for monitoring the outcome of the Board's recommendations will apply.

The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.

Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

## Reports and Publications Submitted/Considered

- Report of the Head of Governance and Scrutiny Support, 19 July 2017
- Presentation , Sustainable Development , 19 July 2017
- Report of the Head of Governance and Scrutiny Support and Director of City Development, 27 September 2017
- Report of the Head of Governance and Scrutiny Support and Director of City Development, 25 October 2017
- Report of the Head of Governance and Scrutiny Support and Director of City Development, 22 November 2017
- Evidence presented to the Leeds Scrutiny Inquiry, November 2017, The University of Leeds, Sustainability Research Institute, Authors: Dr Alice Owen, Dr Katy Roelich and Harriet Thew
- Report of the Head of Governance and Scrutiny Support and Director of City Development, 20 December 2017
- Draft Leeds Inclusive Growth Strategy 2017 – 2023
- Draft Best Council Plan 2018/19 – 2020/21



# Evidence

## **Witnesses Heard**

Andrew Hall, Head of Transportation, Leeds City Council  
Cllr Richard Lewis, Executive Board Member, Regeneration, Transport and Planning.  
Tim Hill, Chief Planning Officer  
David Feeney, Head of Strategic Planning  
Dr Kathy Roelich, Sustainability Research Institute  
Mark Goldstone, Leeds Property Forum, Leeds Chamber of Commerce  
Gerald Jennings, Leeds Property Forum, Leeds Chamber of Commerce  
Richard Amos, Sufficiency and Participation  
Darren Crawley, Sufficiency Planning Manager  
Steve Hume, Chief Officer, Adults and Health resources  
Elizabeth Bailey, Head of Public Health  
Kirsty Turner, Associate Director of Primary Care (CCG)  
Hugh Ellis, Town and Country Planning Association

## **Dates of Scrutiny**

**19 July 2017**  
**27 September 2017**  
**25 October 2017**  
**22 November 2017**  
**20 December 2017**  
**9 January 2017 (working group)**



# Appendix 1

## 3-Legged Sustainability Stool

### Sustainability



#### Economic Leg

Good Jobs  
Fair wages  
Security  
Infrastructure  
Fair Trade

#### Environmental Leg

0 Pollution & Waste  
Renewable Energy  
Conservation  
Restoration

#### Social Leg

Working conditions  
Health services  
Education services  
Community & Culture  
Social justice

Quality of Life / Genuine Wealth / Genuine Progress

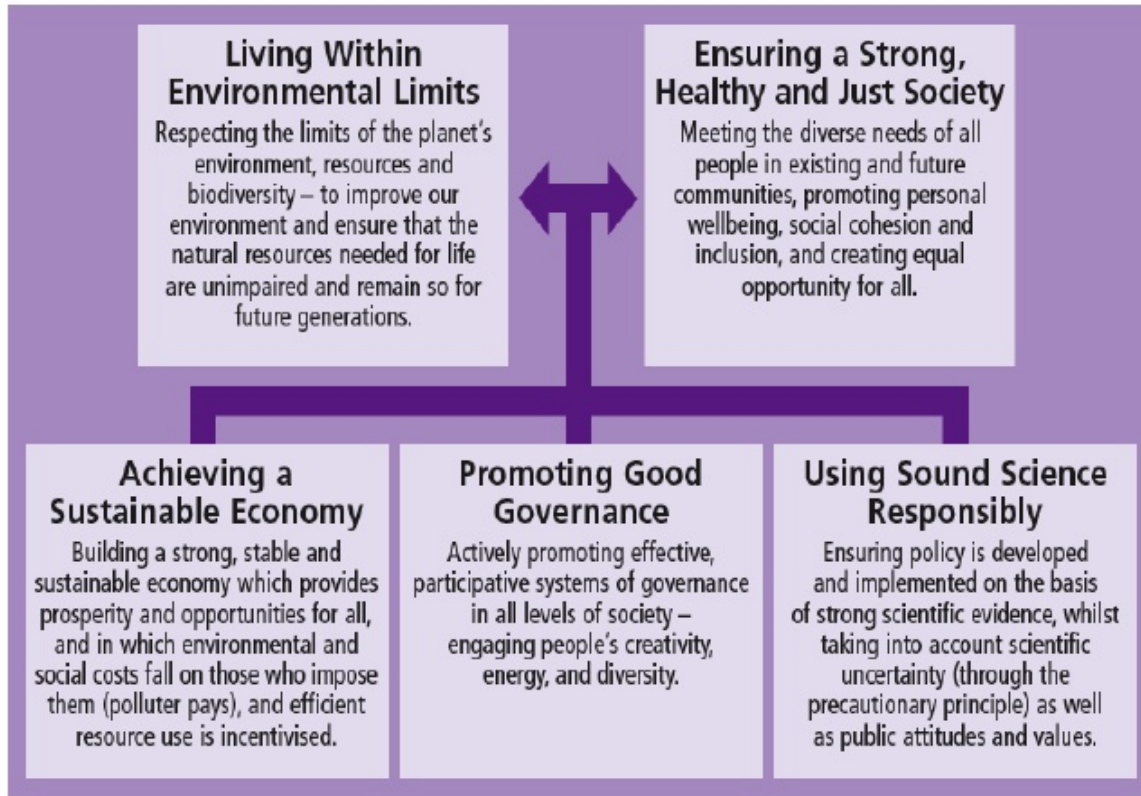


Doughnut of Social and Planetary Boundaries 2017. Rockstrom et al.



# Appendix 2

Securing our Future – UK SD Strategy 2005





# Appendix 3





# Appendix 4

## STRATEGIC INVESTMENT BOARD (SIB)

Terms of Reference  
March 2017



### Purpose

To take a strategic view of the Council's investments, plans and funding priorities for approval by SIB Members to achieve maximum return on investment and best value for money whilst ensuring they are aligned to delivering Best City and Best Council ambitions.

### **Primary Responsibilities:**

- Plan the Council's capital investment to ensure it aligns to both Council and City priorities;
- Provide professional advice to major capital investment programmes and projects as approved by Executive Board

To deliver these responsibilities SIB will:

- Liaise with the Council's strategic partners and internal directorates to ensure investments maximise delivery of City and Council priority outcomes and utilise external resources where appropriate;
- Recommend for approval the Council's capital receipts programme, taking account of strategic considerations, financial requirements and incentives for release;
- Agree significant submissions to Government departments seeking financial or other support for projects or programmes (including business cases) prior to approval by Executive Board;
- Approve governance and progress monitoring arrangements for programmes and projects with significant capital investment to ensure such risks are mitigated and managed;
- Maximise funding opportunities for capital investment;
- Procure feasibility studies and options appraisals on proposals with policy implications;
- Working closely with Corporate Leadership Team (CLT) and other Boards to ensure the achievement of our Best Council and Best City ambitions.

### **Strategic Investment Board composition:**

Neil Evans	Director of Environment and Housing
Martin Farrington	Director of City Development
Tim Hill	Chief Planning Officer
David Outram	Chief Officer Procurement and PPPU
Bhupinder Chana	Principal Finance Manager
Gary Bartlett	Chief Highways Officer
Simon Foy	Head of Policy and Intelligence
Angela Barnicle	Head of Asset Management, City Development
Viv Buckland	Head of Learning Systems, Children's Services.
Steve Hume	Chief Officer ASC Resources and Strategy
Lee Hemsworth	Chief Officer Citizens and Communities Customer Access
Michele Kelly (Co-ordinator)	Senior Asset Management Officer



# Appendix 5



## **COMMUNITY INFRASTRUCTURE LEVY**

### **REGULATION 123 LIST**

**September 2014**

Regulation 123 provides for the Council to set out a list of those projects or types of infrastructure that it intends will be, or may be, wholly or partly funded through the Community Infrastructure Levy (CIL). In order to ensure that individual developments are not charged for the same infrastructure items through both Section 106 Agreements and the CIL, a S106 contribution or a S278 agreement cannot then be made towards an infrastructure item already on the List.

Sustainable transport schemes: <ul style="list-style-type: none"> <li>- New Generation Transport (NGT)</li> <li>- Leeds Core Cycle Network</li> <li>- The Public Right of Way network</li> </ul>
Leeds Flood Alleviation Scheme (FAS)
Secondary education
Primary education, except for large scale residential development identified in the Site Allocations Plan, which will be expected to provide primary schools either as an integral part of the development or as the result of no more than 5 separate planning obligations
Green infrastructure and public greenspace, except for on-site provision required by Core Strategy policies
Community sports facilities
Cemeteries
Public realm improvements, except for on-site provision or where this is required as a direct result of an adjacent development
District heating networks
Public health facilities

The Council will review this list at least once a year, as part of monitoring of CIL collection and spend, and any changes will be justified and subject to appropriate local consultation.

The R123 List does not identify priorities for spending within it, or any apportionment of the CIL funds across the District, and does not signify a commitment from the Council to fund the projects listed through the CIL.

The Council will work with local communities and parish/town councils to agree local priorities for spend. The 'meaningful proportion' held by local communities can be spent on the R123 List, but it does not have to be.



# Appendix 5

## ONGOING USE OF SECTION 106 AGREEMENTS

For clarity, the list below provides an outline of the matters which will continue to be addressed through S106 or S278 Agreements.

- Affordable housing
- Employment and skills agreements e.g. local employment or apprentice contracts
- Site specific matters needed to make the development acceptable in planning terms, including:
  - o New bus connections or services and cycle/pedestrian routes and connections if directly required by the development
  - o Local junction / highways improvements and access into the site
  - o Metrocards, travel plans and monitoring fee / co-ordinator posts
  - o Primary schools/extensions as a direct result of large sites or groups of up to five sites identified in the Site Allocations Plan
  - o On-site greenspace as required by Core Strategy Policies G4 and G5 (which include requirements for a financial contribution in lieu of on-site provision in certain circumstances<sup>1</sup>).
  - o Public realm improvements on-site, and off-site where this is required as a direct result of an adjacent development.<sup>2</sup>
  - o On-site drainage and flooding solutions
  - o On site sustainable energy requirements

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<sup>1</sup> Clarification added April 2015

<sup>2</sup> Clarification added April 2015





# Appendix 5



## Regulation 123 list Amendments

Current Reg123 List	Proposed change	Explanation
Leeds Core Cycle Network	Leeds Core Cycle Network, except for where improvements or additions are necessary as a result of a specific development.	Where appropriate for the site, a development may be expected to provide a new cycle link or upgrade an adjacent existing route, via a S106. However, where that link or route happens to be part of the Leeds Core Cycle Network, this is not possible due to the generic category on the R123 List. Therefore by inserting the exclusion on the List, it will allow the CIL to be the main contributor (alongside other funding sources), yet not preclude S106 contributions from individual developments.
The Public Right of Way network	The Public Right of Way network, except for where improvements or additions are necessary as a result of a specific development.	Almost all development sites are expected to provide new pedestrian links or upgrade an adjacent existing route, and sometimes this is best sought through a S106. However, there have been instances where applicants have argued that because all walking routes are part of the public right of way network, then no S106 contribution should be made. It was never the intention that the CIL should supersede the proper planning of new development sites, therefore providing further clarity on this wording is considered appropriate.
Primary education, except for large scale residential development identified in the Site Allocations Plan, which will be expected to provide primary schools either as an integral part of the development or as the result of no more than 5 separate planning obligations	Primary education, except for large scale residential development, which will be expected to provide primary schools as an integral part of the development.	<p>It is very difficult to identify in advance which should be the specific sites to contribute towards off-site school need in each area. This is because it does not work out evenly basing this on size or location or phasing, because the need for the school and the timing of it will alter in each case depending on which sites come forwards at which points, and because there are inevitably more than 5 sites in most instances that will generate a cumulative demand for places. It also cannot be guaranteed which sites would come forwards first.</p> <p>In addition, the CIL Regulations refer to pooling of 5 S106 'obligations', which means that the tally includes where schemes may change and new/revised applications/S106s are required, and where reserved matters applications come forwards in phases spread across one sight which would each then require a S106.</p>



## Appendix 5

Current Reg123 List	Proposed change	Explanation
		<p>Therefore even a single site could on its own generate 5 obligations, after which no more could be taken into account either from that site or from any other site, no matter what was set out in the SAP and no matter whether the contributions would ever actually be received (i.e. if superseded by another application).</p> <p>The statutory consultation procedures relating to school expansions also means that even if a specific school were cited for expansion in the SAP or a S106 agreement, there is no guarantee that the outcome of the consultation would agree the expansion of that school.</p> <p>It is therefore more appropriate to remove the reference to identification of sites in the SAP to pool together up to 5 obligations.</p>
Secondary education	Secondary education, except for large scale residential development which will be expected to provide secondary schools as an integral part of the development	To provide consistency with the position for primary schools, and to support the few sites in the Site Allocations Plan where on-site secondary provision will be a requirement.
Green infrastructure and public greenspace, except for on-site provision required by Core Strategy policies	Green infrastructure and public greenspace, except for site specific provision required by Core Strategy policies	To provide better clarity about the scope of Core Strategy Policies G4 and G5, and the potential for site-specific provision to be provided by an 'on-site contribution in lieu' and not just physically on-site provision.
Public realm improvements, except for on-site provision or where this is required as a direct result of an adjacent development	Public realm improvements on-site, and off-site where this is required as a direct result of an adjacent development	To provide better clarity.

16<sup>th</sup> November 2015

**Scrutiny Board (Infrastructure and Investment)  
Sustainable Development  
21 March 2018  
Report author: Sandra Pentelow**

**[www.scrutiny.unit@leeds.gov.uk](mailto:www.scrutiny.unit@leeds.gov.uk)**

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**Report of the Head of Governance and Scrutiny Support**

**Report to Scrutiny Board (Infrastructure, Investment and Inclusive Growth)**

**Date: 25 July 2018**

**Subject: Leeds Inclusive Growth Strategy, Supporting the delivery of the Big Ideas – Scrutiny Scoping Discussion**

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

**1. Summary of Main Issues**

- 1.1 Leeds City Council has an ambition to be the best city in the UK: one that is compassionate and caring with a strong economy, which tackles poverty and reduces inequalities. It wants Leeds to be a city that is fair and sustainable, ambitious, creative and fun for all with a council that its residents can be proud of: the best council in the country. The Best Council Plan 2018/19 – 2020/21 states that not everyone in Leeds is benefiting fully from the City’s economic success. The Plan highlights that overall the prospects for economic growth in Leeds remain robust, supported by the city’s skilled workforce, the growth and innovation of its firms and universities, and the progress being made with infrastructure. However, this potential for growth will only be fulfilled if progress is sustained, and by taking action to improve performance. This includes tackling poverty, improving health and wellbeing, supporting greater resilience across the city, boosting housing growth and regeneration, continuing to define and express our culture, increasing productivity, attracting and retaining a skilled workforce, and enhancing transport and infrastructure.
- 1.2 The Best Council Plan outlines a number of priorities which includes: -
- Improving transport connections, safety, reliability and affordability
  - Strengthening ‘Smart City’ infrastructure and increasing digital inclusion
  - Improving the city’s infrastructure and natural environment, including flood protection
  - Supporting growth and investment, helping everyone benefit from the economy to their full potential

- Supporting businesses and residents to improve skills, helping people into work and into better jobs
- Targeting work to tackle poverty in priority neighbourhoods
- Tackling low pay
- Housing of the right quality, type, tenure and affordability in the right places

1.3 The Leeds Inclusive Growth Strategy 2018 – 2023, attached as appendix 1, was agreed by Executive Board on the 27<sup>th</sup> of June 2018. The Strategy complements the aims in the Best Council Plan to encourage growth that is sustainable and inclusive, and supports the delivery of best council plan priorities. It provides a framework for how best to deliver growth that is inclusive and benefits all citizens and communities. It sets out a series of ideas and actions for growth, as well as broad themes of the Leeds economy and targeted sectors around the three themes of People, Place and Productivity.

1.4 At its meeting on the 20 of June 2018, Scrutiny Board (Infrastructure, Investment and Inclusive Growth) considered their work programme for the 2018/19 municipal year. At this meeting the Board identified the Leeds Inclusive Growth Strategy as a potential area of focus for this municipal year and agreed that there may be opportunity to influence and shape the implementation of the strategy to support the achievement of the desired outcomes detailed in the Big Ideas. The Board resolved to consider this further on the 25 July 2018 in order to determine the scope of the work to be undertaken.

## **2. Recommendation**

The Scrutiny Board (Infrastructure, Investment and Inclusive Growth) is recommended to:

- a) note the information contained within this report, and the appended Leeds Inclusive Growth Strategy 2018 – 2023
- b) note the information presented at the meeting 25 July 2018
- c) agree the scope of the review/inquiry having regard to advice provided in paragraphs 2.2 to 2.5
- d) agree that terms of reference be drafted by the Principal Scrutiny Advisor and brought to the next Scrutiny Board meeting for consideration and agreement.

## 1 Purpose of this report

- 1.1 This report sets out information to enable the Scrutiny Board to determine the scope of work required relating to the delivery of the relevant Big Ideas outlined in the Leeds Inclusive Growth Strategy 2018 - 2023, and to determine draft terms of reference for agreement at the next Scrutiny Board meeting.

## 2. Determining the Scope of a Scrutiny Review or Inquiry

- 2.1 At its meeting on the 20 of June 2018, Scrutiny Board (Infrastructure, Investment and Inclusive Growth) considered their work programme for the 2018/19 municipal year. At this meeting the Board identified the Leeds Inclusive Growth Strategy as a potential area of focus for this municipal year and agreed that there may be opportunity to influence and shape the implementation of the strategy to support the achievement of the desired outcomes detailed in the Big Ideas. The Board resolved to consider this further on the 25 July 2018 in order to determine the scope of the work to be undertaken.
- 2.2 In accordance with the Terms of Reference for the Scrutiny Board (Infrastructure, Investment and Inclusive Growth) eight of the twelve the Big Ideas come under this Boards remit either wholly or in part (see page 73 - 75 for a full summary of the Big Ideas). These are as follows:

<b>PEOPLE</b>	<b>PLACE</b>	<b>PRODUCTIVITY</b>
<b>5 – Supporting places and communities to respond to economic change</b> <b>6 – Doubling the size of the City Centre</b> <b>7 – Building a federal economy – creating jobs close to communities</b> <b>8 – 21<sup>st</sup> century infrastructure</b>	<b>3 - Employers and People at the centre of the education and skills system</b> <b>4 – Working together to create better jobs, tackling low pay and boosting productivity.</b>	<b>9 – Leeds as a digital city</b> <b>10 – Backing Innovators and entrepreneurs in business and social enterprises</b>

- 2.3 When considering any are of work the Board should

- Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame;
- Avoid pure “information items” except where that information is being received as part of a policy/scrutiny review;
- Seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources;
- Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue;
- Balanced in terms of the workload across the Scrutiny Boards and as to the type of Scrutiny taking place;

- Sufficiently flexible to enable the consideration of urgent matters that may arise during the year.

2.4 When considering the scope of any potential review or inquiry the Scrutiny Board should consider the following:

- What are the specific areas/issues that require further Scrutiny, and where can Scrutiny provide support and challenge, and add value?
- What are the desired outcomes linked to this review?
- Is there a specific deadlines linked to this review?
- What information is required?
- Who needs to be involved, and possible contributors to the review.

For example:

- Leeds City Council Officers
- Elected Members
- Key Partners, Stakeholders, Government Departments and Community Organisations

2.5 The Board should also reflect upon areas of scrutiny already scheduled into the work programme. It has been established that a number of the Big Ideas will already be examined, either wholly or in part, by this Board. These are referenced in the work programme on pages 227 - 230 and relate specifically to:

<b>PEOPLE</b>	<b>PLACE</b>	<b>PRODUCTIVITY</b>
<b>5 – Supporting places and communities to respond to economic change</b> <b>6 – Doubling the size of the City Centre</b> <b>7 – Building a federal economy – creating jobs close to communities</b> <b>8 – 21<sup>st</sup> century infrastructure</b>	<b>3 - Employers and People at the centre of the education and skills system</b>	<b>9 – Leeds as a digital city</b>

2.6 Draft terms of reference will be drawn up to reflect the Boards conclusions. The Chair and the Principal Scrutiny Advisor will also consult with the relevant Director and Executive Board Members regarding resources in order to determine the scheduling of work, which will be reflected in the work programme presented for formal consideration and approval by the Scrutiny Board at its next meeting. Additional guidance will also be sought from Officers (City Development) by the Principal Scrutiny Advisor in order to develop the terms of reference for the potential review or inquiry.

### 3. Timetable of work

3.1 Any review or inquiry can take place over a limited number of sessions from September 2018 until the end of December 2018. In accordance with the current schedule of meetings any Scrutiny statements or inquiry report arising would need to be agreed on or before the meeting 20 February 2019. The length of any review



and range of evidence to be collected is subject to change by agreement of the Board. Any changes may have an impact on the completion date of statements/inquiry report for agreement by the Scrutiny Board.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

The board may undertake consultation should it be deemed appropriate in order to conduct gather necessary evidence.

### **4.2 Equality and Diversity / Cohesion and Integration.**

4.2.1 Equality Improvement Priorities have been developed to ensure our legal duties are met under the Equality Act. The priorities will help the council to achieve its ambition to be the best City in the UK and ensure that as a city work takes place to reduce disadvantage, discrimination and inequalities of opportunity.

4.2.2 Equality and diversity should be a consideration throughout any Scrutiny review/inquiry and due regard should be given to equality through the use of evidence, written and verbal, outcomes from consultation and engagement activities.

4.2.3 The Scrutiny Board may engage and involve interested groups and individuals (both internal and external to the council) to gather evidence.

### **4.3 Council Policies and City Priorities**

The work of the Scrutiny Board should support objectives as defined in The Vision for Leeds 2011 – 2030, the Best Council Plan 2018/19 – 2020/21 and the Leeds Inclusive Growth Strategy 2018 – 2023.

### **4.4 Resources and Value for Money**

There is no resource or value for money implications relating to this report.

### **4.5 Legal Implications, Access to Information and Call In**

None

### **4.6 Risk Management**

There are no risk implications relating to this report.

## **5 Recommendations**

The Scrutiny Board (Infrastructure, Investment and Inclusive Growth) is recommended to:

- a) note the information contained within this report, and the appended Leeds Inclusive Growth Strategy 2018 – 2023
- b) note the information presented at the meeting 25 July 2018
- c) agree the scope of the review/inquiry having regard to advice provided in paragraphs 2.2 to 2.5

- d) agree that terms of reference be drafted by the Principal Scrutiny Advisor and brought to the next Scrutiny Board meeting for consideration and agreement.

**6 Background documents<sup>1</sup>**

None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



# LEEDS INCLUSIVE GROWTH STRATEGY 2018 – 2023

*For enquiries: [growth.strategy@leeds.gov.uk](mailto:growth.strategy@leeds.gov.uk)  
More information is available at [www.leedsgrowthstrategy.com](http://www.leedsgrowthstrategy.com)*

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# FOREWORD

Leeds has a strong economy that has enabled the city to recover well from the recession. We have a diverse talent pool, world class assets, innovative businesses and beautiful countryside. The council, universities, schools, innovators and entrepreneurs have all played their part in creating growth. There is much to be proud of in Leeds and we have a great story to tell.

Building a strategy centred on inclusive growth means getting everyone to benefit from the economy to their full potential. It means raising our productivity, increasing skills levels, more innovation and better infrastructure. It will mean more money for public services, reduced unemployment and increased wages. Reducing inequality in our city will also boost our economic performance. It means a city where people and businesses grow.

Our growth strategy is not about picking industries perceived as winners at the expense of others, but instead focusing on getting the fundamentals right, recognising that all sectors have a role. We will build on what is already a broad based economy, harnessing our resilience from economic diversity in uncertain times. Some sectors may not experience high levels of growth but they still provide jobs and incomes, and many will provide job opportunities as people retire, and support essential public services such as social care.

The people of Leeds will be at the heart of everything we do, from equipping our young people with the right skills and careers advice, to enabling in-work progression, retraining and lifelong learning in our ever changing labour market. As the nation navigates its way through Brexit, we will continue to offer support to our firms and our communities. Leeds is and always will be, open for business and talent.

As part of this strategy we have sought firm commitments from businesses and stakeholders to offer support for our city. These include major institutions, the private and the third sector, setting out what they will do more of or do differently, and these commitments are visible throughout our strategy. I am grateful to everyone involved and hope to build on this network of support. As an anchor institution in the city the council has a role to play and we have committed to paying the real living wage for all our employees.

Finally, I want to reiterate my commitment to devolution. Cities and city regions know their areas better than Westminster or Whitehall and greater powers and resources will ensure that our area isn't left behind.

Councillor Blake, Leader, Leeds City Council





# 1. INTRODUCTION

## WHAT IS THE PURPOSE OF THIS STRATEGY?

This Strategy sets out our ambition for Leeds. It is a route map of how best to deliver growth that is inclusive, draws on the talents of, and benefits all our citizens and communities.

The strategy sets out how everyone can contribute to the city's growth. It provides a framework for how all parts of the council will work with businesses, universities, colleges, schools, the community sector, and with partners in the city region, Yorkshire, the North and national government to grow our economy.

We have identified twelve big ideas to shape our city by boosting our long term productivity, competitiveness and social inclusion. Integral to this are the principles of

sustainable development embracing the social, economic and environmental impacts of their implementation. There is a lot of good work already taking place in Leeds but there remains an opportunity for this to have renewed focus, a clearer strategic context and stronger commitment from businesses and others in the city.

Leeds is a vibrant, successful, international city full of innovation and enterprise. In the past we have not always got this message across, although this is beginning to change. This strategy will help tell our story better in order to attract and retain talent, business, investment and visitors.

By working together we can build a strong economy within a compassionate city.

Our previous Growth Strategy – Getting Leeds Working, published in 2010 was produced in the context of the recession and since then Leeds has undergone significant change.

This time in addition to focusing on priority sectors we are identifying 12 big ideas that underline the delivery of inclusive growth; themed around people, place and productivity. A strategic context provides an overview of the Leeds economy, then each of our big ideas is set out in the document, followed by our growth sectors.







## 2. EXECUTIVE SUMMARY

## INTRODUCTION

Our ambition for Leeds is to have a strong economy within a compassionate city.

This inclusive strategy sets out how Leeds City Council, the private sector, universities, colleges and schools, and social enterprises in the city will work together to grow the Leeds economy ensuring that everyone in the city contributes to, and benefits from, growth to their full potential.

Leeds is the main economic centre for Leeds City Region, and a driver of growth for the Northern Powerhouse, Yorkshire and the national economy. This strategy also provides a framework for how the city will work on inclusive economic growth with the Leeds City Region Local Enterprise Partnership and West Yorkshire Combined Authority, partners across Yorkshire, the Northern Powerhouse and, in the context of the national Industrial Strategy, with central Government. It also sets out how the city intends to promote a positive, outward looking image on the global stage seeking to increase inward investment, exports and tourism.

## CONTEXT AND DRIVERS FOR CHANGE

Our economy is performing well. Leeds has experienced strong private sector jobs growth since 2010, above the national average. Leeds has one of the highest rates of business start-ups and scale-ups amongst UK cities. We are a smart city: with a high proportion of knowledge intensive jobs; the University of Leeds spins out more listed companies than any other UK university, and the city experiences a “brain gain” with more undergraduates and graduates moving into the city than leaving. Leeds is a top five UK retail and tourism destination.

However not everyone is benefiting fully from this economic success. There remain significant issues of poverty and deprivation in the city. Low pay is an increasing problem, with people caught in a trap of low pay and low skills, with limited opportunities for career progression. Our education and skills system does not work for everyone, and we need to continue to make progress in improving our schools so that they are equipping young people with the education, attributes and awareness of opportunities they will need to succeed in work. These issues hold our economy back. They affect productivity, cause skills shortages, and create additional costs for businesses and the public sector.

The independent forecasts commissioned to inform this strategy indicate that the prospects for future economic growth in Leeds are strong. This is as a result of the city’s skilled workforce, the growth and innovation by its firms and universities, and the progress being made with infrastructure. However we must not be complacent. We will only fulfil this potential for future growth if we sustain the progress we are making, and by taking action on areas where we could perform better. This includes tackling poverty, addressing skills gaps, housing growth and regeneration, exports, investment in research and development, developing, attracting and retaining a skilled workforce, and transport and infrastructure.

We must also be prepared for any downturn in the national economy, where the outlook is uncertain, particularly in the context of Brexit. There are signs of a downturn in consumer spending and wage levels. We need to be prepared to be proactive to support our businesses and people if there is a recession.



### THE STRATEGY

We have set out twelve big ideas that will create the underlying conditions for inclusive growth.

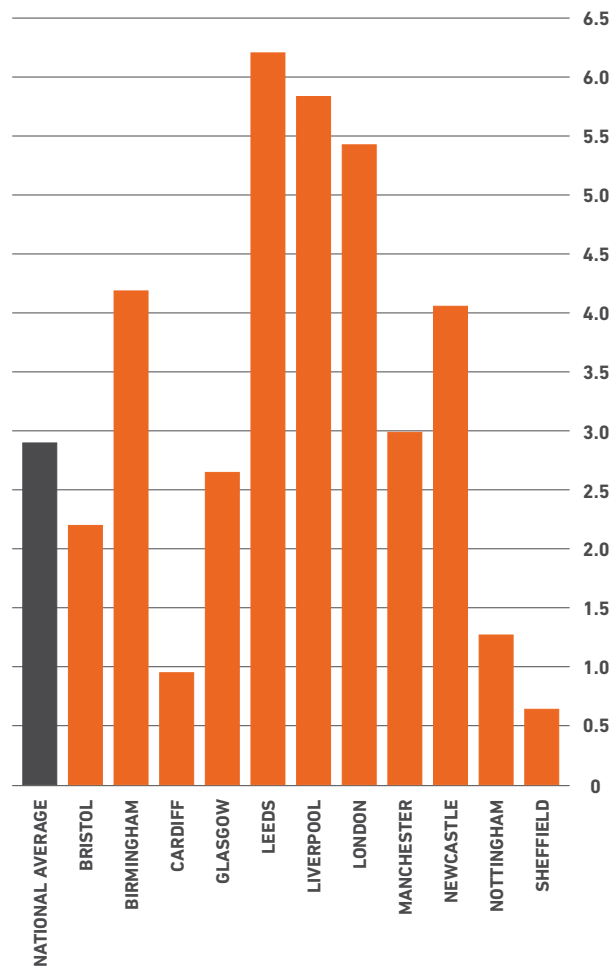
To fulfil our economic potential and to make a high growth scenario a reality we need to take action to enhance our competitiveness and to tackle poverty. We will also need to support our businesses and communities to be resilient in the context of economic change and risks.

This will mean investing in people, their health and wellbeing, improving education and skills, putting children at the heart of the growth strategy, and employers at the centre of the skills system. It will mean tackling low pay, securing better social and economic outcomes from the role and impact of large organisations in Leeds.

It will mean developing and regenerating places, supporting neighbourhoods, communities and centres to respond to economic change, growing the city centre as an economic powerhouse not just for Leeds but also for the North, and growing major economic hubs to the north, east, south and west of Leeds. An increase in new homes, improvements to existing housing and investment in modern infrastructure will support the city's growth.

Improving productivity is also necessary. By backing innovators and entrepreneurs we can build on our strong start-up and scale-up performance. Technological change will create opportunities for cities who are at the forefront of the next wave of digital transformation, but poses risks for any cities that lag behind on digital investment and digital skills. Promoting a modern, dynamic, diverse and outward-looking image of Leeds – including maximising the economic benefits of culture – can drive greater inward investment, exports and tourism.

Leeds had the highest increase in employment rate (the percentage of people employed as a proportion of the total working age population) of any core city from 2009 - 2017. This reflects not just on the success of Leeds in creating new jobs, but also the progress being made in supporting our residents to access these jobs.



EMPLOYMENT RATE % CHANGE (2009 - 2017)

Source: Centre for Cities

## INCLUSIVE GROWTH

Inclusive growth is about:

- Ensuring all people and communities can contribute towards and benefit from our economy
- Tackling inequality – through low pay, in-work progression, improving skills and opportunities
- Supporting all sections of our society into better jobs
- Supporting people to live healthy and active lives, through good housing, social values, green and transport infrastructure, regenerating neighbourhoods, low carbon initiatives and involvement in sport.
- Raising skills levels and increasing productivity
- Improving the health of the poorest the fastest



1



### BEST CITY FOR HEALTH AND WELLBEING

- Working in partnership to improve the health of the poorest the fastest
- Building on our strength as a leader of health innovation by further developing our workforce and attracting new skilled jobs in growing sectors such as digital and medtech
- Supporting healthy, active lifestyles to enable people of all ages to fully realise their social, educational and economic potential
- Working with schools, colleges and universities to open up opportunities for our residents to develop their skills and promote social mobility
- Enabling more people to manage their health in the community and workplace, working with people to promote prevention and self-management

2



### PUTTING CHILDREN AT THE HEART OF THE GROWTH STRATEGY

- Strengthening the role of schools and developing students to contribute to the economy to their full potential, including getting them ready for the world of work, improving careers advice and business engagement in schools
- Reducing disparity in educational attainment and raising standards
- Extending Early Years provision, linking this to supporting more parents to get into work or to progress into better jobs

3



### EMPLOYERS AND PEOPLE AT THE CENTRE OF THE EDUCATION AND SKILLS SYSTEM

- Bringing employers and education providers together to develop and commission education and training to meet employers' needs and economic priorities
- Supporting our current and future workforce to be resilient to economic change
- Tackling the skills gap at all levels

4



### WORKING TOGETHER TO CREATE BETTER JOBS, TACKLING LOW PAY AND BOOSTING PRODUCTIVITY

- Encouraging employers to pay the Real Living Wage
- Initiatives to support firms and people to improve their skills and progress into better jobs
- Continued investment in small scale productivity gains in SMEs
- Developing a strategic approach to corporate responsibility and procurement
- Securing specific commitments from organisations within the city to support inclusive growth and promote the city

5



### SUPPORTING PLACES AND COMMUNITIES TO RESPOND TO ECONOMIC CHANGE

- Targeting investment and intervention to tackle poverty in priority neighbourhoods
- Improving housing and quality of place in locations of change to tackle poverty and support growth
- Building more homes
- Transforming the role of town centres as economic and service hubs
- Making assets work to support growth and communities

6



### DOUBLING THE SIZE OF THE CITY CENTRE

- Delivering new jobs, homes, a new city park and a revitalised waterfront in the South Bank, as one of the most significant regeneration projects in Europe
- Creating an Innovation District around the universities and hospital
- Rebuilding Leeds Station, the busiest transport hub in the north, including HS2 and Northern Powerhouse Rail
- Supporting development and regeneration of Quarry Hill, Eastgate, and the West End
- Connecting people to jobs by improving links between the city centre and surrounding communities

7



### BUILDING A FEDERAL ECONOMY - CREATING JOBS CLOSE TO COMMUNITIES

- Strengthening transport links to enable people to access jobs
- Supporting growth and investment in main economic hubs in the north, south, east and west of the city including:
  - Aire Valley Enterprise Zone
  - Thorpe Park
  - Thorp Arch
  - White Rose
  - Capitol Park
  - Kirkstall Forge
  - Leeds Bradford Airport

8



### 21ST CENTURY INFRASTRUCTURE

- Coordinating plans and leveraging investment to improve infrastructure including:
- Transport
  - Smart cities
  - Low carbon energy - electricity, hydrogen and water networks
  - Social infrastructure - schools, health services, community centres and sports facilities
  - Flood protection
  - Green infrastructure
  - Housing of the right quality, type and range in the right places



9



### LEEDS AS A DIGITAL CITY

- Promoting and growing the digital sector
- Making every business a digital business
- Developing a workforce that can be resilient in the context of technological change
- Strengthening digital and data infrastructure (including 5G), promoting Leeds as a smart city and using data to help address challenges
- Increasing digital inclusion, so all people can access services, education and training
- Using digital technology and data to improve health outcomes and tackle health inequalities

10



### BACKING INNOVATORS AND ENTREPRENEURS IN BUSINESS AND SOCIAL ENTERPRISES

- Supporting start-ups and scale-ups
- Boosting innovation throughout the economy, including commercialising knowledge from universities and government, and supporting firms of all sizes in all sectors to improve their products, processes and capabilities
- Promoting social enterprises and innovation in public services

11



### PROMOTING LEEDS AND YORKSHIRE

- Building on recent progress to increase awareness of Leeds as place to invest, visit and live
- Inward investment, including strengthening links with London
- Tourism
- Attracting and retaining talented people
- Using our ambition to be a compassionate city as a powerful marketing message

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### MAXIMISING THE ECONOMIC BENEFITS OF CULTURE

- Increasing visitors and enhancing the image of Leeds through major cultural and sporting events and attractions
- Growing the cultural and creative sector as well as boosting creativity across the wider economy, education system and communities
- Supporting the city's ambitions to deliver a Year of Culture in 2023



## SECTORS

Growth and change in our main sectors will create wealth and jobs. We are creating the base for business to grow through major development and regeneration sites, and focusing on training and skills. All sectors are important to our economy, and we will make a particular effort to support those on low pay and those in insecure jobs.

Work is being done on all our sectors to increase growth, through skills, infrastructure, innovation and productivity. Advancements in technology are creating new opportunities, and linking sectors in new ways, such as medtech, low carbon and fintech.

## HEALTH, MEDICAL AND THE AGEING POPULATION

Leeds has world leading assets in health, the City Region is home to 22% of digital health jobs in England and the Leeds Care Record, supported by the two largest UK patient record providers. Our universities are developing new technology and training new professionals and the sector is at the forefront of innovation allowing people to gain more control of their own health. The Leeds Academic Health Partnership is addressing health inequalities, bringing together our three universities, NHS organisations and the City Council to create an ambitious alliance. There are challenges, particularly in high staff areas such as social care and thousands of people in deprived areas live shorter lives than they should. Our Health and Wellbeing Strategy seeks to address these issues, it is rooted in partnership working, inclusive growth and using technology to improve health and care services.

There are also opportunities to support inclusive growth by businesses and others through taking action to improve skills and provide community benefits specific to particular sectors.

## COMMITMENTS

This is a strategy for the whole city, and in this spirit we want to offer partners the chance to pledge committing their time, expertise or support to deliver inclusive growth.

For more information on pledges please visit [www.leedsgrowthstrategy.com](http://www.leedsgrowthstrategy.com)

## FINANCIAL AND PROFESSIONAL SERVICES

Leeds has the UK's largest financial services cluster outside the capital and the sector is growing strongly. There are over 30 national and international banks based in the city and the city region is also home to the headquarters of three of the five largest UK building societies. We have major offices of the Big Four accountancy firms in the city. Leeds has the UK's fastest growing legal sector, with Leeds firms offering a wide range of expertise which they export globally. The Leeds Legal Apprenticeship Scheme offers young people the opportunity for a career in the sector. Emerging fintech and cyber security sub-sectors are being recognised as advancements in technology and create new opportunities. The FCA has highlighted the Leeds / Manchester area as one of only two UK fintech hotspots outside London.

### CREATIVE AND DIGITAL

Leeds is rapidly establishing itself as the digital centre of the North, with a thriving private sector, internationally important infrastructure, a significant public sector presence through NHS Digital, and an approach to growing the sector based on close collaboration between the Council and the private sector. We are a world leader in Big Data and have a growing digital media sector. The Leeds Digital Skills Plan focusing on attracting and training talent for the digital sector has had many successes, including the Digital Careers Fair at Leeds Arena. The Leeds Digital Festival has helped raise the profile of the sector and encouraged collaboration. Elsewhere our film and TV companies have an annual turnover of £424m across Yorkshire and are growing at a higher rate than the national average.

### CONSTRUCTION AND INFRASTRUCTURE

Leeds has adopted an ambitious house building plan including council housing. We have identified locations for growth across the city, including around some major regeneration and infrastructure projects such as the Enterprise Zone, South Bank and HS2. These will create jobs, apprenticeships and supply chain opportunities. There is a skills shortage in the sector (including higher level positions) that our specialised education facilities are seeking to address, aligning skills training to match local economic priorities and business needs. Initiatives such as the Forging Future Campus at Kirkstall Forge aim to offer young people and people from the local area the opportunity to get hands on experience and mentoring from contractors on site.

### MANUFACTURING

Manufacturing and engineering is not simply about making things, the industry supports creativity, innovation and design, provides advanced services, whilst developing skills. There is a high level of innovation and exports in the sector. Nationally there is a growing shortage of trained people equipped for careers in this sector. Developing the right skills, making sure training and education matches the future needs of businesses is essential for growth. The sector has an ageing workforce meaning attracting young people and women into the industry is particularly important. Our new University Technical College will help address this. Protecting employment land, developing new sites and ensuring the existing stock specification is of a suitable standard for modern businesses are all priorities.

### RETAIL AND THE VISITOR ECONOMY

Our retail growth is bucking the national trend and the opening of Victoria Gate in 2016 has moved Leeds from fourth to third in the National Retail Ranking as the best place to shop in the UK. In recent years major developments have helped cement Leeds as a national destination offering a range of activities and events, including the Leeds Arena which attracts one million extra visitors to the city annually. The £14m redevelopment of the West Yorkshire Playhouse will add to our cultural offer. Leeds continues to produce world class athletes and host major sporting events in Rugby, Cricket, Football and other sports such as the Columbia World Triathlon Series which was watched by 80,000 people along the route. Developing a more professional and targeted approach to tourism promotion has helped showcase Leeds as a visitor and conference destination.

### TRANSFORMATIONAL PROJECTS IN LEEDS TO HELP DELIVER THE NATIONAL INDUSTRIAL STRATEGY

- **University of Leeds Engineering Technology Campus** - anchored by a new £19m national institute for high speed rail engineering, positioned in Leeds Enterprise Zone
- **Hydrogen 21, Leeds** - the gas network in Leeds to be the first to convert from natural gas to 100% hydrogen
- **Leeds Innovation District** - creating a 21st Century Science park in Leeds City Centre
- **Screen Hub** - a package of measures to grow the screen industries
- **Leeds Hub** - transformation of Leeds Station, already the busiest transport hub in the north

### SOCIAL ENTERPRISE AND THE THIRD SECTOR

There is a strong tradition of social enterprise in Leeds, from local self-help groups and cooperatives through to some of the best known social businesses such as John Lewis and Leeds Building Society. We have many thriving charities which are increasingly looking to trading as a way to fund social objectives. Social enterprises can provide routes into jobs and employment for those with enduring needs, and our experience in Leeds of using social value clauses to provide work in construction has much to offer in other settings. In recycling and environmental improvement, the sector makes a significant contribution to the city and to individual lives. There is a real sense that across the economy, social enterprise is poised to make significant growth and this is set out in our Third Sector Ambition statement.



# 3. OUR VISION

WHERE PEOPLE AND BUSINESSES GROW

## VISION

### IN 2023:

Leeds will have cemented a period of strong and inclusive growth.

Leeds will continue to be open, dynamic, international, outward looking, multicultural, diverse and tolerant. As the centre of the city region and the economic powerhouse of Yorkshire, Leeds will remain a fantastic place to start, scale-up and grow a business, becoming a magnet for investment and talented people, and a hotbed of entrepreneurship.

Our schools, colleges, universities, and employers will be working closely together to develop people with the skills and access to opportunities to enable them to succeed and be resilient in a fast changing economy. People who are out of work or in low paid jobs will find it easier to obtain support and access to opportunities they need to get into the workforce and progress into better jobs. Our skills system will address the needs of our economy and employers.

The city centre will continue to grow. The regeneration of the South Bank will offer places to work, live and study,

alongside leisure activities and a brand new city centre park. Construction will have begun on HS2, the waterfront transformed and what was once a disconnected and underused area is now a modern, thriving extension to the heart of the city region.

New cutting edge NHS facilities will sit alongside hi-tech companies in the new Innovation District, having spun out of incubation space at the universities and beyond. Firms will be increasing their productivity by investing more in research and development, training staff, modernising their premises and equipment, exporting more, and through improved connectivity and collaboration.

Outside the city centre places such as Thorpe Park, Thorp Arch, White Rose, Capitol Park, Kirkstall Forge and the Airport will be growing strongly, providing thousands of jobs for communities nearby. Improved transport connectivity will have benefitted all communities in Leeds, new routes across bus and rail, improved capacity on trains, new interchanges and parkway stations, better links to the airport and progress on Northern Powerhouse Rail will have all helped link the city region, and the north together.

Strong business and economic growth will have created jobs and homes. Investment and leadership in communities will have strengthened their resilience and cohesion, improved neighbourhoods and regenerated places, as well as repositioning town centres as vibrant and successful places to shop, to run businesses, and to access public services.

High quality broadband and 5G infrastructure, smart city technology, clean energy measures to reduce carbon, and use of data will have made Leeds into a digital city. A huge upskilling phase will have equipped people with new digital skills and abilities, allowing new career opportunities and in-work progression as workers contribute to their full potential.

Leeds will be well placed to respond and be resilient to economic challenges and opportunities, any implications from Brexit and potential economic downturns; drawing on its broad industrial base and its ability to reinvent its economy.

Devolution has enabled the city to take greater control of funding and programmes to support inclusive growth.

# YOUNG AND GETTING YOUNGER

Our working age population is increasing at a higher rate than both the EU as a whole and key cities such as Berlin, Madrid, and Milan. Our region is one of the youngest in the UK providing a talent pool that is more digitally skilled and enterprising than ever before. The impact of this is a growing student base, a dynamic start up culture and a more vibrant environment.

Leeds  
**11.9%**  
2012-2015

Brussels  
**5.03%**  
2011-2015

Berlin  
**4.04%**  
2011-2015

Amsterdam  
**3.63%**  
2011-2014

Vienna  
**3.12%**  
2011-2014

EU  
**2.9%**  
2002-2015

Madrid  
**2.12%**  
2011-2014

Stockholm  
**2%**  
2011-2014







## 4. CONTEXT AND DRIVERS FOR CHANGE

THIS SECTION SETS OUT SOME OF THE MAIN FACTS, TRENDS, AND FUTURE SCENARIOS FOR THE LEEDS ECONOMY. IT OUTLINES THE STRATEGIC CONTEXT, RECENT SUCCESSES, CURRENT CHALLENGES AND FUTURE PROSPECTS. IT CONCLUDES BY IDENTIFYING AREAS WHERE ACTION IS NEEDED TO BOOST INCLUSIVE GROWTH IN LEEDS.

