Leeds
CITY COUNCIL

SCRUTINY BOARD (STRATEGY AND RESOURCES)

**Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Monday, 10th September, 2018 at 10.30 am**

(A pre-meeting will take place for ALL Members of the Board at 10.00 a.m.)

MEMBERSHIP

Councillors

G Almas	-	Beeston and Holbeck;
A Blackburn	-	Farnley and Wortley;
S Firth	-	Harewood;
J Goddard	-	Roundhay;
P Grahame (Chair)	-	Cross Gates and Whinmoor;
D Jenkins	-	Killingbeck and Seacroft;
J McKenna	-	Armley;
M Robinson	-	Harewood;
A Smart	-	Armley;
P Wray	-	Hunslet and Riverside;

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

**Principal Scrutiny Adviser:
Angela Brogden
Tel: 37 88661**

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A G E N D A

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

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			**LATE ITEMS**	
			To identify items which have been admitted to the agenda by the Chair for consideration.	
			(The special circumstances shall be specified in the minutes.)	
4			**DECLARATION 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 - 16TH JULY 2018**	1 - 4
			To confirm as a correct record, the minutes of the meeting held on 16th July 2018.	
7			**DRAFT GAMBLING ACT 2005 STATEMENT OF LICENSING POLICY**	5 - 82
			To receive a report from the Chief Officer Elections and Regulatory in relation to the current review of the Gambling Act 2005 Statement of Licensing Policy.	
8			**CIVIC ENTERPRISE LEEDS - 2018/19 QUARTER 1 PERFORMANCE UPDATE**	83 - 146
			To receive a report from the Head of Governance and Scrutiny Support presenting the 2018/19 Quarter 1 performance results relating to Civic Enterprise Leeds.	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			**MEDIUM TERM FINANCIAL STRATEGY 2019/20 - 2021/22** To receive a report from the Head of Governance and Scrutiny Support presenting details of the Council's Medium Term Financial Strategy for 2019/20 - 2021/22.	147 - 176
10			**ANNUAL CORPORATE RISK MANAGEMENT REPORT** To receive a report from the Head of Governance and Scrutiny Support presenting details of the Council's Annual Corporate Risk Management Report.	177 - 240
11			**SCRUTINY INQUIRY - EMBRACING DIGITAL TECHNOLOGY SOLUTIONS - DRAFT TERMS OF REFERENCE** To receive a report from the Head of Governance and Scrutiny Support presenting draft terms of reference for the Board's forthcoming inquiry 'Embracing Digital Technology Solutions'.	241 - 246
12			**WORK SCHEDULE** To consider the Scrutiny Board's work schedule for the 2018/19 municipal year.	247 - 264
13			**DATE AND TIME OF NEXT MEETING** Monday, 12th November 2018 at 10.30 am (pre-meeting for all Board Members at 10.00 am)	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
			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 (STRATEGY AND RESOURCES)

MONDAY, 16TH JULY, 2018

PRESENT: Councillor P Grahame in the Chair

Councillors G Almas, A Blackburn, S Firth,
J Goddard, R Grahame, D Jenkins,
J McKenna, D Ragan and M Robinson

14   Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

15   Exempt Information - Possible Exclusion of the Press and Public

There were no exempt items.

16   Late Items

There were no late items.

17   Declaration of Disclosable Pecuniary Interests

No declarations of disclosable pecuniary interests were made.

18   Apologies for Absence and Notification of Substitutes

Apologies for absence were received from Councillor P Wray and Councillor A Smart. Notification had been received that Councillor R Grahame was to substitute for Councillor Wray, and Councillor D Ragan for Councillor A Smart.

19   Minutes - 18th June 2018

RESOLVED – That the minutes of the meeting held on 18th June 2018 be approved as a correct record.

20   Financial Performance - 2017/18 Outturn

The Head of Governance and Scrutiny Support submitted a report that introduced a report considered by the Executive Board at its meeting on 27th June 2018, which set out the Council's financial outturn position for 2017/18 for both revenue and capital.

The following were in attendance for this item:

- Councillor James Lewis, Executive Member for Resources and Sustainability

Draft minutes to be approved at the meeting
to be held on Monday, 10th September, 2018

- Doug Meeson, Chief Officer, Financial Services
- Richard Ellis, Head of Finance

Members discussed a number of matters, including:

- *The Housing Revenue Account (HRA) surplus*. Officers present confirmed that underspend is carried forward and ring-fenced to the HRA for future spending. It was also noted that the surplus of £1.4m should be considered in the context of the HRA's turnover of £253m.
- *Successful VAT claim in relation to sports admissions.* Members were pleased to hear of the £7.3m income through VAT claims for sport admissions, and wished for their congratulations to the officers responsible to be noted.
- *Planning and Building Control Service*. The Board congratulated the service for generating a surplus income of £0.7m and suggested that some of the surplus be allocated to recruitment within Planning and Building Control services.
- *Unused Council-owned buildings*. Members noted a number of Council owned buildings in their wards that they knew to be vacant, some of which were suggested to have been vacant for a number of years. Officers present confirmed that they would supply the Board with the relevant information for all Council owned buildings Members listed. Members agreed for more detailed discussions to take place at a future Board meeting (minute 23 refers), to understand the prevalence of unused Council buildings across the city and the financial implications of this to the Council.
- *Housing Benefit budget shortfall*. Members sought clarity regarding the £1.9m shortfall and were informed by officers that when an overpayment is made, the grant received from central government is reduced. The level of overpayments was less than projected, which in turn reduces the level of income receivable from the Government. However, Members were also informed that there are other factors within the Welfare & Benefits service which have reduced the overall level of overspend in the service to £0.7m.
- *School reserves.* Members were informed that the large surplus in school reserves cannot be controlled by the Council, as budgets are determined directly by local authority maintained schools' governing bodies. Members were also informed that the figure represents the net balance carried forward for all schools, and will include deficits as well as surpluses.
- *Collection of Council Tax.* Members sought clarification of the monetary value of the percentages provided in the report. Officers informed Members that every 1% of Council Tax receivable equates to £3m. The overall target for Council Tax collection is 99%, since taxes are still being collected after the financial year in which they are due. The percentages shown are limited to in-year collection, whereas if account is taken of collection after the year that the debit is due then the collection rate is higher than that contained in the report e.g. Council Tax collected prior to 2013 is 99.31%. It was agreed that overall

collection rates and how this equated to money receivable should be included in future reports.

RESOLVED – That the contents of the report be noted and the requests for information be provided to the Board.

21 **Financial health monitoring 2018/19 (Month 2)**

The Head of Governance and Scrutiny Support submitted a report that introduced a report considered by the Executive Board at its meeting on 27th June 2018, which detailed the Council's projected financial heath position for 2018/19 at month 2.

The following were in attendance for this item:

- Councillor James Lewis, Executive Member for Resources and Sustainability
- Doug Meeson, Chief Officer, Financial Services
- Richard Ellis, Head of Finance

RESOLVED – That the contents of the report be noted.

22 **Treasury Management Outturn for 2017/18**

The Head of Governance and Scrutiny Support submitted a report that introduced a report considered by the Executive Board at its meeting on 27th June 2018, which provided a final update on Treasury Management Strategy and operations in 2017/18.

The following were in attendance for this item:

- Councillor James Lewis, Executive Member for Resources and Sustainability
- Doug Meeson, Chief Officer, Financial Services
- Richard Ellis, Head of Finance

Members discussed a number of matters, including:

- *