TO INFORM THIS STRATEGY ANALYSIS HAS BEEN UNDERTAKEN BY THE COUNCIL'S ECONOMIC DEVELOPMENT TEAM. INDEPENDENT ANALYSIS WAS COMMISSIONED FROM THE LEADING ECONOMICS CONSULTANCY VOLTERRA. EVIDENCE WAS ALSO SUBMITTED BY PARTNERS.

## STRATEGIC CONTEXT

### LEEDS CITY REGION

Leeds is the main economic hub for Yorkshire. The economic assets, quality of life, fabulous countryside, culture and heritage, and major events across Yorkshire – as well as the strong Yorkshire brand – are an important part of the attractiveness of Leeds as a place to invest, work and grow businesses. In turn, the city's economic success creates benefits across Yorkshire.

Leeds is at the centre of the Northern Powerhouse. Leeds station is the busiest transport hub in the North. The city is well placed to benefit from improved collaboration and connectivity with other cities in the North, creating business networks and labour markets of genuine critical mass across an area of 7.2 million jobs, and a £290 billion annual economy. If the North was a separate country it would be the world's 21st largest economy.

Leeds City Region signed the country's largest Growth Deal worth over £1 billion. The Growth Deal is expected to bring an estimated 8,000 jobs, up to 1,000 homes and at least £340 million investment into the Leeds City Region economy from both public and private sector partners by 2021.

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Leeds and Bradford are two close knit cities that share more than just a boundary. Our communities, businesses and workforce have strong connections and we recognise the opportunity to work more collaboratively in the future to tap into this potential. We have many joint strengths and a wealth of expertise among several sectors reflected in the high numbers of jobs.

## LEEDS CITY REGION STRATEGIC ECONOMIC PLAN

This provides an important context for the Leeds Inclusive Growth Strategy. Our city and the region are working together closely to ensure the strategies are aligned.

The Leeds City Region Enterprise Partnership (LEP) published its Strategic Economic Plan 2016 - 2036 with a focus on “good growth”, aiming to unlock the region’s vast economic potential by enabling businesses and enterprise to thrive.

The Leeds City Region aims to deliver upwards of 35,000 additional jobs and an additional £3.7 billion of annual economic output by 2036. This extra growth, added to expected national trends means that the City Region is on track to become a near £100 billion economy in 20 years’ time. The SEP promotes delivery through a wide range of partners and will be implemented through a set of interconnected delivery plans. It identifies challenges in innovation, exporting, skills and connectivity for the region.

### LOCAL INDUSTRIAL STRATEGY

The recent Government Industrial Strategy published in November, 2017 recommends City Regions produce Local Industrial Strategies that build on local strengths and deliver on economic opportunities. We will work with the City Region and Government to help deliver this, putting in place the foundation for future economic growth. This will include focussing on our main issues of raising productivity, increasing innovation and research and development, improving living standards, and tackling deprivation in our communities.

## NORTHERN POWERHOUSE

Stronger links to the North's core cities will allow them to function as a single economy and be stronger than the sum of their parts, rebalancing the UK economy and establishing the North as a global powerhouse. A recent Ernst and Young region and city economic forecast, showed Leeds and Manchester performing better than the national average and highlighted the importance of cities as drivers for growth.

The 'Northern Powerhouse Independent Economic Review' commissioned by Transport for the North, forecasts the potential for productivity in the northern economy to rise. It predicts a 15 per cent increase creating the potential for an additional 850,000 new jobs in the North of England by 2050. The report identifies digital technologies, health innovation, energy and advanced manufacturing as the prime capabilities, and financial and professional services, education and logistics as support capabilities for creating new jobs which will help add £97 billion to the economy.

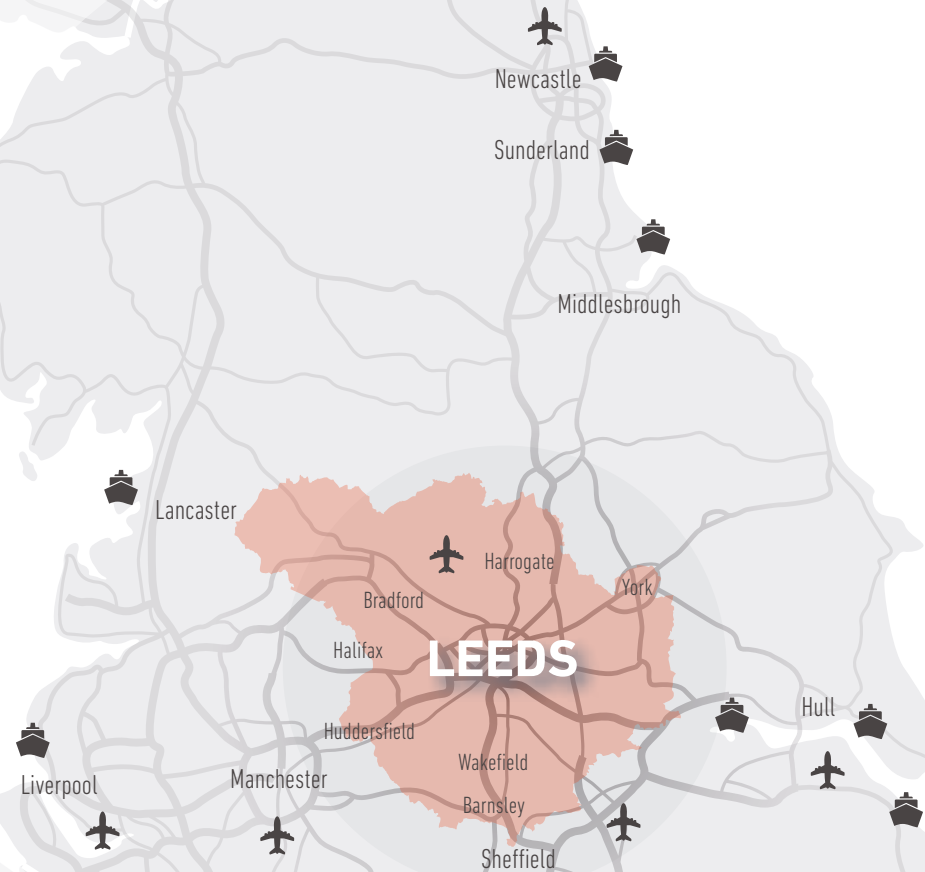
The Northern Powerhouse is much more than a transport project. Phase 2 will focus on skills, trade and investment, innovation, and housing. Devolution of adult skills budgets will enable the North's city regions to take a lead in ensuring that skills match the needs of their local economies.



**7.2**  
**MILLION JOBS**



**£290**  
**BILLION**  
ECONOMIC OUTPUT





61941

*“In order to achieve the agglomeration benefits of the Northern Powerhouse, using the main cities as drivers for growth, there needs to be a focus on transport, communications, skills and education, business ambition, connectivity to rest of the world and devolution. The Northern Powerhouse is much more than just a transport project and can have real benefits to Leeds and the City Region economy.”*

**Lord Jim O'Neill**  
former Commercial Secretary  
to HM Treasury

## ECONOMIC TRENDS AND CURRENT CONDITIONS

### AN ECONOMIC SUCCESS STORY

Leeds has experienced strong private sector jobs growth since 2010, above the national average. It has the largest city concentration of financial and professional services and digital jobs in the UK outside London. It is a major hub for health innovation, data analytics, innovative manufacturing, and knowledge intensive jobs. The city also has the second highest productivity levels (GVA per hour worked) of the core cities. The Leeds economy performed particularly well 2014-15 when it had the fastest rate of private sector jobs growth of any UK city and wages increased 6% over this period.

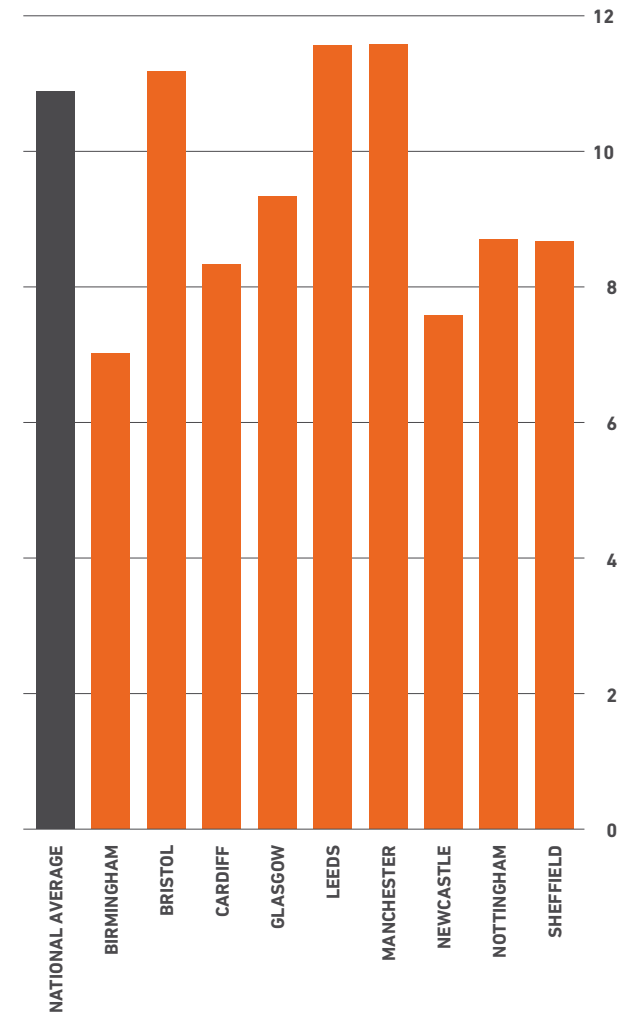
Leeds is a great place to start-up and scale up businesses, and to commercialise innovation. The city has the highest number of fast growing firms in the UK outside London and Cambridge. In recent years the University of Leeds has created more than 100 spin out companies, and has spun out more AIM listed firms than any other UK University.

There is dynamism in the Leeds economy with new firms, digital products and processes, medical technologies, telecoms and data storage infrastructure, and creative products and services being created. Leeds is the largest centre outside London of the “Flat White Economy” as defined by the economist Doug McWilliams who uses the term to describe the fast growing creative and digital economic activities.

People and firms outside Leeds are taking notice and we are now a leading UK destination for inward investment. According to the EY Attractiveness Survey there were 56 successful inward investment projects to Leeds between 2014-16, compared to 9 in the period 2011-13. Leeds is now a top five UK tourism destination, attracting over 26 million visitors a year, and was identified by Lonely Planet as one of the top ten European destinations for summer 2017.

The city’s economic success can be seen by the cranes on the skyline. Leeds currently has the highest levels of construction since the recession, with new office, retail, leisure, science and innovation, and residential developments on site. Leeds City Council has played a proactive role in helping kick start and de-risk developments. As a result the city’s leisure and retail offer has been transformed in recent years through the First Direct Arena, Trinity Leeds, and Victoria Gate. New office space has been created in the city centre, at Kirkstall Forge, Thorpe Park and White Rose, and major new industrial spaces developed in the Aire Valley Enterprise Zone, Thorp Arch and West Leeds.

From 2012 - 2016 there was an 11.5% increase in the amount of private sector jobs created in Leeds which, along with Manchester outstripped the other Core Cities and the national average. Over the same period there was also significant growth in the region including Wakefield, Bradford and Huddersfield.



PRIVATE SECTOR JOBS GROWTH (2012 - 2016)

Source: Centre for Cities

**BUT ALSO SIGNIFICANT CHALLENGES AND OPPORTUNITIES TO TACKLE POVERTY REMAIN**

Not everyone is benefiting from or contributing to economic growth to their full potential. Over 160,000 people in Leeds live in neighbourhoods that are amongst the 10% most deprived neighbourhoods in England. Unemployment has been reducing, but is still too high in some parts of the city.

Some of these issues are concentrated in particular neighbourhoods, where poor housing stock and conditions, financial exclusion, physical and mental health problems and poor quality local services can be issues. Some town and district centres in Leeds have struggled to adapt to changing retail trends.

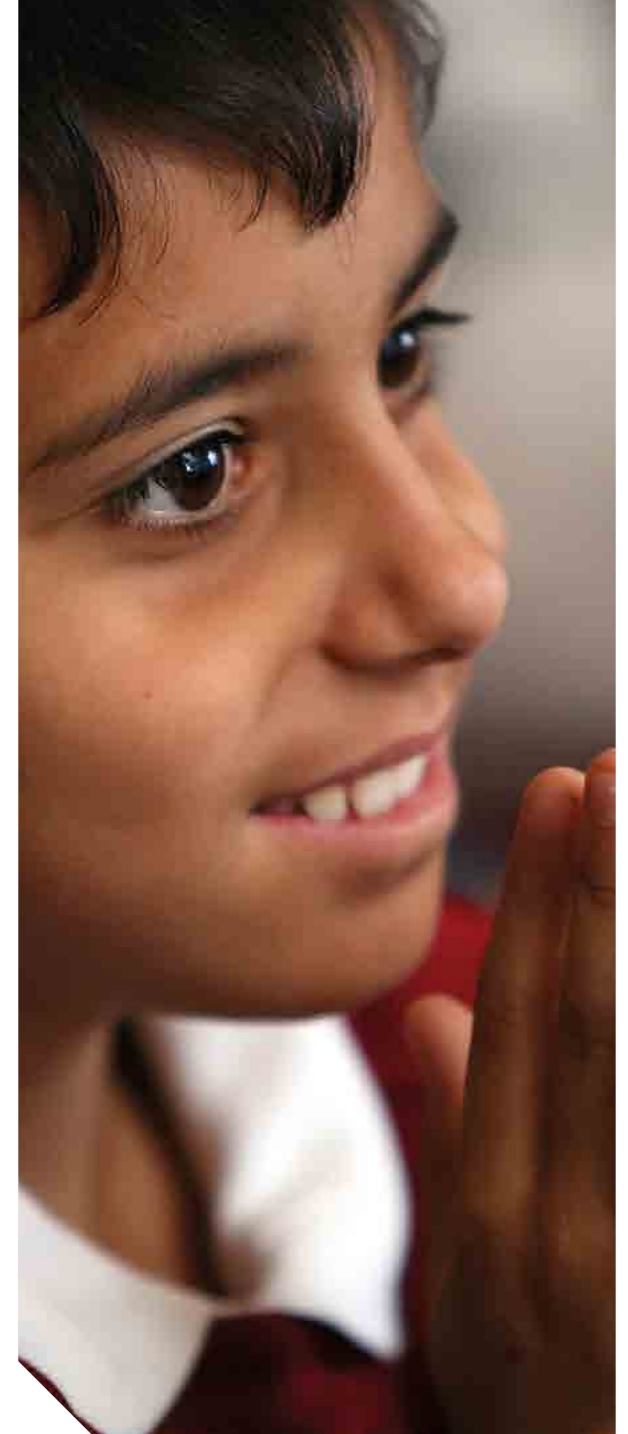
A fast changing economy has implications for the skills people need to access jobs, progress within their careers and be resilient to economic shocks. Low pay is a growing issue. Over 80,000 jobs (many of them part-time and insecure) pay less than the Living Wage of £8.75 an hour as recommended by the Living Wage Foundation.

Whilst educational attainment is a narrow measure of people's suitability for work, Leeds lags behind cities such as London in attainment levels, from early years to secondary schools. Our schools and skills system

needs to do more to provide people with the skills and careers information they need to access the full range of opportunities in the modern economy and meet employer needs. Whilst some employers are leading the way in terms of staff development, apprenticeships, creating opportunities for school leavers, career changers and people returning to the workforce, others could do more.

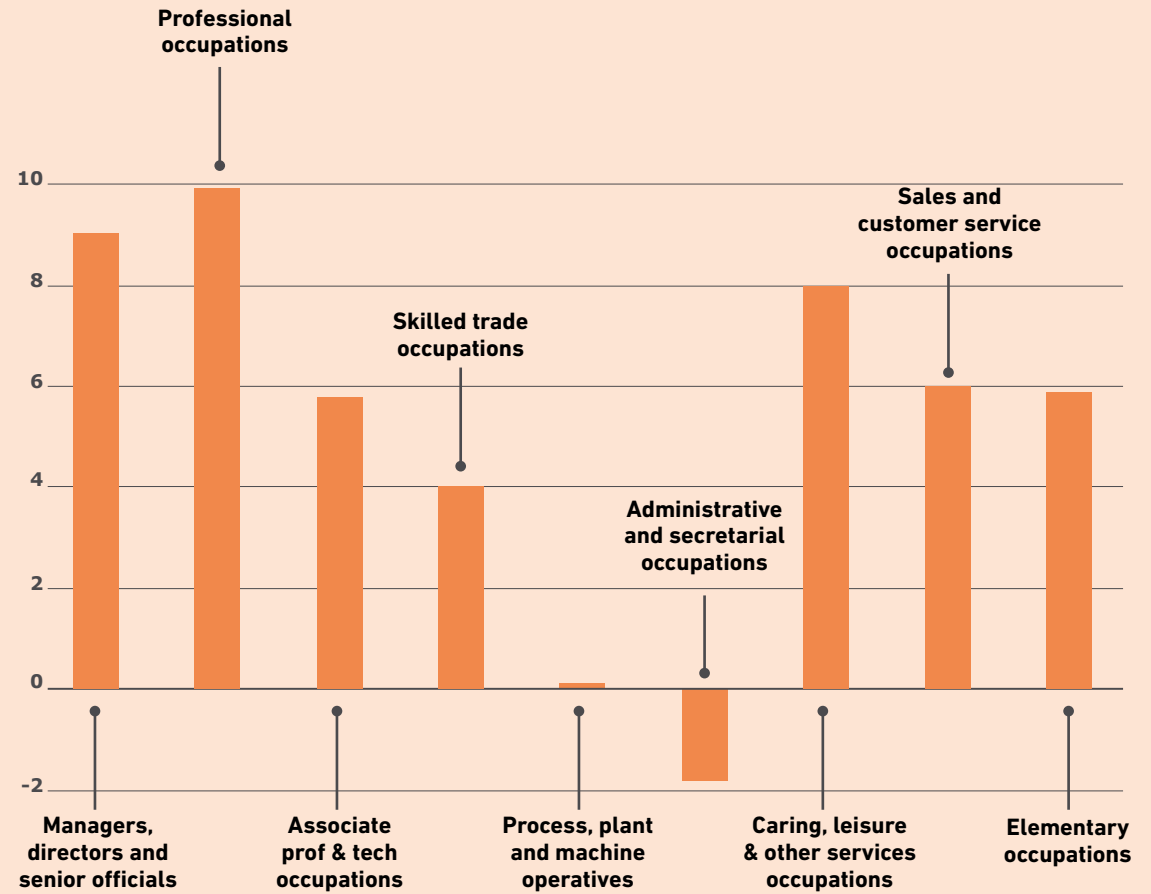
These issues hold our economic performance back, create costs to the public sector, affect productivity and mean that we are not drawing on the full talents of everyone in the city. They also provide an economic opportunity. If we can get people into work, support them to progress into better jobs, improve housing and health conditions, and make neighbourhoods and centres more attractive, we can boost the city's economic performance, and tackle the unfairness and costs of poverty and reduce costs to the public sector.

There are opportunities in all areas of the economy that are growing rapidly, but also in sectors where substantial new job opportunities will be created as people retire.



## HOLLOWING OUT OF THE LABOUR MARKET

### FORECAST % EMPLOYMENT CHANGE BY OCCUPATION IN LEEDS CITY REGION 2013-2020



Source: Joseph Rowntree Foundation



### OPPORTUNITIES TO BOOST PRODUCTIVITY AND COMPETITIVENESS

There are opportunities where the city’s economic competitiveness could be enhanced.

Productivity (the economic output per worker / hour worked) in the Leeds economy has not risen significantly since the recession. This is partly because firms held on to workers in the downturn, and people have taken lower paid jobs or become self-employed. But it also reflects insufficient investment in training, exports, research and development, premises and plant, and infrastructure. If we can raise productivity, we can increase the value and resilience of economic activity. There is scope to increase Research and Development spending in Leeds across the public and private sectors, and our export performance.

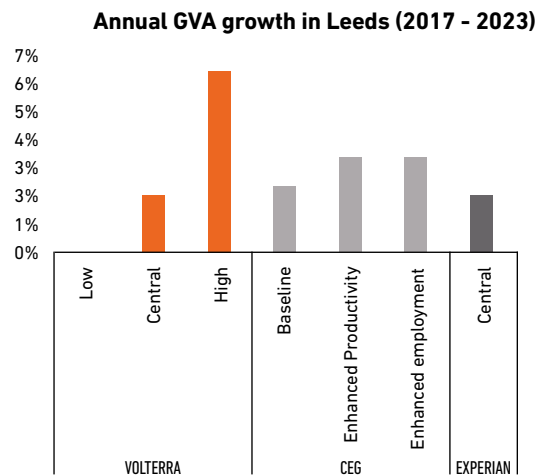
Developing, attracting and retaining graduates will also provide an economic boost. Increasingly firms invest where there is a skilled and creative workforce. Leeds is already a net importer of people moving to study at university and graduates – the city experiences a brain gain, not a brain drain. But more could be done through initiatives to widen participation of Leeds people in higher education, connect Leeds graduates to jobs in the city, and to attract graduate “returners” (people from Leeds who have moved away to study and work) as well as skilled people moving out of London.

More infrastructure investment, a more efficient transport system, more modern sites and business premises and better broadband would all help boost productivity. Better

transport can bring new and more productive jobs within reach for people (enabling them to move job without moving house), new markets within reach of business, and support growth and innovation in the city centre, and in major growth locations across the city.

Strengthening the city’s image, and awareness nationally and globally of its offer to investors, visitors and as a place to build a career can also play a role. There is also scope for Leeds firms to export more.

The diagram to the right shows several GVA forecasts for the Leeds economy



Source: CEG, Experian and Voltterra forecasts



## FUTURE ECONOMIC PROSPECTS AND SCENARIOS

### A STORY OF TRANSFORMATIONAL ECONOMIC CHANGE AND ECONOMIC RESILIENCE

Future economic scenarios need to be informed by past trends. Over the past century, the Leeds economy has transformed from a traditional economy based on low skill manufacturing jobs to a knowledge economy with strengths across a wide range of sectors. This transformation is the reason for the city's economic success over recent years.

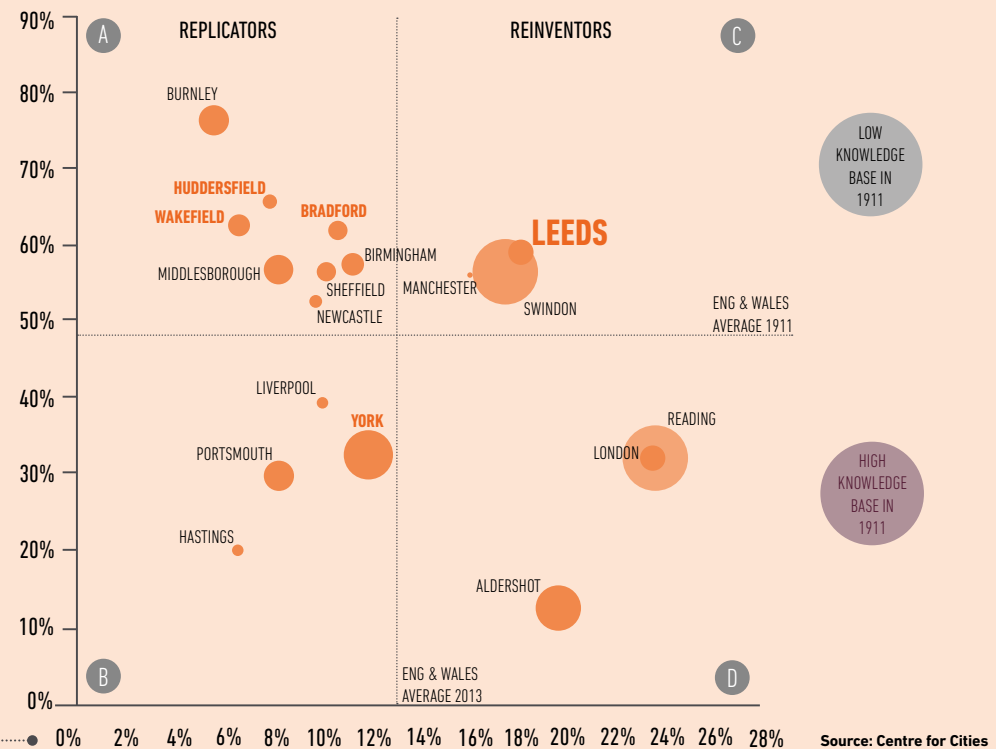
Leeds has bounced back strongly from the 2008/09 recession which followed the financial crisis. There are now 34,000 more jobs overall in Leeds, despite a fall in the number of public sector jobs in the city, and an extra 8,000 businesses than in 2009. Approximately 450,000 people work in the city, and unemployment is falling faster than the UK average.

### LONG TERM ECONOMIC TRANSFORMATION

Over the past 100 years, Leeds has successfully reinvented itself as a centre of the modern economy. In 1911, 60% of employment in Leeds was in primary industries – mining, manufacturing and factory work. Today, one in 5 of all jobs is in the private sector knowledge economy.

Share of jobs in extractions, manufacturing, docking and general working, 1911

Share of jobs in private KIBS, 2013



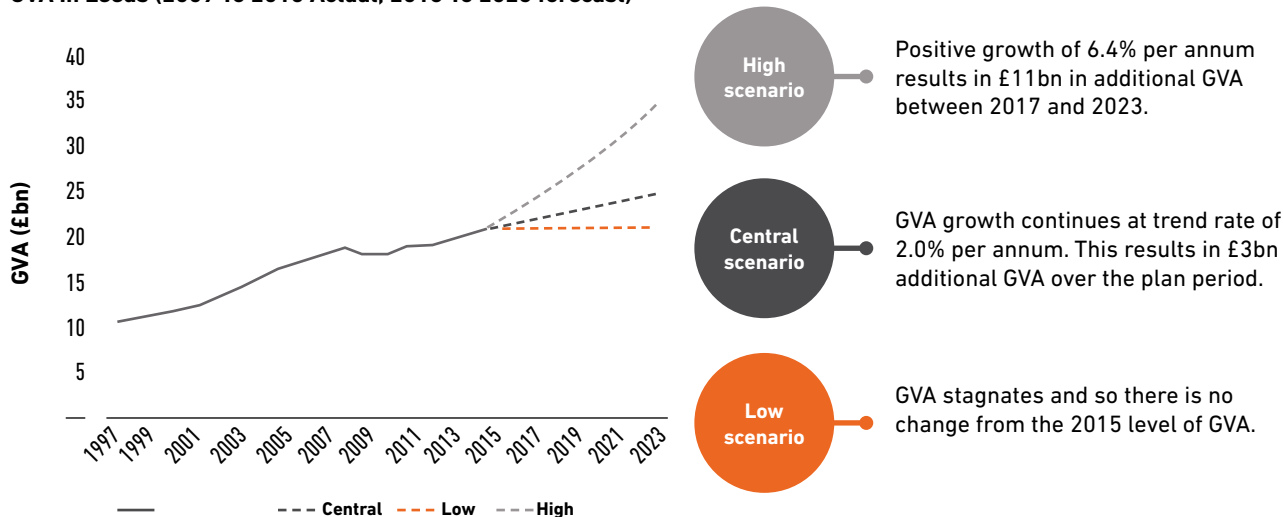
**POSITIVE FUTURE PROSPECTS**

A series of forecasts predict Leeds will outperform the national economy over the next 20 years, increasing its output by an extra £9bn annually (growth of almost 50%) and create an extra 68,000 jobs.

These positive forecasts are based on analysis of underlying economic factors: the strong concentration of knowledge based jobs and a skilled workforce, a successful track record in providing new office space and attracting investments, large and growing financial and digital sectors, and high levels of business start-ups and scale-ups. The forecasts identify a range of factors that will make a difference as opposed to specific growth sectors or transformational technologies.

Leeds is likely to remain a broad based economy. This is a good thing. Economic diversity provides strength and resilience in uncertain times. Different sectors benefit from interactions with each other. For example, the professional services sector benefits from a strong manufacturing base, and manufacturing benefits from the capabilities of the digital and scientific sectors. Some of the most exciting innovation and business growth is where different sectors come together, such as fin-tech (financial technology) and manu-services (manufacturers selling their expertise as ongoing services).

**GVA In Leeds (2009 To 2015 Actual; 2016 To 2023 forecast)**



Source: Regional GVA, ONS (2016); Volterra forecast

*“On the baseline forecast the Leeds economy will grow over the period 2015-2030 at a rate that is 69% above that which it achieved in the period 2000-2015. However, building on forecasts made for the Northern Powerhouse, and assuming some enhanced productivity growth, GVA could grow substantially more, by some 140% on its historic performance.....The strength of the Leeds financial sector is such that it is entirely plausible that Leeds, and in particular its expanding City Centre area, could experience growth in office-based employment towards the top end of our growth forecasts. This would create 47,000 extra office jobs in the City Centre over 2015-30 and a corresponding requirement for 7.5 million sq ft of new floorspace..... To ensure that the projected growth in jobs can be met it is essential that there is also an adequate supply of skilled labour.”*

**Cambridge Economic Associates  
(economic forecast commissioned by CEG)**



**BUT THERE ARE RISKS AND UNCERTAINTIES AHEAD**

However there are also significant economic risks. It is almost ten years since the last recession and there are signs of a slowdown in consumer spending. Brexit looks to have damaged business and investor confidence, and there is great uncertainty about future exchange rates, trade regimes, access to workers and the availability of research funding to universities.

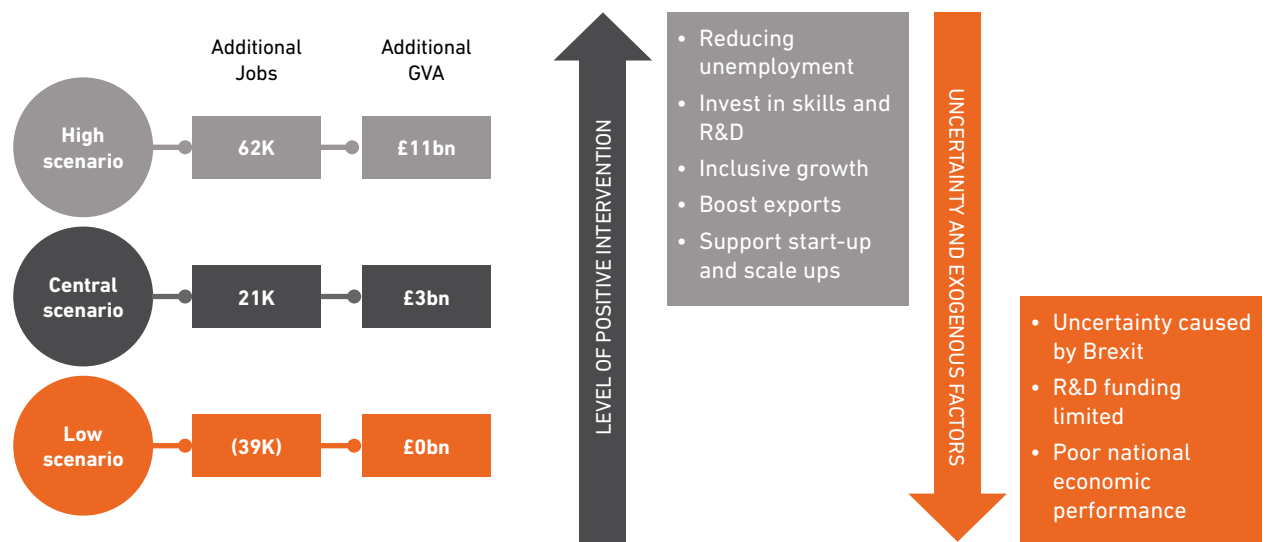
Recent data indicates the Leeds economy is experiencing significant change with rapid growth in emerging sectors such as digital, creative & low carbon, but also pressure on traditional pillars of Leeds economy of manufacturing and Financial and Business Services. As it has done in the past, the Leeds economy is reinventing itself

with growth in new sectors, but this also highlights the risks from economic change, particularly automation, to manufacturing jobs, and also jobs in financial and business services back office functions.

A failure to equip our people with the skills they need to succeed in the modern economy will hold them, and hold our city's progress back.

Improvements in infrastructure will be needed to secure and accommodate future growth as well as improving the city's resilience to extreme weather, and fluctuations in energy prices. A slowdown in development could restrict the supply of the new homes and business space we need.

**Growth scenarios – 2017 to 2023**



Source: Volterra

IN 2016 YORKSHIRE SAW THE SECOND **BIGGEST** RISE IN THE NUMBER OF **NEW BUSINESSES** CREATED WITH A **1.8%** INCREASE, SECOND ONLY TO LONDON

**LEEDS**, ALONGSIDE CAMBRIDGE AND LIVERPOOL HAS THE **HIGHEST PROPORTION** OF **FEMALE ENTREPRENEURS** IN UK CITIES AT **29%**

## THE SCENARIOS

Three scenarios have been set out for the Leeds economy to 2023:

**A central scenario**, based on a continuation of long-run trends – this would see continued growth in financial and professional services and the knowledge economy, and continued progress with developing new infrastructure and office space in the city. It would be dependent on national growth remaining positive.

**A higher growth scenario**, based on a continuation of recent positive trends and progress being made on some of the issues holding the city's economy back and on inclusive growth – this would require substantial progress to be made on reducing unemployment, tackling

low pay and underemployment, a better education and skills system, attracting and retaining more graduates, a boost in exports and R&D, an increase in infrastructure investment, regeneration, and development of new homes and business space. It would be dependent on a strong national economy.

**A lower growth / recession scenario**, based on an economic downturn as a result of uncertainty, Brexit, skills issues, weaknesses in infrastructure, and problems of poverty are really beginning to harm the city's overall economic performance.

## WHAT IF THERE IS A RECESSION?

- One of the scenarios is for low growth. There is concern about recent slowdowns in national consumer spending, wage levels, uncertainty around Brexit, and global instability. It is almost ten years since the last recession, and another downturn is possible.
- If there is a recession, the Council will work with the LEP and other partners to support businesses and people. Potential interventions include:
  - Creating a standing taskforce to provide support for businesses facing pressures and the risk of closures and redundancies.
  - Developing a fund and an initiative to provide training, employment support and jobs brokerage for people that have been made redundant to help them get new jobs or start their own businesses.
  - Maintaining momentum on development and regeneration projects and kick starting progress on stalled sites through funding; and
  - Investing in infrastructure and regeneration to provide an economic stimulus.

## CONCLUSIONS

The Leeds economy has transformed over the past century from a traditional industrial economy, to an increasingly successful knowledge economy.

Leeds has a wide range of economic strengths: financial and professional services, innovative manufacturing, digital, healthcare and life sciences, retail and tourism, construction, education and social enterprise. This economic diversity has provided resilience and innovation.

Leeds is an enterprising city, and a great place to start and scale-up a business. Our innovators and entrepreneurs – in business, universities and in the community sector – are creating new products and processes to drive growth.

Our international profile is growing, reflecting the progress the city is making, the major events we are now hosting, and the diversity and dynamism of our communities. There has been a step change in recent inward investment activity and visitor numbers.

Leeds bounced back from the recession strongly, and our economy has been resilient in the face of austerity. Private sector jobs growth is strong.

Whilst we should be positive about the progress Leeds is making, we must not be complacent. The evidence also shows that there is more we can do to boost productivity, and particularly to tackle poverty which is currently a drag on our economic performance.



# 5. INCLUSIVE GROWTH

MAKING OUR ECONOMY WORK FOR EVERYONE

Inclusive growth is about an approach to developing a productive and resilient economy, to which all people and places contribute to and benefit from to their full potential. The approach is set out in the diagram below.

It is clear that not all people or places have benefited fully from rapid economic change; in fact many feel they have been left behind, and that austerity has added to the negative impacts. For far too long traditional policies and actions to support economic growth and to tackle poverty have taken place in different silos. The result is that well-intentioned efforts to achieve growth rely inadvertently on the concept of trickle-down to spread the benefits and efforts to tackle poverty become focused on mitigating the consequences of deprivation, not tackling the causes.

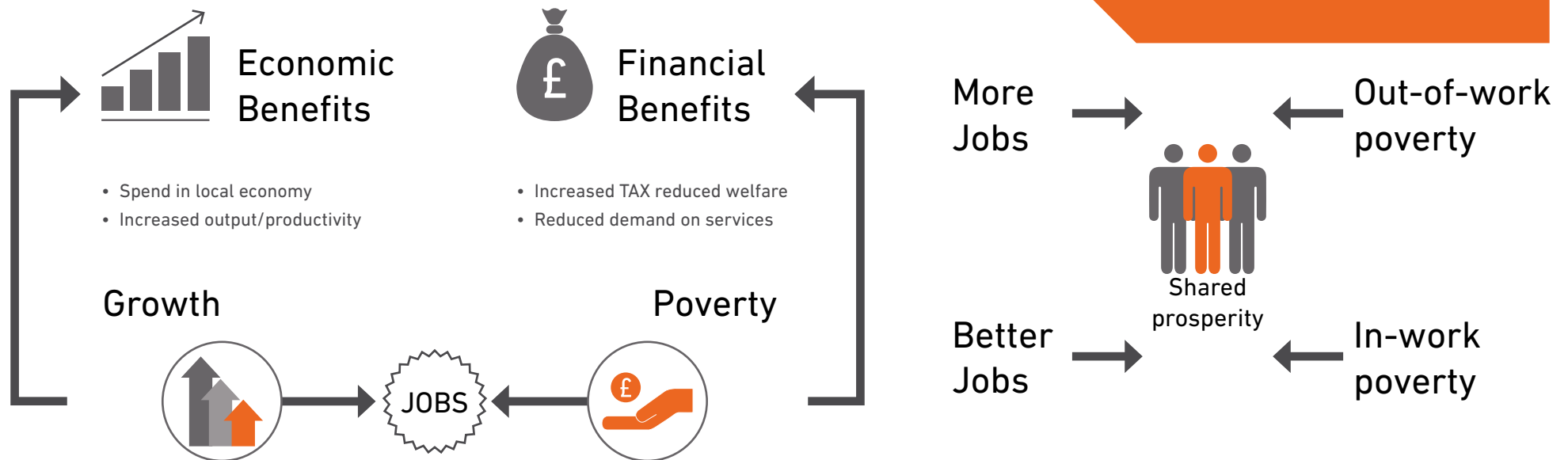
There is also increasing recognition that we cannot rely on a policy of 'grow now, redistribute later'. In an era of

ongoing pressure on the public finances, the scope for redistribution will be limited. We do need growth, but growth of the right type.

As a result, there is increasing interest both globally and in the UK, in the concept of inclusive growth. Leeds has led the way here working with Joseph Rowntree Foundation through the More Jobs Better Jobs Partnership, which was formed in 2014. Through this work we have taken an independent look at what can be done in areas such as tackling low pay, regenerating neighbourhoods, innovating with the benefits system, securing better social outcomes from the leadership and procurement by large "anchor institutions" in the city, and improving access to jobs through transport interventions. The work with JRF has informed this inclusive growth strategy.

*'We need to replace the 'growth first-distribute later' axiom with a more complex and integrated approach in which the low income groups are better prepared to profit from globalisation, ensuring that they are more closely connected to innovation and global business opportunities. We need to increase social spending to improve social protection and safety nets in light of the changing work environment disrupted by digital technologies'.*

**Angel Gurría,**  
**OECD Secretary-General 6 June 2017**



Source: JRF





## MAKING OUR ECONOMY WORK FOR EVERYONE

The RSA's Inclusive Growth Commission highlights that reducing inequality and deprivation can itself drive growth. Investment in social infrastructure – including public health, early years support, skills and employment services – should go hand in hand with investment in physical infrastructure, and in business development. This will have a first order impact on productivity and living standards.





# 6. OUR BIG IDEAS

## THE CROSS CUTTING ISSUES UNDERLINING GROWTH

THIS SECTION SETS OUT OUR 12 BIG IDEAS THAT HELP FRAME THE ACTIONS FOR THE STRATEGY. THEY ARE THE CROSS CUTTING ISSUES UNDERLINING OUR APPROACH TO DELIVERING INCLUSIVE GROWTH.

THE ECONOMIC SCENARIOS AND FORECASTS IN THE PREVIOUS CHAPTER SHOW THAT THE PROSPECTS FOR THE LEEDS ECONOMY ARE POSITIVE. HOWEVER TO FULFIL OUR ECONOMIC POTENTIAL AND TO MAKE A HIGH GROWTH SCENARIO A REALITY WE NEED TO TAKE ACTION TO ENHANCE OUR COMPETITIVENESS AND TO GET EVERYONE CONTRIBUTING TO THE ECONOMY TO THEIR FULL POTENTIAL. WE WILL ALSO NEED TO SUPPORT OUR BUSINESSES AND COMMUNITIES TO BE RESILIENT IN THE CONTEXT OF ECONOMIC CHANGE AND RISKS.

THIS WILL MEAN INVESTING IN **PEOPLE**, THEIR HEALTH AND WELLBEING, IMPROVING EDUCATION AND SKILLS, PUTTING CHILDREN AT THE HEART OF THE GROWTH STRATEGY, AND EMPLOYERS AT THE CENTRE OF THE SKILLS SYSTEM. IT WILL MEAN TACKLING LOW PAY, SECURING BETTER SOCIAL AND ECONOMIC OUTCOMES FROM THE ROLE AND IMPACT OF LARGE ORGANISATIONS IN LEEDS.

IT WILL MEAN DEVELOPING AND REGENERATING **PLACES**, SUPPORTING NEIGHBOURHOODS, COMMUNITIES AND CENTRES TO RESPOND TO ECONOMIC CHANGE, GROWING THE CITY CENTRE AS AN ECONOMIC POWERHOUSE NOT JUST FOR LEEDS BUT ALSO FOR THE NORTH, AND GROWING MAJOR ECONOMIC HUBS TO THE NORTH, EAST, SOUTH AND WEST OF LEEDS. AN INCREASE IN NEW HOMES, IMPROVEMENTS TO EXISTING HOUSING AND INVESTMENT IN MODERN INFRASTRUCTURE WILL SUPPORT THE CITY'S GROWTH.

IMPROVING **PRODUCTIVITY** IS ALSO NECESSARY. BY BACKING INNOVATORS AND ENTREPRENEURS WE CAN BUILD ON OUR STRONG START-UP AND SCALE-UP PERFORMANCE. TECHNOLOGICAL CHANGE WILL CREATE OPPORTUNITIES FOR CITIES WHO ARE AT THE FOREFRONT OF THE NEXT WAVE OF DIGITAL TRANSFORMATION, BUT POSES RISKS FOR ANY CITIES THAT LAG BEHIND ON DIGITAL INVESTMENT AND DIGITAL SKILLS. PROMOTING A MODERN, DYNAMIC, DIVERSE AND OUTWARD-LOOKING IMAGE OF LEEDS – INCLUDING MAXIMISING THE ECONOMIC BENEFITS OF CULTURE - CAN DRIVE GREATER INWARD INVESTMENT, EXPORTS AND TOURISM.



## BEST CITY FOR HEALTH AND WELLBEING

- Working in partnership to improve the health of the poorest the fastest
- Building on our strength as a leader of health innovation by further developing our workforce and attracting new skilled jobs in growing sectors such as digital and medtech
- Supporting healthy, active lifestyles to enable people of all ages to fully realise their social, educational and economic potential
- Working with schools, colleges and universities to open up opportunities for our residents to develop their skills and promote social mobility
- Enabling more people to manage their health in the community and workplace, working with people to promote prevention and self-management

As little as 10% of a city's overall health and wellbeing is linked to access to healthcare. Work, family, housing, our environment, education and the community we live in all play an important part in promoting healthy lives. The Leeds Health and Wellbeing Strategy sets out the benefits of healthy, connected lives where people who are the poorest will improve their health the fastest.

Education and skills are particularly important. People with the shortest healthy life expectancy are three times more likely to have no qualifications compared to those with the longest. A good education improves access to well paid jobs, reduces exposure to life's challenges and enables people to have time to make a positive contribution to their community. We will work with schools, colleges, universities and employers to improve the skills of the existing workforce and enhance people's productivity, career progression and resilience.

Better jobs are central to this approach, and will become even more important as the number of people aged over 65 in Leeds is estimated to rise by almost a third to over 150,000 by 2030. Increasing access to flexible and/or part-time working and adequate workplace adjustments is beneficial to people of all ages but is essential in supporting older workers to remain in fulfilling work and accommodate both changing health needs and caring responsibilities. We will also promote social mobility from deprived areas and work to improve outcomes for people of all ages who lose their jobs or whose skills need to be kept up to date. We also intend to improve the offer to people with mental health and disability issues who feel shut out of the workforce. In Leeds there are over 32,000 people on Employment Support Allowance and Incapacity Benefits. There are also over 70,000 unpaid carers providing health and social care support to thousands of people.

Employers are increasingly focussing on health as a way to improve productivity and economic resilience, as healthier employees are generally absent less often, perform better and have a higher morale, which all leads to businesses having a lower staff turnover. Our existing and future workforce needs to be kept healthy and we will work with employers in all sectors to support people to be physically active, socially connected and eat a healthy diet. We will become a health-promoting city that is the Best Core City for Health and Wellbeing by 2021.

The network of health organizations and research bodies in the city, along with our strong and resilient economy and exceptional universities, creates a unique health and care infrastructure. Leeds is already a world leader in health innovation, with 22% of the total digital health jobs across England and Wales being in the City. We have recently developed the Leeds Academic Health Partnership. As one of the biggest partnerships of its kind in the UK, it harnesses the city's world-class research, cutting-edge clinical practice and a real commitment to Leeds people to help transform great ideas into life-changing initiatives. By driving the adoption of research and innovation it is attracting inward investment to help reduce health inequalities.

A key part of our plan is to build a workforce fit for the future in the new Leeds Health and Care Academy. This will manage a strategic approach to the health and care workforce (currently 57,000 people), balancing leadership, training and education for existing staff whilst driving social mobility in the city by promoting careers in health and care. By positioning Leeds as the national sector leader, it will also attract talented people to work in the Leeds health and care sector from the rest of the country and beyond.

**THE LEEDS HEALTH AND WELLBEING STRATEGY 2016-2021 OUTLINES 12 PRIORITY AREAS TO HELP LEEDS BECOME THE BEST CITY FOR HEALTH AND WELLBEING.**





## PUTTING CHILDREN AT THE HEART OF THE GROWTH STRATEGY

- Strengthening the role of schools and developing students to contribute to the economy to their full potential, including getting them ready for the world of work, improving careers advice and business engagement in schools
- Reducing disparity in educational attainment and raising standards
- Extending Early Years provision, linking this to supporting more parents to get into work or to progress into better jobs

We are committed to building our growth strategy around the city's children and young people. Investing in children offers the greatest returns and we are committed to giving our children the best start possible, research shows that the most cost effective public sector investment is in the early years, with benefits through childhood and into adult life and work.

We will continue to protect and promote the successful and vital network of early years services, providing support to parents and carers to enter, stay and progress in work, through children's centres and childcare, and more targeted services such as the Stronger Families initiative. We will also work with employers to encourage and support parents returning to work after a period of childcare, including in higher skill roles where there are currently skill shortages.

Our ambition is to create a skills and education system focused on current and future jobs. This means working more closely with employers, particularly in schools to improve careers advice, mentoring and work experience. Young people with unclear or unrealistic career ambitions are far more likely to spend time not in education, employment and training, or stuck in a trap of low pay and low skills. We will renew our focus in closing the attainment gap between disadvantaged communities and the rest of the city to ensure our education and skills system is working for everyone.

The proportion of Leeds schools judged to be good or outstanding is higher than the national and regional average but we are not complacent. Leeds will continue to raise aspirations, standards and the quality of school leadership and develop

our role as part of the City Region and Northern Powerhouse strategies for schools.

We will work with businesses and schools to improve careers advice. This should focus on raising aspirations and meeting the needs of the individual, enabling young people to make informed choices about all the possible routes into work. We will do more to promote the benefits of apprenticeships, rather than prioritising traditional academic paths. We will encourage more girls into sectors such as manufacturing, construction and digital.

The **Leeds Talent and Skills Plan** published alongside the Growth Strategy sets out how as a city we can collectively improve the supply of skills that our residents need to play a full and more productive part in the labour market, and that our businesses need to thrive, helping to create a more inclusive economy in a compassionate city. The Plan puts forward interventions in support of specific sectors, and sets out a series of actions for growth.

The Plan is available at [www.leedsgrowthstrategy.com](http://www.leedsgrowthstrategy.com)

Over **750** businesses, organisations and individuals have joined our campaign to make Leeds a child friendly city and signed up to be a child friendly Leeds ambassador





## PLEDGE:

### **Leeds Rhinos and Leeds Rhinos Foundation**

*The Club brand will be used to drive the national and international brand of Leeds as a sporting city in its broadest sense, for example through women's sport as well as men's sport, through arts/culture developments such as the film *As Good as it Gets* and through sports science or sports business research and development through our partnership with higher education.*

- *The new Emerald Stadium at Headingley will offer a great sporting and conferencing facility with a unique sporting history, which we will promote for the benefit of the city's profile and impact.*

- *The Foundation will deliver a range of programmes to impact on the city's priorities and to target poverty and inequality across a range of Leeds communities, for example through our programmes for health and education and through our mission to "change lives through sport"*
- *We will continue our work with colleagues at LUFCL so that sport is used to maximum effect to engage communities in activities that help improve the lives of people eg alternative education leading to better life chances, prison programmes to help rehabilitation and health recovery programmes.*



### EMPLOYERS AND PEOPLE AT THE CENTRE OF THE EDUCATION AND SKILLS SYSTEM

- Bringing employers and education providers together to develop and commission education and training to meet employers' needs and economic priorities
- Supporting our current and future workforce to be resilient to economic change
- Tackling the skills gap at all levels

We will work with employers, schools, colleges, universities and training providers to try to shape a skills system that meets the needs of our economy.

Employers and education providers need to work more closely together, with business involvement directly in the classroom to mentor and inspire young people. Greater collaboration will help to develop and commission education and training that is tailored to the needs of employers and our economic priorities. We want our employers to commit to invest more in skills training, engage more with schools, and deepen their involvement in education. We will also continue to make the case to Government for greater investment and more local control over the skills system.

The new Apprenticeship Levy incentivises employers to drive up quality and invest in new progression pathways for their workforce. Good work has been done in this area over the last five years to put employers at the heart of the apprenticeship system, they now write the standards required and commission training providers, this not only benefits trainees but also business as the levy can offset funding costs to train staff.

We will look at how we can work with employers and providers to improve the skills of the existing workforce, to enhance people's productivity, progression and resilience. This will include looking at how greater support can be provided to people who lose their jobs or whose skills need to be kept up to date.

An increase in graduate level jobs is forecast, but some major employers report challenges in attracting graduate applicants with the right skills, particularly in digital. This is despite Leeds experiencing a slight "brain gain" with more undergraduates and graduates moving into the city to study and work than those leaving.

We will work with our universities in widening participation of Leeds residents in higher education. We will develop programmes that create better awareness among Leeds students and potential returners (Leeds residents returning from work and study elsewhere) of available jobs in Leeds. We will continue to bring employers and higher education providers together to design courses to address higher level skills shortages, including creating new degree apprenticeships.

Our education and skills system is currently too fragmented with too many decisions being made in Whitehall, not locally. Through locally designed projects we have been far more successful in supporting people into work than the top-down national programmes. We will continue to make the case for greater devolution of our skills system.





**SIEMENS**

**PLEDGE:**

**Carr Manor Community School**

*Carr Manor Community School pledges to put children at the heart of the Inclusive Growth Strategy for Leeds by focusing our pupils on their future pathways and by equipping them with the skills and qualifications necessary to achieve their ambitions.*

*We will do this by working with all our children and young people between the ages of 4-19 to develop their personal aspiration and their awareness of the world around them and the opportunities they have. We will work with partners to advise and guide each child and to offer and deliver a curriculum and learning experience that secures the outcomes needed to progress to the best pathway for each child be it further/higher education, employment or training.*

*We will work proactively to collaborate with families, communities, educational and business partners to place the needs of children first and to close inequality gaps. We will promote diversity, character, modernity and productivity through our curriculum, guidance and partnership approaches.*

**PLEDGE:**

**UTC Leeds**

*UTC Leeds pledges to support manufacturing growth in the city by developing young people with the technical abilities, confidence and curiosity needed to design, create and maintain the products of the future. By creating strong partnerships with industry, colleges and the University of Leeds we guarantee that any young person with an interest in engineering and technology will leave UTC Leeds well prepared to make a meaningful contribution to the city's economy and society at large.*



## WORKING TOGETHER TO CREATE BETTER JOBS, TACKLING LOW PAY AND BOOSTING PRODUCTIVITY

- Encouraging employers to pay the Real Living Wage
- Initiatives to support firms and people to improve their skills and progress into better jobs
- Continued investment in small scale productivity gains in SMEs
- Developing a strategic approach to corporate responsibility and procurement
- Securing specific commitments from organisations within the city to support inclusive growth and promote the city

To support growth we need a more concerted focus on tackling low pay, enabling in-work progression creating better jobs. Workers in low-wage jobs in the UK receive less training than other European countries, this has an impact on productivity. It is high paid - high skill jobs, and low paid - low skill jobs which are forecast to increase in Leeds. But intermediate level roles are forecast to increase at a lower rate, or in some cases to decline.

Leeds has a broad based economy that changes rapidly and consequently many people in the labour market don't have the right skills, skills which are not transferable, or their skills are out of date. Advancing technology will create further demand for digital skills, as automation changes the shape of the labour market and many current jobs become obsolete. Work is being done in this area, with labour market data shared frequently across the region with our higher and further education providers, giving them the tools to supply a relevant curriculum that meets the current and future demand for skills and provision. The Leeds City Region Skills Service provides comprehensive training needs and a skills planning service to help business identify skills gaps and development needs linked to their growth plan objectives. This has resulted in the upskilling of over 9,000 workers and £3.93m of grants approved, 35% of which were to businesses in Leeds.

Previous economic thinking that any job is the best route out of poverty does not reflect the modern economy. Research by the Joseph Rowntree Foundation shows that 55% of the households in poverty contain at least one adult that is in work, these families equate to approximately 7.4 million people across the UK. Continued investment in small scale productivity gains in

SMEs will have an impact as will a focus on low wage sectors with high numbers of employers.

Businesses have a role to champion local issues and support communities and the people in them. Both physical and social connectivity needs improving, particularly between poor and more affluent neighbourhoods. Securing better outcomes for the Leeds economy in terms of jobs, skills and supply chains from procurement by the public and private sectors, and through major development and infrastructure projects is essential.

There is a danger that money invested locally flows straight out into the wider economy instead of circulating to businesses and people in the local area. As an anchor institution the council has helped 2,395 people into work over the last four years through procurement and major development opportunities, but alongside other large businesses and institutions we still have a role to play in protecting communities through local procurement and supply chain policies.

We will seek to secure specific commitments from organisations within the city to support inclusive growth and promote the city. We have developed the Leeds Social Value Charter to provide a framework which aligns with business and community needs. We will also work with businesses (both large firms and SMEs) and the third sector, through the Connective Leeds initiative, to develop a strategic approach to corporate responsibility building on the success of Child Friendly Leeds. We will work with the LEP to look at what more we can do to consider each firm's commitments to supporting staff development and economic inclusion when we make decisions on grant funding, procurement, business rates relief, and planning.



### **Leeds Community Foundation**

*Leeds Community Foundation (LCF) is the largest independent grant-maker in Leeds, distributing approximately £4m -£5m a year in grants to third sector organisations, charities and social enterprises. We are supportive of the Leeds Growth Strategy plans and, in particular, the enhanced focus on local communities. In support of the strategy we pledge to:*

1. *Continue to work closely with businesses to encourage them to expand their community investment activities so as to provide more support for local communities in terms of time, talent and finance.*
2. *Continue to prioritise our grant-making in the city's most deprived neighbourhoods to ensure that Leeds is a city of opportunity for all.*
3. *Work closely with the Council by hosting the Leeds Parks Fund to encourage investment in our parks and green spaces.*
4. *Continue to be active Ambassadors for Child Friendly Leeds including hosting the new Child Friendly Leeds Fund designed to raise funds to support children and young people in Leeds.*
5. *Provide a quick response and mechanism for gathering funds in the event of an emergency such as the 2015 floods.*
6. *Where appropriate, convene our annual lecture Leeds Leads which will help provide a focus on the city's strengths and encourage a wider awareness of and involvement in community engagement.*
7. *Secure and manage grants programmes that encourage and support social enterprise start-up and scale up as well as supporting individual social entrepreneurs.*
8. *Support the city's cultural and creative sector through championing the Leeds culture strategy and supporting the Year of Culture 2023, and through our normal work supporting work with communities via the city's major cultural institutions as well as community-based organisations, events and galas.*



## SUPPORTING PLACES AND COMMUNITIES TO RESPOND TO ECONOMIC CHANGE

- Targeting investment and intervention to tackle poverty in priority neighbourhoods
- Improving housing and quality of place in locations of change to tackle poverty and support growth
- Building more homes
- Transforming the role of town centres as economic and service hubs
- Making assets work to support growth and communities

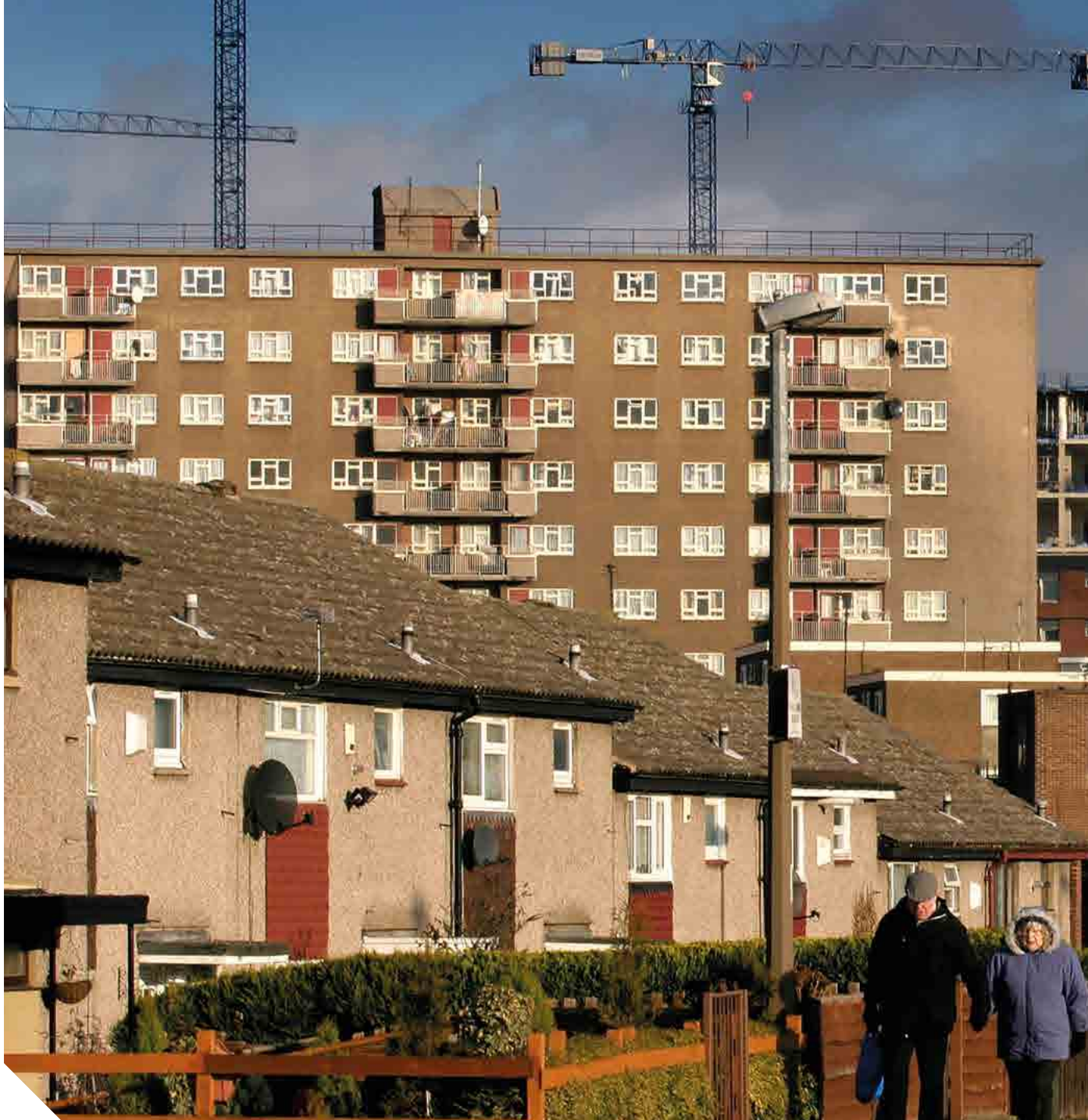
Vibrant town centres, improving neighbourhoods, good quality open spaces and public realm all have a role to play in the growth of our economy. There are still vacant units and empty homes in some areas, these not only provide a physical blight on their environment but are underused assets. Progress is being made in this area with over 2,500 empty homes being brought back into use since 2012, but there is still more to do. More flexibility is needed to repurpose and reuse excess stock, such as providing housing in town centres.

As the city expands and its population grows we are facing a housing shortage. But providing more homes should not simply be a numbers exercise and we are committed to delivering sustainable development. The location, type, tenure, size, design and quality of housing and the quality of place in neighbourhoods needs to reflect our economic ambitions by providing homes in places people want to live. They also need to be affordable and we are committed to building 1230 affordable homes per annum. The ongoing design and development of the city should consider and support the needs of children and families at every stage to ensure Leeds remains an attractive place for families to relocate.

More needs to be done to support places to prosper in the context of economic change. We have changed people's lives and improved significantly housing conditions, the local environment

and community facilities in places such as Cross Green and major investment through the Little London, Beeston Hill and Holbeck PFI which entailed £145 million capital investment in new homes. We have committed a £4 million investment in community work in the Holbeck area and the council is making £5 million available to improve and promote enterprise in our town centres and link people to jobs within them. We will develop a coherent approach to using funds to revitalise centres and neighbourhoods, encourage enterprise and make best use of existing assets.

We will continue to target investment and intervention in places that are ranked by Government as amongst the most deprived in England, including current work focusing on the six priority neighbourhoods that have been identified as showing some of the most concentrated and long standing deprivation in the whole country. The Council will work with local people, partners and other stakeholders to develop programmes that focus on connecting these neighbourhoods back into the economic and social mainstream of the city so that residents are able to take advantage of the jobs and training opportunities that are often in close proximity, in the city centre or other centres of employment.



£

23

LEAST AFFORDABLE  
LONDON BOROUGH  
WESTMINSTER

10

MOST AFFORDABLE  
LONDON BOROUGH  
BARKING AND DAGENHAM

7

LEEDS

HOUSEPRICE TO INCOME RATIO



## DOUBLING THE SIZE OF THE CITY CENTRE

- Delivering new jobs, homes, a new city park and a revitalised waterfront in the South Bank, as one of the most significant regeneration projects in Europe
- Creating an Innovation District around the universities and hospital
- Rebuilding Leeds Station, the busiest transport hub in the north, including HS2 and Northern Powerhouse Rail
- Supporting development and regeneration of Quarry Hill, Eastgate, and the West End
- Connecting people to jobs by improving links between the city centre and surrounding communities

Leeds City Centre is an economic powerhouse for the North, with over 50% of the jobs in Leeds City Centre in Knowledge Intensive Business Services (compared to 25% across the city region as a whole).

Firms are clustering in city centres because it provides proximity to other knowledge intensive businesses, Government and universities, enabling people to collaborate, compare and compete in what the economist Bruce Katz calls “the hypercaffeinated spaces between the buildings”. Office take-up in Leeds has passed the 1m sq ft mark in 2017. This total is more than double the amount registered in 2016 and is 88% ahead of the 10-year annual average for the city.

South Bank Leeds offers a unique opportunity to increase the physical and economic impact of the city centre. It is one of Europe’s largest city centre regeneration opportunities and will be the biggest change the city has seen in more than a hundred years, creating 35,000 new jobs and over 8,000 new homes. It will be the home to HS2, a new city centre park and education facilities which complement new office, retail, leisure and housing development delivering sustainable development. It is also an opportunity to open up the waterfront and make the most of the natural environment.

Rebuilding Leeds Station, already the busiest transport hub in the North, will equip us for an expected 134% increase in passenger numbers to 70 million per annum over the next 30 years. As the heart of the district over 55,000 people commute into Leeds for work, the majority are from the city region area but a further 8,000 come from further afield. Regional and national connectivity will be strengthened through HS2 and Northern Powerhouse Rail.

Significant improvements will be delivered on the Northern and Transpennine services, where the council, working with other cities across the North took the lead in specifying the new franchises. Passengers will see huge benefits within the next five years including new trains, many more seats, wifi on trains, and faster journeys.

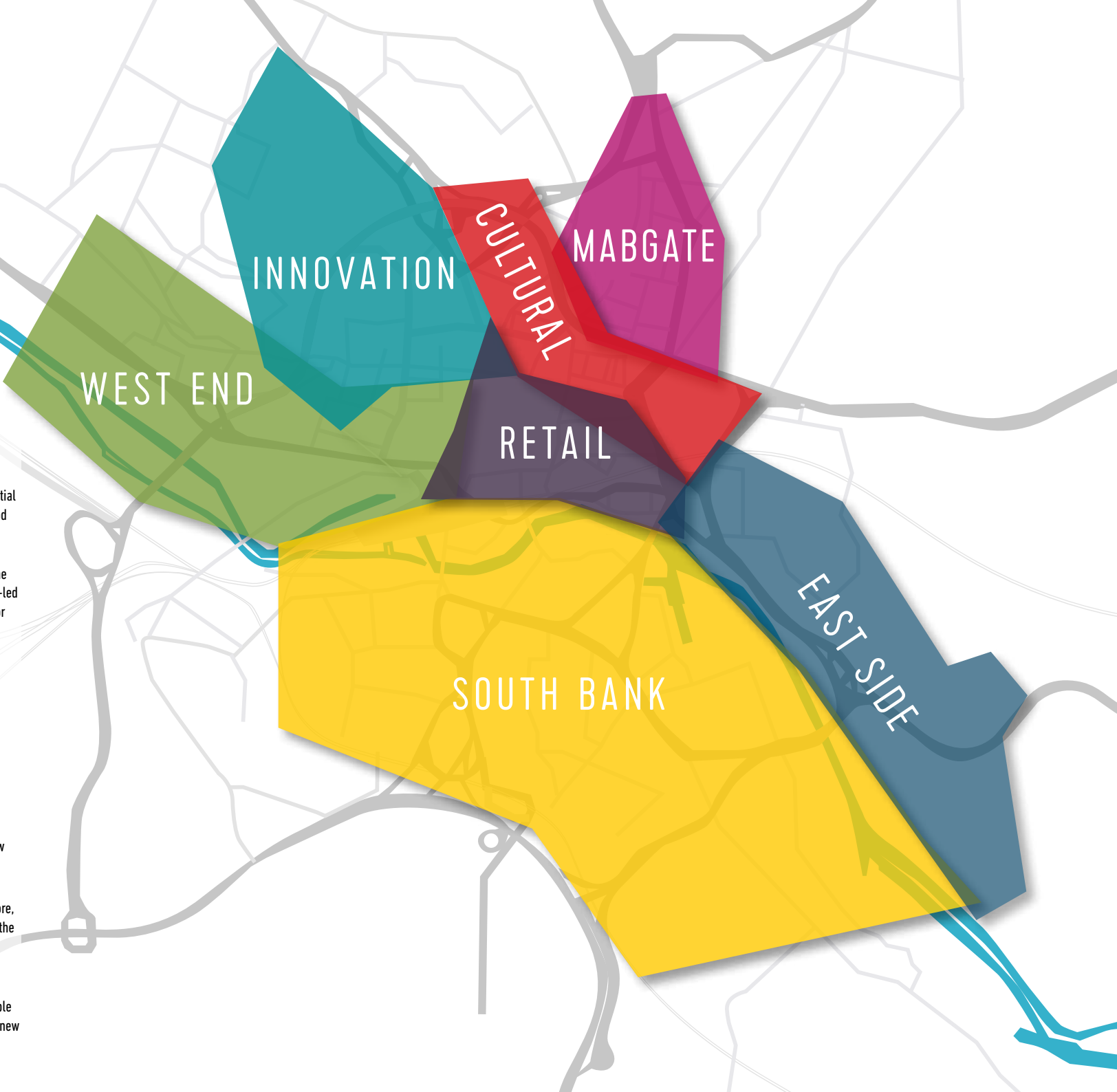
Our new Innovation District aims to make Leeds City Centre a 21st century science park centred on the universities and the Leeds General Infirmary in the northern part of the city centre, and attracting investment across the city centre from firms that want access to the knowledge created by the universities and hospital. This will drive greater collaboration bringing together some of the city’s most creative and innovative institutions, industry, researchers, clinicians and public sector leaders, boosting larger firms in the city and attracting new inward investment.

We will also support the city centre to expand to the east through the Quarry Hill and Victoria Gate Phase 2 schemes, and to the West through the developments along Whitehall Road and Kirkstall Road.

As jobs are created in centres we need to help people in surrounding communities access these jobs, this is particularly important in those areas that surround the city centre, including Armley, Beeston, Burley, Chapeltown, Harehills, Holbeck, Hunslet, Hyde Park, Kirkstall, Little London, Richmond Hill and Wortley. Better walking, cycle routes and bus services, as well as improving career advice and skills can play a role here.

## MAIN GROWTH LOCATIONS IN LEEDS CITY CENTRE

- INNOVATION** – The Innovation District is a hub for flourishing areas of research and enterprise between key institutions including our universities and the Leeds Teaching Hospital Trust, with emerging proposals for over £1bn of investment.
- MABGATE** – This is an emerging area of great opportunity and potential change. Home to thriving independent businesses, a developing food and beverage offer, and developing residential uses.
- CULTURAL** – There are significant redevelopment opportunities in the area. The Council, with partners, is developing a vision for heritage-led regeneration of the Grand Quarter to create a high quality setting for the Grand Theatre. Ambitious proposals around Quarry Hill include new residential, office, retail and leisure developments and a £14m redevelopment of West Yorkshire Playhouse.
- RETAIL** – Leeds is the third largest shopping destination in the UK outside London. With over 300 bars and restaurants, Leeds is a premium leisure destination with an iconic heritage featuring Kirkgate Market, The Corn Exchange, and Victorian arcades. Victoria Gate Phase 2 will see significant investment opportunities.
- EAST SIDE** – This area of the city provides significant opportunities for new housing investment, with capacity for upwards of 2,000 new homes by 2028.
- WEST END** – Forming a natural expansion of the traditional office core, this area includes the new Government Hub (due for completion at the end of 2019, to accommodate 6,000 civil service workers).
- SOUTH BANK** – One of the largest city centre regeneration and growth initiatives in Europe. Proposals for this 253ha area will double the size of the city centre creating over 35,000 jobs and over 8,000 new homes.





### BUILDING A FEDERAL ECONOMY - CREATING JOBS CLOSE TO COMMUNITIES

- Strengthening transport links to enable people to access jobs
- Supporting growth and investment in main economic hubs in the north, south, east and west of the city including:
  - Aire Valley Enterprise Zone
  - Thorpe Park
  - Thorp Arch
  - White Rose
  - Capitol Park
  - Kirkstall Forge
  - Leeds Bradford Airport

Connectivity is as much about reducing inequality as providing growth, by bringing our workforce within reach of jobs. Leeds has several areas of deprivation and these are often adjacent to much wealthier neighbourhoods. The 2011 census showed 32% of households in Leeds do not have access to a car and in many cases poor transport and travel costs act as a barrier, reducing mobility and the effectiveness of the labour market. Transport should be accessible to all, with strong links to all communities within Leeds.

Unlocking development sites will make best use of the city's assets and targeted transport investment can open up opportunities, be that brownfield or future growth sites such as

the new airport link road and East Leeds orbital road which will create new employment and housing. The aim is to make Leeds a more prosperous, liveable and healthy city.

Environment improvements will help attract new business and improve the city's readiness for future opportunities such as HS2. People friendly streets encourage more walking and cycling whilst improvements to our bus fleet and more people travelling by public transport will improve air quality and reduce carbon emissions. Improvements to district centres will make them more prosperous and new bus services will make them more accessible, supporting new opportunities for skills development and new and better local jobs.

## PLEDGE:

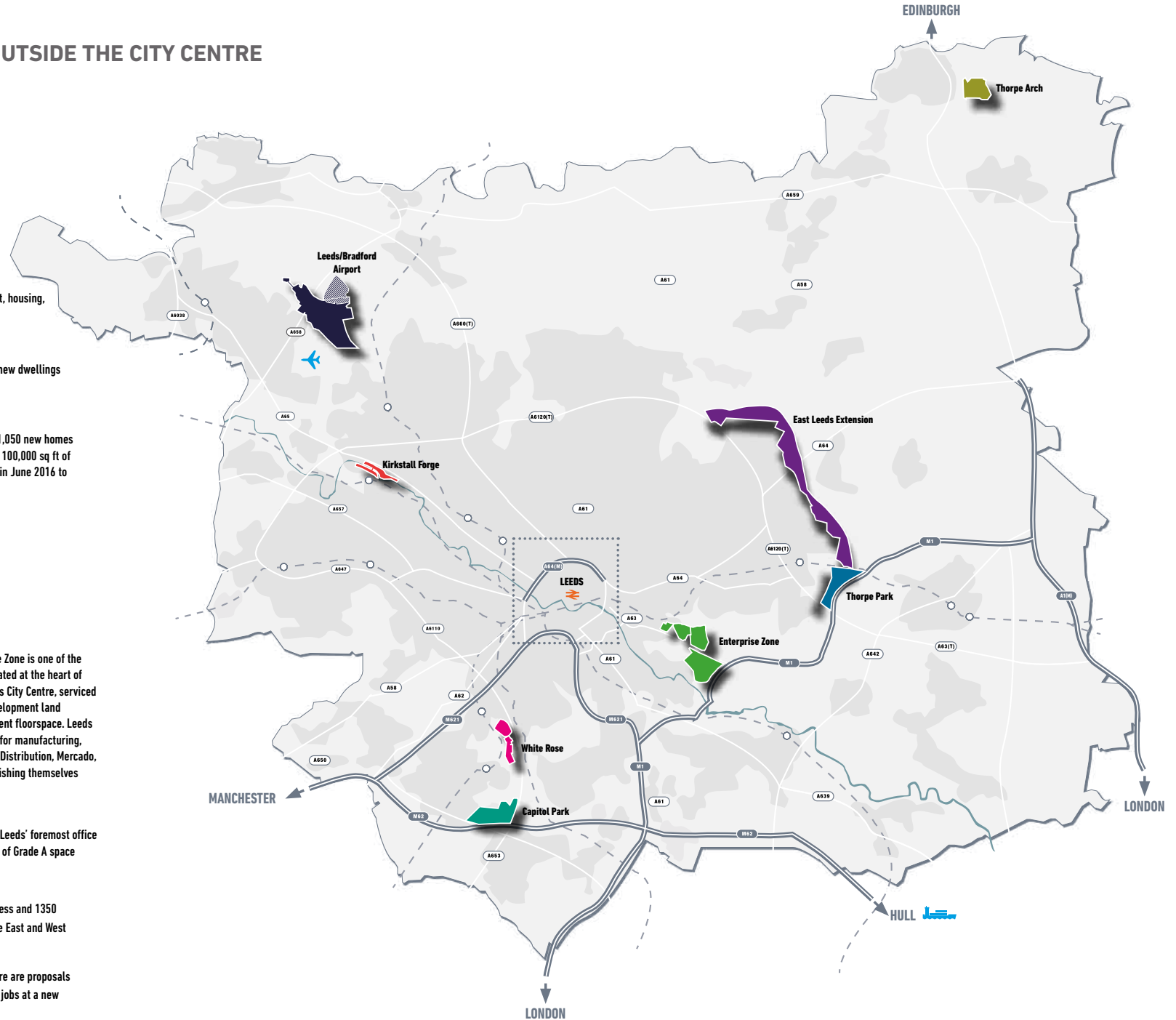
At **Yorkshire Bank**, we:

1. are committed to supporting Leeds and Yorkshire
2. understand the importance of SMEs to the local economy, so earlier this year we committed to lend £300m to SMEs in the Yorkshire area over the next three years.
3. recently launched our SME Health Check Index that provides industry insight and trends into the state of the economy which will help us to fully understand the challenges faced in the region
4. are a proud sponsor of the Leeds Year of Culture 2023
5. have established a new Head of City role, someone who is already working directly with Leeds City Council to ensure we achieve a strong economy within a compassionate city
6. believe working with universities, growth hubs, LEPs is vital in supporting SMEs. An example of this is our commitment to offering pop up clinics, in conjunction with the City's Growth Hubs and Universities, to provide support and guidance for start-up and scale up businesses within Leeds City Region
7. support the Count me in 123 initiative for pre-school kids across all libraries in Leeds.



## MAIN GROWTH LOCATIONS OUTSIDE THE CITY CENTRE

- THORP ARCH ESTATE** – Trading Estate with existing employment, housing, retail and future employment allocations.
  
- EAST LEEDS EXTENSION** – Major residential extension of 5,000 new dwellings supported by major infrastructure investment
  
- KIRKSTALL FORGE** – Kirkstall Forge is a new neighbourhood of 1,050 new homes in Leeds, combined with 300,000 sq ft of office space and a further 100,000 sq ft of retail, leisure and community space. A new railway station opened in June 2016 to unlock development.
  
- THORPE PARK** – A 21st century business destination. Unlocking:
  - 300 new homes
  - Land for delivery of up to 7000 new homes
  - 300,000 sq ft of retail and leisure
  - 940,000 sq ft of office space
  - 113 acre public park
  
- LEEDS CITY REGION ENTERPRISE ZONE** – The Leeds Enterprise Zone is one of the UK's most strategic locations for new employment floor space. Located at the heart of the motorway network at J45 of the M1 yet only minutes from Leeds City Centre, serviced by a new Park and Ride. The EZ includes 142 hectares of prime development land capable of delivering in excess of 4.3 million sq ft of new employment floorspace. Leeds Enterprise Zone has already established itself as a proven location for manufacturing, logistics and distribution with John Lewis, Amazon, FedEx, Perspex Distribution, Mercado, Roberts Mart, Symingtons and Watershed Packaging already establishing themselves in the area.
  
- WHITE ROSE SHOPPING CENTRE AND OFFICE PARK** – One of Leeds' foremost office locations with occupiers such as O2 and HSBC, there is 45,000 sq ft of Grade A space available for lettings at two buildings: Optim and Calibre.
  
- CAPITOL PARK** – With excellent access to the M62, 8 major business and 1350 employees based at Capitol Park, the Park is split into two sites, the East and West linked by a pedestrian footway and letting opportunities available.
  
- LEEDS BRADFORD AIRPORT** – Subject to planning approval, there are proposals for a new 36.2ha commercial hub at the airport creating 5,500 new jobs at a new Airport Village, Air Innovation Park and Air Freight Park.





## 21ST CENTURY INFRASTRUCTURE

Coordinating plans and leveraging investment to improve infrastructure including:

- Transport
- Smart cities
- Low carbon energy - electricity, hydrogen and water networks
- Social infrastructure - schools, health services, community centres and sports facilities
- Flood protection
- Green infrastructure
- Housing of the right quality, type and range in the right places

Infrastructure improvements should act as a catalyst for regeneration. Improved transport will connect people to jobs, businesses to knowledge and markets, employers to talent, and can enable high densities of productive firms and jobs.

The £1 billion plus Leeds Public Transport Investment Programme will see a new phase in infrastructure investment. Our long term ambition for a mass transit system remains, but we have committed to spending £174m on projects that are deliverable in the short term, with anticipated local and private sector contributions the total investment package is expected to be worth £270m. This includes three new railway stations at White Rose, Thorpe Park and a parkway station connecting to the airport. Investment in 2,000 new park and ride spaces, the bus fleet and network, and cycling routes will reduce congestion in the city centre. A further £450m investment is planned for Leeds through the West Yorkshire Transport Fund programme now being undertaken to the local rail and motorway networks. In addition there will be huge investment in the rail network, and Leeds station.

In 2015, Leeds joined 50 other UK cities in signing a pledge that commits to eradicating carbon emissions and running the city on green energy by 2050. Evidence to date suggests that relying on national policies alone will not achieve the city's targets.

Large scale energy efficiency programmes such as insulating homes and further renewables will play a vital role in reducing energy demand.

We will continue to plan for and support investment in social infrastructure in communities. This will include providing new school places, modernising and improving health services, community facilities, sports facilities and parks.

Cutting carbon presents economic opportunities for Leeds firms and the city as a whole. A new district heating network will use the waste energy from the new Recycling and Energy Recovery Facility to pipe lower cost and lower carbon heat from the perimeter of the city to businesses and residents in dense urban areas.

Elsewhere, we have ambitions to convert the existing natural gas network in Leeds to 100% hydrogen. Use of hydrogen as a fuel produces zero CO2 emissions at point of use and improves air quality. Leeds is anticipated to be the first city to be converted in what is essentially a vision for the country, with all major cities being converted by 2052. The cost of the project is estimated to be in the region of £2bn split between the costs of new gas infrastructure and appliance conversion. The earliest practical date for the initial conversion of Leeds is 2025.

INFRASTRUCTURE  
SPEND IN LONDON IS  
**£1,870**  
PER PERSON  
COMPARED TO JUST

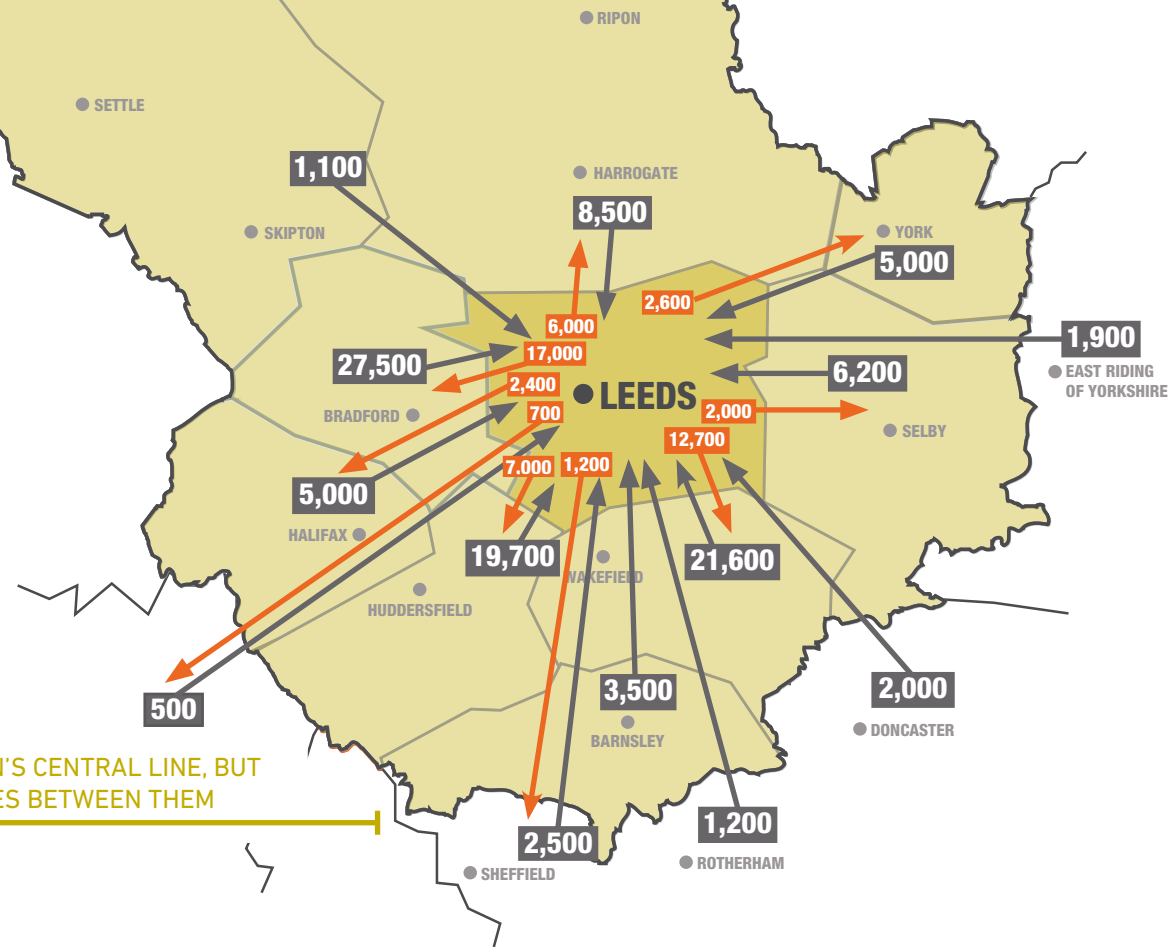


**£247**  
PER PERSON  
IN YORKSHIRE AND  
HUMBERSIDE

## HOW TRANSPORT INVESTMENT CAN SUPPORT GROWTH

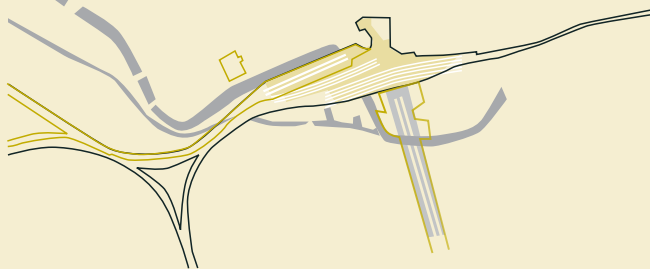
This diagram shows the number of commuters who travel across local authority boundaries for work. The largest flow of workers is between Leeds and Bradford and we expect this trend to continue. It is important that local growth strategies are aligned in order to benefit the regional economy.

Jobs created here, in Bradford and the rest of the region will benefit all our cities. Our workforce and businesses do not recognise city boundaries and advancing technology makes these lines even more superficial.



FROM LEEDS TO MANCHESTER IS THE SAME DISTANCE AS LONDON'S CENTRAL LINE, BUT LESS THAN 1% OF THE WORKFORCE OF EITHER CITY COMMUTES BETWEEN THEM

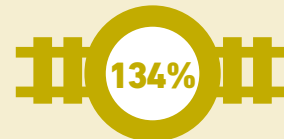
### HS2 GROWTH STRATEGY



The **HS2 Growth Strategy** - Draft for Engagement was published in January 2018. This set out the Leeds City Region's plans to deliver HS2 to Leeds, which will act as a catalyst to transform Leeds Station and the South Bank. It is available at [www.leedsgrowthstrategy.com](http://www.leedsgrowthstrategy.com)

### BIG PLANS FOR LEEDS STATION

Leeds Station will be transformed as part of our plans to bring HS2 to Leeds. Approaching from the south, new HS2 platforms will connect directly into existing Leeds Station, creating a common concourse between services.



**134%**  
INCREASE IN  
PASSENGER NUMBERS  
OVER THE NEXT 30 YEARS



**30 MILLION ANNUAL  
PASSENGERS  
COMPARABLE WITH  
LONDON KINGS CROSS**



## LEEDS AS A DIGITAL CITY

- Promoting and growing the digital sector
- Making every business a digital business
- Developing a workforce that can be resilient in the context of technological change
- Strengthening digital and data infrastructure (including 5G), promoting Leeds as a smart city and using data to help address challenges
- Increasing digital inclusion, so all people can access services, education and training
- Using digital technology and data to improve health outcomes and tackle health inequalities

The fantastic growth in our digital sector is a sign of a trend towards digital and tech, changing the way we interact, do business and work with communities in our city. We need to develop a workforce that can thrive and be resilient in the context of technological change. This will build on the existing Leeds Digital Skills Action Plan. We will continue to develop the digital skills of all our people to support inclusion, access to services, information and jobs.

Digital connectivity is an essential part of the modern economy and increasingly people are working in more flexible ways. A smart digital city provides one solution to congestion challenges. At ground level there has also been lots of work undertaken to retrofit the telephone network to provide broadband, but we need a new full fibre network which is connected to all premises within the core urban area to remain competitive.

We will continue to push for Leeds to be a test city for 5G, in order to provide faster mobile connectivity for commuters and citizens. 5G provides further opportunities in the Internet of Things market, in supporting smart cities and, particularly, the implementation of autonomous vehicles.

Smart city technology is developing in Leeds and we want to be at the forefront of this technology. Electric car charge points, parking bay sensors, apps and autonomy will all shape the future of end to end journeys as well as benefiting the environment.

## PLEDGE:

*Ahead Partnership is committed to a vision for growth within the city of Leeds and the wider City Region that is inclusive and shared by all communities. In support of the Leeds Inclusive Growth Strategy, we pledge the following:*

- *Through our Make the Grade programme, we will continue to put young people at the heart of skills education, as we recognise that they will drive the future economic success of the city*
- *We will increase the engagement of businesses in schools across the city through a suite of interactive activities to enable every young person, regardless of their background, to be better prepared for and informed about the world of work*
- *We will develop our offer at all levels – primary, secondary, FE and HE*
- *We will prioritise bringing opportunities and support to the most disadvantaged young people, in particular those that lack access to networks and information, to drive greater confidence, aspirations and ambition*
- *We will involve more corporate partners in designing educational and skills activities so that teachers, parents and young people are better informed about the skills and qualifications that are valued*
- *Our work will reflect changes in the labour market and provide clear and immediate information from employers*
- *We will deepen our relationships and partnerships across the city and region*
- *We will sharpen our focus on the digital sector to help generate a future digital talent pipeline for employers across the region*

Digital Enterprise is a new business support programme, with £8.4m available to help up to 1,000 SMEs improve their digital capability, connectivity and technology in the Leeds City Region. As well as a voucher scheme, Digital Enterprise also offers workshops, masterclasses and mentoring support in topics such as digital marketing, social media and cybersecurity.

New Tech Hub - 'Platform' by Bruntwood - creation of a new £2m Tech Hub providing new and existing digital businesses with access to 410 desks in both co-working and small office environments, access to event spaces and meeting areas, all backed up with business support and help to find finance for tech companies.





## BACKING INNOVATORS AND ENTREPRENEURS IN BUSINESS AND SOCIAL ENTERPRISES

- Supporting start-ups and scale-ups
- Boosting innovation throughout the economy, including commercialising knowledge from universities and government, and supporting firms of all sizes in all sectors to improve their products, processes and capabilities
- Promoting social enterprises and innovation in public services

Innovation does not just occur in high tech sectors and top universities. Simple improvements to processes, finding new markets or adapting to new technology can increase productivity. We will continue to support the creation of new businesses and the growth of small businesses, including independents, which are an important part of the Leeds economy.

Business and Government expenditure on research and development is an area where Yorkshire and Humber lags behind most other parts of the UK. Whilst we have a large number of innovative firms, we need more companies investing in R&D. Our universities are doing great work in this area and will do more in the future, but we need government to direct more R&D spend to Leeds.

Leeds offers a wide range of incubator space and network and the new Innovation and Enterprise Centre (NEXUS) currently under construction by the University of Leeds will provide incubation space for up to 60 start-up and scale-up companies to grow and invest as part of the Innovation District.

We will support the plans of the University of Leeds to create an Institute of High Speed Engineering, which will make Leeds a global centre of excellence in rail research and engineering.

We will build on the strengths of Leeds as the principal UK hub outside London for medical technologies, taking forward the proposals set out in the Leeds City Region Science and Innovation Audit.

We will look at how we can do more to support the growth of manufacturing and medical technology firms, enabling them to access grow-on space and modern premises.

There were 4,820 start-up companies created in Leeds during 2016, almost double the levels seen in 2010, as well as year on year growth. Perhaps even more importantly our business failure rate is low; the Leeds City Region is forecast to have the

highest number of scale-up companies per year between 2014 and 2024.

New businesses and entrepreneurs need support in order to overcome any “growing pains” as they scale-up, these include finding employees with the right skills, building their leadership capability, accessing new customers and markets, capital, finance and regulation. The Council and LEP offer lots of support to business including Ad:Venture and the Digital Enterprise programme.

A wide range of support in the Business Growth service helps 300 businesses per year, and provides Key Account Management (KAM) services to 150 SMEs. The service is run jointly by Leeds City Region, Leeds Beckett University and Leeds City Council. In many ways KAM, engagement, problem solving and advocacy work is as important to business as a financial grant and we need to do more to increase this level of business support in Leeds.

We will support spaces and initiatives that incubate small creative businesses, recognising that these firms are getting priced out of parts of the city centre, which may require the development of new spaces to be supported, and the Council to consider how best to use its assets and investments to support small business growth.

We will support small independent businesses as they innovate and create jobs, Leeds has more than 6,000 of these businesses accounting for more than half of the employment in the city. Small businesses need access to the right finance and support to invest in staff training or adopt new technologies, increasing awareness of financial options is crucial.

We will support social enterprises, and innovation in public services recognising the positive role social enterprises play in supporting economic growth and inclusion.



## PLEDGE:

### **AW Hainsworth**

*AW Hainsworth have been manufacturing world class textiles products in Stanningley, Leeds since 1783. We have a proud heritage in the city, as well as a commitment to supporting innovation and enterprise to nurture creative and textiles industry products and talent for tomorrow. We have partnered with Leeds Beckett University to develop excess space in our mill to support new fashion and textiles student entrepreneurs, and we will look at how we can expand this further.*



**PROMOTING LEEDS AND YORKSHIRE**

- Building on recent progress to increase awareness of Leeds as place to invest, visit and live
- Inward investment, including strengthening links with London
- Tourism
- Attracting and retaining talented people
- Using our ambition to be a compassionate city as a powerful marketing message

EY's Attractiveness Survey shows that Leeds has substantially increased the number of inward investment projects in recent years. Between 2014-16 there were 56 successful Foreign Direct Investment (FDI) projects into Leeds, compared to just 9 in the period 2011-13. Leeds is now the fifth most popular UK city for FDI with 19 projects confirmed in 2017. EY's analysis suggests that FDI has a value equal to around 15% to 20% of total UK business investment.

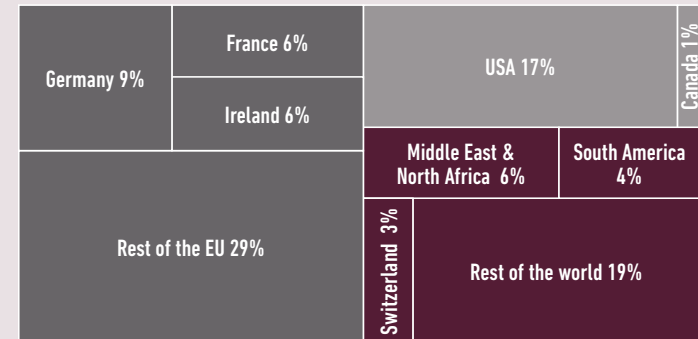
As a city with a diverse, multi-cultural population, with a global reach as part of the wider Northern Powerhouse, our international links are important to our citizens and trade. Looking outward towards other nations will benefit our economy. In 2016 Leeds hosted senior investor delegations from international markets in Malaysia, Singapore, USA, China and the Middle East. Investor interest has focused around infrastructure, smart cities, regeneration, real estate and energy sectors.

The Leeds offer is strong due to our competitive office market, high growth and supply of talent and skills. Recent major investments have been secured from firms and funds from China, Singapore, Sweden, France, Spain, the US, and major UK pension funds. The city is attracting interest from firms looking to relocate functions from London, such as Burberry who are creating a major new office base in Leeds. Added to this, HMRC, working with the Cabinet Office, will take approximately 378,000 sq ft at Wellington Place on a 25 year lease. This is the biggest ever commercial property letting in Leeds. The deal will see 6,000 civil servants working in a state-of-the-art new city centre premises in 2020.

We will continue to work as part of a city region approach on inward investment. Visit Leeds has been successful in promoting Leeds as a tourism destination, working with Welcome to Yorkshire who have enhanced significantly the Yorkshire Brand.

Despite the polarising views on the UK's decision to leave the European Union, with Leeds voting right down the middle with a 50/50 split, there will be future trade deals creating new markets. The council, LEP and business will continue to host and visit our neighbours across the world building relationships. Investors are increasingly looking toward the regions to find better value for their money compared to London and Leeds in now starting to consolidate its position in the northern market place.

**DESTINATION OF LEEDS' EXPORTS**





WELCOME TO LEEDS  
Station operated by Network Rail





## MAXIMISING THE ECONOMIC BENEFITS OF CULTURE

- Increasing visitors and enhancing the image of Leeds through major cultural and sporting events and attractions
- Growing the cultural and creative sector as well as boosting creativity across the wider economy, education system and communities
- Supporting the city's ambitions to deliver a Year of Culture in 2023

Culture is the distinctive DNA of cities. It gives further opportunities to talented people beyond academic education, it adds to a city's attractiveness and in Leeds it is galvanising, uniting and energising our city.

Leeds has a great story to tell and our emerging Culture Strategy, a result of 18 months of intensive conversations, has been developed to harness the benefits of culture as a way to transform, challenge, reassure and inspire. Lots of work has been undertaken to develop our cultural offer, Leeds has long been a place where culture is made, a city in which artists, makers, creators and innovators have found the space and creativity to break boundaries. Changing perceptions and attitudes towards culture and the arts is helping to showcase and celebrate the benefits of culture as part of our diverse economy.

There is an economic value of major events for the city, including presenting Leeds as a 24 hour city with a thriving night-time economy. The Leeds offer also helps attract and retain talent, and creativity has strong links with innovation. We want to create

an environment where new cultural organisations can flourish, where Leeds is at the forefront of cultural innovation, making the most of new and emerging technologies, and placing culture at the heart of the city's narrative.

The way people create and consume culture has changed, barriers between art forms continue to break down and artists move more seamlessly between a portfolio of subsidised, commercial and individual work. Creativity is valued as a key skill across a wide range of careers, not just within the creative sector – although this is one of the fastest growing sectors in Leeds.

Following the cancellation of the European Capital of Culture competition, which Leeds was in the advance stages of bidding for, the city has decided to harness all the energy of its bid to deliver its own exciting Year of Culture in 2023

## PLEDGE:

### *Leeds Arts University*

*As a world-facing, creatively driven specialist arts institution, it is our mission to promote distinctive, critically informed and relevant practice in order to support the economic growth and cultural advancement of individuals and society. We are strategically committed to help create a more attractive city and wider region and contribute to progress through professional and artistic practices at a local, national and international level. We aim to create opportunities for pre-university students to study the arts, expand opportunities for engagement with employability and enterprise activities and enable students to secure high level work and develop the skills of those with entrepreneurial ambitions. We will further build and strengthen our alumni community's engagement and develop partnerships and create new ones, both home and international, to facilitate shared teaching, research and joint collaborations.*



*“Culture is what we do and who we are, encompassing a broad range of actions and activities which have the capacity to transform, challenge, reassure and inspire, giving a place and its people a unique and distinctive identity.”*

**Leeds definition of culture,  
Culture Strategy for Leeds  
2017-2030**



# 7. SECTORS

THIS SECTION FOCUSES ON OUR GROWTH SECTORS THAT WILL HELP DELIVER OUR BIG IDEAS. THEY COVER A LARGE PART OF THE LEEDS ECONOMY AND A RANGE OF JOBS AT ALL SKILL LEVELS. OUR SEVEN SECTORS ARE:

- HEALTH, MEDICAL AND THE AGEING POPULATION
- FINANCIAL AND PROFESSIONAL SERVICES
- CREATIVE AND DIGITAL
- CONSTRUCTION AND INFRASTRUCTURE
- MANUFACTURING
- RETAIL AND THE VISITOR ECONOMY
- SOCIAL ENTERPRISE AND THE THIRD SECTOR

## HEALTH, MEDICAL AND THE AGEING POPULATION

Leeds is on the way to becoming the best city for health and wellbeing, with a focus on understanding and tackling the challenges of an ageing population and preventing and delaying ill health. We have the ideal partners and assets to deliver our vision. The NHS has a huge presence in the city, and three out of five UK NHS bodies are headquartered in the Leeds City Region.

Leeds has world leading capabilities in digital health and care innovation, with two of the largest patient record providers based in the city (EMIS and TPP). The Leeds City Region hosts 22% of digital health jobs in England and our universities enable us to engage world leading educational and research capabilities, creating inward investment opportunities and innovating through collaboration.

Half of all research in Leeds is in health and care, and we have a leading international reputation for our capabilities in medical technologies (18% of all UK med-tech patents are in Leeds) and in personalised medicine. Connecting these assets through partnerships with industry, universities and local communities will deliver better local health outcomes, reduce inequalities and deliver the jobs of the future.

Our approach embraces the need for higher wages and more opportunities in the health and care sector, which currently has a large number of low paid jobs and limited

in-work progression effecting staff retention. There are difficulties in filling vacancies at all skill levels in the health service and careers advice needs to make young people aware of the range of jobs available in healthcare.

The new Innovation District and services such as Leeds Health Innovation Gateway will promote testing, trialling and prototyping to showcase our leading expertise in medical devices (surgical instruments, diagnostics, digital technologies), wearable technology and data analytics.

Health impacts have serious repercussions to the economy; Leeds currently has 32,000 residents claiming Employment Support Allowance and Incapacity Benefits – the main out-of-work benefits for those with a disability or a health condition. – the main out-of-work benefit for those with a disability or a health condition. Despite our growing workforce the ageing population means that the proportion of workers supporting those that are retired is in decline. This dependency relationship has far reaching consequences on and will only increase if the health of our workforce declines. There are currently 48,000 people in Leeds with diabetes, equating to 6% of the Leeds workforce. Allowing people to gain more control of their own health means building a healthy city of the future must be delivered with patients, citizens and communities, enabled by technology to live healthier, more productive, active and creative lives.

### KEY ASSETS

- 1,600 undergraduates in University of Leeds, School of Medicine
- The largest cohort of post graduate researchers in Bio Medical and Musculo Skeletal Technologies in the world
- The Leeds Care Record supported by the two largest UK patient record providers

### WE HAVE:

- Formed the Leeds Academic Health Partnership in order to address health inequalities, bringing together our three universities, NHS organisations and the City Council to create an ambitious alliance
- The Health and Wellbeing Strategy rooted in partnership working, inclusive growth and using technology to improve health
- A leading presence in learning and skills training with Health Education England based in the city

### WE WILL:

- Generate further investment, working alongside the LEP
- Develop the Leeds Innovation District and the Health Innovation Gateway
- Continue to support social care across the city including the Leeds Older People's Forum
- Maximise the benefits from information and technology

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
60,000	13.8	14,700	2,525	1,243

The Leeds Innovation District aims to make Leeds City Centre a 21st century science park centred on the universities and the Leeds General Infirmary in the northern part of the city centre. This will drive greater collaboration bringing together some of the city's most creative and innovative institutions, industry, researchers, clinicians and public sector leaders, boosting larger firms in the city and attracting new inward investment.

## PLEDGE:

### **Leeds Teaching Hospitals NHS Trust**

*As an anchor institution, Leeds Teaching Hospitals is committed to changing how we manage our activity to support the delivery of the Leeds Inclusive Growth strategy. As a key local employer and the largest employer of apprentices in the entire NHS; as a buyer of goods and services to support local business; and as a provider of high quality health services we are already making good progress in supporting our shared city ambitions. However, we are committed to going further and we are working in partnership with our universities and the council to develop the Leeds Innovation District which will be a catalyst for inclusive economic growth in Leeds with health as a key contributor.*

## PLEDGE:

### **University of Leeds**

*We will aim to support every element of the Leeds Growth Strategy and make the following specific pledges:*

- The University has one of the most progressive admissions programmes in higher education; we will maintain our commitment to widening participation for students from all backgrounds, our support for local schools and our Into University centres in Beeston and Harehills.*
- We will work through the Leeds Academic Health Partnership to address health inequalities; improve health outcomes and patient experience; attract investment for economic growth and work to develop and retain a highly skilled health and social care workforce in the City.*
- We are committed to being part of an environmentally sustainable City and want to continue developing the concept of a 'living lab' which brings universities, civil society and business together to promote a smarter, energy efficient, connected, low carbon future.*
- The University has been investing heavily in new research and technology platforms for: high performance computing and data analytics; climate and atmospheric sciences; clinical and pre-clinical imaging; personalised medicine, structural biology; medical and biological engineering; and robotics and mechatronics. We will welcome industrial partners who wish to collaborate in the use of these technologies to solve real world problems.*
- The University is a diverse community of more than 40,000 people, with staff and students drawn from 140 different countries and an alumni base of 250,000 people around the world. We are always open to discussions within the City and the business community about how we can use this network to advance the economy of Leeds. Our global partnerships with overseas universities, businesses, government bodies and NGOs are also strong and might be leveraged to encourage inward investment.*

## FINANCIAL AND PROFESSIONAL SERVICES

Leeds has the UK's largest financial services cluster outside the capital. This is not just banks, building societies and insurance companies, but also crucial ancillary services such as legal, accounting, insurance, recruitment and consultancy. This collaborative ecosystem with a specialised and highly skilled workforce makes Leeds the perfect place to do business.

Emerging fintech and cyber security sub-sectors are being recognised, the FCA has highlighted the Leeds / Manchester area as one of only two UK fintech hotspots outside London. It is often in the intersections of different sectors, such as fintech where we are seeing the most innovation. Leeds has extensive infrastructure support including the only operational (mutual, not for profit) internet exchange in the North of England which provides connectivity to the rest of the globe via non-London routes.

The legal sector is another growth area for the city, and Leeds has positioned itself as the legal capital of the North with the restructure of the legal industry. Leeds has the fastest growing legal section of any UK city. This

has been fuelled by a growing talent base, the relocation of several firms from Manchester and the breadth and depth of capability of Leeds firms.

Our banking sector employs more people than Manchester, Glasgow or Birmingham. The city region is also home to the headquarters of three of the five largest UK building societies. Banks have a significant role in our economy, not just as major employers, but also through their social investments in the city.

The financial and professional services sector is playing a lead role in promoting social mobility. Almost every major law firm in Leeds is part of the Leeds Legal Apprenticeship Scheme. Some of the main accountancy and advisory firms in Leeds have changed their recruitment and promotion enabling a wider range of people to access roles. Other examples of good practice include degree apprenticeships, and initiatives to support parents return from a period of childcare to senior roles.

### KEY ASSETS

- The UK's largest centre for financial and business services outside London
- Over 30 national and international banks based in the city
- Major offices of the Big 4 accountancy firms
- The top legal centre in the UK outside London

### WE HAVE:

- Developed the Leeds Legal Network and the Leeds Legal Apprenticeship scheme
- Set out the potential for Leeds to be a major centre of excellence in fintech
- Secured several major inward investments in this sector

### WE WILL:

- Continue to develop Leeds as a centre for excellence in fintech and cybersecurity
- Provide more high quality, affordable office space in the city centre
- Explore the applications for new technology including blockchain, artificial intelligence and machine learning for the sector
- Support the LEP in creating a Financial and Professional Services network

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>88,800</b>	<b>20.5</b>	<b>14,700</b>	<b>7,405</b>	<b>3,768</b>



**Bond Dickinson**

*We pledge to work with the Council and other partners in the City Region to support and drive the Growth Strategy, including by spreading positive messages about our city both internally and externally. Diversity and inclusion is at the heart of our firm's values and we see skills as a key factor in spreading the benefits of our city's success. We will continue to campaign for the legal profession in Leeds to be a beacon for inclusivity and accessibility, as well as quality. We work with and for many of the businesses and organisations who will be at the forefront of the digital, property and infrastructure strategies, in particular, and we will play our full part in striving for the best outcomes, whether acting for clients or simply doing our duty as good corporate citizens.*

**Direct Line**

*At Direct Line Group we remain committed to playing an important role in supporting the Leeds economy.*

*As well as investing in physical bricks and mortar, with the stated aim of providing world class offices, we fully support the Grant Thornton led initiative to create inclusive growth in the city, with our Business Services Director, Christian Davis a member of the working party. We work closely with Creating Inclusive Cultures in Leeds, which is a collaboration of companies and employers who are committed to realising the benefits of diversity and inclusion to position their cities as business powerhouses. We are also dedicated to playing a key role in supporting the Leeds Council bid for the 2023 City of Culture.*

*Our development of new technologies, such as Robotic Process automation requires us to attract new skills to the area to help us build on this great advancement in our business. We have identified Leeds as a core location for attracting graduates as well as a variety of apprenticeship roles. Our development of the HR and Finance function has allowed us to bring in new talent to enable us to provide first class support to our colleagues across the UK community-based organisations, events and galas.*



## CREATIVE AND DIGITAL

Leeds is rapidly establishing itself as the digital centre of the North, with a thriving private sector, internationally important infrastructure, a significant public sector presence through NHS Digital, growing gaming and creative sub sectors, and an overall approach to growing the sector based on close collaboration between the Council and the private sector.

Leeds is a world leader in big data, home to the Open Data Institute and Data Mill North. We have a growing digital media sector, including Sky's national technology centre of expertise and our first tech unicorn (a company valued at over £1 billion) in the form of SkyBet.

According to Tech Nation the digital economy is growing 50% faster than the wider economy. This pace of change means that attracting high skilled labour is now the number one challenge for the industry. In March, 2016 we launched our Digital Skills Plan focusing on attracting and training talent for the digital sector. This included working more closely with colleges and universities to design bespoke courses, supporting the Digital Careers Fair held at Leeds Arena, Code Clubs in primary schools and others. We're making good progress on these ambitions, but there is still more to do.

Two specific areas of the digital economy – fintech and cyber security – are thought to present significant

opportunities for the city. Leeds has a strong academic research background, a unique position arising from the physical infrastructure present in the city, and a large financial and professional services sector.

The Leeds Digital Festival has promoted the sector, showcasing companies, technology and talent. Events such as these bring people into the city, and over 10,000 people attended the Leeds Digital Festival 2017, but they also unite the sector and create networks for businesses to connect and work together in the future.

Elsewhere our film and TV companies have an annual turnover of £424m across Yorkshire and are growing at a higher rate than the national average. There is an opportunity to expand film production in the city building on our existing base including several independent businesses and ITV.

We will also work with digital firms to support digital inclusion, for example through initiatives such as 100% Digital Leaders where the council are working with the Good Things Foundation to develop an ambitious digital literacy plan for Leeds to get people online so they can access job opportunities and services.

## KEY ASSETS

- Highest number of scale-up digital companies outside of the South East.
- World leader in big data, open data, consumer data research and health tech
- The only independent internet exchange outside of London

## WE HAVE:

- Formed the Leeds Digital Board
- Produced the Leeds Digital Skills Action Plan (recognised as best practice by government), including supporting the Leeds Digital Jobs Fair
- Supported the Leeds Digital Festival

## WE WILL:

- Continue our focus on skills, from code clubs in schools to new degree level courses in universities
- Help tech start-ups and innovators through the Tech Hub Fund
- Work with Tech North to cement Leeds as a digital capital of the North
- Bid to access funds from the Creative Industries Sector Deal and link this to our 2023 cultural programme
- Improve digital inclusion, including women in tech
- Support 5G

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
29,800	6.9	7,200	3,620	1,315



## PLEDGE:

### PwC

*As a major employer with deep roots in Leeds, PwC has a proud tradition of doing the right thing for our clients, our people and our communities. Our recent relocation to a state-of-the-art new office at Central Square, home to over 800 colleagues, demonstrates our ongoing commitment to the city and our further growth ambitions.*

*We are dedicated to supporting the future growth of Leeds, reflected for example in a range of business growth and mentoring initiatives in which we lead or participate, such as our Leadership Development Programme, our Social Entrepreneur Network and our thought leadership and pro bono activities which are helping to grow the rapidly expanding digital sector in Leeds.*

*In line with the Council's vision, social mobility is at the heart of our core values, where we continue to trail blaze across numerous initiatives, including:*

- A range of measures to help increase the diversity of our recruitment, including our paid Business Placement Insight weeks for those still at school or college, our higher apprenticeship Head Start programme for school and college leavers, our Flying Start degree programme offering paid structured work placements and our mentoring schemes for local undergraduates;*
- As one of the largest graduate employers, by removing UCAS scores as entry criteria for the majority of our graduate roles we have seen an improvement in the diversity of our graduate intake;*
- A new technology degree apprenticeship, launched in partnership with the University of Leeds, to help give people from a broader range of backgrounds the chance to secure a career in technology; and*
- A Back to Business returnship programme to help our people return to work after an extended break, for example after starting/raising a family.*

## CONSTRUCTION AND INFRASTRUCTURE

The construction sector is boosted by a high demand for new housing, infrastructure and commercial development. Leeds has adopted an ambitious house building plan through its Core Strategy and has the highest number of home competitions of all the Core Cities.

The recently published Review of the UK Construction Labour Model cites the need for clear leadership, transparent collaborative working, embracing the fast paced digital world and the underlining issue of skills shortages in the sector. Based on the existing workforce age and current levels of people entering the industry, the review predicts there could be a 20-25% decline in the available labour force within a decade.

In Leeds we estimate that 4,500 additional jobs will be needed by 2024. Institutions such as Leeds City College and Leeds College of Building will help meet this demand, they have put in place delivery agreements with the Combined Authority to align their skills training to match local economic priorities and business needs, this includes an expansion of work and classroom based training for technical and higher skills (level 4 -6) as there is also a need for workers in managerial roles, site supervision, project management and off-site construction.

The Forging Futures Campus initiative at Kirkstall Forge is an example of how business, education providers and the public sector can work together to support people to make the transition from the classroom into the workplace. It aims to bring forward new apprentices by offering young people and people from the local area the opportunity to get hands on experience and mentoring from contractors on site.

It is important to work collaboratively with the industry to improve transparency and share best practice. Improving local supply chains is a particular issue, more open procurement and prompt payments are needed, use of project bank accounts should be encouraged to promote trust and fairness within the sector.

Anchor institutions should take more responsibility through procurement to improve local and social values. Some organisations already have criteria for social values when evaluating procurements and this should be extended. Local supply chains should be prioritised to ensure the economic benefits of development stay in the Leeds economy. There is also a need to ensure that apprenticeships are offered from these suppliers as part of procurement contracts.

### KEY ASSETS

- Specialised education facilities
- Major infrastructure projects
- Ambitious housing targets including new council housing

### WE HAVE:

- Major regeneration projects including the South Bank and Aire Valley Enterprise Zone
- City wide economic growth nodes

### WE WILL:

- Have an enabling approach to urban extensions to help housing and business growth
- Use major infrastructure projects like HS2 to maximise jobs and supply chain opportunities
- Put further emphasis on social values and apprenticeships through procurement practices
- Press forward with transport infrastructure improvements
- Focus on inclusive growth and reducing inequality through the impact of new development and investment projects
- Build more than 1000 units of extra care housing by 2028 to support older people
- Build more affordable homes with a target of 1230 per annum
- Form an infrastructure group to bring together major firms in the sector to identify how we can work together and promote Leeds as a centre for excellence in infrastructure and advanced urban science

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
19,900	4.6	1,300	3,550	1,200



## PLEDGE:

### **Leeds Chamber of Commerce**

*As the city's Chamber of Commerce we commit to connecting, supporting and representing businesses from start-up through to maturity. We commit to helping companies seek out new markets not just here in the UK but around the world and ensuring they have access to the market information and expertise needed to sell internationally. We commit to providing the business community with a strong and powerful voice and ensuring their issues are heard by policy makers regionally and at Westminster. We commit to assisting companies source and secure the necessary finance needed to meet their growth ambitions.*

## PLEDGE:

*The **Leeds Build Inclusive Growth (BIG) Forum**, run by Construction Housing Yorkshire has brought together individuals, consultants and organisations from across the built environment including development, design, engineering, construction and education.*

*The BIG forum will:*

- *Target pupils from Years 7 onwards to inspire them to think about a career in the built environment; engaging with and visiting local schools with an industry wide collaborative message, bringing together industry bodies, institutions and forums active across the region.*
- *Support careers fairs, digital jobs fairs and a specific annual infrastructure and construction industry fair driven by main contractors, subcontractors, professionals and the local authority.*
- *Deliver a platform that provides businesses with careers and education organisations, information resources and guidance to engage with schools, colleges and universities and supports "one message" from industry.*

## MANUFACTURING

Manufacturing and engineering is not simply about making things, the industry supports creativity, innovation and design, is increasingly a provider of services, whilst developing skills. Nationally there is a growing shortage of trained people equipped for careers in this sector. Developing the right skills, making sure training and education matches the future needs of businesses is essential for growth.

Greater diversity is also an issue that needs to be tackled, only 7% of the UK's engineers are women and there is a need to increase BAME representation on apprenticeships. The sector has an ageing workforce meaning attracting young people into the industry is particularly important. The new University Technical College which opened in September, 2016 is a good start and offers opportunities and an improved awareness of manufacturing careers to Leeds students. With capacity for 600 pupils it is the first school in the area to provide high quality academic and vocational training, developing the right skills, training and education for future businesses.

We need to do more to get employers engaged with local schools to promote careers in manufacturing. Collaboration with universities is also necessary for businesses developing new products, processes and materials, and harnessing creative talent.

The recent flooding had an impact on many manufacturing firms with some needing to relocate. Some businesses found this difficult and this highlights a growing issue for the sector, the availability of land and premises. Protecting employment land, developing new sites and ensuring the existing stock specification is of a suitable standard for modern businesses is essential. Older stock, particularly that which is land locked by residential development is particularly at risk, where these do need replacing a commitment should be made to retain employers within local communities, as well promoting industry towards our key city wide growth locations.

### KEY ASSETS

- University Technical College
- A high level of innovation and exports, accounting for 72% of business Research & Development and over 50% of UK export earnings

### WE HAVE:

- Designated the Leeds Enterprise Zone, and are continuing to bring forward sites
- Created the Manufacturing Forum working with the Chamber of Commerce

### WE WILL:

- Continue to deliver the business growth programme
- Support business growth to boost the local economy and jobs, including support for business investment, delivery of infrastructure and a wider range of sites and premises for new and existing businesses

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>26,100</b>	<b>6.0</b>	<b>-5,400</b>	<b>1,605</b>	<b>1,746</b>



## PLEDGE:

### **Mott MacDonald**

*We are dedicated to supporting the future growth of Leeds and pledge to work with our clients, stakeholders and partners within the Leeds City Region to support the Growth Strategy. We will help achieve this through business growth, providing employment opportunities and by helping to shape the future development of the City Region through the use of the latest and most sustainable infrastructure technologies.*

*Encouraging the next generation of engineers is a priority for us, so we will continue to support local schools and institutions through science, technology, engineering and maths activities. We work with IntoUniversity in Beeston to support students from disadvantaged backgrounds into further education via mentoring, while we also host site visits and events to further develop their skills and knowledge.*

*We also work closely with Leeds College of Building, helping develop their Civil Engineering technician apprenticeship courses. Additionally, we will work with Employment Leeds and the city's universities to promote opportunities for apprenticeships and work placements in our Leeds office.*

## RETAIL AND THE VISITOR ECONOMY

Our retail growth is bucking the national trend and the opening of Victoria Gate in 2016 has moved Leeds from fourth to third in the National Retail Ranking as the best place to shop in the UK. Victoria Gate delivered around 1,000 retail and hospitality jobs anchored by John Lewis.

In recent years major developments have helped cement Leeds as a national destination offering a range of activities and events, including the Leeds Arena which attracts one million extra visitors to the city annually and contributes £25m to the night time economy. Our hotel sector continues to perform well with further developments planned in the city centre.

The £14m redevelopment of the West Yorkshire Playhouse will add to our cultural offer. Leeds continues to produce world class athletes and host major sporting events in Rugby, Cricket, Football and other sports such as the Columbia World Triathlon Series which was watched by 80,000 people along the route.

Developing a more professional and targeted approach to tourism promotion has helped showcase Leeds as a visitor destination. Recent successes include the Grand Depart in 2014, the Tour de Yorkshire, British Art Show, MOBO Awards and the growth of the Leeds Festival. In 2017, the city celebrated the 50th anniversary of the West Indian Carnival.

Visitors do not recognise local boundaries and reflecting this, our visitor economy function operates across a number of geographies and partnerships, including Welcome to Yorkshire and other regional and national bodies, helped by continuing growth and development in both our rail and airport hubs.

### KEY ASSETS

- New retail centres including Trinity and Victoria Gate
- Growing night time and visitor economy
- 6th most popular visitor destination for overnight visitors in the UK
- Over 50,000 conferences and meetings annually

### WE HAVE:

- Visit Leeds, the successful Destination Marketing Organisation for the city
- Conference Leeds helping to cement Leeds as one of the top 10 most popular conference destinations for both national and international visitors
- Helped to bring forward the new Leeds Business Improvement District

### WE WILL:

- Develop the Independent Food and Drink Academy to help to professionalise, sustain and grow the independent food and drink sector
- Support retail start-ups through Kirkgate Market
- Continue to promote the city centre as a leisure and business destination
- Support local retail centres throughout the city – including a £5m investment into town centres

## SECTOR INFORMATION

TOTAL JOBS	% OF ALL JOBS IN LEEDS	CHANGE IN JOB NUMBERS SINCE 2010	NUMBER OF BUSINESSES	GVA (MILLIONS)
<b>68,200</b>	<b>15.7</b>	<b>-2,200</b>	<b>6,535</b>	<b>1,857</b>





## PLEDGE:

### **Leeds Indie Food**

*The independent scene has seen huge growth in the last five years and it was around three years ago that the idea to create a different platform to put the food scene on was conceived. Leeds Indie Food is all about empowering the smaller businesses who don't have a voice or a huge marketing budget. We have created one of the most exciting food festivals around, with plans to make it the best without losing the initial focus. We have successfully helped launched various projects and partnerships during the festival from breweries, products to new collaborations, the thoughts of Leeds Indie Food will always be to do what is best for the city. It gives smaller business the confidence to do something different too. Leeds is looking at huge growth currently so being at the front of one of the fastest growing industries is hugely important to us. It is a commitment to this growth and linking in more family focused events to having stronger links with all the education institutions, keeping the hospitality talent in Leeds and promoting Leeds as the food capital of Yorkshire.*

*As I Like Press we continue the food theme to help promote Leeds businesses like Bundobust, Friends of Ham, Eat North and the Independent Food and Drink Academy, helping them on journeys which help promote the exciting and unique offers the city has.*

## SOCIAL ENTERPRISE AND THE THIRD SECTOR

There is a strong tradition of social enterprise in Leeds, from local self-help groups and cooperatives through to some of the best known social businesses such as John Lewis and Leeds Building Society. We have many thriving charities which are increasingly looking to trading as a way to fund social objectives.

Across all sectors of our economy, we can point to social models for delivery. Whether in Healthcare, where Lhasa are at the forefront of supporting clinicians with information on drug combinations; financial services where Leeds Credit Union, one of the largest finance co-ops in the country, works with over 20,000 people to provide loans and savings; or construction where recent start-up Leeds Community Homes has just raised £250,000 through a community share issue to provide affordable new and refurbished homes.

Bramley Baths is an excellent example of the power that a social enterprise can harness when there is a strong

local cause. Working with the Council, the Friends of Bramley Baths took a failing local pool and transformed it into a fantastic community hub, breathing life into a Victorian building and getting people of all ages more active.

Social enterprises can provide routes into jobs and employment for those with enduring needs, and our experience in Leeds of using social value clauses to provide work in construction has much to offer in other settings. In recycling and environmental improvement, the sector makes a significant contribution to the city and to individual lives. There is a real sense that across the economy, social enterprise is poised to make significant growth and this is set out in our Third Sector Ambition statement.

### KEY ASSETS

- The third sector in Leeds employs around 13,000 people and is fuelled by 200,000 volunteers

### WE HAVE:

- Developed a Third Sector Ambition statement that articulates how the sector can support civic ambitions
- Introduced rate relief for social enterprises that aren't registered charities, using our discretionary powers
- Supported 100 social enterprises to start and grow through our Ideas that Change Lives programme

### WE WILL:

- Develop a social enterprise strategy with the sector to underpin further growth
- Help the sector solve the challenges that we face as a city
- Get better recognition for the fantastic range of thriving social enterprises already making a difference to lives in Leeds

## PLEDGE:

### **Voluntary Action Leeds (VAL)**

*We support the vision of creating a strong economy within a compassionate city, and see the achievement of inclusive growth – economic growth that benefits everyone in the city and is sustainable – as being the key to this. We were delighted to play a key role, alongside Leeds City Council and colleagues from the NHS and the city's universities, in the creation of the Leeds Social Value Charter; we are fully committed to supporting its implementation and see it as a key tool to support the achievement of the city's growth goals. We are keen to develop our work with all sectors further and have a primary role in the delivery and coordination of employer supported volunteering, working with the private and public sectors to help them to share their skills with smaller and less established third sector groups.*

**Grant Thornton**

*Grant Thornton is committed to supporting vibrant regional Economies. By unlocking the potential for growth in our people, clients and our communities we believe we can help shape a vibrant economy in the Leeds City Region.*

*We are extremely proud to have been ranked number one in what is believed to be the world's first-ever Social Mobility Employer Index, where the Top 50 employers who have taken the most action to improve social mobility in the workplace were ranked.*

*In recent years, Grant Thornton has made a number of changes to its school leaver and graduate trainee selection process, including the removal of academic barriers to entry and removing the emphasis on relevant work experience and*

*extra-curricular achievements. The firm also changed its aptitude test provider to one that could prove its process did not discriminate based on socioeconomic background. The aptitude test also now takes a more holistic approach to identifying talent and cultural fit. The firm has also invested in providing ongoing coaching and peer-to-peer networking for continuous development for its people.*

*We are committed to this approach in Leeds and will soon be boosting it with our new Access Accounting programme, offering work experience that is specifically targeted at pupils in less advantaged schools.*

*We can see that this approach is both beneficial for the region and our firm and we will continue to look for ways to further develop it.*

**Leeds Libraries**

*Leeds Central Library and the wider network of community libraries (which are collocated with other Council services in Community Hubs) provide an important resource for the City.*

*Libraries are welcoming, non stigmatised democratic spaces located at the heart of communities providing access to a free, universal cradle to grave service They have the potential to change lives through:*

- Promoting a lifelong love of reading (starting with pre birth and books and babies programmes) as well as improving participation in other cultural and creative activities (through Room 700 arts programme -which we will be taking out to local libraries and community settings in 2018)*

- Raising aspiration, building skills and supporting innovation so people can achieve their full potential, regardless of background. This includes the Business and IP service which is delivered in partnership with the British Library*
- Providing access to community space, a place for sharing knowledge and information and encouraging people to engage with, co-create and learn from each other*
- Providing access to trusted and practical support and advice to those who need it, e.g. through an information and signposting service delivered by skilled staff and hosting a programme of advice surgeries*



## INDUSTRIAL STRATEGY – BUILDING A BRITAIN FIT FOR THE FUTURE

In November, 2017 the Government published its Industrial Strategy. This sets out proposals for how Government intends to develop a modern industrial strategy which is place-based, and builds on the UK's strengths in technologies, professions and research.

Government has identified Five Foundations for Productivity, that are important to drive forward its industrial strategy across the entire economy. These

complement our strategy and reflect our priorities set out in our 12 Big Ideas. Four Grand Challenges are also identified to put the UK at the forefront of the industries of the future.

The Government is supporting City Region's to develop their own Local Industrial Strategies, focussing on local strengths to deliver economic growth and we will work with the Leeds City Region to help deliver this.

The Industrial Strategy highlights particular strengths in Medical Technologies for Leeds and as a digital health cluster. This is being cemented by moving NHS Digital, alongside HM Revenue and Customs, into a new hub of 6,000 civil servants in the city centre, with a view to moving further health functions to Leeds in the future to build on this success.

### FIVE FOUNDATIONS OF PRODUCTIVITY



#### IDEAS

The world's most innovative economy



#### PEOPLE

Good jobs and greater earning power for all



#### INFRASTRUCTURE

A major upgrade to the uk's infrastructure



#### BUSINESS ENVIRONMENT

The best place to start and grow a business



#### PLACES

Prosperous communities across the uk

### GRAND CHALLENGES



Putting the uk at the forefront of the artificial intelligence and data revolution;



Maximising the advantages for uk industry from the global shift to clean growth;



Being a world leader in shaping the future of mobility; and



Harnessing the power of innovation to help meet the needs of an ageing society.

## TRANSFORMATIONAL PROJECTS TO HELP DELIVER THE NATIONAL INDUSTRIAL STRATEGY

Sectors	Project	Catalytic Impact on Economy	Location	Public Sector Investment Needed
Advanced manufacturing, rail engineering, transport systems, smart cities	University of Leeds Engineering Technology Campus - anchored by the new £19m Institute for High Speed Rail and System Integration	Boost to UK rail engineering and professional services sector, and a magnet for investment from rail manufacturing, built environment, robotics, and automotive sectors. It will be a trailblazer for industrial digitisation, and intelligent infrastructure maintenance. It will boost the ability of UK plc to export globally in rail and infrastructure	Leeds Enterprise Zone	c.£10m investment to establish the first phase of the project
Energy and Low Carbon	Hydrogen 21, Leeds The gas network in Leeds to be the first to convert from natural gas to 100% hydrogen in an incremental UK-wide roll-out strategy	New jobs and research capabilities, and in the long term a mainstream supply of zero carbon energy bringing with it significant opportunities for job creation, inward investment, manufacturing and reduced energy costs.  If UK relies on electricity for domestic heating, the carbon problem will not be solved, 100,000 jobs will be lost and energy security will be compromised. This project could make the UK the first zero carbon country in the World, as no one has an answer to decarbonising domestic heating	City wide	£10-20m
Health Innovation and Life Sciences	Leeds Innovation District - creating a 21st Century Science park in Leeds City Centre anchored by the new University of Leeds Innovation and Enterprise Centre, Nexus, and enabled by reconfiguration of Leeds General Infirmary	A hub for business growth, university and health service spin outs and inward investment in healthcare and medical technologies, health informatics, and health and social care innovation. We can leverage Leeds as the UK HQ of healthcare to accelerate a revolution in healthcare that allows people to live longer and reduces costs of the NHS and social care, resulting in improved life chances, reduced inequalities, and lower costs	Leeds City Centre	£250m is already being invested in the area by the universities and the Council. Government support needed for the £270m LGI modernisation plans
Creative and Digital	Screen Hub - Screen Yorkshire Content Fund, Skills Initiative, and Provision of studio space in Leeds	Leeds and Yorkshire will grow as a major location for the screen industries, including TV production and computer games, with opportunities also arising through the culture programme	Leeds City Centre and Yorkshire-Wide, including studios at Church Fenton in neighbouring Selby District	c.£8.5m
Cross-sector impact	Leeds Hub - transformation of Leeds Station, already the busiest transport hub in the north	Accommodating capacity increases on the existing network, HS2, Northern Powerhouse Rail and drive growth through doubling the size of Leeds City Centre, a catalyst for station-led regeneration and development, and boosting connectivity across the city region	Leeds City Centre, and South Bank - with positive impact across Leeds City Region and the North	Set out in Leeds Station Masterplan and HS2 Growth Strategy



# 8. CONCLUSION

The growth and resilience of the Leeds economy in recent years is encouraging, and all our independent analysis of future trends predict a period of continuing growth. We are not complacent and our strategy outlines the necessary steps needed to support targeted sectors, and broader issues such as skills and job creation, in-work progression, productivity and place. These are set out in our 12 big ideas and apply across all sectors.

Delivering inclusive growth underlines the whole of this strategy. This is about ensuring that people and places contribute to and benefit from growth to their full potential. There are many challenges both nationally and locally, some we know about and are working on such as skills and tackling low pay, others are more difficult to foresee, including Brexit. The Leeds economy is broad based and has proven effective in responding to change, and we are well placed to weather any storm.

As the centre of the city region and a main hub in the North, we will continue to collaborate with our neighbours and work together more closely, particularly on securing devolution. Our programme for a Year of Culture 2023 offers us the chance to promote the city both nationally and internationally.

Much of the activity in this strategy is already underway, and we are committed to working with our partners to deliver this ambitious plan. The future holds many opportunities as we embrace Leeds as a digital city, move towards a low carbon economy and continue to grow, building a strong economy within a compassionate city.

A collection of supporting documents, economic analysis, and further relevant information about Leeds are available at [www.leedsgrowthstrategy.com](http://www.leedsgrowthstrategy.com)

## OUR FIVE POINT PLAN FOR BREXIT:

- **Maintaining progress on major development and infrastructure schemes and economic growth projects - Work closely with partners and the private sector to ensure progress continues to be made on existing projects and in attracting further developments in the city, whilst also investigating alternative funding streams.**
- **Supporting business and key institutions - Provide both advice, support and research assistance to businesses and institutions such as our universities to assess the impact of Brexit and ensure that we can respond to any issues of disinvestment and redundancies.**
- **Creating a more tolerant and united city - Reinforce our values as a city and seek to work with all residents to build understanding, tolerance and respect in all of our communities.**
- **Securing devolution; and**
- **Providing confident, outward-looking leadership and image of Leeds as an international city - Setting out a clear plan for securing international investment, promoting trade and exports, attracting visitors and hosting major events to enhance our image in the world including delivering our own exciting Year of Culture in 2023.**





### **Leeds Beckett University**

*As a major employer embedded in the local economy Leeds Beckett University pledges its full commitment and support to the Leeds Growth Strategy. We will seek to be an active and collaborative partner with organisations in our City Region to help make a positive and decisive difference to local people, communities and organisations. We therefore would like to make 5 core commitments:*

1. *We will help put young people at the heart of the growth strategy by guaranteeing a place at Leeds Beckett University to any student studying at School or College in the Leeds City Region who meets our admissions requirements. We will provide dedicated support to Schools and Colleges in Leeds to help their students overcome barriers to applying for a place in our University.*
2. *We will work in partnership with employers and the City Council to retain more of our talented graduates by creating a graduate employment bureau which will help them find the jobs they want and help local employers meet their emerging skills needs.*
3. *We will work in partnership to develop an Innovation District to boost innovation throughout the economy by supporting start-ups and scale-ups, commercialising knowledge, providing business support, and graduate employment. We will contribute £100m in capital developments to help develop the district.*
4. *We will be a firm and committed partner to the Leeds culture strategy including the Year of Culture in 2023, through corporate sponsorship, production of cultural capital, and a £75m investment in a dedicated cultural and creative hub.*
5. *We will boost the “Leeds £”, and secure better outcomes for the Leeds economy in terms of jobs, skills and supply chains, by increasing the % of our purchasing spend made with organisations in the Leeds City region and advertising all of our job vacancies extensively to local people.*





Report author: Sue Wynne

Tel: 37 83154

## Report of the Director of City Development and the Director of Children and Family Services

### Report to Scrutiny Board (Infrastructure, Investment and Inclusive Growth)

Date: 25 July 2018

**Subject: The Directors' response to the recommendations of the Scrutiny Inquiry into Information, Advice and Guidance provision in Leeds.**

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

### Summary of main issues

1. This report provides the response of the Director of City Development and the Director of Children and Family Services to the recommendations of the Scrutiny Inquiry into Careers Education, Information, Advice and Guidance provision in Leeds (appended).
2. The Scrutiny inquiry recommendations are welcomed and are seen as an opportunity to strengthen and build on existing approaches to enabling improvements in the provision of Careers Education, Information, Advice and Guidance delivered through learning institutions in the City. The opportunity to introduce an IAG charter for young people is welcomed as a means of giving this issue greater visibility and the campaign to publicise this as a vehicle through which stakeholders can align programmes and initiatives to provide a more coherent city offer.
3. All the recommendations are accepted.

### Recommendations

Scrutiny Board Members are asked to approve the responses to the inquiry recommendations as detailed in the report.

## 1 Purpose of this report

- 1.1 This report sets out the response of the Directors of City Development and Children and Family Services to the recommendations of the Scrutiny Board (Inclusive Growth, Culture and Sport) inquiry into the Information, Advice and Guidance provision in Leeds published in March 2018.
- 1.2 As required by the constitution this report has been prepared in consultation with the Executive Members for Employment, Skills and Opportunity and Children and Family Services.

## 2. Background information

- 2.1 Good quality careers education can raise the aspirations of young people. It can increase motivation by linking activities in school with preparation for life post 16 and post 18 by helping them to focus on their longer term career ambitions and make informed choices about academic and technical qualifications and pathways.
- 2.2 Schools and further education colleges in England are required to provide impartial careers education, information, advice and guidance to their students. The quality of careers advice has frequently been criticised and recent governments have made several reforms, including the establishment of the National Careers Service and the Careers and Enterprise Company (CEC), aimed at improving the quality and range of careers advice on offer.
- 2.3 The recent publication of the National Careers Strategy and changes in the statutory duties may encourage learning institutions to do better and do more in terms of IAG provision, however it is felt more can be done to empower young people to inform them about their rights to receive impartial, good quality IAG.
- 2.4 The Scrutiny Board Inquiry provided the opportunity to review current practice and examine an approach that has the potential to add value to the work in learning institutions. A high profile campaign focused around the publication of a charter setting out what young people should expect to receive from their learning institution alongside the skills and attributes and behaviours that employers' value is planned.

## 3. Response to Scrutiny Recommendations

- 3.1 All the recommendations are welcomed and supported and require no further comment.
- 3.2 **Recommendation 1** – That the Director of City Development leads on ensuring that key resources promoting employer engagement, technical qualifications and apprenticeships (such as the 'What Could I Be?' Publication and 'Future' Magazine) are being actively promoted amongst schools and also directly to young people and parents using all available mechanisms and services outside of the school setting.
- 3.3 The Director of City Development agrees the recommendation and will continue to promote information and access to resources on all learning and career pathways through a variety of media and in a range of settings to ensure greater awareness and accessibility by all.

- 3.4 **Recommendation 2** - That the Director of City Development takes the lead in helping to facilitate greater dialogue between local schools and the business sector to secure greater commitment towards working collaboratively in meeting the Gatsby Benchmarks around employer engagement and experiences of workplaces and developing a best practice approach that will inform a stable careers programme for local schools and deliver much needed consistency across the city.
- 3.5 The Director of City Development agrees the recommendation and will deliver this through the employer networks of the Employment and Skills service and expand its reach through partnership working with business intermediaries and learning institutions.
- 3.6 **Recommendation 3** – That the Executive Board supports the development of a Young Person’s IAG Charter for Leeds to foster a sense of entitlement and expectation from young people, and those who influence them, of what careers IAG should be provided to them.
- 3.7 At its meeting 22 April 2018, the Executive Board considered and agreed the joint report of the Directors of Development and Children and Family Services to adopt and implement a Young Person's Information, Advice and Guidance Charter for Leeds.
- 3.8 **Recommendation 4** – That, subject to the agreement of recommendation 3, we recommend that the Young Person’s IAG Charter for Leeds incorporates the following principles:
- That the Charter clearly sets out the key activities, aligned with the Gatsby Benchmark quality standards, that young people should expect from their learning provider in accordance with statutory duties and guidance;
  - That the Charter recognises the existence of the established Leeds Careers Education, Information, Advice and Guidance Network that all learning providers are encouraged to participate in free of charge.
  - That the Charter clearly sets out how young people and parents should be able to access information relating to their learning provider’s careers IAG policy and also signposts them to other available external resources.
  - That the Charter reflects the key attributes and skills that are valued by employers and the associated responsibilities placed upon young people in demonstrating to employers that they are prepared for the world of work.
  - That the Charter recognises and complements the work of organisations, such as the national Careers and Enterprise Company and the Enterprise Advisers Programme, which operates across the Leeds city region.
  - That the Charter is also reflective of Leeds City Region/ West Yorkshire Combined Authority ambitions to improve the provision of IAG in order to ensure coherence and consistency for young people in the city and city region.

- 3.9 The Directors of City Development and Children and Family Services agree the recommendation and will ensure that the principles are incorporated in the Charter.
- 3.10 **Recommendation 5** – That the Director of City Development leads on working closely with the Council’s Voice, Influence and Change Team to facilitate engagement with young people so that the format of the Young Person’s IAG Charter meets the needs of the target audience. Evidence of this engagement work should also be reported back to Scrutiny.
- 3.11 The Directors of City Development and Children and Family Services will ensure that young people are engaged in developing the format of the Charter and will evidence this to the Scrutiny Board.
- 3.12 **Recommendation 6** – That the Director of City Development leads on developing an effective brand and promotional campaign surrounding the new Young Person’s IAG Charter, including an appropriate title for the Charter, using language and communication technologies that resonate with young people, as well as targeting parents and carers too.
- 3.13 The Director of City Development agrees the recommendation and seeks to implement this by September 2018.
- 3.14 **Recommendation 7** – That the Director of City Development leads on lobbying for further improvements to the careers IAG system nationally, particularly surrounding the formal compliance framework and the role of Ofsted, and also through devolved responsibilities.
- 3.15 The Director of City Development agrees the recommendation and will seek to engage the relevant skills leads from the West Yorkshire Combined Authority, Northern Powerhouse and the Core Cities to take this forward.
- 3.16 **Recommendation 8** - That the Director of City Development works with the Director of Children and Families to map existing IAG practices amongst local primary schools in order to capture and widely promote good practice.
- 3.17 The Directors of City Development and Children and Family Services agree the recommendation and will survey current activity and highlight best practice in primary schools.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Improving the city’s IAG offer to young people and their knowledge and experience of the world of work is a key focus for action in the draft Leeds Talent and Skills Plan. The plan, approved by Executive Board in March 2018, was subject to extensive consultation that included discussions with a wide range of stakeholders including school and college principals and representatives of the Universities and employers.

4.1.2 The work to develop an IAG Charter builds on earlier initiative undertaken by Children's Services to seek the views of young people on their IAG needs. Further consultation is planned with young people on the format and delivery of the Leeds IAG Charter for Young People taking account of the Scrutiny Board's recommendations.

#### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 The delivery of the Leeds IAG Charter and campaign will seek to have a positive impact on equality and diversity by improving access to work with opportunities for progression for all young people. These will highlight to young people the resources and guidance available to equip them with the knowledge and skills to make informed choices that will enable them to access most appropriate learning pathways and employment.

#### **4.3 Council policies and City Priorities**

4.3.1 The activities described in this report contribute to our ambitions to enable all of our residents to benefit from a strong economy in a compassionate city. The work will contribute to the delivery of the Best Council Plan 2018/19 priorities to deliver inclusive growth in a child friendly city and the outcomes for all residents to do well at all levels of learning and have the skills they need for life and for everyone in Leeds to earn enough to support themselves and their families.

#### **4.4 Resources and value for money**

4.4.1 The charter and campaign will be designed and delivered within the Council's existing resources.

#### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 There are no legal implications arising from this report.

#### **4.6 Risk Management**

4.6.1 Existing and planned programmes of delivery are supported by risk management plans which are reviewed on a regular basis. The impact of introducing the IAG charter will be measured through the NEET rate and destination measures.

### **5 Conclusions**

5.1 Continuing to drive and support improvements in the city's IAG offer to young people and their increasing their knowledge and experience of the world of work is a key focus for the Leeds Talent and Skills Plan. This is aimed at ensuring that all young people can make informed choices about their education and training pathways that will enable them to access and sustain employment. A high profile campaign focused around the publication of a charter setting out what young people should expect to receive alongside the skills and attributes and behaviours that employers value will be taken forward with partners by September 2018.

## **6 Recommendations**

Members of Scrutiny Board are asked to approve the responses to the inquiry recommendations.

## **7 Background documents<sup>1</sup>**

7.1 There are no background documents.

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<sup>1</sup> The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.

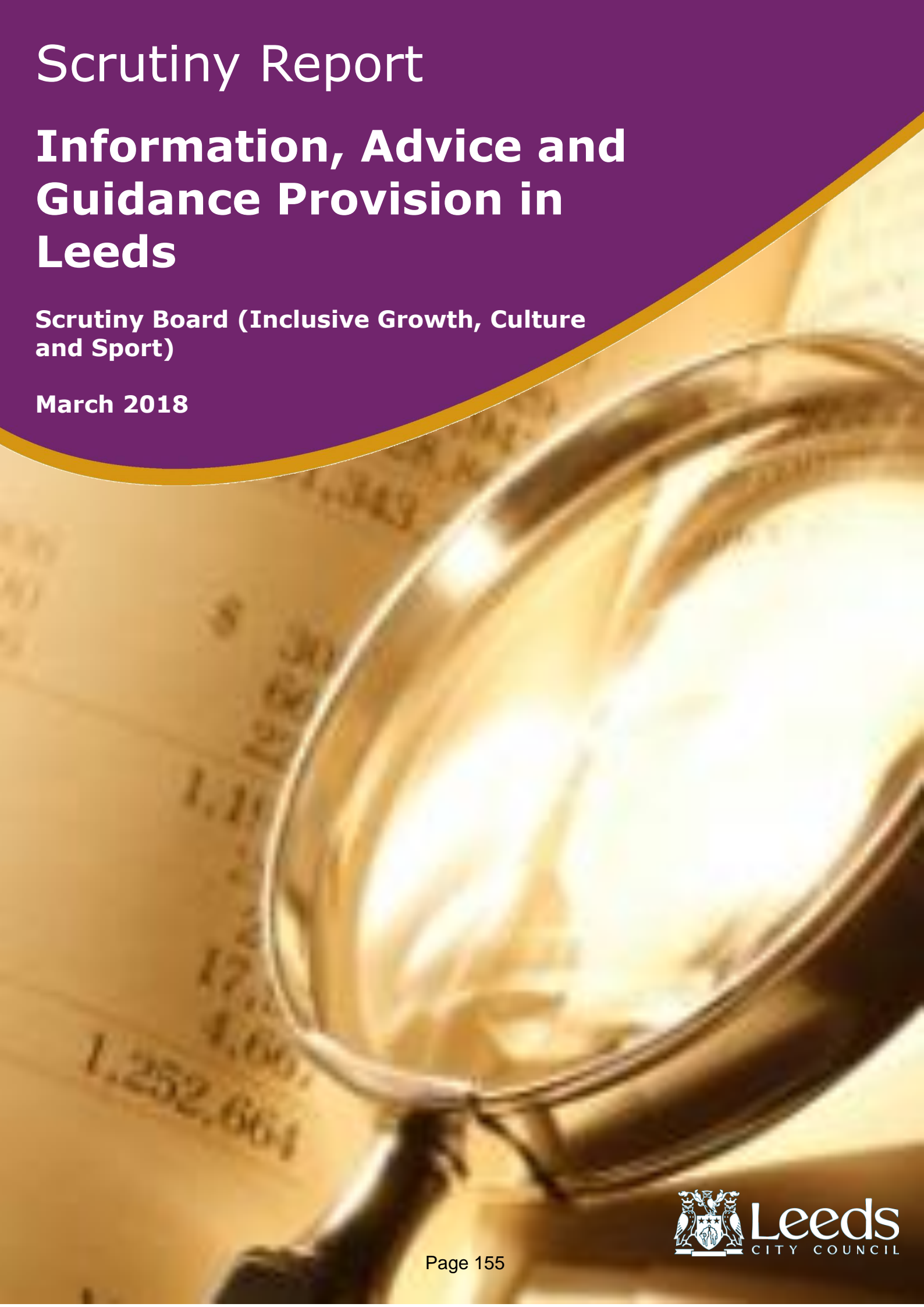


# Scrutiny Report

## Information, Advice and Guidance Provision in Leeds

Scrutiny Board (Inclusive Growth, Culture  
and Sport)

March 2018





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# Desired Outcomes and Recommendations

**Desired Outcome** – There is greater awareness and accessibility of key resources for young people and parents around employer engagement, technical qualifications and apprenticeships.

Recommendation 1 – That the Director of City Development leads on ensuring that key resources promoting employer engagement, technical qualifications and apprenticeships (such as the 'What Could I Be?' Publication and 'Future' Magazine) are being actively promoted amongst schools and also directly to young people and parents using all available mechanisms and services outside of the school setting.

**Desired Outcome** – There is greater dialogue and collaborative working between local schools and the business sector around meeting the Gatsby Benchmarks.

Recommendation 2 – That the Director of City Development takes the lead in helping to facilitate greater dialogue between local schools and the business sector to secure greater commitment towards working collaboratively in meeting the Gatsby Benchmarks around employer engagement and experiences of workplaces and developing a best practice approach that will inform a stable careers programme for local schools and deliver much needed consistency across the city.

**Desired Outcome** – That a Young Person's IAG Charter is established for Leeds.

Recommendation 3 – That the Executive Board supports the development of a Young Person's IAG Charter for Leeds to foster a sense of entitlement and expectation from young people, and those who influence them, of what careers IAG should be provided to them.



# Desired Outcomes and Recommendations

**Desired Outcome** – That the Young Person’s IAG Charter incorporates the key principles identified by Scrutiny.

Recommendation 4 – That, subject to the agreement of recommendation 3, we recommend that the Young Person’s IAG Charter for Leeds incorporates the following principles:

- That the Charter clearly sets out the key activities, aligned with the Gatsby Benchmark quality standards, that young people should expect from their learning provider in accordance with statutory duties and guidance;
- That the Charter recognises the existence of the established Leeds Careers Education, Information, Advice and Guidance Network that all learning providers are encouraged to participate in free of charge.
- That the Charter clearly sets out how young people and parents should be able to access information relating to their learning provider’s careers IAG policy and also signposts them to other available external resources.
- That the Charter reflects the key attributes and skills that are valued by employers and the associated responsibilities placed upon young people in demonstrating to employers that they are prepared for the world of work.
- That the Charter recognises and complements the work of organisations, such as the national Careers and Enterprise Company and the Enterprise Advisers Programme, which operates across the Leeds city region.
- That the Charter is also reflective of Leeds City Region/ West Yorkshire Combined Authority ambitions to improve the provision of IAG in order to ensure coherence and consistency for young people in the city and city region.

**Desired Outcome** – That the content and format of the Young Person’s IAG Charter is informed directly by young people.

Recommendation 5 – That the Director of City Development leads on working closely with the Council’s Voice, Influence and Change Team to facilitate engagement with young people so that the format of the Young Person’s IAG Charter meets the needs of the target audience.

Evidence of this engagement work should also be reported back to Scrutiny.



# Desired Outcomes and Recommendations

**Desired Outcome** – That there is an effective brand and promotional campaign surrounding the new Young Person’s IAG Charter that conveys meaningful messages using language and communication technologies that resonate with young people, as well as targeting parents and carers too.

Recommendation 6 – That the Director of City Development leads on developing an effective brand and promotional campaign surrounding the new Young Person’s IAG Charter, including an appropriate title for the Charter, using language and communication technologies that resonate with young people, as well as targeting parents and carers too.

**Desired Outcome** – That the Council continues its commitment towards lobbying for further improvements to the careers IAG system nationally, particularly surrounding the formal compliance framework.

Recommendation 7 – That the Director of City Development leads on lobbying for further improvements to the careers IAG system nationally, particularly surrounding the formal compliance framework and the role of Ofsted, and also through devolved responsibilities.

**Desired Outcome** – That existing good IAG provision amongst local primary schools is captured and shared more widely.

Recommendation 8 – That the Director of City Development works with the Director of Children and Families to map existing IAG practices amongst local primary schools in order to capture and widely promote good practice.



# Introduction and Scope

## Introduction.

1. Most people spend many years of their life in a working environment and therefore it is important to equip everyone and particularly young people, with the necessary skills for them to plan their career and know how and where to access impartial and unbiased information. Alongside qualifications, the development of key enterprise and employability skills are also important to enable young people to enter and succeed in the labour market.
2. Whilst it is clear that good quality careers information, advice and guidance (IAG) can help to widen the horizons of young people, challenge stereotypes and raise aspirations, it is recognised both nationally and locally that the quality of IAG provision continues to be variable.
3. To try and address this, recent governments have made several reforms, including the establishment of the National Careers Service in 2012 and the Careers and Enterprise Company (CEC) in 2014, which set out to be the strategic coordinating function for employers and learning providers to provide support to young people aged 12 to 18 years. Whilst both aimed to improve the quality and range of careers advice on offer, it remains evident that further significant improvement is still needed.
4. Locally, the draft Leeds Talent and Skills Plan was presented to the Inclusive Growth, Culture and Sport Scrutiny Board in November 2017 as part of the formal consultation process. In consideration of this draft Plan, we noted that a key focus for action is around continuing to drive and support improvements in the city's IAG offer to young people, increasing their knowledge and experience of the world of work.
5. Recent national developments, including the Technical and Further Education Act (2017), the national Careers Strategy: *making the most of everyone's skills and talents* (2017), and the corresponding statutory guidance for governing bodies, school leaders and school staff on careers guidance and access for education and training providers (2017), all indicate a greater appetite from Government to increase the scale and quality of provision of careers IAG for young people.
6. We therefore agreed to undertake an inquiry to consider the strengths and weaknesses of existing IAG provision in Leeds within the context of individuals gaining a good understanding of the local economy and key employment sectors to enable them to make more informed choices about all the possible routes into work. Linked to this, we were very keen to explore the implications of the new statutory duties and guidance issued by the Department of Education on local learning providers.
7. In particular, we investigated how apprenticeships and technical education options are and will be promoted against the more traditional academic paths, particularly in light of a new legal duty introduced from 2 January 2018 which requires all maintained schools and academies to ensure that there is an opportunity for a range of education and training providers to access all pupils for the purpose of informing them about these options. This new duty aims to allow pupils to consider how the



# Introduction and Scope

- opportunity to study or train in different ways, and in different environments, might suit their skills, interests and aptitudes.
8. We also appreciate that by hearing directly from providers about alternatives to academic and school-based routes, every pupil can build up a full picture of the options available to them at important transition points, leading to better-informed choices.
  9. In exploring the implications of the new statutory duties and guidance issued by the Department of Education, we found that much of the guidance is structured around the Gatsby Benchmarks.
  10. The Gatsby Charitable Foundation's 'Good Career Guidance' report brought together the best national and international research to look at what practical actions could improve careers guidance in England. In conclusion, the report sets out eight Gatsby Benchmarks that define excellence in careers provision.
  11. The research provides a clear and consistent message that a good careers programme means achieving all eight Gatsby Benchmarks with every pupil. As such, the Government now expects every school to begin using these Benchmarks to improve careers provision now, and to meet them by the end of 2020.
  12. We therefore make particular reference to these within our report, setting out the existing challenges and support needs of local learning providers in meeting all eight Benchmark standards within the required timescales, but also in terms of sustaining such high quality IAG provision for the future.
  13. Linked to this, the timeliness of our inquiry also enabled Scrutiny to assist in the early development stages of a proposed Young Person's IAG Charter for Leeds.
  14. Reflective of the Council's limited capacity to intervene in this area, the establishment of a Charter aims to empower the young people themselves and also their parents/carers to clearly know their rights in terms of what they are entitled to and can expect from careers IAG provision, alongside the skills, attributes and behaviours that employers also value.
  15. We therefore set out to determine what the key principles of a new IAG Charter should be in light of current expectations, but also in terms of ensuring that it connects directly with young people and also their parents/carers.
  16. In view of particular expectations being placed upon local schools to deliver effective IAG provision, an invitation was extended to the Chair, and any other nominated representatives, of the Children and Families Scrutiny Board to assist in undertaking this inquiry.
  17. Throughout our inquiry, we engaged with senior representatives from the Council's Employment and Skills and Children and Families service areas, whom are actively working together to support and encourage local IAG provision and to achieve the ambitions of the Leeds Talent and Skills Plan.
  18. We also welcomed the valuable contribution of a number of external stakeholders representing local learning providers and also the business sector



# Introduction and Scope

in terms of providing a useful insight into the challenges they are facing surrounding IAG provision and in helping to inform a positive and coherent way forward to help drive improvement and meet expectations.

19. Unfortunately, despite our best efforts, we were unable to engage directly with young people during the course of our inquiry. However, we did liaise with representatives of the Council's Voice, Influence and Change Team who help to facilitate the involvement of young people in local decision making and to become more active citizens, primarily through local school councils and the Leeds Youth Council, which involves young people across the city aged 10 to 18 years.
20. We learned that this service had facilitated a consultation exercise with young people during 2012 around IAG provision. The report setting out the findings of this consultation was therefore shared with Scrutiny to help inform our inquiry. Interestingly we learned that the consultation findings had also informed a document produced by the Leeds Youth Council entitled 'Careers Advice – Tips from young people' that is still being used as a key reference tool in some local schools (a copy of this document is appended to this report).
21. Whilst we have been able to cite the views of young people based on the consultation findings in 2012, moving forward we are keen to ensure that young people remain a driving force in raising the quality of IAG provision across the city and also play a key role in the ongoing development and delivery of the proposed Young Person's IAG Charter for Leeds.

## Scope of the inquiry.

22. The purpose of our inquiry was to make an assessment of and, where appropriate, make recommendations on the following areas:
  - The strengths and weaknesses of existing IAG provision in Leeds within the context of individuals gaining a good understanding of the local economy and key employment sectors to enable them to make more informed choices about all the possible routes into work.
  - The implications of new statutory duties and guidance by the Department of Education, including the following:
    - The Technical and Further Education Act 2017
    - Careers strategy: making the most of everyone's skills and talents. Department for Education. December 2017.
    - Careers guidance and access for education and training providers (Statutory guidance for governing bodies, school leaders and school staff). Department for Education. January 2018.
  - Key principles linked to the development and delivery of a new IAG Charter for Leeds.

## Best Council Plan.

23. Seeking to improve local IAG provision contributes directly to our ambitions to enable all of our residents to benefit from a strong economy in a compassionate city, and in particular, to





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the Best Council Plan outcome for everyone in Leeds to earn enough to support themselves and their families and the Best Council Plan priorities around supporting economic growth and access to economic opportunities by providing skills programmes and employment support. It also supports our ambitions to be a NEET-free city and a city where children and young people can grow up to lead economically active and rewarding lives.

## Desired Outcomes, Added Value and Anticipated Service Impact.

24. Despite the short timeframe of this inquiry, we have been able to work collaboratively with key stakeholders in identifying existing challenges and gaps associated with local IAG provision. We also explored with them opportunities to enable a positive and coherent way forward to help drive improvement and achieve the standards set out within the eight Gatsby Benchmarks, not only within the required timescales, but in terms of sustaining this high quality IAG provision for the future.
25. Linked to this, we also considered the merits of establishing a Young Person's IAG Charter for Leeds and discussed the proposed principles of this Charter in light of current expectations and also in terms of ensuring that it connects directly with young people and their parents/carers.
26. Whilst we accept that the impact of the Charter cannot be measured directly, general improvements in careers IAG provision should be evident, in the

medium to long term, with positive economic outcomes through reduced numbers of young people not in education, employment and training (NEET); in reduced rates of drop out from a range of post-16 destinations; in improved destinations for young people with special educational needs and disabilities (SEND); and ultimately in a more efficient local labour market.

## Equality and Diversity.

27. The Equality Improvement Priorities 2016 to 2020 have been developed to ensure that the council meets its legal duties under the Equality Act 2010. The priorities will help the council to identify work and activities that help to reduce disadvantage, discrimination and inequalities of opportunity to achieve its ambition to be the best city in the UK.
28. Equality and diversity issues have been considered throughout this scrutiny inquiry and the individual, organisation or group responsible for implementation or delivery of the recommendations arising from this inquiry should also give due regard to equality and diversity and where appropriate, an equality impact assessment will be carried out.



# Conclusions and Recommendations

## Acknowledging the longstanding issues relating to IAG Provision.

29. It is evident that an inadequate understanding of the world of work can lead to an insufficient understanding of where the areas of economic and employment growth lie now, and in the future. The consequences of this in terms of making poor choices can then lead to higher risks of drop out from educational pathways, qualifications or training that are not appropriate to a career pathway.
30. In recognition of this, this area of policy and practice has been the subject of several national reforms aimed at achieving greater quality and consistency, including the establishment of the National Careers Service in 2012 and the Careers and Enterprise Company (CEC) in 2014. Yet despite such efforts, this still remains a challenge due to a number of longstanding issues.
31. Firstly, we recognise that one of the main drivers of reform stems from the desire of Government to give schools the key role in the provision of careers education, information, advice and guidance. However, the fall out of this has led to a much reduced role for local government and, in the view of many stakeholders, a fragmented approach which lacks accountability, is subordinate to educational attainment, and does not serve young people well.
32. It is also evident that schools are expected to deliver IAG under considerable constraint, resulting in varying levels of capacity and capability, which has therefore impacted on the overall quality of provision for young people. Linked to this, we noted that such provision has often been supplemented or bought in from external providers, resulting in additional financial pressures for schools too.
33. Where there is evidence of strong support from school senior leadership demonstrating areas of good practice, we acknowledge that the amount of time made available for IAG is still often limited due to other competing demands focused around educational attainment.
34. Despite the Council's own limited capacity to intervene in this area, we were pleased to note that, historically, the Council has always sought to proactively support and encourage better provision through a range of mechanisms that provide information and support to young people and their parents and carers and has also developed best practice in some aspects of this.
35. In summary, these mechanisms include the following: (more detailed information is set out in Appendix 1)
  - *The Leeds Careers Education, Information, Advice and Guidance Network*, of which 95% of Leeds secondary schools and colleges attend frequently.
  - *Parent mailing of Post 14 and Post 16 learning options* (also known as the 'Leeds Letter'), which was



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recognised by the DfE as good practice.

- *Leeds Pathways and UCAS progress*, which is a web based IAG resource.
- *CEIAG self-assessment tool*, devised by the Council in 2013/14 to support schools and colleges in understanding their duties and identify what they do well and areas requiring improvement. This is now being revised to reflect the new duties.
- *The Moving on Project and the Next Steps Event*, which is targeted support to schools with high NEET rates.
- *Intended, Offers and actual Destination data (IOD returns)*, which helps to ascertain which young people may not have an offer of learning and are invited to engage in these events.

36. Whilst emphasising the need to continue promoting and maximising the use of these local engagement and support mechanisms, we explored the potential benefits of other forthcoming support mechanisms being provided nationally by Government aimed at supporting learning providers to achieve the new IAG quality standards set out within its Careers Strategy.
37. However, we also undertook to consider what other practical solutions could be established locally, including the proposed IAG Charter, that will also continue to inspire and secure commitment from all stakeholders to work collaboratively in delivering good

quality, impartial and consistent IAG provision to the young people of Leeds.

## An understanding of the new national requirements and expectations.

38. The Government's reform agenda relating to technical and further education was set by the Sainsbury Report, which recommended introducing a framework of 15 'professional and technical' routes, given the shorthand of T-levels, to replace the 20,000 courses that currently exist. The report's recommendations were made government policy in the Post-16 Skills Plan of July 2016.
39. Subsequently, the Technical and Further Education Act, which received royal assent in April 2017, takes forward key aspects of the Government's programme of reform of technical and further education.
40. The Department for Education's Careers Strategy, published in December 2017, also sets out a series of measures to be implemented during 2018-20 to improve careers guidance in England.
41. However, it is the new national Careers guidance, published in January 2018, which expands on the duties imposed on schools under the Technical and Further Education Act and the Careers Strategy and therefore was the main focus of our attention throughout our inquiry.



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42. In particular, we noted that this guidance is very much structured around the Gatsby Benchmarks, setting out information on what schools need to do to meet each one.
43. The Gatsby Charitable Foundation's 'Good Career Guidance' report brought together the best national and international research to look at what practical actions could improve careers guidance in England. The research identifies eight Gatsby Benchmarks and provides a clear and consistent message that a good careers programme means achieving all eight Gatsby Benchmarks with every pupil.
44. The Gatsby Benchmarks are not a statutory framework but by adopting them, schools can be confident that they are fulfilling their legal duties. As such, the Government now expects every school to begin using these Benchmarks to improve careers provision now, and to meet them by the end of 2020.
45. A summary of these Benchmarks, including information on what schools need to do to meet each one, are set out in Appendix 2. To supplement this, an overview of the requirements and expectations placed upon schools, with indicative timescales, along with a summary of what support will be made available to schools between now and 2020, is also set out in Appendix 3, as cited within the careers guidance document.
46. Interestingly we found that the areas of IAG provision picked up by these Benchmarks resonated with everyone who contributed to our inquiry. Our report therefore continues to focus specifically on these eight Benchmarks, reflecting on forthcoming expectations and the support needs and opportunities to help meet these successfully.
- ## Supporting local learning providers to meet the Gatsby Benchmarks.
- ### 1. A stable careers programme.
47. The Gatsby Benchmarks recognise the importance of having a programme of careers education and guidance that is known and understood by young people, parents, teachers, governors and employers.
48. As such, in accordance with this first Benchmark, every school is required to have their own careers programme in place which meets the requirements of all eight Benchmarks, showing how they come together into a coherent strategy that is embedded in school structures.
49. Acknowledging that careers guidance involves a set of complex activities across the whole school, as well as working with external stakeholders, the Government's Career Strategy recognises that to lead and coordinate these activities requires a person with leadership skills, administrative ability, and specialist knowledge of careers.
50. This view was very much echoed by all who contributed to our own inquiry. We acknowledge that many schools find it difficult to prioritise careers advice



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because of a lack of dedicated and trained resource within their school, including the absence of a clearly defined careers leadership role. There are also differences in the level of seniority, title, job description and background of the individual coordinating the careers programme in each school.

51. As such, we are pleased to note that the ambition of the Careers Strategy is for every school to appoint a 'Careers Leader' who has the energy and commitment, and backing from their senior leadership team, to deliver the careers programme across all eight Gatsby Benchmarks.
52. The Strategy states that Career Leaders need to:
  - have the appropriate skills and experience;
  - be sufficiently senior to lead the implementation of all eight of the Benchmarks;
  - have buy-in from the Governors and the Senior Leadership team;
  - work with subject teachers across the school so that careers provision is embedded within the curriculum.
53. The careers guidance expands on this ambition further and states that, from September 2018, every school should appoint a named person to this role as well as publishing their name and contact details on their website.
54. To help achieve this, we understand that a national programme of engagement with schools will be carried out to set out the benefits of the role and ensure appropriate training and support is developed. This will primarily

be co-ordinated through the Careers and Enterprise Company (CEC). However, further details are still expected by September 2018, including a clear description of the roles and responsibilities of a Careers Leader.

55. We noted that the general provision of information on the school website is also an important element of achieving this first Gatsby Benchmark, as the Government expects schools and colleges to openly publish details of their careers programme as from September 2018. Again, we very much welcome this transparency approach.

## ***2. Learning from career and labour market information.***

56. We recognise the importance of labour market information (LMI) in helping young people and their parents/carers to understand the salaries and promotion opportunities for different jobs, and the volume and location of vacancies across different sectors.
57. In line with this second Benchmark, the careers guidance states that schools should make sure that, by the age of 14, all pupils have accessed and used information about career paths and the labour market to inform their decisions on study options. In doing so, schools should also be explaining the value of finding out about the labour market and support young people and their parents/carers to access and understand this information.
58. During our inquiry, it was reported that the availability of labour market information is not the real issue. The longstanding challenge has been around enabling access and translating



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it into something meaningful for all young people and their parents and giving visibility to the different and changing education and training pathways and employment opportunities locally. We therefore go on to pick up such issues as we continue to reference other relevant Benchmarks.

### **3. Addressing the needs of each student.**

59. The Gatsby Benchmarks describe a system in which a careers programme works for every single young person, whatever their background or needs.
60. There will therefore be an expectation placed upon the role of Careers Leaders to provide and, when needed, prioritise careers support for disadvantaged young people who have fewer opportunities to get the right advice, guidance and experiences. This may include young people such as those eligible for the Pupil Premium, those with special educational needs and disabilities, or those classed as looked after children and Children in Need by their local authority.
61. Careers Leaders will also be expected to make sure that young people from disadvantaged backgrounds are aware of the subject choices, experience and qualifications required to pursue different career options.
62. Whilst the school careers programme should aim to raise the aspirations of all pupils, we agree that it should also be tailored to individual needs too. However, this is closely aligned to the final Benchmark around Personal

Guidance, which we address in more detail later in our report.

### **4. Linking curriculum learning to careers.**

63. Whilst many schools will choose to deliver careers education, including employability and enterprise, through the curriculum as part of their commitment to Personal, Social, Health and Economic (PSHE) education, the new careers guidance states that schools should work towards weaving careers education and guidance in to subjects across the curriculum.
64. However, the guidance also reinforces the importance of pupils understanding the value of achieving core academic subjects at GCSE, with particular emphasis around English and Maths, in terms of these providing a sound basis for a variety of careers beyond the age of 16.
65. Schools are also required to make clear to pupils that if they do not achieve a grade 4 or better in GCSE Maths and English by the end of key state 4, they will be required to continue working towards this aim as part of their 16-19 study programme.

### **5. Encounters with employers and employees.**

66. Children who meet employers from a young age can find out about a wide range of jobs and understand how the subjects they learn at school connect to their future. This is particularly important for children from disadvantaged backgrounds who may lack a diversity of role models with



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experiences of different jobs and careers. Children (and their parents) may also have fixed views about what kind of jobs might be suitable for them, so it is important to challenge these views before they become entrenched and ambitious, realistic aspirations encouraged instead.

67. We were therefore surprised to learn that, until very recently, there has been no explicit requirement on schools to draw on employers / businesses in their delivery of IAG and broader enrichment activity, despite there being strong research evidence about the impact of employer engagement on pupil's future prospects and earnings in adult life. Neither has there been any requirement for schools to enable access to a range of learning providers of post 14 vocational and technical learning pathways.
68. To help address this, the Technical and Further Education Act introduced a requirement, which commenced on 2<sup>nd</sup> January 2018, for all local-authority-maintained schools and academies to give education and training providers the opportunity to talk to pupils in years 8 to 13 about approved technical qualifications and apprenticeships.
69. In practice this will mean every school allowing each provider access to all pupils in years 8 to 13 to inform them about the varied career options open to them and courses and qualifications they offer and what each option entails.
70. In doing so, this will allow pupils to consider how the opportunity to study or train in different ways, and in different environments, might suit their skills, interests and aptitudes. By hearing directly from providers about alternatives to academic and school-based routes, every pupil can then build up a full picture of the options available to them at important transition points. This will also lead to better-informed choices and help to reduce the risk of dropping out of courses.
71. The Act also requires schools to explain in a policy statement, published on the school website, how providers can get involved with the school and the opportunities they have to talk to pupils.
72. In relation to employers in particular, we welcomed the contribution of the Chambers of Commerce to our inquiry and learned that, whilst there is an abundance of information available around existing initiatives aimed at engaging employers in the IAG agenda, many would welcome more concise guidance and particularly around how best to engage with schools.
73. It was also brought to our attention that both employers and other learning providers have previously been frustrated with a lack of consistency in the approaches taken by schools around engagement. In particular, it was noted that employers and other learning institutions would welcome consistency in terms of being able to engage with whole year groups rather than be presented with a selected sample of pupils.
74. We are therefore pleased to note that as part of the careers guidance, all schools are also being advised that they must make provider visits available to all pupils in the relevant year group. The school should not do anything which might limit the ability of pupils to



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- attend. We noted that unacceptable behaviour would include restricting invitations to selected groups of pupils, or holding events outside of normal school hours.
75. However, in alignment with this particular Gatsby Benchmark, the Careers guidance now expects every school to begin to offer every young person seven encounters with employers – at least one each year from Year 7 to Year 13 – and to meet this in full by the end of 2020.
76. We very much welcome this decision to engage earlier with young people from Year 7, particularly as this was also one of the key recommendations arising from the local consultation exercise with young people back in 2012 (see Appendix 4).
77. We noted that the guidance also emphasises the need for positive engagement with Science, Technology, Engineering and Maths (STEM), recognising that the demand for STEM skills is growing, particularly for sectors such as engineering, construction and manufacturing.
78. Careers services are therefore expected to play a key role in encouraging people of all ages and backgrounds to consider the value of STEM qualifications and careers, dispelling stereotypes and making sure people have up-to-date information about the skills employers will need. Linked to this, it is expected that some of the required encounters with employers should include STEM employers.
79. In relation to encounters with employers, we also very much recognise the need to raise greater awareness and understanding of available apprenticeship routes into work.
80. Many schools and parents may not fully understand how apprentices work and what employers are looking for. This presents real barriers as the findings from the young people consultation also showed that, in order of preference, students prefer to go to ‘a member of family’ to ask for careers advice followed by ‘a teacher’ and then by ‘a careers advisor’.
81. Parents in particular may not understand that their child will stay in education with an apprenticeship and that these are on a par with academic routes.
82. We noted that there are now various entry levels associated with apprenticeships, which include:
- Intermediate, Level 2 – equivalent to 5 GCSE passes – good for apprentices just starting out.
  - Advanced, Levels 4,5,6,7 – equivalent to foundation degree and above – suitable for those with two or more A levels and can also lead to a degree apprenticeship.
  - Degree, Levels 6,7 – equivalent to bachelor’s or master’s degree – suitable for those with two or more A levels.
83. At the time of writing our report, we acknowledged that the National Apprenticeship Week was being held





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from 5<sup>th</sup> to 9<sup>th</sup> March 2018, which aims to promote and celebrate apprenticeships.

84. As well as trying to promote apprenticeships to young people, this event is about raising the profile of apprenticeships with employers too, as getting an apprenticeship in some industry sectors can be very competitive.
85. Linked to this, we also recognise that, if the opportunities aren't there, young people will revert to looking at traditional educational pathways.
86. During our inquiry, we noted that the annual Leeds Apprenticeship Recruitment Fair is a positive example of how the Council has worked outside of existing mechanisms for engaging with young people, such as schools, to meet a considerable appetite in the city to know more about apprenticeships.
87. Reference was also made to the 'What could I be?' publication that seeks to promote apprenticeships amongst high school children, although we acknowledged that there is still a strong reliance on schools to effectively distribute this resource to their pupils.
88. However, we were interested to learn about another similar free publication that also aims to promote apprenticeships - the 'Future' magazine - which has proved to be popular amongst young people. As well as being published in the style of a glossy magazine that is attractive to young people, we found that the magazine, along with other information, is accessible on-line too ([www.future-mag.co.uk](http://www.future-mag.co.uk)), allowing young people and

also parents, to easily access it themselves.

89. We note that being able to access and research information online was another key finding arising from the consultation with young people in 2012 and therefore we would like to see this, and other similar resources that promote employer engagement, technical qualifications and apprenticeships, being actively promoted amongst schools and also directly to young people and parents using all available mechanisms and services outside of the school setting (such as the Youth Service).

**Recommendation 1**  
**That the Director of City Development leads on ensuring that key resources promoting employer engagement, technical qualifications and apprenticeships (such as the 'What Could I Be?' Publication and 'Future' Magazine) are being actively promoted amongst schools and also directly to young people and parents using all available mechanisms and services outside of the school setting.**

90. When recruiting to apprenticeships, we realise that employers will be looking for key characteristics in potential apprentices and employees as well as academic achievement, such as being resilient and having good communication and problem solving skills.
91. We learned from the Leeds College of Building that, whilst some young people may be able to demonstrate the



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practical and mathematical skills required to successfully complete a construction apprenticeship, they may find themselves struggling to achieve the pre-requisite English qualification. This can therefore be deemed a key barrier for those young people in terms of pursuing this route of access into work. However, it was highlighted that some employers will still be willing to recruit apprentices who are demonstrating the key attributes and behaviours that they value and may also provide additional support during the apprenticeship to enable them to still work towards achieving core qualifications. As such, it was felt that this message needed to be communicated better amongst young people to give them the motivation to continue to strive and achieve positive outcomes.

92. Linked to this, we acknowledge that the national Careers and Enterprise Company has built a national network of Enterprise Coordinators co-funded with the Local Enterprise Partnerships (LEPs). Enterprise Coordinators are trained people who work with school leadership teams to build careers and employer engagement plans. In addition, each school is expected to have access to an Enterprise Adviser – a senior volunteer from business – by the end of 2020 in order to help them unlock relationships with other local businesses.

## **6. Experiences of workplaces.**

93. It is clearly evident that work experience can give pupils a more realistic idea of the expectations and realities of the workplace, and is

particularly valuable for pupils from disadvantaged backgrounds who may not have access to a diverse range of role models.

94. In accordance with this Benchmark, schools are required to ensure that by the age of 16, every pupil has at least one experience of a workplace, and one further such experience by the age of 18, additional to any part time jobs they may have.
95. During our inquiry, this was very much identified as an area that now requires a fundamental re-think in terms of the approaches taken to ensure that pupils gain a meaningful experience of the world of work and that there are also mutual benefits to employers too.
96. It was reported that, as part of the Youth Parliament ‘Make your Mark’ ballet last year which involved young people aged between 7-18 years, work experience was ranked the second most important issue to address, with transport issues ranked first.
97. Acknowledging that work experience can play a vital role in inspiring young people to make future career choices, it was clear that a ‘one size fits all’ approach does not work effectively.
98. During our inquiry, we were interested to learn about different approaches that have been tried. In particular, reference was made to the mutual benefits gained from project specific placements in terms of employers appreciating the work undertaken to meet a specific task and the young person feeling a sense of achievement and being inspired to progress further.



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99. Interestingly, we also noted that some projects were also being linked to curriculum based topics and so provides mutual benefits to the school too. We recognise that this approach also links closely with the previous Gatsby Benchmarks around linking curriculum learning to careers and addressing the needs of each student.
100. We appreciate that a school's organisation of work experience for pupils can be very resource intensive in terms of coordinating time away from school and undertaking associated risk assessments etc. However, we would also argue that such efforts also need to be warranted in terms of achieving meaningful rewards, especially for the pupils themselves.
101. However, to help alleviate some of the pressures associated with organising work experience placements for Year 10 pupils, at a time when there are more significant curriculum based pressures, we would also advocate a shift in focus in terms earlier Year groups undertaking work experience placements, leading to them requiring a lesser intensive work related experience during Year 10.
102. Moving forward, particularly in relation to the Gatsby Benchmarks around encounters with employers and experiences of workplaces, we believe that now is the time for the Council to help facilitate greater dialogue between local schools and the business sector in order to secure greater commitment towards working collaboratively in meeting these Benchmarks and developing a best practice approach that will inform a stable careers programme for local schools and

deliver much needed consistency across the city.

**Recommendation 2**  
**That the Director of City Development takes the lead in helping to facilitate greater dialogue between local schools and the business sector to secure greater commitment towards working collaboratively in meeting the Gatsby Benchmarks around employer engagement and experiences of workplaces and developing a best practice approach that will inform a stable careers programme for local schools and deliver much needed consistency across the city.**

## ***7. Encounters with Further and Higher Education.***

103. We have already emphasised the need for young people to understand the full range of learning opportunities that are available to them. This includes both academic and vocational routes and learning in schools, colleges, universities and in the work place.
104. Earlier we made specific reference to the Technical and Further Education Act introducing a requirement for all local-authority-maintained schools and academies to give education and training providers the opportunity to talk to pupils in years 8 to 13 about approved technical qualifications and apprenticeships.
105. In doing so, this will allow pupils to consider how the opportunity to study or train in different ways, and in different environments, might suit their



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skills, interests and aptitudes and they can build up a full picture of the options available to them at important transition points. This will also lead to better-informed choices and help to reduce the risk of dropping out of courses.

106. We also referenced earlier that, as well as employers, other learning institutions would also welcome more consistency in terms of being able to engage with whole year groups rather than be presented with a selected sample of pupils. Thankfully the new careers guidance acknowledges this too and advises all schools that they must make provider visits available to all pupils in the relevant year group and not do anything which might limit the ability of pupils to attend.
107. Aligned to the expectations of this Benchmark, by the age of 16, every pupil should have had a meaningful encounter with providers of the full range of learning opportunities, including Sixth Forms, colleges, universities and apprenticeship providers. By the age of 18, all pupils who are considering applying for university should have also had at least two visits to universities to meet staff and pupils.
108. During our inquiry, we very much welcomed the honesty of all the contributors that were representing schools and colleges in terms of acknowledging that they are all effectively competing with each other in terms of securing pupil places. However, they also welcomed efforts being made to create a shift in culture whereby there is greater collaboration amongst learning providers in

recognition that meeting the needs of students should be paramount.

## **8. Personal guidance.**

109. Personal guidance is hugely beneficial as it tailors advice to individual needs and helps people to navigate their way successfully through education, training and career choices. Such guidance therefore must be impartial and delivered by qualified practitioners, putting the needs of the individual first.
110. In accordance with this Benchmark, every student should have opportunities for guidance interviews with a qualified careers adviser, who could be internal (a member of school staff) or external, provided they are trained to an appropriate level. This links back to the first Gatsby Benchmark and the ambition for every school to appoint a 'Careers Leader' who has the energy and commitment, and backing from their senior leadership team, to deliver the careers programme across all eight Gatsby Benchmarks.
111. In terms of being appropriately trained, the main qualifications for careers professionals are linked to the Qualification in Career Development (QCD). However, we understand that the Career Development Institute has developed a set of professional standards for careers advisers which includes a Professional Register of advisers holding level 6 or higher qualifications. Registration shows that a careers adviser is professionally qualified and abides by the CDI Code of Ethics, which includes impartiality and updates their skills and knowledge by undertaking 25 hours CPD each year. Schools are therefore encouraged to



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view the Professional Register to search for a career development professional who can deliver a particular service or activity.

112. During our inquiry, we heard directly from a careers adviser working for a careers organisation (Aspire-Igen) and commissioned by a local school to provide face to face personal guidance to pupils. In doing, we recognised the key advantages of schools having access to qualified advisers to deliver impartial and a broader spectrum of IAG provision. However, despite this approach helping to alleviate this pressure on existing staff, we found that the cost of outsourcing this service still impacted on the accessibility of IAG provision for pupils, which clearly needs to be addressed.

## **Improving IAG provision for young people with special educational needs and disabilities.**

113. In discussing the rights of all young people to access good quality IAG provision, particular reference was made during our inquiry around ensuring the rights of young people with special educational needs and disabilities too.
114. Linked to this, we are pleased to note that, as part of the Government's careers service ambitions, particular attention is also to be given to young people with special educational needs and disabilities, with the Government acknowledging that careers advice for

these young people can often be poor and lacking in aspiration. They too deserve IAG provision that is aspirational, personalised and well informed.

115. We note that the Government is therefore funding the Education and Training Foundation to provide professional development for careers professionals working with these young people. The Education and Training Foundation is developing two sets of online training modules to support careers professionals working with young people with SEND and this training will be freely available to schools, colleges and other careers professionals. The two resources will complement other resources funded by Government - currently being developed - on work experience placements and Study Programmes for learners with SEND.
116. We are also pleased to note that the CEC and Gatsby Foundation will work together to set out good practice in supporting young people with special educational needs and disabilities. Enterprise Advisers will receive training and information so they can recommend the resources available to design a careers programme to support people with special educational needs and disabilities. The CEC will also undertake targeted work with employers to stimulate more employer engagement that will support young people with SEND and will continue to make the case for employers to provide work experience and supported internships for young people with SEND.



# Conclusions and Recommendations

## **Empowering young people to know their rights to impartial, good quality IAG provision.**

117. In undertaking this inquiry, we have been able to achieve a greater understanding of the desired standards and statutory expectations being placed upon learning providers in delivering impartial, good quality IAG provision.
118. Moving forward, we strongly believe that young people, parents, carers and guardians also deserve to have this clear understanding of what they are entitled to and can expect in terms of careers IAG provision, rather than just being 'given' a level of provision which their educational settings choose.
119. As such, we fully support the adoption and promotion of a Young Person's IAG Charter to foster a sense of entitlement and expectation from young people, and those who influence them, of what careers IAG should be provided to them. Young people can then compare this expectation with the reality, and hold those responsible for providing it to account when it is not met. Ultimately, through this empowerment approach, this should help drive forward improvements in local IAG provision that will serve the young people of the city more effectively.
120. However, we also accept that entitlement is not without responsibility. We therefore believe that the Charter also needs to feature expectations being placed upon the young people themselves, particularly from employers as they enter the world of work – the values and behaviours that they are looking for in their workforce. This will then help young people understand their responsibilities and encourage them to think about, and develop, these values and behaviours.
121. At this early development stage, we therefore advise that the Charter incorporates the following key principles:
- That the Charter clearly sets out the key activities, aligned with the Gatsby Benchmark quality standards, that young people should expect from their learning provider in accordance with statutory duties and guidance;
  - That the Charter recognises the existence of the established Leeds Careers Education, Information, Advice and Guidance Network that all learning providers are encouraged to participate in free of charge.
  - That the Charter clearly sets out how young people and parents should be able to access information relating to their learning provider's careers IAG policy and also signposts them to other available external resources.
  - That the Charter reflects the key attributes and skills that are valued by employers and the associated responsibilities placed upon young people in demonstrating to employers that they are prepared for the world of work.
  - That the Charter recognises and complements the work of organisations, such as the national Careers and



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Enterprise Company and the Enterprise Advisers Programme, which operates across the Leeds city region.

- That the Charter is also reflective of Leeds City Region/ West Yorkshire Combined Authority ambitions to improve the provision of IAG in order to ensure coherence and consistency for young people in the city and city region.

## **Recommendation 3**

**That the Executive Board supports the development of a Young Person's IAG Charter for Leeds to foster a sense of entitlement and expectation from young people, and those who influence them, of what careers IAG should be provided to them.**

## **Recommendation 4**

**That, subject to the agreement of recommendation 3, we recommend that the Young Person's IAG Charter for Leeds incorporates the following principles:**

- **That the Charter clearly sets out the key activities, aligned with the Gatsby Benchmark quality standards, that young people should expect from their learning provider in accordance with statutory duties and guidance;**
- **That the Charter recognises the existence of the established Leeds Careers Education, Information, Advice and Guidance Network that all learning providers are encouraged to participate in free of charge.**

## **Recommendation 4 (continued)**

- **That the Charter clearly sets out how young people and parents should be able to access information relating to their learning provider's careers IAG policy and also signposts them to other available external resources.**
- **That the Charter reflects the key attributes and skills that are valued by employers and the associated responsibilities placed upon young people in demonstrating to employers that they are prepared for the world of work.**
- **That the Charter recognises and complements the work of organisations, such as the national Careers and Enterprise Company and the Enterprise Advisers Programme, which operates across the Leeds city region.**
- **That the Charter is also reflective of Leeds City Region/ West Yorkshire Combined Authority ambitions to improve the provision of IAG in order to ensure coherence and consistency for young people in the city and city region.**

122. As a Young Person's Charter, it is also vital that young people are able to clearly understand the principles and key messages within it.

123. Following the earlier consultation exercise undertaken with young people



# Conclusions and Recommendations

in 2012 around IAG provision, we acknowledged the work undertaken with the Leeds Youth Council in developing a guide for schools in helping them understand what the young people themselves have said they would find useful (a copy of this guide is provided in Appendix 5). Having been informed by the young people, this guide is presented in a format that can be easily understood by them too.

124. We therefore advise that a similar approach is taken with the development of the Young Person's IAG Charter in terms of working closely with the Council's Voice, Influence and Change Team to facilitate engagement with young people so that the format of the Charter meets the needs of the target audience.

**Recommendation 5**  
**That the Director of City Development leads on working closely with the Council's Voice, Influence and Change Team to facilitate engagement with young people so that the format of the Young Person's IAG Charter meets the needs of the target audience.**

**Evidence of this engagement work should also be reported back to Scrutiny.**

125. We also acknowledge that the development of an effective promotional campaign surrounding the Charter is equally as important as the content of the Charter itself.

126. Linked to this, we appreciate that Information, Advice and Guidance (IAG) is the term being formally cited in statutory guidance to describe the support needed by young people, as well as adults, to help them make decisions about their future education pathways and career options. As such, this term has now become more familiar with learning providers and other practitioners engaged in IAG provision.

127. However, during our inquiry we did also question the use of this term when trying to capture the attention and real interest of young people.

128. In order to convey meaningful messages to young people surrounding the value of good IAG provision, we believe that branding plays a key role in this respect. Moving forward with the Charter, we therefore recognise the need to develop an effective brand and promotional campaign using language and communication technologies that resonate with young people.

129. Having already acknowledged the strong influence that parents and carers also have in relation to their child's future choices, it is vital that they too are being targeted effectively as part of this campaign.

**Recommendation 6**  
**That the Director of City Development leads on developing an effective brand and promotional campaign surrounding the new Young Person's IAG Charter, including an appropriate title for the Charter, using language and communication technologies that resonate with young people, as well as targeting parents and carers too.**





# Conclusions and Recommendations

## Ensuring compliance and strengthening accountability.

130. Whilst the introduction of a Young Person's IAG Charter seeks to encourage an empowerment approach in driving forward improvements in local IAG provision, we recognise the importance of having a formal robust compliance framework in place too.
131. The new careers guidance makes particular reference to 'Compass', an online self-evaluation tool for schools to assess how their careers support compares against the Gatsby Benchmarks and the national average. Schools are expected to baseline themselves using this tool, consider the opportunities to improve their careers programme based on their confidential results, and track their progress against the Benchmarks over time.
132. Locally, we acknowledged that back in 2013/14, the Council had also devised and launched the CEIAG Self-Assessment Tool to support schools and colleges in understanding their duties and enabling them to identify what they do well and the areas requiring further improvement to support them to plan and deliver provision. This assessment tool is still being utilised and is currently being revised to reflect the new duties from January 2018.
133. In terms of monitoring compliance, the careers guidance also states that destination measures will provide clear and comparable information on the success of schools in helping all of their pupils take qualifications that offer them the best opportunity to continue in education or training, and notes that KS4 and 16-18 (KS5) education destinations are becoming an established part of the accountability system for schools. As such, further detail on destinations data, including best practice examples of how schools can make the most of this data, is to be provided in further statutory guidance due in September 2018.
134. Nationally, all schools are also reminded that careers guidance will continue to be considered as part of an Ofsted inspection, as set out in Ofsted's Common Inspection Framework and School Inspection Handbook.
135. However, whilst acknowledging that careers-related provision is already considered under three of the four areas evaluated as part of school inspections, there was consensus agreement during our inquiry that existing compliance measures associated with IAG provision are weighted significantly less than other demands being placed upon schools around the delivery of the curriculum and attainment levels.
136. Whilst we welcome the new requirement placed upon Ofsted to comment in college inspection reports on the careers guidance provided to students from January 2018, we strongly believe that more needs to be done, through Ofsted, in ensuring compliance and strengthening accountability for IAG provision in schools.
137. Linked to this, we note within the careers guidance that the Department of Education is expected to engage with



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Ofsted, as it reviews the Common Inspection Framework, to consider coverage of careers provision as part of the development of any planned changes to school and college inspection arrangements which will take effect from September 2019. In developing its approach to assessing careers provision as part of those changes, Ofsted will take account of the requirements within the new statutory guidance for schools.

138. Whilst awaiting the outcome of this, we would still urge that the Council continues to lead on lobbying for further improvements to the careers IAG system nationally, particularly surrounding the formal compliance framework and the role of Ofsted, and also through devolved responsibilities.

**Recommendation 7**  
**That the Director of City Development leads on lobbying for further improvements to the careers IAG system nationally, particularly surrounding the formal compliance framework and the role of Ofsted, and also through devolved responsibilities.**

## Introducing the world of work to primary aged children too.

139. Finally, whilst our inquiry has mainly focused on the expectations surrounding IAG provision for young people from Year 7 onwards, we also discussed the merits of introducing even younger children to ideas about

the work they might do in future, particularly as this has also remained a key area of interest to the Council's Children and Families Scrutiny Board following its earlier inquiry into reducing the number of young people who are not in education, employment or training (NEET).

140. Linked to this, we are pleased to note that the Careers Strategy also acknowledges that many primary schools are already thinking about how best to undertake this whilst others are already accessing excellent programmes, such as Primary Futures which give primary schools access to a wide range of professionals, who deliver sessions that help raise children's aspirations and counteract stereotypes about the people who do different jobs. However, the Government also acknowledges that there is no consistent approach across primary schools and limited evidence and best practice for schools to use when planning their activities.
141. The Government is therefore now keen to learn more about what works so that children can develop positive attitudes about work from an early age and make sure that primary schools have access to the tools they need to understand how they can start to build activities with employers into their lessons.
142. Starting next year, the Government will therefore be testing what careers activities are appropriate and work well in primary schools, providing £2 million to test new programmes, or expand ones that work, including in challenging areas. It will also be working with the CEC and interested Opportunity Areas to explore new approaches to employer



# Conclusions and Recommendations

engagement and early careers activities in primary schools and plans to share the results of this more widely so other schools can benefit and build their expertise.

143. In welcoming this move nationally, we also acknowledge that good practice already exists amongst local primary schools and therefore we believe there is merit in undertaking our own mapping exercise to begin capturing and widely promoting this good practice now.

**Recommendation 8**  
**That the Director of City Development works with the Director of Children and Families to map existing IAG practices amongst local primary schools in order to capture and widely promote good practice.**

144. This inquiry has enabled us to understand the vital importance of continuing to motivate young people by giving them a clearer idea of the routes to jobs and careers that they will find engaging and rewarding and provide them with the knowledge and skills necessary to make successful transitions to the next stage of their life.
145. As well as tracking the recommendations set out within this report, we recognise the need for Scrutiny to maintain a general watching briefing of progress surrounding this agenda as efforts continue to inspire and secure commitment from all stakeholders to work collaboratively in delivering good quality, impartial and consistent IAG provision to the young people of Leeds.



# Appendix 1

## **Overview of Council support to schools to meet their IAG responsibilities**

### **The Leeds Careers Education, Information, Advice and Guidance Network**

This network is led and quality assured by Learning Improvement, Children and Families Directorate and supported by a lead professional based within a secondary school. Over the last 6 years it has been well attended and currently 95% of Leeds secondary schools and colleges attend frequently. There are three network meetings each year with evaluation rated by attendees as predominantly good or excellent. Sponsorship from Aspire-igen has enabled the Network to run free of charge to members for the second consecutive year.

The network keeps CEIAG leads informed about changes in policy and duties, labour market information and promotes events, opportunities and resources available across Leeds and the city region. It also provides a platform for peer to peer support, challenge and improvement; and provides the opportunity for partners and providers to promote any changes to learning provision available for young people. Members work together to develop and trial new materials, including those to support parents and carers, teachers and children with special education needs and disabilities.

The network also provides Leeds City Council with the opportunity to keep schools up to date with the expected data returns they have to make for destinations as part of their statutory duties. The network also engages with the LEP Enterprise Advisers to promote their resources and commissioned programmes funded through the National Careers and Enterprise Company.

### **Parent mailing of Post 14 and Post 16 learning options.**

For the past 3 years, the Council's Children and Families Services has written to the parents of all year 9 learners in the city in February and November providing details of the additional Post 14 learning options available to young people from year 10, this includes Leeds City College's 14-19 Apprenticeship Academy and UTC Leeds. Known as the 'Leeds Letter', this was recognised by the DfE as good practice and was used to inform the new 'Atypical Admissions' letter which from September 2016 all local authorities have been required to send annually as part of their statutory information duty.

For the past 5 years, the Council has written to all parents of year 10 and year 11 students, along with those in the NEET group, to inform them of Post 16 Learning options in the city. Sent in February and November, this mailing is funded by the Post 16 colleges and Study Programme providers and includes information on a range of other initiatives and events such as the Leeds Apprenticeship Recruitment Fair and Industry-led Apprenticeship Seminars and the Leeds Pathways website.

### **Leeds Pathways and UCAS progress**

The Council has continued to invest in Leeds Pathways and UCAS Progress, the web based IAG resource. Work to update the website was undertaken in 2017 after consultation with partners, young people and other stakeholders and included the addition of new information



# Appendix 1

relating to the local labour market and key employment growth sectors and links to apprenticeships and job opportunities. It includes an easier to navigate interface to provide parents and carers with an improved resource for accessing information to help their young people make the right education, employment or training choices.

UCAS Progress provides young people in year 11 with the facility to search for detailed course information and make multiple on-line applications to Post 16 providers. For the majority it is used for applications to Study Programme provision at colleges, schools and providers, with some applications being made to Apprenticeship providers. Young people, their home schools, Post 16 providers and parents are able to use the system to support young people with their applications, track progress and record when an offer of a start date has been made.

## **CEIAG Self-Assessment Tool**

In 2013/14 the Council devised and launched the CEIAG Self-Assessment Tool to support schools and colleges in understanding their duties and enable them to identify what they do well and the areas requiring further improvement to support them to plan and deliver provision. This has been updated to reflect the new Ofsted Framework and is currently being revised to reflect the new duties from January 2018 along with details of new resources available from the Leeds City Region Enterprise Partnership. The CEIAG network promotes the Self-Assessment tool and schools are encouraged to provide peer to peer support to complete the self-assessment and share good practice. Where this is formally requested, the Professional Lead from the network will support implementation at a school.

## **The Moving on Project and the Next Steps Event**

The Council working with post 16 providers has provided targeted support to schools with High NEET rates with the aim of supporting year 11 students who are potentially at risk of not securing a Post 16 destination and where additional support could be beneficial. Young people nominated by schools are provided with one to one sessions and additional impartial IAG about the different post-16 learning options available to them and are given an opportunity to express their preferences and take up alternative routes. Students are then tracked for a further 3 months.

Young people that do not have a confirmed offer of learning for September are invited to the Leeds 'Next Steps' event at the end of August. The event brings together post 16 providers (schools, colleges, flexible provision/short course providers and Apprenticeship providers) with live vacancies and can sign up individuals immediately, or refer them to interviews or taster courses. The Council's Leeds Pathways Support Team are present at the event to offer young people impartial IAG, and help direct them to providers who can offer the opportunities that are most appropriate to them.



# Appendix 1

## **Intended, Offers and actual Destination data (IOD returns)**

The Council collates the following information from all Leeds schools, academies and providers who enrol year 11 students:-

- April – Intended Destinations for year 11 and year 12 learners
- May, June and July – Post 16 Offers received by year 11 and year 12 learners
- September and October – Actual destinations of year 11 and year 12 leavers.

The IOD return forms part of schools' statutory duties in relation to the September Guarantee and helps to ascertain which young people may not have an offer of learning for the following September and they are then invited to either participate in the Moving On Project and or invited to the Next Steps Event in August. It also provides an indication of which schools do not have an adequate CEIAG strategy, may not be providing appropriate IAG to young people, or do not have a robust system for tracking destinations, thus increasing the risk of young people becoming NEET.



# Appendix 2

## The Gatsby Benchmarks<sup>10</sup>

<b>1. A stable careers programme</b>	<p>Every school and college should have an embedded programme of career education and guidance that is known and understood by students, parents, teachers, governors and employers.</p>	<ul style="list-style-type: none"> <li>• Every school should have a stable, structured careers programme that has the explicit backing of the senior management team, and has an identified and appropriately trained person responsible for it.</li> <li>• The careers programme should be published on the school's website in a way that enables pupils, parents, teachers and employers to access and understand it.</li> <li>• The programme should be regularly evaluated with feedback from pupils, parents, teachers and employers as part of the evaluation process.</li> </ul>
<b>2. Learning from career and labour market information</b>	<p>Every student, and their parents, should have access to good quality information about future study options and labour market opportunities. They will need the support of an informed adviser to make best use of available information.</p>	<ul style="list-style-type: none"> <li>• By the age of 14, all pupils should have accessed and used information about career paths and the labour market to inform their own decisions on study options.</li> <li>• Parents should be encouraged to access and use information about labour markets and future study options to inform their support to their children.</li> </ul>
<b>3. Addressing the needs of each student</b>	<p>Students have different career guidance needs at different stages. Opportunities for advice and support need to be tailored to the needs of each student. A school's careers programme should embed equality and diversity considerations throughout.</p>	<ul style="list-style-type: none"> <li>• A school's careers programme should actively seek to challenge stereotypical thinking and raise aspirations.</li> <li>• Schools should keep systematic records of the individual advice given to each pupil, and subsequent agreed decisions.</li> <li>• All pupils should have access to these records to support their career development.</li> <li>• Schools should collect and maintain accurate data for each pupil on their education, training or employment destinations.</li> </ul>
<b>4. Linking curriculum learning to careers</b>	<p>All teachers should link curriculum learning with careers. STEM subject teachers should highlight the relevance of STEM subjects for a wide range of future career paths.</p>	<ul style="list-style-type: none"> <li>• By the age of 14, every pupil should have had the opportunity to learn how the different STEM subjects help people to gain entry to, and be more effective workers within, a wide range of careers.</li> </ul>

<sup>10</sup> Holman, J. (2014) Good Career Guidance. London: Gatsby Charitable Foundation



## Appendix 2

<b>5.Encounters with employers and employees</b>	<p>Every student should have multiple opportunities to learn from employers about work, employment and the skills that are valued in the workplace. This can be through a range of enrichment activities including visiting speakers, mentoring and enterprise schemes.</p>	<ul style="list-style-type: none"> <li>• Every year, from the age of 11, pupils should participate in at least one meaningful encounter* with an employer.</li> </ul> <p>*A 'meaningful encounter' is one in which the student has an opportunity to learn about what work is like or what it takes to be successful in the workplace.</p>
<b>6.Experiences of workplaces</b>	<p>Every student should have first-hand experiences of the workplace through work visits, work shadowing and/or work experience to help their exploration of career opportunities, and expand their networks.</p>	<ul style="list-style-type: none"> <li>• By the age of 16, every pupil should have had at least one experience of a workplace, additional to any part-time jobs they may have.</li> <li>• By the age of 18, every pupil should have had one further such experience, additional to any part-time jobs they may have.</li> </ul>
<b>7.Encounters with further and higher education</b>	<p>All students should understand the full range of learning opportunities that are available to them. This includes both academic and vocational routes and learning in schools, colleges, universities and in the workplace.</p>	<ul style="list-style-type: none"> <li>• By the age of 16, every pupil should have had a meaningful encounter* with providers of the full range of learning opportunities, including Sixth Forms, colleges, universities and apprenticeship providers. This should include the opportunity to meet both staff and pupils.</li> <li>• By the age of 18, all pupils who are considering applying for university should have had at least two visits to universities to meet staff and pupils.</li> </ul> <p>*A 'meaningful encounter' is one in which the student has an opportunity to explore what it is like to learn in that environment.</p>
<b>8.Personal guidance</b>	<p>Every student should have opportunities for guidance interviews with a career adviser, who could be internal (a member of school staff) or external, provided they are trained to an appropriate level. These should be available whenever significant study or career choices are being made.</p>	<ul style="list-style-type: none"> <li>• Every pupil should have at least one such interview by the age of 16, and the opportunity for a further interview by the age of 18.</li> </ul>





# Appendix 3

## Requirements and expectations of schools

Timing	Action
Ongoing (legal duty came into force in September 2012)	<ul style="list-style-type: none"> <li>Every school must ensure that pupils are provided with independent careers guidance from year 8 to year 13.</li> </ul>
From January 2018 (legal duty came into force on 2 January 2018)	<ul style="list-style-type: none"> <li>Every school must ensure that there is an opportunity for a range of education and training providers to access all pupils in year 8 to year 13 for the purpose of informing them about approved technical education qualifications or apprenticeships.</li> <li>Every school must publish a policy statement setting out their arrangements for provider access and ensure that it is followed. Annex A sets out an example policy statement on provider access.</li> </ul>
From January 2018 to end 2020	<ul style="list-style-type: none"> <li>Every school should begin using the Gatsby Benchmarks to improve careers provision now, and meet them by the end of 2020.</li> <li>For the employer encounters Benchmark, every school should begin to offer every young person seven encounters with employers – at least one each year from year 7 to year 13 – and meet this in full by the end of 2020. Some of these encounters should be with STEM employers.</li> </ul>
From September 2018	<ul style="list-style-type: none"> <li>Every school should appoint a named person to the role of Careers Leader to lead the careers programme.</li> </ul>
From September 2018	<ul style="list-style-type: none"> <li>Every school will be expected to publish details of their careers programme for young people and their parents.</li> </ul>

## Support for schools

Timing	Action
From September 2018	<ul style="list-style-type: none"> <li>Job specification and standards for Careers Leaders developed and started to be used by schools.</li> </ul>
From September 2018	<ul style="list-style-type: none"> <li>The Careers &amp; Enterprise Company will take on a broader role across all the Gatsby Benchmarks.</li> </ul>
During 2018 and 2019	<ul style="list-style-type: none"> <li>CEC will provide tools to help schools meet the Gatsby Benchmarks.</li> </ul>
During 2018 and 2019	<ul style="list-style-type: none"> <li>Careers Leaders training funded for 500 schools and colleges.</li> </ul>
By end 2020	<ul style="list-style-type: none"> <li>All schools will have access to an Enterprise Adviser.</li> </ul>



# Appendix 4

## Careers information, advice and guidance consultation report (2012).

### Summary of key findings

- In order of preference, students prefer to go to a ‘members of family’ to ask for careers advice followed by ‘a teacher’ and then by ‘a careers advisor’
- In order of preference, students prefer to receive their advice ‘at home’, followed by ‘at school’ and then ‘at advice centre’
- Younger students felt some initial careers education and guidance should be given in Year 7 and begin fully in Year 8 or 9. Older students who had already chosen options felt careers education and guidance should begin in Year 9. All respondents felt it was important for young people to receive advice *before* they pick their options.
- Younger students prefer to receive advice electronically with advice sent to email addresses with links to further information. Older students showed a preference for having face to face careers meetings before being provided with information electronically.
- Students would welcome careers fairs in schools to meet employers and universities as well as having former students come into school to do assemblies about career pathways.
- Social media plays a big part in students’ lives – social media news feeds are an effective way of providing information and referring to other more detailed sites. The most popular forms of social media were listed as being Facebook and Twitter.

### Recommendations to schools

- To start initial conversations about careers and pathways with students beginning in Year 7
- To give students opportunities to receive further careers information, advice and guidance (IAG) in Year 9
- To ensure that all teaching staff know where to signpost students to in order to receive IAG either through an in-school careers advisor, an external organisation or a website e.g. [www.leedspathways.org.uk](http://www.leedspathways.org.uk). In the first instance the majority of students felt most comfortable approaching a member of staff they have a good existing relationship with and so it’s important all staff know a referral route.
- To develop interactive ways for students to learn about careers and higher education for example careers fairs or talks and presentations in assemblies.
- To embrace electronic media – particularly the use of email - to enable students to get initial information at school but do their own research at home with their family
- Publicise former occupations that members of staff may have had before becoming teachers

# Appendix 5

# Careers advice

## Tips from young people



Suggestions for careers advice by school year – from young people in Leeds

Subject	Years 7 and 8	Year 9	Years 10 and 11	Post 16
General	Give your students a good foundation in important transferable skills such as CV writing, interview skills and interpersonal skills.			
				Give advice on budgeting and managing the costs of living independently (e.g. accommodation, bills, transport).
	Offer advice tailored to each student about the qualifications and job opportunities they can consider. Labour market information is available on the Leeds Pathways website.			
	Explain how the topics studied in class can be applied in careers and life.			
	Help students to understand and develop their skills in CV writing and preparing for interviews			
Pathways	Ensure students understand how subjects and qualifications can relate to different career paths and skills.	Help students develop a better understanding of university and how it works e.g. course requirements, target grades and career prospects.	Advise students the time and opportunity to independently research their career pathways and help them with resources.	Explain the university fees system and costs associated with university.
	Create a road map with students to ensure they understand when vital decisions such as GCSEs and further education have to be made.			
	Encourage students to take the steps required to achieve their goals by offering opportunities such as careers fairs.			
			Enable learners to attend local careers fairs, lectures and open days.	Dispel myths that university costs can stop the less wealthy going to university and encourage options such as part time employment.
	Ensure students are aware of the importance of being an independent learner, also reassure them that help is available if they need it.			
			Provide information on opportunities for alternative qualifications and routes to employment e.g. traineeships, apprenticeships, BTECs, diplomas, and training.	Ensure that students are aware of the possibilities of achieving good A Level results despite a poor GCSE performance.
	Explain the assessment processes that subjects will involve, such as exams and course work.		Ensure that learners are aware of the full range of post 16 options available to them, and that they can access advice from places like Leeds Pathways on which options are suitable for them.	
	Highlight the benefits of alternative qualifications and learning opportunities in order to encourage students to pick the option that is right for them.			
Employment		Encourage students to explore the different job opportunities that are related to their hobbies	Discuss the benefits of work experience. Develop a list of opportunities with learners and provide guidance notes on how to secure a suitable placement.	Continue to support work experience placements. Help students to source varied opportunities to experience the vast range of possibilities offered through employment.
	Make students aware that they need to independently research job opportunities and qualifications that interest them. Encourage them to proactively meet with employers.		Provide learners with specific information about job specialisations within a given field e.g. role of structural engineer within the field of engineering.	
	Provide examples of the different roles within job categories e.g. careers in healthcare can include doctors, radiographers, occupational therapists and even more specialised roles within these categories.			

A young person's career is in their own hands, and we need to help them make the most of it!

This guide has been developed by young people to help schools understand what information, advice and guidance young people have said they would find useful, and when. The Leeds Youth Council Learners Board Working Group, and members of the UK Youth Parliament consulted with youth groups, schools, and colleges to gather views about what young people felt would best prepare them for life after school.

Please use the guide as your school sees fit. We have organised recommendations by year group, and you may wish to adapt our suggestions or use some of the ideas to complement your existing provision. We hope it will be useful, and help you to support young people in Leeds to access the information, advice and guidance they need to achieve their potential in life, and give them the brightest possible future.

Thanks,

The Leeds Youth Council Learners Board, 2012-13

## Contact us:

The Leeds Youth Council at:  
vic@leeds.gov.uk  
facebook.com/LeedsYouthCouncil  
@LeedsYC

For further advice and resources, see [www.leedspathways.org.uk](http://www.leedspathways.org.uk)



# Evidence

## **Monitoring arrangements**

Standard arrangements for monitoring the outcome of the Board's recommendations will apply.

The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.

Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

## **Reports and Publications Submitted**

- Report of the Director of City Development aligned with the remit for session 1 of the inquiry.
- Final report arising from the consultation exercise undertaken by Children's Services in 2012 with young people around careers information, advice and guidance.
- Good Career Guidance (Summary document) by Sir John Holman. Gatsby Charitable Foundation. 2014.
- Careers Advice – Tips from Young People. Leeds Youth Council publication (2012/13)

## **Dates of Scrutiny**

Scrutiny Board Meeting – Agreeing terms of reference – 17<sup>th</sup> January 2018

Scrutiny Working Group – Session 1 of the inquiry – 5<sup>th</sup> February 2018

Scrutiny Board Meeting – Session 2 of the inquiry – 20<sup>th</sup> February 2018



# Evidence

## Witnesses Heard

- Councillor Mohammed Rafique, Executive Member for Employment, Skills and Opportunity.
- Sue Wynne, Chief Officer for Employment and Skills.
- Matt Wilton, Head of Employment Access and Growth.
- Richard Amos, Sufficiency and Participation Lead, Children and Families.
- Richard Cracknell, Voice, Influence and Change Co-Ordinator, Children & Families.
- Hannah Lamplugh, Voice Influence and Change Lead, Children and Families.
- Will Carr, Head Teacher, Ralph Thoresby School.
- Katharine Needham, Vice Principal, The Co-operative Academy Leeds.
- Christine Humberstone, Careers Adviser, Shine (Aspire-igen Group)
- Emma Davis, CEIAG Manager, Priesthorpe High School.
- Colin Booth, Principal of Leeds City College.
- Derek Whitehead, Deputy Principal, Leeds College of Building.
- Stuart Rees, Faculty Director, Leeds College of Building.
- Mark Goldstone, Head of Business Representation & Policy, West & North Yorkshire Chamber of Commerce.

**Scrutiny Board (Inclusive Growth, Culture and Sport)**  
**Inquiry into Information, Advice and Guidance Provision in Leeds**  
**March 2018**  
**Report author: Angela Brogden**



[www.scrutiny.unit@leeds.gov.uk](mailto:www.scrutiny.unit@leeds.gov.uk)





Report author: Sandra Pentelow  
Tel: 37 88655

**Report of Head of Governance and Scrutiny Support**

**Report to Scrutiny Board (Infrastructure, Investment and Inclusive Growth)**

**Date: 25 July 2018**

**Subject: Financial Health Monitoring - Budget Update**

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

**Summary of main issues**

1. The purpose of this report is to provide Board Members with information with regard to the financial health for areas aligned with the Boards terms of reference. For this purpose the Scrutiny Board has been provided with the Executive Board reports considered on 27 June 2018.
  
2. This is the first opportunity for the Scrutiny Board to consider the outturn summary for the financial year 2017/18. Information appended to this report provides information relating to budget provision and actual spend. Appendix 1 and 3 of the Executive Board outturn report has been adapted to reflect information for City Development only to ensure that the information provided is of greater relevance to this Scrutiny Board. However, Board members should note Sport, Culture and Inward Economic Investment come under the remit of other Scrutiny Boards. Outturn information relating to Communities and Environment for Car Parking is attached to this report as Appendix A.
  
3. The financial update for the current financial year 2018/19 is provided as Appendix B.
  
4. Representatives from financial management support have been invited to present the budget reports and address any further questions from the Board.

**Recommendations**

5. Members are asked to:

- (a) note the financial report for 2018/19 and the outturn summary for the financial year 2017/18.
- (b) make recommendations as deemed appropriate.
- (c) to identify areas of concern which may require further Scrutiny focus during 2018/19

**Background documents** - None<sup>1</sup>

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

### Outturn Position 2017/18 - Car Parking – Communities and Environment

#### Car Parking [-£504k below budget]

Staffing was under budget by (£167k) due to delays in recruitment. Overall income was £75k higher than budgeted. Significant shortfalls in both on-street income +£414k and Bus Lane offences throughout the city +£91k were offset by additional off-street (£77k), PCN income (£433k) and all other income types (£70k). Other savings across all expenditure headings totalled (£259k).

			Outturn variances											Total (under) / overspend £'000
Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000	Income £'000	
4,895	(13,392)	(8,497)	(190)	(22)	(226)	(12)	22					(428)	(76)	(504)

**Report of the Chief Officer Financial Services**

**Report to Executive Board**

**Date: 27<sup>th</sup> June 2018**

**Subject: Financial Performance - Outturn Financial year ended 31<sup>st</sup> March 2018**

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

**Summary of main issues**

1. The purpose of this report is to inform members of the final outturn for the financial year 2017/18. The pre-audited accounts will be presented to the Corporate Governance and Audit Committee at its meeting on the 26th June 2018.
2. As set out below, the final position on the General Fund shows an underspend of £6.95m after the creation of a number of earmarked reserves. This is a reduction in the underspend of £0.9m when compared to the provisional outturn position received at Executive Board in April.
3. The Council received a payment of £7.3m from HMRC relating to overpaid output VAT in respect of admission charges at the Council's sporting facilities in 2017/18, of which £6m will transfer to the Council's general reserve, contributing significantly to this final underspend position. The 2017/18 budget assumed a contribution from the general reserve of £1.4m. However the final outturn underspend results in a net contribution to the general reserve of £5.6m, including this VAT refund.
4. The Housing Revenue Account outturn reflects a surplus of £1.4m.
5. As at April 2017 the level of General Reserve was £20.1m. As per table 3 at paragraph 5.1 the amount of General Reserve at 31<sup>st</sup> March 2018 is £25.6m.

## **Recommendations**

5. Members of the Executive Board are asked to;
  - a. Note the outturn position for 2017/18 and to agree the creation of earmarked reserves as detailed in paragraphs 3.16 and 5.3 and delegate their release to the Chief Officer Financial Services.
  - b. Note that the Chief Officer Financial Services will be responsible for the implementation of these actions following the 'call in' period.

### **1. Purpose of this report**

- 1.1 This report sets out for the Board the Council's financial outturn position for 2017/18 for both revenue and capital. It also includes the Housing Revenue Account and expenditure on schools.
- 1.2 The report also highlights the position regarding other key financial health indicators including Council Tax and Business Rates collection statistics, sundry income, reserves and the prompt payment of creditors.
- 1.3 It should be noted that, in accordance with proper accounting practice, any significant event which occurs prior to the audit sign-off of the accounts in September 2018 could impact on the Council's final published outturn position and hence the level of reserves. This is known as a post balance sheet event and, should such an event occur, it will be reported back to this Board at the earliest opportunity.

### **2. Main Issues**

- 2.1 The 2017/18 general fund revenue outturn position, after the creation and transfer of a number of earmarked reserves as detailed in paragraph 5.3, is an underspend of £6.95m. The Council received a payment of £7.3m from HMRC relating to overpaid output VAT in respect of admission charges at the Council's sporting facilities in 2017/18, of which £6m will transfer to the Council's general reserve, contributing significantly to this final underspend position.

Table 1 - summary outturn position

Directorate	Director	Staffing	Total Expenditure	Income	Total (under /overspend)
		£000	£000	£000	£000
Adults & Health	Cath Roff	(637)	1,106	(1,106)	0
Children and Families	Steve Walker	(2)	1,793	(1,812)	(19)
City Development	Martin Farrington	(604)	5,659	(5,309)	351
Resources & Housing	Neil Evans	(4,278)	318	(375)	(57)
Communities & Environment	James Rogers	2,698	6,070	(6,095)	(25)
Strategic	Doug Meeson	(20)	(594)	(6,609)	(7,203)
<b>Total</b>		<b>(2,843)</b>	<b>14,353</b>	<b>(21,306)</b>	<b>(6,953)</b>

2.2 Full details of the directorate variations, budget action plans and risk areas for the year can be found in the financial dashboards attached at Appendix 1. The main directorate issues contributing toward the outturn position are as follows:-

2.3 **Adults and Health** - The directorate has achieved a balanced position at the financial year-end.

Variations in staffing across the directorate have delivered a £0.6m saving. This is primarily related to slippage in appointing to vacant posts.

There is a net £0.5m underspend on demand led budgets. Higher than budgeted care home and home care fees, the effect of the increase in the use of supported accommodation and slippage on savings plans have been more than offset by a combination of one-off savings within Learning Disability and lower than expected uptake of Direct Payments.

Income is £1.1m higher than budgeted for. This is as the result of a combination of betterment of income in Learning Disability which relates to several Ordinary Residence cases, additional income for Public Health and the Leeds Plan team which contribute towards offsetting lower than anticipated service user contributions.

The extent of one-off savings has provided an appropriate source of funding for expenditure incurred that would otherwise have been met through prudential borrowing, including the refurbishment of the 3 Recovery Hubs commissioned by the CCG. This not only reduces pressure on the capital programme, but also has the added benefit of delivering recurrent revenue savings to the Adults & Health budget in future years.

The directorate received the first year of a three year funding stream, referenced as the Spring Budget monies. Of the £14.7m received £5.6m has been carried forward within reserves; this sum is committed to specific schemes approved by the

Health and Wellbeing Board. Slippage in CCG funded Public Health schemes (i.e. not the Public Health Grant) and underspends within safeguarding have been carried forward within earmarked reserves.

£0.3m of reserves, for commissioning services related to drugs and the prison service, have been transferred into the directorate from the Resources and Housing directorate. The Health and Social Care reserve was increased by £0.8m to address anticipated pressures in respect of residential placements and increased cost pressures on commissioned care contracts. Other variations across the net £204.2m budget show a saving of £0.3m.

- 2.4 **Children and Families** – The directorate faced another challenging year in keeping spend within the approved budget. The main budget pressures were on both demand-led budgets, particularly Children Looked After (CLA), and the achievement of some income targets. The number of CLA increased over the year as a result of continuing demographic pressures. In recognition of this an increase of £4.1m to the CLA budget was approved during the year, funded from a number of different sources including reserves. An additional £1.95m of DfE innovation grant was also used to support the budget in advance of its planned use. The determination of the Council's updated Medium Term Financial Strategy, which is timetabled to be received at July's Executive Board, will need to recognise that this sum has been used in 2017/18.

At outturn, as a result of these actions, the directorate spent within the approved budget. Without these actions the directorate would have faced an overspend of just over £6m. The outturn position is an improvement against provisional outturn which projected an overspend of £0.4m. The main reason for the improved position is a reduction in the overall spend on transport and staffing.

After taking account of the revisions to the approved budget, detailed above, there was an overspend of £1m against the revised CLA budget. At the year-end there were 66 children in External Residential (ER) placements and 190 in Independent Fostering Agency (IFA) placements against the revised budgeted position of 54 and 182 respectively. The number of children in IFA placements fell gradually during the year whilst the number in ER placements increased from 55 at the start of the year to 66 at the end of the year. This was the main reason for the overspend on the CLA budget together with an overspend of £0.4m on adoption, Special Guardianship Orders and Residence Orders placements.

Spend against the home to school and home to college transport budget, which overspent by £1.3m in 2016/17, was slightly below budget in 2017/18. Spend on staffing was also within budget.

Other major variations included a shortfall on income from children centres, net of savings on staffing, of £1.1m. There was a shortfall in traded income of £0.6m although this was partly offset by additional income from the partnership agreement with Kirklees MC and additional income from the Dedicated Schools Grant (DSG).

It has previously been reported that there are significant pressures on the High Needs Budget (HNB) of the DSG. The directorate led a review of this budget, and following extensive consultation with partners, have developed a five year plan to

bring spend in line with funding and to repay the accumulated deficit balance on the DSG. The overall outturn deficit on the DSG is £2.9m, a reduction of £0.7m from the deficit brought forward from 2016/17. The deficit balance will be carried forward to 2018/19. This deficit is included within the total schools reserves shown in Table 2 below.

**2.5. City Development** – In overall terms the Directorate overspent by £0.35m.

Severe weather episodes in December and January followed by the arrival of the 'Beast from the East' in February 2018, culminated in a £0.8m overspend on the Directorate's £1.3m Highways winter maintenance budget.

Income pressures of £1.2m within Asset Management largely reflected slower than anticipated growth within the Directorate's commercial asset portfolio and shortfalls against the stretch target for advertising income.

These income pressures within Asset Management were, however, more than offset by the successful recovery of £1.2m of VAT for sport admissions and continued buoyancy within Planning and Building Control services which generated surplus income of approximately £0.7m.

Primarily through careful vacancy management, the Employment and Skills service delivered an underspend of £0.1m to assist in offsetting other Directorate pressures.

The Directorate's outturn position was supported by bringing approximately £0.7m of S106 balances into account from the balance sheet, recognising that specific obligations pertaining to historic agreements have been satisfied.

**2.6 Communities and Environment** - The overall outturn position for 2017/18 is an underspend of £25k. The main variations across the individual service areas are as follows:

Within Customer Access there has been an overspend of £0.7m, which is mainly in respect of staffing resources required for the delivery of the Community Hub programme and the additional cost of providing security arrangements at a number of Hub sites and the Central Library. This has been partially offset by additional income from the Interpreting and Translation team.

The main pressure within Welfare & Benefits during the year has been the level of income receivable from Housing Benefit (HB) overpayments which has been impacted upon by a reduction in the number and average value of HB overpayments. After providing for an appropriate level of bad and doubtful debts, there was a £1.9m shortfall against the budget of £8.4m, although this has been partially offset by HB expenditure/subsidy variations of £0.8m and savings of £0.4m in other areas, resulting in an overall overspend of £0.7m.

Within the Refuse Service, the delay in implementing the collection route efficiency programme has resulted in a pressure of £1m. However, this has been offset by a saving of £0.5m in respect of business rates at the Recycling and Energy Recovery Facility (RERF), savings of £0.6m in respect of disposal costs and recycling income



and further one-off savings of £0.5m identified within the service. Overall the Waste Management Service has underspent by £0.6m.

There has been an overall underspend of £0.5m within Car Parking Services, mainly reflecting staffing and expenditure savings. Overall, income was £0.1m higher than budgeted with shortfalls in on-street income of £0.4m and Bus Lane enforcement income of £0.1m being offset by additional income from off-street car parks (£0.1m), PCNs (£0.4m) and all other types of income (£0.1m).

There have been other net savings of £0.3m across the directorate including Community Safety and Environmental Health, which mainly reflects staffing savings in those areas.

## 2.7 **Resources and Housing** – The Directorate had a small underspend of £57k on a £73m net budget. (<1%)

Resources underspent by £1m, primarily arising from savings in Shared Services (£1.6m), Strategy and Improvement (£0.35m) and Legal and Democratic services of (£0.25m). These were offset by shortfalls in income in finance court fees of £0.4m, an overspend of £0.5m in Human Resources due to a combination of the non-achievement of the £0.3m savings assumed in the budget strategy relating to training budgets and the loss of school income. An additional £0.2m had to be incurred in the Digital Information Service relating to remedial work on the Council's network to ensure it qualifies for the Public Services network certificate. However, overall the Council's Support Services functions successfully delivered its budgeted saving target of £5m.

The Housing and Property division overspent by £0.2m. Spend on Corporate Property Maintenance was £0.5m in excess of the budget. The pressures in this service have been recognised in the 2018/19 revenue budget where an additional £0.5m has been provided for. Within the Sustainable Energy team £0.2m has been transferred to an earmarked reserve for use in 2018/19 to deliver work on air quality. There was an underspend of £0.5m in Strategic Housing Partnerships mainly arising from vacant posts and turnover.

Leeds Building Services had a budget surplus of £8.4m to deliver; an increase of £1.8m compared to the previous year's budget. In total a surplus of £7.8m has been achieved. Delays in the implementation of the Total Mobile system meant that not all of the efficiencies were delivered in year.

Civic Enterprise Leeds (CEL) had a small overspend of £0.1m. Pressures in catering, particularly around schools income and rising food costs, totalled £0.5m and were managed down by savings and additional income of £0.4m across other parts of CEL, namely Fleet Services, Cleaning and Security.

## 2.8 **Strategic and Central Accounts** - overall, the strategic & central budgets underspent by £7.2m. There are a number of key variations within this figure.

The Council has received a payment of £7.3m from HMRC relating to overpaid output VAT in respect of admission charges at the Council's sporting facilities. Of this sum £0.6m relates to the period April 2017 to September 2017 and this sum

has been incorporated into City Development's outturn position. It is proposed that a further £0.7m be transferred to a new earmarked 'Sport Maintenance Backlog Reserve' to contribute towards addressing backlog maintenance requirements at the Council's sports facilities. The balance of the HMRC repayment, £6m, will transfer to the Council's general reserve.

An underspend of £1.7m on costs associated with the Council's debt portfolio is largely due to accrued income on a deferred developer contribution and to capitalisation of interest costs relating to assets which were under construction at the year end.

There are income pressures of £2.1m on S278 (income from developers) due to lower levels of development activity and New Homes Bonus grant received is £1.8m below budget due to the impact of changes announced in the Budget. However, these are largely offset by additional S31 grant (business rates) of around £3.6m, of which £3.2m recompenses the Council for the reduction in business rate income resulting from reliefs announced after the Council's budget was set. In addition the levy payment to the Business Rates Pool is £0.6m below budget.

A small surplus of £0.3m, largely as a result of a review of the level of insurance provision required, has been taken to the General Insurance reserve.

Other variations include pressures of £0.3m on Prudential Borrowing recharges and a £0.4m shortfall in regard to PPPU income.

## **2.9 Early Leaver's Initiative**

The Council has operated a voluntary retirement and severance scheme since 2010/11 which has contributed to a reduction in the workforce and subsequent savings which have contributed towards the Council being able to deliver balanced budget positions. In 2017/18 approval has been given for 117.53 FTE's to leave the Authority through the Early Leaver's Initiative and this will generate savings of £12.2m over the five year period up to and including 2022/23.

The council set aside a reserve to fund the future up-front costs of the Early Leavers Initiative. However, due to new flexibility in the use of capital receipts subsequently introduced by the government, the council has been able to fund some of its in-year early leavers costs with capital receipts, enabling it to continue to carry forward this reserve for use in future years. Capital receipts totalling £1.8m have been utilised in 2017/18.

## **3. Housing Revenue Account (HRA)**

- 3.1 Following finalisation of the HRA, the outturn for the year is a surplus of £1.4m when compared against the 2017/18 budget.
- 3.2 Total income received was in line with budgeted expectations, although there are a number of variations to report. An increased level of Right to Buy sales (508 sales compared to the budget of 350 sales) resulted in lower rental income of £0.4m, but

this is partially offset by the additional sales generating one off fee income of £0.2m

- 3.3 Service charge income was £0.1m less than budgeted.
- 3.4 Additional income of £0.3m was received through arrangements with the Council's external maintenance contractors whereby the Council shares in the benefit of external contract costs being less than the initial target cost.
- 3.5 External funding contributions from activities such as catering, and charges for sundry items such as lost key fobs generated £0.1m more than budgeted. This additional income has offset reduced income on capitalised salaries due to vacant posts of £0.1m
- 3.6 The budget for disrepair was overspent by just under £1m. This was largely as a result of a combination of resolving an increased number of disrepair cases. The potential for a further overspend was mitigated by taking a more pro-active approach to avoid expensive claims in the future.
- 3.7 Against a budget of £43.5m, expenditure on maintaining and repairing the Council's housing stock was £1m underspent. £0.5m of this was due to successful renegotiation of contracts with external suppliers.
- 3.8 Savings of £1.2m on employees costs arose due to a combination of posts being held vacant awaiting the implementation of new structures and staff secondments to the Housing ICT project.
- 3.9 Premises costs were approximately £0.1m higher than budgeted for. This was principally due to an overspend on utility costs of £0.3m. However £0.2m of this has been offset by savings on Commercial Asset Management, solar panel maintenance and office running costs.
- 3.10 Net savings of £0.4m have been realised in relation to Supplies and Services. This is due to reduced bank transaction charges (£0.2m), a review of Printing requirements (£0.1m) and a range of other minor variations totalling (£0.1m).
- 3.11 An increase in Fire Prevention work has resulted in an overspend of £0.4m for charges for services commissioned from the Council. Increased internal legal costs, as a result of higher levels of Disrepair, have been offset by savings on other internal services from the Council
- 3.12 Following a review in the level of tenant arrears there was a reduction in the provision for doubtful debts of £0.6m, along with minor variations on remaining budget headings totalling £0.2m.
- 3.13 The Enhanced Income Team was budgeted to be funded through a contribution from an earmarked reserve. This has not been utilised in 2017/18 allowing the work of the team in helping tenants to maximise their income to extend into 2020/21 when the effect of Universal Credit may be more fully known. The impact of this is a £0.5m variation on the 17/18 appropriation account.
- 3.14 Additional capital spend of £1.7m expenditure on the Environmental Improvement Programme has been funded through the use of the balance on of the earmarked

reserve.

- 3.15 The Capital charges underspend of £0.6m is largely due to a revision to the timetable for the capital contribution from the Council to the contractor delivering the PFI contracts in Little London, Beeston Hill and Holbeck. This £0.6m is offset by adjustments within the PFI Unitary Charge of £0.2m.
- 3.16 The surplus on the Housing Revenue Account is £1.4m. It is recommended that earmarked reserves are created for;
- a) £0.4m to fund the extension of the Concierge service in Multi-Storey flats in order to reduce the impact that Anti-Social behaviour has on both the building, the residents and their visitors and improve levels of customer satisfaction.
  - b) £0.29m to replace furniture and carpets in sheltered housing schemes.
- 3.17 The balance of the in year surplus of £0.7m will be transferred to the HRA Capital Reserve to offset some of the pressure that the Sprinkler programme has imposed on the capital programme. This allows some of the projects which have been deferred because of it to proceed.

#### 4. Schools

- 4.1 The 2017/18 outturn position for schools is shown in table 2 below;

Table 2

<b>Outturn</b>	<b>£m</b>
<b>Schools Reserves</b>	
Balance Brought Forward	20.6
Net Contribution From Reserves	-2.6
Balance Carried Forward	18.0
<b>Extended Services &amp; Partnerships</b>	
Balance Brought Forward	9.0
Net Contribution From Reserves	-1.6
Balance Carried Forward	7.4
<b>Dedicated Schools Grant</b>	
Balance Brought Forward	-3.6
Net Contribution To Reserves	0.7
Balance Carried Forward	-2.9

- 4.2 As schools are funded from the Dedicated Schools Grant (DSG) their reserves are ring fenced and must be carried forward. At 31<sup>st</sup> March 2018, mainstream school reserves stand at £18.0m.

In accordance with previous decisions, the development costs of School PFI and BSF funded schemes are initially met by borrowing from the overall level of school reserves which is then repaid over a period of time and at the close of the year

£0.3m was still outstanding. In addition, there is outstanding borrowing against school reserves for school VER costs totalling £0.7m together with a further £4.0m to support early intervention and preventative services in Children's Services in 2013/14.

After netting the above items from the £18.0m, the net mainstream schools reserves position totalled £13.0m as at 31<sup>st</sup> March 2018. There is also a further ring-fenced school reserve of £2.3m specifically relating to the carry forward of in year PFI scheme balances, giving overall school reserves of £15.3m as at 31<sup>st</sup> March 2018.

- 4.3 Extended Services & Partnerships reserves amount to £7.4m as at 31<sup>st</sup> March 2018. These include balances held by Area Inclusion Partnerships and Clusters.
- 4.4 At the start of 2017/18 the ring fenced DSG reserve was a deficit of £3.6m. During 2017/18 there has been an overall underspend on DSG services of £0.7m, which is as a result of an underspend on the Schools Block (£0.7m) and the Early Years Block (£2.4m) partly offset by an overspend on the high needs block (£2.4m) In total a deficit balance of £2.9m will be carried forward to 2018/19. This position will be reported to Schools Forum in June. The Children and Families Directorate completed a review of the High Needs Block during 2017/18 to address the pressures and the deficit DSG balance. The deficit balance on general DSG is £3.4m, this is partly offset by a surplus balance of £0.4m on the de-delegated DSG.

## 5. Reserves

- 5.1 A full statement of all Council reserves can be found at Appendix 2. A summary of the reserves is shown in table 3 below;

Table 3

Reserves	Balance at 31.3.16 £m	Transfer to/(from) £m	Balance at 31.3.17 £m
<b>General Fund:</b>			
General reserve	20.1	5.6	25.6
Earmarked reserves	18.0	7.9	25.9
Ring-fenced & grant reserves	11.0	(5.9)	5.1
<b>Total</b>	<b>49.1</b>	<b>7.5</b>	<b>56.6</b>
<b>Schools:</b>			
Ring-fenced reserves	22.5	(2.9)	19.6
<b>Housing Revenue Account:</b>			
General reserve	6.6	(0.1)	6.5
Earmarked reserves	52.0	(2.9)	49.0
<b>Total</b>	<b>58.6</b>	<b>(3.1)</b>	<b>55.5</b>
<b>Total Reserves</b>	<b>130.2</b>	<b>1.6</b>	<b>131.8</b>

## General Reserve

5.2 Table 4 below provides an explanation of the movement in the General Reserve;

Table 4

General Fund Reserve	£m
<b>Opening Balance 1<sup>st</sup> April 2017</b>	<b>20.1</b>
Budgeted usage	(1.4)
In-year underspend	6.9
<b>Closing Balance 31<sup>st</sup> March 2018</b>	<b>25.6</b>

## 5.3 Creation of New Earmarked Reserves

It is recommended that the following are created;

- A Prisons Reserve **£0.2m** to carry forward CCG funding for social work in prisons
- A Drugs Reserve **£0.13m** to carry forward external income earmarked for drug and alcohol priorities
- A Transforming Care Reserve **£1.7m** to mitigate against costs associated with the NHS England led transfer of care packages to a community setting, in accordance with the 2017/18 budget report
- A Social Care Development Reserve **£0.6m** to meet costs associated with development of social care models, for example the Recovery Model, in accordance with the 2017/18 budget report
- A Resilience Reserve **£1m** to mitigate against unforeseen demand pressures in Adult Social Care such as the impact of cold winters or flu outbreaks, in accordance with the 2017/18 budget report
- A Spring Budget Reserve **£5.6m** to carry forward Spring Budget monies from MHCLG
- A Skills for Care Reserve **£0.2m** to provide funding for training of Care Workers
- A Winter Monies Reserve **£0.6m** funding received from the Leeds CCG to reduce delays in transferring people out of hospitals into community based care

- A Sport Maintenance Backlog Reserve **£0.7m** to contribute towards addressing backlog maintenance requirements at the Council's sports facilities
- A Sustainable Energy & Air Quality Reserve **£0.2m** to deliver work on air quality.

## 6. Capital Programme

- 6.1 The actual capital expenditure for General Fund and HRA in 2017/18 is £318.0m, an underspend of £25.3m or a 7.4% variation against the February 2018 Capital Programme projected outturn.

### General Fund

- 6.2 The following table shows the in-year actual General Fund capital expenditure against the estimated level of capital expenditure:

General Fund	Feb 18	Apr 18	Variation	
	Estimate	Outturn	£m	%
	£m	£m	£m	%
Adults & Health	4.3	1.6	(2.7)	(62.8%)
Strategic and Central	36.7	31.3	(5.4)	(14.7%)
City Development	82.6	80.1	(2.5)	(3.1%)
Children & Families	89.6	80.7	(8.9)	(9.9%)
Resources & Housing	32.5	26.1	(6.4)	(19.7%)
Communities & Environment	13.3	12.4	(0.9)	(6.8%)
<b>Total Spend</b>	<b>259.0</b>	<b>232.2</b>	<b>(26.8)</b>	<b>(10.4%)</b>
<b>Financed by</b>				
General Fund Borrowing	132.5	121.0	(11.5)	(8.7%)
General Fund Capital Receipts	3.1	1.7	(1.4)	(45.2%)
General Fund Specific Grants and Contributions	123.4	109.5	(13.9)	(11.3%)
<b>Total Funding</b>	<b>259.0</b>	<b>232.2</b>	<b>(26.8)</b>	<b>(10.4%)</b>

- 6.3 A full breakdown of the net variations is detailed in Appendix 3. Comments are also provided for schemes that have a material variation of greater than +/-£250k.
- 6.4 The general fund borrowing variation is £11.5m or 8.7% of the expected spend on borrowing. The treasury outturn position is presented as a separate report to this Executive Board.
- 6.5 The General Fund capital programme delivered £232.2m of expenditure including major works on our Annual maintenance programmes, Highways planned maintenance to our roads and streets network, Flood Alleviation, City Cycle Connect, East Leeds Orbital Road, Leeds Public Transport Investment Programme, Strategic Investment Fund, Change in the Workplace, Learning Places programme, the Social Emotional Mental Health programme, Schools

Capital maintenance, provision of Adaptations grants, District Heating Network and vehicle replacement programme underpinning the council's emissions reduction programme and the essential services technology and customer access programmes.

### Housing Revenue Account

6.6 The following table shows the in-year actual Housing Revenue expenditure against estimate:

HRA	Feb 18	Apr 18	Variation	
	Estimate	Outturn	£m	%
	£m	£m	£m	%
Council Housing Growth Programme	13.4	14.6	1.2	9.1%
Housing Leeds Council House Programme	69.0	69.3	0.3	0.4%
BITMO Council House Programme	1.9	1.9	0.0	0%
<b>Total Spend</b>	<b>84.3</b>	<b>85.8</b>	<b>1.5</b>	<b>1.8%</b>
<b>Financed by</b>				
HRA Self-Financing	70.4	70.7	0.3	0%
HRA Capital Receipts RTBs	11.2	11.4	0.2	2%
HRA Specific Grants and Contributions	2.7	3.7	1.0	35%
<b>Total Funding</b>	<b>84.3</b>	<b>85.8</b>	<b>1.5</b>	<b>1.7%</b>

6.7 The HRA capital programme delivered £85.8m of expenditure including £14.6m on our Council Housing Growth Programme and £71.2m on the refurbishment of our council house properties.

### Capital Programme Resources

6.8 The following table details the overall capital financing position for the Council:

	Feb 18	Apr 18	Variation	
	Estimate	Outturn	£m	
	£m	£m		
<b>Net Capital Spend</b>	<b>343.3</b>	<b>318</b>	<b>(25.3)</b>	<b>(7.4%)</b>
<b>Financed by</b>				
General Fund Borrowing	132.5	121.0	(11.5)	(8.7%)
General Fund Specific Grants and Contributions	123.4	109.5	(13.9)	(11.3%)
General Fund Capital Receipts	3.1	1.7	(1.4)	0%
HRA Self-Financing	70.4	70.7	0.3	0%
HRA Capital Receipts RTBs	11.2	11.4	0.2	2%
HRA Specific Grants and Contributions	2.7	3.7	1.0	37%
<b>Total Funding</b>	<b>343.3</b>	<b>318.0</b>	<b>(25.3)</b>	<b>(7.4%)</b>

6.9 Capital receipts of £1.75m have been utilised in 2017/18 to fund expenditure capitalised under the government's temporary flexibility for funding transformational change via capital receipts. In line with existing accounting policy £3.6m of receipts have been utilised to fund PFI liabilities and £8.2m have been used to repay debt,



and borrowing of £2.9m has been undertaken in lieu of section 278 contributions.

- 6.10 HRA Council Housing Growth Programme, Housing Leeds and BITMO have utilised £70.7m of self-financing funding, £3.7m of external contributions and have utilised £11.4m of Right to Buy receipts.
- 6.11 The net borrowing of the Council as at 31<sup>st</sup> March 2018 is £1954.0m. Further details of this and the debt financing costs will be presented in the 2017/18 Outturn Treasury Management report to this Executive Board.

## 7. Other Financial Performance.

- 7.1 The performance statistics for the year in respect of the collection of local taxation are as follows:-

	2010/11 Leeds Actual	2011/12 Leeds Actual	2012/13 Leeds Actual	2013/14 Leeds Actual	2014/15 Leeds Actual	2015/16 Leeds Actual	2016/17 Leeds Actual	2017/18 Leeds Actual
Council tax	96.7%	96.6%	96.6%	95.7%	95.7%	95.9%	96.1%	96.1%
Business Rates	97.9%	97.5%	97.6%	97.1%	97.3%	97.8%	97.5%	98.0%

- 7.2 Following the introduction of the Council Tax support scheme in 2013/14 a 19% contribution scheme was implemented for working age claimants and this was increased to 26% for 2014/15 but has then been set at 25% for the years between 2015/16 and 2017/18. The collection position at the end of March was as follows:

- Council tax in-year collection rate – 96.1% (also 96.1% last year). The in-year collection rate target for 2017/18 year was 96.1%. £32.7m has been collected in respect of 2017/18 bills, an increase of £18.9m compared to the previous year.
- Collection rate for those affected by Council Tax Support scheme – 74.4% (73.9% last year)
- Collection rate for those previously getting 100% Council Tax benefit – 64.7% (64.3% last year)
- The collection of non-domestic rates for the year is 97.99% of the current net debit of £380.0m. This represents an increase of 0.45% in comparison to 2016/17.
- Discretionary Business Rate Relief Scheme – against a budget of £350k in 2017/18 some £586k of local discounts were approved under the scheme to support the creation of employment and economic growth and to increase the business rates base.

## **Prompt Payment of Creditors**

- 7.3 The prompt payment result at the year-end was 87.96% of undisputed invoices processed within 30 days. This was against a target of 92%. The prompt payment performance for this year has been adversely affected by a significantly large number of late invoices being received from directorates, coupled with staff turnover within the Accounts Payable team. Both issues have now been addressed and current performance is running at 95.45%.

## **8. Corporate Considerations**

- 8.1 Consultation and Engagement - This is a factual report and is not subject to consultation.

- 8.2 Equality and Diversity / Cohesion and Integration - The Council's revenue budget for 2017/18 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 22nd February 2017.

- 8.3 Council Policies and Best Council Plan - The 2017/18 budget targeted resources towards the Council's policies and priorities. This report comments on the financial performance against this budget in support of our Best Council ambition to be an efficient and enterprising organisation.

- 8.4 Resources and Value for Money- This is a financial report and all financial implications are detailed in the main body of the report.

### **8.5 Legal Implications, Access to Information and Call In**

There are no legal implications arising from this report.

### **8.6 Risk Management**

Budget management and monitoring is undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand and key income budgets. To reinforce this risk-based approach, specific project management based support and reporting around the achievement of the key budget actions plans was put in place for 2017/18.

## **9. Recommendations**

- 9.1 Members of the Executive Board are asked to;

- a. Note the outturn position for 2017/18 and to agree the creation of earmarked reserves as detailed in paragraphs 3.16 and 5.3 and delegate their release to the Chief Officer Financial Services.

- b. Note that the Chief Officer Financial Services will be responsible for the implementation of these actions following the 'call in' period.

## **10. Background Documents<sup>1</sup>**

10.1 There are no background documents relating to this report.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

**CITY DEVELOPMENT 2017/18 BUDGET  
FINANCIAL DASHBOARD - OUTTURN**

The Outturn Financial Dashboard contains a number of significant budget pressures and mitigating actions. Overall the Directorate is projecting a £351k overspend mainly due to increased costs of £747k from due to the pressure on the Highways winter maintenance budget. This was recognised as a key risk within the Council's risk-based reserves strategy which includes £300k provision against a potential worst case budget pressure of £600k.

Planning and Sustainable Development are projecting a £343k pressure on expenditure due to Inspection and Planning Appeals legal costs. This is offset by the £692k additional projected income from Planning Fees and Building Control Fees and Charges, resulting in a £349k saving to support the overall Directorate position.

In Economic Development the overspend of £688k is due to income and expenditure pressures of £734k at Kirkgate Market. In addition to a £276k pressure from granting a 7 month (01/07/17) - 01/01/18) 20% discount on rental charges to all Kirkgate Market traders (allowing them to invest in their businesses and, therefore, contribute to the market's long term viability), income pressures of £163k, £146k and £56k relate to the indoor market, the new Covered Daily Market (CDM) and the new Events Space respectively. These are new target income streams following completion of the major capital refurbishment scheme. Whilst some of this is due to the lead in times required for developing and delivering new trading and events, it is acknowledged that some of the budgeted income targets need to be revised down to reflect current trading and operating conditions. The 2018/19 budget strategy therefore includes proposals to address this. These pressures are partially offset by a £178k saving on borrowing costs.

In the last 18 months Asset Management have acquired a number of significant investment properties to add to the authority's portfolio and deliver new income streams. However a £1m pressure on net income (gross rental income - prudential borrowing annuity) against the budget action plan target has crystallised. The investment policy requires that any investment and acquisition should contribute to and support the Council's ambitions and values, and be financially robust. Market activity and contractual lead times indicate that it is unlikely any further significant investments will be completed in 2017/18. The £386k pressure on Advertising income, which assumes all current sites will be fully utilised, remains unchanged. Options are currently being evaluated to address this pressure in 2018/19.

Predominantly via careful vacancy management, Employment and Skills are projecting an underspend of £101k to assist in offsetting other Directorate pressures.

The winter maintenance pressure of £747k Highways and Transportation resulted in an overspend of £572k however the £676k of Section 106 balances brought in at year end and the £200k income for Bridgewater Place reduces this to an underspend of £304k.

Sport and Active Lifestyles have pressures of £217k due to Public Health funding reductions, the failure of the Aquatics Centre moveable pool floor, and the net impact of part closure, refurbishment, and contractor delays at Aireborough Leisure Centre. A further pressure of £199k is due to the notable downturn in income at John Smeaton Leisure Centre due to 2 new budget gyms opening in close proximity. Savings of £118k have been identified at from across the service to mitigate this budget pressure. The EU ruling on VAT for sports admissions has not been challenged by HMRC which means that £1.2m of VAT is estimated to be recovered in this financial year which will assist in mitigating Directorate pressures.

In Arts and Heritage the £445k overspend reflects the shortfall in income in respect of the Town Hall and Lotherton Hall Estate and the £160k Carnival and Reggae overspend.

**Budget Management - net variations against the approved budget**

	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Planning & Sustainable Development	8,698	(6,322)	2,376	(16)	(89)	(137)	(11)	394	0	0	0	0	141	(560)	(419)
Economic Development	5,319	(4,666)	653	1	189	1,089	(10)	(255)	0	(142)	0	0	872	(184)	688
Asset Management & Regeneration	13,506	(15,441)	(1,935)	(42)	265	(155)	(4)	(288)	0	4	0	0	(219)	1,239	1,020
Employment & Skills	4,127	(2,378)	1,749	(103)	0	250	(2)	105	0	0	0	0	250	(351)	(101)
Highways & Transportation	58,836	(41,779)	17,057	(398)	1,334	1,304	1,153	144	0	0	0	0	3,537	(3,841)	(304)
Arts & Heritage	18,600	(9,050)	9,550	48	(77)	1,132	60	93	22	(115)	49	0	1,212	(767)	445
Sport & Active Lifestyles	24,506	(19,132)	5,374	(33)	(6)	(148)	7	70	(34)	45	0	39	(60)	(842)	(902)
Resources & Strategy	1,022	(628)	394	(61)	1	16	(1)	(28)	0	0	0	0	(73)	(2)	(75)
<b>Total</b>	<b>134,614</b>	<b>(99,396)</b>	<b>35,218</b>	<b>(604)</b>	<b>1,617</b>	<b>3,350</b>	<b>1,192</b>	<b>236</b>	<b>(13)</b>	<b>(207)</b>	<b>49</b>	<b>39</b>	<b>5,659</b>	<b>(5,309)</b>	<b>351</b>

## Appendix 1

Key Budget Action Plans and Budget Variations:					RAG	Action Plan Value	Forecast Variation against Plan/Budget
		Lead Officer	Additional Comments			£'000	£'000
<b>A. Budget Action Plans</b>							
1.	Planning and Sustainable Development	Tim Hill	Reduction in the net cost of service via increased income generation.		G	562	(419)
2.	Economic Development		Increased income and running cost savings		G	295	(46)
3.	Asset Management and Regeneration	Angela Barnicle	Strategic Investment Income and additional fee income.		R	2,827	436
4.	Highways and Transportation	Gary Bartlett	Additional income from fees and developers.		G	1,396	(233)
5.	Arts and Heritage	Cluny MacPherson	Savings via increased income opportunities, not hosting the Tour de Yorkshire in 2017, and minor restructure.		R	810	285
6.	Employment and Skills	Sue Wynne	Staffing and commissioning savings.		G	240	(101)
7.	Sport and Active Lifestyles	Cluny MacPherson	Reduction in the net cost of service via efficiency savings, staffing savings and increased income generation.		A	652	81
8.	Resources and Strategy	Ed Mylan	Directorate wide additional savings requirement.		G	158	0
<b>Total Budget Action Plan Savings</b>						<b>6,940</b>	
<b>B. Other Significant Variations</b>							
1.	Asset Management	Angela Barnicle	Shortfall in Advertising income.				386
2.	Economic Development		Kirkgate Market income pressures - 7 month 20% rent discount for all traders and then phasing out over 3 months (£276k), vacant units in the Indoor Market (£163k), Covered Daily Market (£146k), George Street shops (£59k), and Event Space (£56k), Open/Outdoor Market (£93k), partially offset by a saving of £178k on borrowing costs.				734
3.	Sport and Active Lifestyles	Cluny Macpherson	Income pressures from reduced Public Health funding, JCCS pool floor failure, and Aireborough refurbishment.				217
4.	Arts and Venues	Cluny Macpherson	Carnival and Reggae overspend				160
5.	Sport and Active Lifestyles	Cluny Macpherson	Sport VAT ruling				(1,200)
6.	City Development	All	Use of Section 106 balances to mitigate pressures				(676)
7.	Asset Management	Angela Barnicle	Changing the Workplace/Merrion House				198
8.	Highways and Transportation	Gary Bartlett	Winter Maintenance - impact of the Beast from the East and the Pest from the West				747
9.	Highways and Transportation	Gary Bartlett	Bridgewater Place - increase in income accrual to reflect number of road closures				(200)
10.	Resources and Strategy	Ed Mylan	General savings across the Service.				(18)
<b>City Development Directorate - Outturn Variation</b>							<b>351</b>

Directorate	Description of Reserve	Balance 1st April 2017	Actual Transfers To & From Reserve	Balance at Outturn 2017/18	Reason for the Reserve
		£k	£k	£k	
	<b>GENERAL FUND</b>	<b>(20,070)</b>	<b>(5,564)</b>	<b>(25,634)</b>	
Adults & Health	S256 funding for health inequalities	(3,615)	674	(2,941)	Specific funding from Leeds South and East CCG for tackling health inequalities.
Adults & Health	Health and Social Care (CCG)	(1,991)	(758)	(2,749)	To fund Health and Social Care priorities
Adults & Health	Safeguarding (Adults)	(94)	(120)	(214)	Independent Safeguarding Board - carry forward of partner contributions.
Adults & Health	Prisons Reserve	0	(205)	(205)	CCG funding for social work in prisons
Adults & Health	Drugs Reserve	0	(133)	(133)	Carry forward of external income for drug and alcohol priorities
Adults & Health	Transforming Care	0	(1,700)	(1,700)	Provision to mitigate against costs associated with the NHS England led transfer of care packages to a community setting, in accordance with 2017/18 budget report
Adults & Health	Social Care Development Reserve	0	(600)	(600)	Provision to meet costs associated with development of social care models e.g. Recovery Model in accordance with 2017/18 budget report
Adults & Health	Resilience Reserve	0	(1,000)	(1,000)	Provision to mitigate against unforeseen demand pressures e.g. caused by hot summers, cold winters flu outbreaks etc., in accordance with 2017/18 budget report
Adults & Health	Spring Budget	0	(5,602)	(5,602)	Carry forward of Spring Budget monies from DCLG.
Adults & Health	Skills for Care	0	(196)	(196)	To provide funding for training of Care Workers
Adults & Health	Winter Monies	0	(600)	(600)	Funding received from Leeds CCG to reduce delays in transferring people out of hospitals back into community based care
Children & Families	Health Innovations	(1,248)	(429)	(1,677)	Monies given by Health Service for a number of joint initiatives around commissioning & children's centres
Children & Families	Safeguarding (Children's)	(201)	32	(169)	Independent Safeguarding Board - carry forward of partner contributions to fund serious case reviews
<b>City Development</b>	<b>HS2</b>	<b>(156)</b>	<b>0</b>	<b>(156)</b>	<b>To support the costs of developing and progressing master planning for the Southbank; including HS2 planning.</b>
City Development	Sport Maintenance Backlog Reserve	0	(700)	(700)	Contribution towards addressing the backlog of maintenance requirements at the council's sports facilities.
Communities & Environment	Casino License	(435)	258	(177)	Reserve for creation of Social Inclusion Fund as per licence bid and to fund LCC inclusion team.
Communities & Environment	Economic, Social and Environmental Wellbeing fund	(349)	0	(349)	Carry forward balances on the wellbeing budgets of Community Committee.
Communities & Environment	Parks Special Project - Temple Newsam	(81)	58	(23)	To cover cost of repairing fire damage at Temple Newsam Home farm.
Communities & Environment	Communities Innovation Fund	(80)	33	(47)	To fund work with the 3rd Sector to develop future financial sustainability in the sector.
Communities & Environment	Immigration Advice	(60)	60	0	Fund to assist Chapeltown Citizens Advice Bureau to provide immigration advice to clients
Resources & Housing	Homelessness Prevention Fund	(120)	(689)	(809)	To fund Homelessness prevention
Resources & Housing	Business Transformation	(48)	48	0	Siebel review (system of customer facing communication etc)
Resources & Housing	Lord Mayor	(35)	(13)	(48)	Balance of budget carried forward.
Resources & Housing	Armed Forces Day	(30)	24	(6)	Funding for Armed Forces Days 2017/18
Resources & Housing	Members club	(8)	0	(8)	Surplus on the Members Club.
Resources & Housing	Sustainable Energy & Air Quality	0	(200)	(200)	To support delivery of work on Air Quality
Strategic	Capital reserve	(3,372)	3,372	0	Directorate contributions towards borrowing costs of capital schemes. Contributions received over life of asset and released back to revenue to cover debt costs over life of loan. Reserve now exhausted.
Strategic	General Insurance	(2,659)	(273)	(2,932)	To help fund cost of future insurance claims
Strategic	Mutual Municipal Insurance	(11)	0	(11)	Reserve to fund potential claw backs of past insurance receipts from MMI.
Strategic	ELI Reserve	(2,000)	0	(2,000)	Reserve carried forward to support 18/19 base: ELI severance now funded by capital receipts in line with Council agreed policy.
Strategic	Invest to Save	(1,000)	392	(608)	Fund to get projects off the ground to generate future revenue savings.
Strategic	Demographic and Demand	(380)	380	0	Reserve to help fund future demographic demands.
Strategic	Legal Cost of VAT claims	(63)	0	(63)	Funds set aside from £8.4m VAT claim refund received in 10/11 (originally £100k) to help fund legal costs for remaining VAT cases
Strategic	Energy Efficiency Reserve - LCC	(4)	0	(4)	Energy efficiency reserve to fund invest to save energy efficiency initiatives.
	Sub-total Earmarked Reserves	(18,040)	(7,887)	(25,927)	
	<b>Total non-ring fenced Reserves</b>	<b>(38,110)</b>	<b>(13,451)</b>	<b>(51,561)</b>	

Directorate	Description of Reserve	Balance 1st April 2017	Actual Transfers To & From Reserve	Balance at Outturn 2017/18	Reason for the Reserve
		£k	£k	£k	
Schools	Extended Schools Balances	(9,017)	1,639	(7,378)	Surpluses on extended school activities carried forward
Schools	School Balances	(17,159)	1,935	(15,224)	Schools balances net of VER, Children's Services and BSF PFI borrowing
Schools	Dedicated Schools Grant	3,633	(678)	2,955	Carry forward of ring fenced DSG funding.
Resources & Housing	Taxi & Private Hire Licensing Surplus	(314)	301	(13)	Ring fenced reserve for taxi and private hire licensing service.
Strategic	Energy Efficiency Reserve - Salix	(158)	(109)	(267)	Energy efficiency reserve to fund invest to save energy efficiency initiatives.
Strategic	Revenue grants	(10,497)	5,726	(4,771)	Revenue grants carried forward as per IFRS requirements (see note 1 below)
	Sub-total GF ring fenced reserves	(33,512)	8,814	(24,698)	
	<b>Note 1: Revenue Grants</b>				
	Adult Social Care	0	(122)	(122)	Public Health grant carried forward
	Children & Families (Partners in Education (Re-Imagining Children Services for the 21st Century))	(7,318)	6,051	(1,267)	£7.318m DfE Partners In Practise funding received in 16/17 to be used in 17/18 and 18/19.
	Children & Families (Other)	(274)	(1,423)	(1,697)	Revenue grants carried forward
	City Development	(1,378)	19	(1,359)	Revenue grants carried forward
	Communities & Environment	(44)	(83)	(127)	Revenue grants carried forward
	Resources & Housing	0	(99)	(99)	Revenue grants carried forward
	Strategic Accounts (Flood)	(1,483)	1,383	(100)	Flood relief scheme for businesses
	Sub-total Revenue Grants	(10,497)	5,726	(4,771)	
	<b>HRRING FENCED RESERVES</b>				
	HRA General Reserve	(6,631)	136	(6,495)	
	Environmental Works	(1,668)	1,668	0	To fund environmental works in the Swarcliffe PFI area
	Insurance (Large Claims)	(137)	0	(137)	To fund the cost of insurance claims
	Welfare Change	(1,782)	0	(1,782)	To fund pressures arising from welfare reform.
	Housing Advisory Panels (HAPs) Reserve	(699)	158	(541)	To fund projects identified by Housing Advisory Panels which benefit the tenants and residents in the community they represent.
	Sheltered Housing	(3,238)	0	(3,238)	To fund investment in sheltered housing schemes which will contain shared bathing facilities and fund improved access for people with mobility issues.
	Holdsworth Place (Land Purchase)	(64)	0	(64)	To fund the purchase of land at Holdsworth Place
	Early Leavers' Initiative	(408)	0	(408)	To fund the cost of approved severance payments
	Changing the Workplace	(353)	21	(332)	To fund the cost of 'new ways of working' for staff in Housing Leeds as office moves are completed.
	eFiles Box It Project	(262)	0	(262)	Principally to fund the scanning of Housing Management paper files to electronic files - to assist the Housing Service in the preparation for moving to Community Hubs.
	Wharfedale View SF	0	(10)	(10)	Contribution from shared owners towards future costs of replacing furniture and carpets at Wharfedale View Extra Care facility
	Concierge Service to Multi Storey Flats	0	(400)	(400)	To fund the extension of the Concierge service in Multi-Storey flat areas in order to reduce the impact of Anti-Social behaviour
	Sheltered Housing Furniture & Carpets	0	(280)	(280)	To replace furniture and carpets in sheltered housing schemes
	Swarcliffe PFI	(10,343)	2,933	(7,410)	PFI Sinking Fund
	LLBH&H PFI Sinking fund	(2,515)	(195)	(2,710)	PFI Sinking Fund
	Major Repairs Reserve	(30,501)	(969)	(31,470)	Ring-fenced to fund capital expenditure or redeem debt.
	Sub-total HRA reserves	(58,601)	3,062	(55,539)	
	<b>Total ring fenced Reserves</b>	<b>(92,113)</b>	<b>11,876</b>	<b>(80,237)</b>	
	<b>TOTAL RESERVES</b>	<b>(130,223)</b>	<b>(1,575)</b>	<b>(131,798)</b>	

CAPITAL PROGRAMME - 2017/18 GENERAL FUND OUTTURN VARIATIONS - Appendix 3

The following table highlights main scheme variations between the estimates in February 2018 and the final 2017/18 outturn. The variations are based on those programmes/schemes with significant variations both over/under > £250k.

Directorate	Programme/ Scheme	02.02.18	2017/18 Actual €000s	Variation Under (-)/ Over €000s	Reason for variation
City Development	Highways	63,122.6	57,914.8	(5,207.8)	Highways accounts for almost 72% of the 2017/18 City Development programme. Unexpected scheme delays on our major programmes account for (£5.8m) of the variance including East Leeds Orbital Road (£2.0m) and Cycle City Ambition Ph2 (£1.4m) which can be explained by the liquidation of the contractor Carillion. Major programmes which encountered unexpected delays (£1.4m) including Claypit Lane (site issues), Temple Green Park and Ride (remedial works less than expected), adoption of highways in PFI area (weather conditions March) and City Centre Vehicle restrictions (procurement issues). The city wide bridges and structures programme (£1m) have seen delays on site due to contractor procurement issues. This has been offset by additional spend on Highways Maintenance capitalisations £0.6m. Other highways schemes within the 390+ schemes delivered in year that have over and underspends have no material variances to explain within this
	Heritage Asset Programme	3,032.7	1,802.4	(1,230.3)	The Heritage Asset programme will carry forward the balance of (£1.2m) to 2018/19. Conditional surveys are being carried out to inform future provision that will be needed to our Heritage Assets.
	Culture and Sport	4,346.6	2,531.2	(1,815.4)	The Grand Theatre refurbishment achieved practical completion on August 2017 however the defects liability period finishes in Aug 2018 and any retention monies (£0.7m) will be paid then. Airborough Sports centre and overall sports maintenance schemes (£0.7m) encountered delays due to the discovery of asbestos in several areas. Other remaining schemes within Culture and Sport have no material variances to explain within this report.
	Economic Development	5,495.4	4,932.9	(562.5)	No material variances in the 46 Economic Development schemes.
	Regeneration	1,639.4	1,013.0	(626.4)	Lower Kirkgate THI (£0.8m) project has a contrasting mix of ownership types in the area, the majority of projects are gaining momentum as the project enters its final 2 years. A total of £500k is ring-fenced for the First White Cloth Hall, which has recently gained planning permission and listed building consent. The grant has been agreed by EB subject to post tender details being agreed by the Director of City Development. Start on site is planned for late summer 2018 and the programme will last approximately 1 year. This is offset by capitalisations within the regeneration team £0.2m for developments to future transformational schemes.
	* Other City Development	13,159.5	11,928.7	(1,230.8)	* These figure includes the March EB approval of the strategic investment fund acquisition £8.4m which was finalised in March 2018. No other material variances on the remaining 40+ schemes within City Development
		90,796.2	80,123.0	(10,673.2)	





Report author: Doug Meeson

Tel: 88540

## Report of the Chief Officer Financial Services

### Report to Executive Board

Date: 27<sup>th</sup> June 2018

Subject: Financial Health Monitoring 2018/19 – Month 2 (May 2018)

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

### Summary of main issues

1. The purpose of this report is to inform the Executive Board of the financial health of the authority in respect of both the revenue budget and the Housing Revenue Account for the first two months of the financial year.
2. The 2018/19 financial year is the third year covered by the 2015 Spending Review and again presents significant financial challenges to the Council. The Council to date has managed to achieve considerable savings since 2010 and the budget for 2018/19 requires the Council to deliver a further £34m of savings.
3. The current and future financial climate for local government represents a significant risk to the Council's priorities and ambitions. Whilst the Council continues to make every effort possible to protect the front line delivery of services, it is clear that the position remains challenging.
4. This is the first budget monitoring report of the year, and Executive Board will recall that the 2018/19 general fund revenue budget, as approved by Council provides for a variety of actions to reduce net spend through the delivery of £34m of budget action plans by March 2019. At this early stage of the financial year, it is clear that the majority of these actions are on track to be delivered, however this report highlights a potential overall overspend of £2.2m and measures will be required to be identified and implemented so that a balanced budget position can be delivered.

5. At Month 2, the Housing Revenue Account is projecting a balanced budget position.

## **Recommendation**

6. Executive Board are asked to note the projected financial position of the authority.

### **1. Purpose of this report**

- 1.1 This report sets out for the Executive Board the Council's projected financial health position for 2018/19 at month 2.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations after the first two months of the year.

### **2. Background information**

- 2.1 Executive Board will recall that the net budget for the general fund for 2018/19 was set at £510.9m.
- 2.2 Following the closure of the 2017/18 accounts, an underspend of £7.0m was achieved and this has been added into the Council's general reserves. This contribution to the Council's reserves had not been budgeted for in 2016/17.
- 2.3 The balance of general reserves at the end of March 2017 was £20.1m and when taking into account the budgeted use of £1.4m in 2016/17, and the contribution from the underspend in 2017/18, this leaves a balance at March 2017 of £25.6m.
- 2.4 Financial monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc. This has again been reinforced through specific project management based support and reporting around the achievement of the key budget actions plans.
- 2.5 This first monitoring report in 2018/19 is intended to highlight any known variations to the approved budget at an early stage in the financial year. A more detailed quarter 1 report, including financial dashboard information for all directorates, will be presented to the July meeting of the Executive Board.
- 2.6 Looking beyond 2018/19 a report is timetabled to be considered at Executive Board in July and this will provide an update to the medium-term financial strategy. This will take account of the final year of the government's 4-year funding settlement, the move to greater business rate retention, potential increasing funding from local taxation and income, the impact of increasing demand and cost pressures and ultimately what actions and decisions will need to be taken in order to stay within the anticipated financial resources.

### 3. Main Issues

- 3.1 After two months of the financial year an overspend of £2.2m is projected, as shown in Table 1 below.

Table 1

#### Summary Position - Financial Year 2018/19

#### Reporting Period Month 2

		(Under) / Over spend for the current period			
Directorate	Director	Staffing	Total Expenditure	Income	Total (under) /overspend
		£000	£000	£000	£000
Adults & Health	Cath Roff	(819)	(367)	367	0
Children and Families	Steve Walker	12	812	100	912
City Development	Martin Farrington	(1,404)	(665)	665	0
Resources & Housing	Neil Evans	(1,485)	(775)	775	0
Communities & Environment	James Rogers	12	(25)	25	0
Strategic	Doug Meeson	0	585	700	1,285
<b>Total Current Month</b>		<b>(3,684)</b>	<b>(435)</b>	<b>2,632</b>	<b>2,197</b>

- 3.2 The major variations are outlined below;

- 3.2.1 **Children and Families** – Whilst still early in the financial year there are a number of budget pressures that mean it will be challenging for the directorate to contain spend within the approved budget without additional saving proposals being identified, agreed and implemented. The projected year-end position is an overspend of £0.9m. This is significantly lower at this stage than in recent years and reflects the increases made to the Children and Families budget, particularly demand-led budgets, over the last two years.

As in previous years the main budget pressure is likely to be on the demand led budgets of Children Looked After (CLA) and transport. Whilst the CLA budget has been increased by £8m over the last two years there are still significant demand and demography pressures on this budget that are resulting in an upward pressure in terms of costs. External Residential (ER) and Independent Fostering Agency (IFA) placements are both currently higher than the budgeted assumptions although the variance is much lower than in previous years. The directorate has agreed a number of actions including reviewing ER placements in order to ensure that placements are still appropriate. The number of children in ER placements has already reduced from 66 to 62 from the start of the financial year. The ER budget is projected to overspend by £0.8m but there remains a risk that numbers do not reduce as assumed.

The current projection assumes that spend on transport will be within budget but there is a risk that continuing demographic pressures contribute to an overspend on this budget.

The 2018/19 budget included savings of £5m. All the actions are being implemented and are expected to deliver the required level of savings.

**3.2.2 Strategic & Central Accounts** - At Month 2, the Strategic & Central budgets have a projected overspend of £1.3m. The key variations are:

- a projected overspend of £0.6m in debt costs, mainly due to higher interest rate assumptions than those assumed at the time the budget;
- a projected net shortfall of £0.4m in S31 grant income for business rates, due to changes in the calculation methodology after the 2018/19 budget had been set, offset by estimated additional S31 grant income; and
- a projected shortfall of £0.3m in New Homes Bonus.

### **3.3 Other Financial Performance**

#### **3.3.1 Council Tax**

The Council Tax in-year collection rate at the end of April was 10.27% which is in line with the performance in 2017/18. At this early stage the forecast is to achieve the 2018/19 in-year collection target of 96.1% collecting some £338m of income.

#### **3.3.2 Business Rates**

The business rates collection rate at the end of April was 10.86% which is 0.22% behind the performance in 2017/18. The forecast is to achieve the 2018/19 in-year collection target of 97.7% collecting some £384m of income.

The total rateable value of business properties in Leeds has increased from £921.06m at 1<sup>st</sup> April to £923.25m at the month end, growth of £2.19m. To calculate Leeds' actual income from business rates this total rateable value is multiplied by the national business rates multiplier (48.0p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (99%) and West Yorkshire Fire Authority (1%). Following deductions for the Business Rates tariff and to meet the business rates deficit brought forward, Leeds' actual business rates income is projected to be in the region of £204.86m, which is slightly below budgeted expectations.

#### **3.3.3 Business Rates Appeals**

The opening appeals provisions for 2018/19 is £21.5m which is made up of £11.5m relating to appeals received against the 2010 ratings list and £10m estimated costs in relation to the 2017 ratings list. Under the 100% Business Rates Retention pilot, Leeds' budget is affected by 99% of any appeals provision made in this year but provisions brought forward from 2017/18 were made at 49%.

On the 1<sup>st</sup> April 2018, there were 2,628 appeals outstanding against the 2010 ratings list. During April 87 appeals have been settled, of which 50 have not resulted in changes to rateable values, and 7 new appeals have been received. 7 new appeals were received in April, the low number received reflecting that appeals

are no longer accepted against the 2010 list except in very specific circumstances. At 30th April there are 2,548 outstanding appeals in Leeds, with 23.5% of the city's total rateable value in the 2010 list currently subject to at least one appeal. No appeals have been received to date against the 2017 list.

#### **4. Housing Revenue Account (HRA)**

4.1 At the end of month 2 the HRA is projecting a balanced position against the 2018/19 Budget.

#### **5. Corporate Considerations**

##### **5.1 Consultation and Engagement**

5.1.1 This is a factual report and is not subject to consultation.

##### **5.2 Equality and Diversity / Cohesion and Integration**

5.2.1 The Council's revenue budget for 2018/19 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 21<sup>st</sup> February 2018.

##### **5.3 Council Policies and Best Council Plan**

5.3.1 The 2018/19 budget targeted resources towards the Council's policies and priorities as set out in the Best Council Plan. This report comments on the financial performance against this budget, supporting the Best Council ambition to be an efficient and enterprising organisation.

##### **5.4 Resources and Value for Money**

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

##### **5.5 Legal Implications, Access to Information and Call In**

5.5.1 There are no legal implications arising from this report.

#### **6. Recommendations**

6.1 Executive Board are asked to note the projected financial position of the authority.

#### **7. Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



**Report of Head of Governance and Scrutiny Support**

**Report to Scrutiny Board (Infrastructure, Investment and Inclusive Growth)**

**Date: 25 July 2018**

**Subject: Work Schedule**

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

**1 Purpose of this report**

1.1 The purpose of this report is to consider the Scrutiny Board’s work schedule for the remainder of the current municipal year.

**2 Main issues**

2.1 At its initial meeting in June 2018, the Scrutiny Board discussed a range of matters for possible inclusion within the overall work schedule for 2018/19. The areas discussed included a range of matters which were then used to help formulate an outline work schedule.

2.2 The latest iteration of the work schedule is attached as Appendix 1 for consideration and agreement of the Scrutiny Board – subject to any identified and agreed amendments.

2.3 Executive Board minutes from the meeting held on 27 June 2018 are also attached as Appendix 2. The Scrutiny Board is asked to consider and note the Executive Board minutes, insofar as they relate to the remit of the Scrutiny Board; and identify any matter where specific scrutiny activity may be warranted, and therefore subsequently incorporated into the work schedule.

Developing the work schedule

2.4 The work schedule should not be considered a fixed and rigid schedule, it should be recognised as something that can be adapted and changed to reflect any new and emerging issues throughout the year; and also reflect any timetable issues that might occur from time to time.

- 2.5 However, when considering any developments and/or modifications to the work schedule, effort should be undertaken to:
- Avoid unnecessary duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue.
  - Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
  - Avoid pure “information items” except where that information is being received as part of a policy/scrutiny review.
  - Seek advice about available resources and relevant timings, taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place.
  - Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year.
- 2.6 In addition, in order to deliver the work schedule, the Board may need to take a flexible approach and undertake activities outside the formal schedule of meetings – such as working groups and site visits, where deemed appropriate. This flexible approach may also require additional formal meetings of the Scrutiny Board.

#### Developments since the previous Scrutiny Board meeting

- 2.7 A request for Scrutiny dated 13 July 2018 has been sent to the Scrutiny Chair from Cllr Dawn Collins. This is attached as appendix 3. In accordance with paragraph 2.5 the Board are requested to determine if the request is to be scheduled into the Scrutiny Board’s work programme.

### **3. Recommendations**

- 3.1 The Scrutiny Board is asked to:
- a) consider the matters outlined in this report, particularly Appendix 3.
  - b) agree or amend the overall work schedule (as presented at Appendix 1) as the basis for the Board’s work for the remainder of 2018/19.

### **4. Background papers<sup>1</sup>**

- 4.1 None used

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<sup>1</sup> The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.



## Scrutiny Board (Infrastructure, Investment and Inclusive Growth) Work Schedule for 2018/2019 Municipal Year

June	July	August
<b>Meeting Agenda for 20 June at 1.30 pm.</b>	<b>Meeting Agenda for 25 July at 10.00 am.</b>	<b>No Scrutiny Board meeting scheduled.</b>
Consider potential areas of review (including agreed budget 2018/19)  Performance Report (PM)  Core Strategy Select Review (PSR) (Big Idea – 5 & 8)	Directors Response – Sustainable Development Inquiry (Big Idea 5 & 8)  Directors Response – Information Advice and Guidance Provision in Leeds (Big Idea 3)  Inquiry - Scoping discussion  Budget – out-turn report and financial health monitoring month 2	
<b>Working Group Meetings</b>		
<b>Site Visits</b>		

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### Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

### Inclusive Growth Strategy

**PEOPLE**, **PLACE** and **PRODUCTIVITY**  
 Relevant **BIG** Ideas **3, 4, 5, 6, 7, 8, 9, 10**

## Scrutiny Board (Infrastructure, Investment and Inclusive Growth) Work Schedule for 2018/2019 Municipal Year

September	October	November
<b>Meeting Agenda for 5 September at 10.30 am</b>	<b>Meeting Agenda for 31 October at 10.30 am</b>	<b>No Scrutiny Board meeting scheduled.</b>
Terms of Reference  1 <sup>st</sup> Review/Inquiry Session – Evidence Gathering  Leeds Transport Strategy including Progress on the Leeds Public Transport Investment Programme (Big Idea 6,7 & 8)	2 <sup>nd</sup> Review/Inquiry Session - Evidence Gathering	
<b>Working Group Meetings</b>		
		Working Group – to be determined
<b>Site Visits</b>		

### Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

## Scrutiny Board (Infrastructure, Investment and Inclusive Growth) Work Schedule for 2018/2019 Municipal Year

December	January	February
<b>No Scrutiny Board meeting scheduled.</b>	<b>Meeting Agenda for 9 Jan at 10.30 am</b>	<b>Meeting Agenda for 20 Feb at 10.30 am</b>
<p><i>Advancing Bus Service Provision Inquiry – comprehensive progress review (RT) (timing discussed with A Hall and D Pearson)</i> (Big Idea 6,7 &amp; 8)</p> <p><i>Local Flood Risk Management Strategy – Annual Review (PM) (check timing BPF process)</i> (Big Idea 8)</p> <p><i>Schedule additional meeting?</i></p>	<p>Performance report (PM)</p> <p>Financial Health Monitoring (PSR)</p> <p>2018/19 Initial Budget Proposals (PDS)</p> <p>Digital Inclusion – Recommendation Tracking (RT) (Big Idea 9)</p>	<p>Inquiry – Agree Final Inquiry Report (PSR) – meeting April if major inquiry</p> <p>Housing Mix Inquiry – Recommendation Tracking and Update (see minutes) (RT) (Big Idea 5 &amp; 8)</p>
<b>Working Group Meetings</b>		
<b>Site Visits</b>		

**Scrutiny Board (Infrastructure, Investment and Inclusive Growth) Work Schedule for 2018/2019 Municipal Year**

March	April	May
No Scrutiny Board meeting scheduled.	No Scrutiny Board meeting scheduled.	No Scrutiny Board meeting scheduled.
<b>Working Group Meetings</b>		
<b>Site Visits</b>		

## EXECUTIVE BOARD

WEDNESDAY, 27TH JUNE, 2018

**PRESENT:** Councillor J Blake in the Chair

Councillors A Carter, R Charlwood,  
D Coupar, S Golton, J Lewis, R Lewis,  
L Mulherin J Pryor and M Rafique

### 1 **Exempt Information - Possible Exclusion of the Press and Public**

**RESOLVED** – That, in accordance with Regulation 4 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt from publication 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) That Appendices 2a and 2b to the report entitled, ‘Provision of a Loan Facility to Donisthorpe Hall Nursing Home’, referred to in Minute No. 19 be designated as exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that it contains information relating to the commercial and business activities of Donisthorpe Hall and was used for the purpose of the Council undertaking its due diligence processes. The information used for such due diligence processes includes confidential information commissioned by the Charity for the purpose of restructuring its finances, and as such, it is deemed that the public interest in exempting this information from publication outweighs the public interest in disclosure.

### 2 **Late Items**

No formal late items of business were added to the agenda, however, prior to the meeting, Board Members were in receipt of supplementary information in respect of agenda item 18 (Submission of the Leeds Core Strategy Selective Review (CSSR)) which provided the Board with the outcomes from the respective consideration of the CSSR by Development Plan Panel and also Scrutiny Board (Infrastructure, Investment & Inclusive Growth), both of which met to consider this matter respectively on 20<sup>th</sup> June 2018. (Minute No. 17 refers).

In addition, prior to the meeting, Board Members were in receipt of a re-circulated version of the ‘Outcome of Consultation to Increase Learning Places at Moor Allerton Hall Primary School’ cover report, as parts of sections 3.13-3.14 and 4.3 of the original version had been either mis-formatted or had some text missing. (Minute No. 29 refers).

Draft minutes to be approved at the meeting  
to be held on Wednesday, 25th July, 2018

- 3 Declaration of Disclosable Pecuniary Interests**  
No declarations of disclosable pecuniary interests were made at the meeting.

- 4 Minutes**  
**RESOLVED** – That the minutes of the previous meeting held on 18<sup>th</sup> April 2018 be approved as a correct record.

### **COMMUNITIES**

- 5 Illegal Money Lending Team, Progress Report**  
Further to Minute No. 9, 21<sup>st</sup> June 2017, the Director of Communities and Environment submitted a report which provides an update on the activities of the national Illegal Money Lending Team (IMLT) within Leeds, and presented an updated version of the associated action plan.

Members highlighted the crucial work that the team were undertaking, and emphasised the key role played by Leeds Credit Union within communities.

Responding to a Member's enquiry, the Board received details on the number of prosecutions which had been secured as a result of the team's actions, and with regard to the number of individuals that had been supported by the team, it was undertaken that further information on this would be provided to the Member in question.

#### **RESOLVED –**

- (a) That the contents of the submitted report together with the IMLT Action Plan, as set out within appendix 1, be noted;
- (b) That the Director of Communities and Environment be requested to monitor the progress made by the Illegal Money Lending Team against the plan;
- (c) That a further report detailing the activities of the Illegal Money Lending Team within Leeds be submitted to the Board in 12 months' time.

(Councillor R Lewis joined the meeting at the conclusion of this item)

### **ENVIRONMENT AND ACTIVE LIFESTYLES**

- 6 England and Wales Cricket Board Funding for Non Turf Pitches**  
The Director of Communities and Environment submitted a report outlining an opportunity to receive around £72k of funding from the England and Wales Cricket Board (ECB) for the provision of 6 non-turf cricket pitches in parks and green spaces.

Members welcomed the proposal detailed within the submitted report and the fact that there was no restriction from the funding criteria as to which areas of the city could potentially benefit from the pitches.

**RESOLVED –**

- (a) That approval be given to accept the ECB funding and enter into an agreement to develop non-turf cricket pitches in relevant parks, recreation grounds and playing pitches in line with the ECB offer;
- (b) That approval be given to carry out a consultation exercise in order to determine suitable site locations;
- (c) That future decisions on this project be delegated to the Chief Officer, Parks and Countryside;
- (d) That it be noted that the Chief Officer, Parks and Countryside is responsible for the implementation of these proposals, which are anticipated to be in place by summer 2019.

**ECONOMY AND CULTURE**

**7 Adoption of the Leeds Inclusive Growth Strategy 2018 - 2023**

Further to Minute No. 37, 17<sup>th</sup> July 2017, the Director of City Development submitted a report presenting the Leeds Inclusive Growth Strategy 2018 – 2023, which had been finalised following the latest round of consultation. The report sought the Board’s approval to adopt and publish the finalised version of the Leeds Inclusive Growth Strategy, as appended to the covering report.

In presenting the submitted report, the Chair suggested that further update reports regarding the progress being made be submitted to the Board in due course which focussed upon each of the Strategy’s ‘Big Ideas’ and which detailed the impact that the work behind the strategy was having.

Members welcomed the proposed strategy, highlighting the potential it had to facilitate further partnership working across sectors in order to maximise enablement for all communities throughout the city. The Board also welcomed how the strategy linked to other priority agendas such as health and wellbeing; cultural provision and children and young people.

Members received further details on the proposed convenor role amongst other partners and sectors that the Council would play in moving this agenda forward. In addition, emphasis was placed upon the ‘federal’ nature of the Leeds economy, highlighting the level of economic activity located outside of the city centre.

In conclusion, on behalf of the Board, the Chair extended her thanks to those officers who had developed the strategy to its current position.

**RESOLVED –**

- (a) That the finalised version of the Leeds Inclusive Growth Strategy 2018 – 2023, as appended to the submitted report, be agreed, and that approval also be given for the Strategy’s publication;

- (b) That approval be given for the Director of City Development to lead on implementing the delivery of the Leeds Inclusive Growth Strategy;
- (c) That further update reports regarding the progress being made be submitted to the Board in due course which focussed upon each of the Strategy's 'Big Ideas' and detailed the impact that the work behind the strategy was having.

## **8 Workspace for Creative Businesses in Leeds City Centre**

The Director of City Development submitted a report which presented a series of recommendations on how the Council could support the provision of workspaces for small and medium sized enterprises (SMEs) and creative businesses in Leeds City Centre.

It was highlighted that the proposals detailed within the submitted report looked to achieve the ambitions as set out within the Leeds Inclusive Growth Strategy (Minute No. 7 refers), and it was noted that the Director of City Development would return to the Board with proposals regarding the redevelopment of Aire Street Workshops and the Engine House, following the expression of interest stage.

The Board highlighted the important role played by SMEs and creative businesses in the city, and in reiterating the 'federal' nature of the Leeds economy, Members highlighted the need to ensure that affordable accommodation for SMEs and creative businesses were available throughout the city.

### **RESOLVED –**

- (a) That approval be given to reaffirm the Council's commitment to a city centre that includes a diversity of uses and has affordable and accessible spaces for new, creative businesses;
- (b) That approval be given for the Director of City Development to invite Expressions of Interest for the redevelopment / refurbishment of Aire Street Workshops and the Engine House, as per the principles as contained within paragraph 3.2.1 of the submitted report;
- (c) That the Director of City Development be requested to report back with recommendations on the preferred way forward for the redevelopment of Aire Street Workshops and the Engine House upon the conclusion of the Expression of Interest stage;
- (d) That the Director of City Development be requested to work with stakeholders in order to develop longer term plans to support the delivery of workspaces for creative and start-up businesses in the city centre, which can inform the creation of a small grants programme as part of the consideration of next year's Capital Programme;
- (e) That it be noted that the Chief Asset Management and Regeneration Officer will be responsible for the implementation of such matters.



## **9 Waterfront Charter for Leeds City Centre**

The Director of City Development submitted a report which sought approval to develop work with partners in order to deliver transformation in the waterfront area of Leeds, which would look to support the city's cultural and economic aspirations.

Members welcomed the submitted report, and in noting how rivers and waterways passed through a number of communities across the city, it was suggested that a further report be submitted to the Board in due course which explored the potential and the opportunities to maximise the benefit arising from such waterways, both for local communities and the city as a whole.

### **RESOLVED –**

- (a) That the Waterfront Charter, as appended to the submitted report be supported, and that in doing so:-
  - (i) Approval be given to the formation of a Waterfront Investment Fund, as per the principles outlined at paragraph 3.3.6 of the submitted report, with approval also being given to provide authority to spend up to £100,000 from Capital Programme Scheme 32672 for this purpose; and
  - (ii) Agreement be given that the Council works with partners in order to establish an owner/occupier forum comprising parties with an interest in the waterfront to help to deliver the Charter.
- (b) That it be noted that the Director of City Development is responsible for the implementation of such matters;
- (c) That a further report be submitted to the Board in due course which explores the potential and the opportunities to maximise the benefit arising from the rivers and waterways which run throughout Leeds, both for local communities and the city as a whole.

## **10 Leeds 2023 Update**

Further to Minute No. 76, 18<sup>th</sup> October 2017, the Director of City Development submitted a report outlining the steps that the city had taken in response to the decision by the European Commission to cancel the UK competition for European Capital of Culture. In addition, the report summarised the work undertaken by officers to establish the appropriate vehicle for taking forward Leeds 2023 plans, outside of the framework of the European Commission regulations.

With regard to an enquiry regarding the Council representation on the Trust, emphasis was placed upon the value of continuing a cross-party approach towards the 2023 initiative.

Members also received an update regarding a new funding stream which had been recently announced by the Arts Council (Cultural Development Fund), which the Council intended to submit a bid for.

**RESOLVED –**

- (a) That the overall progress made in taking forward ‘Leeds 2023’ plans, as detailed within the submitted report, be noted;
- (b) That officers be requested to:-
  - (i) Work alongside colleagues in legal and financial services in order to develop ‘Leeds Culture Trust’ as the delivery vehicle for Leeds 2023, and to develop a Service Level Agreement between the Council and Leeds Culture Trust which reflects the Council as a major funder;
  - (ii) Support the Leeds Culture Trust to secure charitable status and commence the search and recruitment process for a Chair and full Board of Trustees, to be in place by early 2019;
  - (iii) Return with a report on further progress at the appropriate time, when a new Chair and Trustees are appointed and when the work of the 2023 independent steering group reaches an end.
- (c) That it be noted that the Chief Officer, Culture and Sport is responsible for the implementation of such matters.

(Councillor Rafique left the meeting at the conclusion of this item)

**RESOURCES AND SUSTAINABILITY**

**11 Financial Performance - Outturn for the Financial Year ended 31st March 2018**

The Chief Officer, Financial Services submitted a report setting out the Council’s financial outturn position for 2017/18 for both revenue and capital, including the Housing Revenue Account and expenditure on schools. In addition, the report also sought approval of the creation of earmarked reserves and which looked to delegate their release to the Chief Officer, Financial Services.

In response to a Member’s enquiry, the Board received further detail regarding the 2017/18 outturn in respect of schools’ extended services and partnerships balances. The Board also received an update on the current position regarding proposals to implement collection route efficiencies within the refuse service.

In noting the effect that the backdated sports admission VAT receipt from HMRC had had on the outturn position and the Council’s reserves, an enquiry was made regarding the priorities for the allocation of resource moving forward. In response, it was highlighted that the intention was to submit the Medium Term Financial Strategy to the 25<sup>th</sup> July Board meeting, and this would propose how the Council’s General Reserve, which contained the VAT receipt, was to be used.

**RESOLVED –**

- (a) That the outturn position for 2017/18, as detailed within the submitted report, be noted;

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- (b) That the creation of earmarked reserves, as detailed in paragraphs 3.16 and 5.3 of the submitted report be approved, and that their release be delegated to the Chief Officer, Financial Services;
- (c) That it be noted that the Chief Officer, Financial Services will be responsible for the implementation of such matters, following the conclusion of the 'call in' period.

**12 Financial Health Monitoring 2018/19 - Month 2 (May 2018)**

The Chief Officer, Financial Services submitted a report setting out the Council's projected financial health position for 2018/19, as at month 2 of the financial year.

Responding to an enquiry regarding proposals to implement collection route efficiencies within the refuse service, it was highlighted that should such efficiencies not be made in 2018/19, then alternative actions would be taken with the aim of balancing the directorate budget by the end of the financial year, whilst it was also noted that further detail in respect of the Communities and Environment directorate budget would be available in forthcoming budget monitoring reports to the Board, once greater information was available in respect of specific demand led costs.

Members also received an update regarding the current position of the Children and Families directorate budget.

**RESOLVED** – That the projected financial position of the authority for 2018/19, as at month 2, and as detailed within the submitted report, be noted.

**13 Treasury Management Outturn Report 2017/18**

The Chief Officer Financial Services submitted a report which provides a final update on the Council's Treasury Management Strategy and operations for the period 2017/18.

The intention to further consider the Council's debt portfolio and debt costs in the year ahead was noted. A request for future reports to identify the value of the Council's assets which separately identified schools and Council housing was also noted.

**RESOLVED** – That the Treasury Management outturn position for 2017/18, as detailed within the submitted report be noted, together with the fact that treasury activity has remained within the Council's Treasury Management strategy and policy framework.

**14 The Leeds Community Infrastructure Levy - Investment of the Strategic Fund**

The Director of City Development and the Director of Resources and Housing submitted a joint report providing information on the sums accumulated within the Community Infrastructure Levy (CIL) strategic fund, as set out in table 1 of the submitted report, and how it was being invested.

In response to a Member's enquiry, the Board noted that based on current information, the funding gap for the Council regarding the provision of school places was currently £71.7m.

**RESOLVED –**

- (a) That the investment of the CIL strategic fund, as set out in table 1 of the submitted report, to be used to contribute towards the learning places deficit for schools, be noted;
- (b) That it be noted that the responsible officer for the implementation of such investment is the Chief Officer (Financial Services).

**15 Improving Air Quality within the City**

Further to Minute No. 122, 13<sup>th</sup> December 2017, the Director of Resources and Housing, the Director of City Development, the Director of Communities and Environment and the Director of Public Health submitted a joint report providing an overview of the consultation responses received on the Clean Air Charging Zone (CAZ) proposal; detailed how the first stage of consultation responses had been considered and how these were reflected within the updated proposal. In addition, the report outlined the funding request to central government for both the required infrastructure and the support measures to mitigate economic impact; detailed the process to reaching approval for both the Full Business Case and the Traffic Scheme; and presented the required changes to licensing conditions for taxi and private hire vehicles to align conditions with CAZ compliant engine standards.

In presenting the submitted report the Executive Member for Resources and Sustainability recommended that a further report be submitted to the 25<sup>th</sup> July 2018 Board meeting which set out a broader range of proposals not covered by the CAZ for the improvement of air quality throughout the city.

Responding to a Member's specific enquiry, the Board received further information on the process and rationale which had led to the proposal to amend the boundary for the CAZ. It was noted that the amended boundary was being proposed in response to the consultation undertaken, and that the revised boundary did not have any adverse impact upon the delivery of the required outcomes. It was also noted that the revised boundary aimed to ensure that it was clear and easily navigable and looked to avoid any unintended consequences (eg. 'rat-running').

Also, in noting the proposals affecting taxis and private hire vehicles and the need to ensure a consistency of approach for such vehicles whether they be registered with Leeds or with another Authority, Members highlighted that it was essential for the Government to establish a national register for such vehicles, with it being noted that confirmation had been received from Government that they were working to address this issue, whilst Members also highlighted that the Local Government Association were making representations to Government on such matters.

In addition, Members also noted that a substantial funding package was also being sought from Government in order to help facilitate the introduction of the related measures.

Responding to a Member's enquiry, it was undertaken that at the appropriate stage, liaison could take place with community groups in order to provide guidance around CAZ compliancy and exemption categories.

**RESOLVED –**

- (a) That approval be given to entering into a period of statutory public consultation on the proposed clean air zone and the enforcement of anti-idling;
- (b) That approval be given to entering into a period of public consultation on the introduction of the enforcement of anti-vehicle idling;
- (c) That approval be given to entering into a period of consultation with regard to the proposed changes to the licensing conditions for taxis and private hire vehicles;
- (d) That the necessary authority be delegated to the Director of City Development in order to enable the Director to procure for the required infrastructure, with the necessary 'authority to spend' also being provided to the Director, once funding from government has been secured;
- (e) That the necessary authority be delegated to the Director of Resources and Housing in order to enable the Director to procure for the administration of the taxi and private hire loan, with the necessary 'authority to spend' also being provided to the Director, once funding from government has been secured;
- (f) That approval be given to exempt the resolutions contained within this minute from the Call In process, on the grounds of urgency, as detailed in section 4.5.6 of the submitted report, in order that the Council achieves the closest legitimate date for submission in compliance with the Direction;
- (g) That a further report be submitted to the 25<sup>th</sup> July 2018 meeting of the Board which sets out a broader range of proposals not covered by the CAZ, for the improvement of air quality throughout the city;
- (h) That it be noted that a further report will be submitted to Executive Board on 19<sup>th</sup> September 2018 in order to report on the outcomes of the statutory consultation as, referenced within resolution (a) above.

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

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, as per resolution (f) above, and for the reasons as detailed within section 4.5.6 of the submitted report, in order that the Council achieves the closest legitimate date for submission in compliance with the Direction)

## **REGENERATION, TRANSPORT AND PLANNING**

### **16 Design and Cost Report, Proposed Refurbishment, West Yorkshire Playhouse and Public Realm Works**

Further to Minute No. 57, 20<sup>th</sup> September 2017, the Director of City Development submitted a report which provided a summary of the progress made to date on the proposed works to the Playhouse and the public realm redevelopment and enhancement works at Gateway Court and Playhouse Square. The submitted report also sought approval to inject additional funding into existing Capital Scheme Nos. 32019 and 32804 and to authorise expenditure on the proposed works to the Playhouse and public realm works.

Members were supportive of the proposals, and highlighted the important role of the Playhouse in the cultural offer of Leeds. In discussing the redevelopment and the future role of the Playhouse, emphasis was placed upon the need to ensure that it was an inclusive and accessible asset for the whole city.

Responding to a Member's comments, clarification was provided that the Playhouse continued to produce work, whilst the redevelopment was taking place, with a briefing being offered to the Member in question.

Finally, it was noted that the theatre had recently been renamed the 'Leeds Playhouse'.

#### **RESOLVED –**

- (a) That an injection of £1.280m into the existing Capital Scheme No. 32019 towards the cost of refurbishing and reconfiguring the West Yorkshire Playhouse, be authorised;
- (b) That a fully funded injection of £550,000 from the West Yorkshire Playhouse into the existing Capital Scheme No. 32019 towards the cost of refurbishing and reconfiguring the West Yorkshire Playhouse, be authorised;
- (c) That 'Authority to Spend' of £1.830m from Capital Scheme No. 32019 towards the cost of refurbishing and reconfiguring the West Yorkshire Playhouse, be approved;
- (d) That an injection of £0.160m into existing Capital Scheme No. 32804 towards the cost of the proposed public realm redevelopment and

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enhancement works at Gateway Court and Playhouse Square, be authorised;

- (e) That 'Authority to Spend' of £0.160 from Capital Scheme No. 32804 for the proposed public realm redevelopment and enhancement works at Gateway Court and Playhouse Square, be approved;
- (f) That subject to consultation being undertaken with the Executive Member for Economy and Culture, the necessary authority be delegated to the Director of City Development and the Chief Officer Financial Services in order to negotiate and approve the final terms associated with the receipt of the West Yorkshire Playhouse's financial contribution to the proposed works to refurbish and reconfigure the playhouse building;
- (g) That approval be given to exempt the resolutions contained within this minute from the Call In process, for the reasons of urgency as detailed within sections 4.5.1 – 4.5.2 of the submitted report, and as it is considered that any delay in implementing such resolutions will prejudice the Council's interests;
- (h) That the following be noted:-
  - (i) The actions required to implement the above resolutions;
  - (ii) The proposed timescales to progress the project, as detailed in paragraph 3.9 of the submitted report; and
  - (iii) That the Chief Officer, Culture and Sport will be responsible for the implementation of such matters.

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, as per resolution (g) above, and for the reasons as detailed within section 4.5.1 – 4.5.2 of the submitted report, as it is considered that any delay in implementing the decisions will prejudice the Council's interests)

## **17 Submission of the Leeds Core Strategy Selective Review**

Further to Minute No. 131, 7<sup>th</sup> February 2018, the Director of City Development submitted a report which sought approval from Executive Board to recommend to Council that it approved the Core Strategy Selective Review (CSSR) alongside supporting material and evidence for the purposes of submission to the Secretary of State, so that it may be subject to independent examination by the Planning Inspectorate.

Prior to the meeting, Board Members were in receipt of supplementary information which provided the Board with the individual outcomes from the respective consideration of the CSSR by Development Plan Panel and also Scrutiny Board (Infrastructure, Investment & Inclusive Growth), both of which met to consider this matter respectively on 20<sup>th</sup> June 2018.

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**RESOLVED –**

- (a) That the representations made in response to the recent consultation on the proposed submission draft CSSR documents “Publication Draft” (under Regulation 19 of The Town and Country Planning (Local Planning) (England) Regulations 2012), be noted; and that the consequential changes made to the policies, which as amended now form the Core Strategy Selective Review Submission Draft Plan, also be noted;
- (b) That the individual resolutions of Development Plan Panel and Scrutiny Board (Infrastructure, Investment & Inclusive Growth), following their respective meetings on 20<sup>th</sup> June 2018, be noted;
- (c) That the following be recommended to Council:-
  - a) To approve the Submission Draft of the Core Strategy Selective Review (**Appendix 1 to the submitted report**) for independent examination, pursuant to Section 20 of the Planning and Compulsory Purchase Act 2004, as amended;
  - b) To approve the Sustainability Appraisal Report (**Appendix 2 to the submitted report**) in support of the Plan, along with supporting evidence and background documents, for Submission to the Secretary of State for independent examination, pursuant to Section 20 of the Planning and Compulsory Purchase Act 2004, as amended;
  - c) To grant authority to the independent inspector appointed to hold the Public Examination, to recommend modifications to the Submission Draft Plan, pursuant to Section 20 (7C) of the Planning and Compulsory Purchase Act 2004, as amended;
  - d) To delegate necessary authority to the Chief Planning Officer, in consultation with the relevant Executive Member, to:-
    - (i) approve the detail of any updates or corrections to the submission material and any further technical documents and supporting evidence required to be submitted alongside the revised Submission plan for consideration at future hearing sessions;
    - (ii) continue discussions with key parties and suggest to the Inspector any edits and consequential changes necessary to be made to the revised Submission Draft Core Strategy Selective Review following Council approval during the Examination; and
    - (iii) prepare and give evidence in support of the revised Submission Plan at Examination.

(Under the provisions of Council Procedure Rule 16.5, Councillors A Carter and Golton both required it to be recorded that they respectively abstained from voting on the decisions referred to within this minute)



(The matters referred to within this minute, given that they were decisions being made in accordance with the Budget and Policy Framework Procedure Rules, were not eligible for Call In, as Executive and Decision Making Procedure Rule 5.1.2 states that the power to Call In decisions does not extend to those decisions being made in accordance with the Budget and Policy Framework Procedure Rules)

## **18 White Rose and Millshaw Industrial Estate**

The Director of City Development submitted a report which set out emerging proposals for significant investment and redevelopment on behalf of the owners of land at the White Rose Office Park and Millshaw Industrial Estate. In addition, the report also provided details of opportunities that this proposal would present for the further development of inclusive growth and regeneration in South Leeds.

Members welcomed the proposal as submitted, highlighted the significant potential for the development in terms of economic growth and job creation, and emphasised the linkages to the Leeds Inclusive Growth Strategy.

With regard to a reference within the submitted report to the Leeds Public Transport Investment Programme, it was clarified that it was intended to submit an update report on the programme to the 25<sup>th</sup> July 2018 Board meeting.

### **RESOLVED –**

- (a) That the Board's in-principle support be provided for the repurposing of the Millshaw estate as part of a joined up approach to development with the White Rose Office Park, in order to deliver significant inclusive growth benefits to the South Leeds, as set out at paragraphs 3.4 – 3.11 of the submitted report;
- (b) That the planning matters to be addressed by the landowners in bringing forward and delivering a master plan for the White Rose Office Park and Millshaw estate, as set out at paragraphs 3.12 – 3.16 of the submitted report, be noted;
- (c) That confirmation be provided that Council-owned land within and adjoining the Millshaw estate should be considered for inclusion within the master planning exercise on a 'without prejudice' basis, as set out within paragraphs 3.22 – 3.25 of the submitted report, with it being noted that the Head of Regeneration is responsible for the co-ordination of the Council's interests in this respect.

## **HEALTH, WELLBEING AND ADULTS**

### **19 Provision of a Loan Facility to Donisthorpe Hall Nursing Home**

The Director of Resources and Housing and the Director of Adults and Health submitted a joint report which sought approval to make a secured loan facility of £350,000 plus accrued interest available to Donisthorpe Hall care home in order to assist with the care provider's financial recovery plan.

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The Board noted the significant work which had been undertaken in respect of the required due diligence processes.

A Member highlighted the Council's role of enabling a mixed economy of care provision for the city, and how the submitted proposals were in line with that role.

Following consideration of Appendices 2a and 2b to the submitted report designated as exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which were considered in private at the conclusion of the meeting, it was

**RESOLVED –**

- (a) That the provision of a secured loan facility, funded from the Council's balance sheet, from the Council to Donisthorpe Hall care home for the sum of Three Hundred and Fifty Thousand Pounds plus accrued interest, be approved, with this loan facility being allocated and repaid in accordance with the provisions stated in the submitted report and the exempt appendices 2a (including annexe A, B & C) and 2b;
- (b) That the Director of Adults and Health and the Director of Resources and Housing, in conjunction with the City Solicitor and the Chief Officer Financial Services, be authorised to ensure that the Board's resolution (above) is implemented.

**20 Short Break Services**

The Director of Adults and Health submitted a report providing details of the outcome of consultation undertaken on short break arrangements, and which sought approval to establish new arrangements to ensure that the Council's short breaks offer was fair, equitable and gave proper weighting to those with the greatest caring responsibility.

Responding to a Member's enquiry in respect of consultation, it was highlighted that the intention was to submit a further report to the Board in due course which provided further detail on the number of users which would be affected by the proposals and how they would be affected.

**RESOLVED –**

- (a) That approval be given to the expansion of the in-house Short Breaks service, so that it can offer short breaks to a greater variety of people and for a wider range of needs;
- (b) That the three tier approach towards having a short break which supports a range of carer needs, be approved;
- (c) That approval be given to the gradual withdrawal of the Outreach Service over time, in order to facilitate resolution (b) above, with it being noted that people's short breaks will be maintained through alternative arrangements when their sessional worker leaves / retires;

- (d) That further consultation be undertaken on a revised service specification for the Community-based Respite service, including referral pathway and service criteria;
- (e) That it be noted that the Community-based respite service and the Outreach Service are not the only way that people with eligible social care needs may have a break, and that people may choose to have a personal budget in order to arrange a short break that suits them and the cared-for person;
- (f) That it be noted that the Director of Adults and Health is responsible for the implementation of such matters.

## **21 Leeds' Commitment to Carers**

Further to Minute No. 23, 21<sup>st</sup> June 2017, the Director of Adults and Health submitted a report which provided an update on the progress which had been made by the Council and the Leeds Carers' Partnership in relation to the Leeds Commitment to Carers initiative.

The Board welcomed Val Hewison, Chief Executive of the 'Carers Leeds', organisation who was in attendance and provided the Board with an update on the progress made by the initiative over the past 12 months, highlighted the areas where progress was still required and provided further information on the crucial role played by the many carers throughout the city. In addition, as part of the ambition to make Leeds the best city for carers, an offer was made for further liaison to take place with each Council directorate in order to raise greater awareness in this area.

Members supported the range of actions being taken whilst noting that there was still further work to do in this field. In addition, Members highlighted the importance of providing adequate support to all carers, with reference being made to Council employees. Emphasis was also made to the link between being a carer and the impact that that could have upon an individual's mental health.

### **RESOLVED –**

- (a) That the progress which has been made to date by the Council and the Leeds Carers' Partnership in relation to the Leeds Commitment to Carers, be noted;
- (b) That approval be given to continue the promotion of the Leeds Commitment to Carers initiative across Leeds City Council directorates and also Elected Member Lead Portfolio areas.

## **22 Leeds Health and Wellbeing Board: Reviewing the Year 2017-18**

The Director of Adults and Health submitted a report presenting the 'Leeds Health and Wellbeing Board: Reviewing the Year 2017-2018', which served as an annual review and roundup of the range of activity commissioned or

directed by the Board, which had been guided by the Leeds Health and Wellbeing Strategy 2016-2021.

Responding to a Member's enquiry regarding the several specific issues which had been identified within the Director of Public Health's Annual Report for 2017/18, the Board noted that it was expected that such issues would feature upon the future work programme of the Health and Wellbeing Board.

**RESOLVED** – That the contents of the submitted report, together with the contents of the appended *Leeds Health and Wellbeing Board: Reviewing the Year 2017-2018* document, be noted, with the following being specifically highlighted:

- The successes achieved in Leeds to bring together effective partnerships/deliver major programmes of change such as the Improved Better Care Fund and Local Care Partnerships;
- Achieving the position as the 'Best Core City for Health and Wellbeing';
- Leeds' increasing influence in West Yorkshire and nationally via the power of our strengths and assets with a community focused approach towards health and care integration;
- Leeds' priority to improve the health of the poorest the fastest and address the social determinants of health (employment, housing, inclusion, community); and
- The additional challenges of delivering the health and care agenda despite ongoing austerity settlements.

## **CHILDREN AND FAMILIES**

### **23 Leeds Safeguarding Children Board Annual Report (2017/18): Evaluating the Effectiveness of Safeguarding Arrangements in Leeds**

The Independent Chair of the Leeds' Safeguarding Children Partnership submitted a report which presented the key findings from the Partnership's Annual Report for 2017/18.

The Board welcomed Dr. Mark Peel, Independent Chair of the Leeds Safeguarding Children Partnership, who was in attendance at the meeting in order to introduce the key points of the annual report and to highlight key priorities.

Responding to a Member's enquiry, the Board noted the view of the Independent Chair when considering the effectiveness of the procedures in place to exchange information between Leeds and other Local Authorities / agencies when dealing with cases which crossed the Local Authority's boundary, who confirmed that he believed that robust processes were in place.

Also in response to a Member's enquiry regarding the capacity in Leeds to deal with continuing and emerging issues around the protection of children and young people, the Independent Chair advised that he did not detect any negative impact in the safeguarding provision in Leeds as a result of the

resource being provided to Kirklees Council, as part of the Partners in Practice programme. Further to this, the Director of Children and Families advised the Board that a period of 3 years had been identified for Leeds' involvement in Kirklees which included a tapering of support, and it was also highlighted that agreement had now been reached with the Department for Education (DfE) for Kirklees to look to recruit their own Director of Children's Services. It was also noted that Leeds was in regular contact with the DfE on such matters.

Following a specific request, the Independent Chair undertook that the Partnership would carry out a piece of work around the 'Early Help' strategy in respect of those children and families who required support, with it being highlighted that although demand for such support was high, a number of schools in the city were withdrawing support for Clusters, through which a number of related services were focussed. It was noted that the outcomes from that piece of work would be provided to Board Members as appropriate, with it also being suggested that it may be appropriate to raise this matter with the Department for Education.

In conclusion, the Chair paid tribute to the vital work of the Leeds Safeguarding Children's Partnership.

**RESOLVED –**

- (a) That the contents of the submitted cover report together with the contents of the appended Leeds Safeguarding Children Partnership Annual Report (2017-18) be noted, together with the identified safeguarding priorities for the city, as detailed within the Annual Report;
- (b) That the Leeds Safeguarding Children Partnership be requested to carry out a piece of work around the 'Early Help' strategy in respect of those children and families who required support, with it being highlighted that although demand for such support was high, a number of schools in the city were withdrawing support for Clusters, through which a number of related services were focussed, with the outcomes from that piece of work being provided to Board Members as appropriate.

**24 Annual Report of the Fostering Service and Annual update of the Statement of Purpose.**

Further to Minute No. 29, 17<sup>th</sup> July 2017, the Director of Children and Families submitted a report which presented the annual report of the fostering service and which sought approval of the revised statement of purpose for Leeds City Council's Fostering Service.

**RESOLVED –**

- (a) That the Statement of Purpose for Fostering Services for Leeds City Council, as appended to the submitted report, be approved;
- (b) That the contents of the annual Fostering report, as submitted, be noted, with the Board confirming its continued support for the work of

the adoption and fostering service which aims to ensure that children receive the best possible support.

**25 Annual Report of the One Adoption West Yorkshire & Statement of Purpose.**

Further to Minute No. 29, 17<sup>th</sup> July 2017, the Director of Children and Families submitted a report which presented the annual report of One Adoption West Yorkshire (OAWY), as required by the National Minimum Standards 2011. Specifically, the report sought approval of the revised Statement of Purpose for OAWY.

**RESOLVED –**

- (a) That the Statement of Purpose for One Adoption West Yorkshire, as appended to the submitted report, be approved;
- (b) That the annual adoption report, as appended to the submitted report, be noted, with the Board confirming its continued support for the work of OAWY, which aims to ensure that children receive the best possible support.

**LEARNING, SKILLS AND EMPLOYMENT**

**26 Councillor Pryor**

At the commencement of the reports within his portfolio, the Chair welcomed Councillor Pryor, given that this was the first Executive Board meeting which he had attended since his recent appointment to the position of Executive Member for 'Learning, Skills and Employment'.

**27 The Annual Standards Report 2016-17**

The Director of Children and Families submitted a report which presented the progress made towards Leeds becoming the best city for learning. The report outlined Leeds' current position in relation to the associated strategy and the actions that had been taken to ensure that all children in Leeds, including those affected by poverty and other disadvantages were supported to help them achieve their potential.

Responding to a Member's enquiry, the Board received further information on the range of ongoing actions being taken to narrow the gap between advantaged and disadvantaged learners, which included details of the 'Advantaging the Disadvantaged' strategy and the work of the Child Poverty Impact Board.

In noting the recent appointment of a new Deputy Director (Learning), who was due in post in the Autumn, it was suggested that a piece of work that looked at further tackling such matters be developed in readiness for the new Deputy Director, so that they could pick it up as a priority.

Also, responding to an enquiry, the Board received details regarding the processes and timescales by which Educational Health and Care Plans for SEND (Special Educational Needs and Disability) learners were put in place.

**RESOLVED –**

- (a) That the contents of the submitted report, together with the Annual Standards Report, as appended, which details the outcomes of Leeds children and young people in the 2016 / 2017 academic year, be noted;
- (b) That the expectations for future developments in learning and the ways that Leeds intends to diminish differences between key groups across the city; including those pupils with pupil premium funding, SEND (Special Educational Needs and Disability) or within a minority group, be noted;
- (c) That the provision of ongoing support, challenge and intervention in Leeds be approved, in order to ensure that progress continues to be made towards Leeds becoming the best city for learning.

**28 Learning Places Programme - Request for Approval to Inject Basic Need Funding to Expand the Co-operative Academy of Leeds**

The Director of the Director of Children and Families submitted a report regarding proposals as part of the Learning Places Programme scheme to increase the Pupil Admissions Number at The Co-operative Academy of Leeds from 180 to 240 from September 2019, which would create an additional 300 places across years 7 – 11. In addition, the submitted report sought approval to undertake related capital expenditure.

**RESOLVED –**

- (a) That 'Authority to spend' on the Learning Places Programme for the expansion of The Co-operative Academy of Leeds at a total value of £4.1m, as detailed within the submitted report, be approved;
- (b) That it be noted that it is currently envisaged that the scheme will be completed by October 2019, however it is also noted that discussions are ongoing between all parties to look at ways in which to bring this date forward to September 2019;
- (c) That it be noted, that if the required works cannot be completed by September 2019, a contingency plan will be developed to ensure that the Academy is able to accommodate the additional pupil numbers;
- (d) That it be noted that the Chief Officer, Asset Management and Regeneration is responsible for the delivery of the scheme.

**29 Outcome of consultation to increase learning places at Moor Allerton Hall Primary School**

Further to Minute No. 138, 7<sup>th</sup> February 2018, the Director of Children and Families submitted a report which detailed the outcome of the consultation undertaken regarding proposals to permanently expand primary school provision at Moor Allerton Hall Primary School from 2 form entry to 3 form entry and which sought permission to publish a Statutory Notice in respect of such proposals.

Responding to an enquiry, assurance was provided to the Board that the proposals being put forward were not simply a short term measure for that area.

Prior to the meeting, Board Members were in receipt of a re-circulated version of the submitted cover report, as it had been noted that parts of sections 3.13-3.14 and 4.3 of the original version had been either mis-formatted or had some text missing.

Having taken the resubmitted version of the cover report into consideration, it was

**RESOLVED –**

- (a) That the publication of a Statutory Notice on a proposal to permanently expand primary provision at Moor Allerton Hall Primary School from a capacity of 420 pupils to 630 pupils, with an increase in the admission number from 60 to 90, with effect from September 2019, be approved;
- (b) That it be noted that the previous proposals to form a through-school by joining together Moor Allerton Hall Primary School with Allerton Grange School, and to expand primary provision as part of that through-school, are not to be taken forward;
- (c) That approval be given to exempt the resolutions within this minute from the Call In process, for the reasons as set out within paragraph 4.5.2 of the submitted report;
- (d) That it be noted that the responsible officer for the implementation of such matters is the Head of Learning Systems.

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

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, as per resolution (c) above, and for the reasons as detailed within section 4.5.2 of the submitted report)

**30 European Structural and Investment Funds Programme 2014-2020: Supporting Young People into the Labour Market**

The Director of City Development submitted a report which sought authorisation to commit a maximum of £1.8m Council match-funding in order to deliver the Leeds element of the Leeds City Region Employment Hub Project (Routeways) and 'Not in Education, Employment or Training' (NEET) Youth Engagement and Progression (YEP) Projects. The submitted report highlighted how such projects would result in investment of up to £3.8m in the



city and £14m across the Leeds City Region, part funded by the European Structural and Investment Fund (ESIF).

**RESOLVED –**

- (a) That the Council, as a Delivery Partner, be authorised to work with:-
  - (i) the West Yorkshire Combined Authority under a Service Level Agreement, to deliver the Leeds City Region Employment Hub Project (Routeways), as part of the ESIF Sustainable Integration of Young People into the Labour Market Programme; and
  - (ii) City of Bradford Metropolitan District Council under a Service Level Agreement, to deliver the YEP Project, as part of the ESIF Sustainable Integration of Young People into the Labour Market Programme.
  
- (b) That the following total expenditure be approved:-
  - (i) up to £1.4m by the Council inclusive of £0.7m maximum match funding to deliver the Leeds element of the YEP project over the next three years, 2018-2021;
  - (ii) up to £2.1m by the Council inclusive of £1.1m maximum match funding to deliver the Leeds element of the Routeways project over the next three years, 2018-2021;
  
- (c) That it be noted that the Head of Projects and Programmes in the Employment and Skills Service will be responsible for the implementation of both projects in Leeds, which are anticipated to commence by August 2018 and be completed by August 2021.

**31 LGBT+ Inclusive City**

Further to Minute No. 105, 7<sup>th</sup> November 2012, the Director of Communities and Environment submitted a report which provided an update on the progress made over the past 6 years since the LGBT+ Friendly City report was considered by the Board. In addition, the report highlighted the work of the re-launched LGBT+ Hub and the Council's LGBT+ Staff Network in contributing towards the development of the agenda alongside partners in the public, Third and Business Sectors.

**RESOLVED –**

- (a) That the current and ongoing work undertaken to make Leeds an LGBT+ Inclusive City be noted, and that support be provided to the LGBT+ Hub in developing and maintaining a forward work programme, together with success measures which reflect the work streams outlined within the submitted report and appendix. It is also noted that the work programme is to be co-produced and owned between the LGBT+ Hub and the LGBT+ community;
  
- (b) That support be given to the cross city partnership approach that has developed between the Council, other public bodies, the Third and Business Sectors to deliver on the Inclusive City agenda;

- (c) That support be given to the work undertaken to address the lack of LGBT+ community infrastructure within the city relative to other major urban areas;
- (d) That continued support be given to the leadership role of senior officers, Elected Members and partners in taking forward the LGBT+ equality agenda, with recognition being given to the significant positive impact that the work of champions and allies has in delivering outcomes;
- (e) That the intention for the LGBT+ Hub to develop a forward work programme with a 5 year prioritised timeframe, be noted, together with the fact that the responsibility for supporting the associated resolutions arising from this report will sit with the Director of Communities and Environment and Chief Officer Communities.

**DATE OF PUBLICATION:**

FRIDAY, 29<sup>TH</sup> JUNE 2018

**LAST DATE FOR CALL IN  
OF ELIGIBLE DECISIONS:**

5.00PM, FRIDAY, 6<sup>TH</sup> JULY 2018

Draft minutes to be approved at the meeting  
to be held on Wednesday, 25th July, 2018

Councillor Paul Truswell  
Chair, Scrutiny Board (Infrastructure,  
Investment & Inclusive Growth)  
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Date: 13 July 2017

Dear Cllr Truswell,

### **Request for Scrutiny – Annual Pedestrian Crossing Review**

I am writing to you to request that your Scrutiny Board undertakes scrutiny of the Council's Annual Pedestrian Crossing Review.

The Council recently published a delegated decision on this subject in which it presented proposals for pedestrian improvements across the city. As ward members for Horsforth, we were disappointed to see that there were no proposals for a scheme to address pedestrian safety issues on Low Lane in Horsforth Ward.

I subsequently met and corresponded with officers in Highways to seek an explanation for this road being excluded, despite it being the site of a number of accidents in recent years. As ward councillors we did consider calling-in the decision, but were ultimately persuaded by the argument that this would lead to unacceptable delays to the delivery of the city-wide programme and the consequential impact on road safety.

Nevertheless, through learning more about the process by which this decision was taken, I do believe that there are significant issues with transparency and the consultation process as well as the methodology used to make the recommendations.

In terms of transparency and consultation, the proposals were developed by officers and presented to an officer-only body for approval, the Highways Board. Ward members were not consulted and so had no opportunity to comment or provide challenge, or present the concerns of local residents. The delegated decision was taken and published, but by this point questioning one scheme would have meant holding up the entire programme. It is my belief that this lack of consultation and member input has led to a number of roads falling through the cracks.

Secondly, on methodology, we discussed why Low Lane had not met the criteria necessary to see it recommended for a scheme. I have to say, whilst I understand the process has been reviewed and improved since 2016, I am not satisfied that the current survey data and methodology used by the department is sufficient to capture all relevant information about roads that require safety improvements. The data on pedestrian crossing frequency on Low Lane, for example, simply does not match what we as ward members and local residents know to be the reality of crossing this road. Furthermore, we were concerned to learn that the fact that match-funding was offered for the Low Lane scheme did not count towards the road's evaluation score, even though this would clearly have been beneficial for the council's finances.

In summary, I am concerned that the current process for bringing schemes forward for pedestrian improvements does not sufficiently involve ward members. The issues outlined above are not specific to Horsforth, but rather reflect a systemic issue with how these proposals are developed. As a result there is a very real possibility that a number of roads across the city are not receiving the attention they need, which raises significant problems for road safety.

I think this would be a fruitful subject for scrutiny as it clearly presents issues and concerns that are relevant for every ward in the city. I hope that you will seriously consider including this matter as part of your work programme this year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Collins', with a stylized flourish at the end.

**Councillor Dawn Collins**  
**Horsforth Ward**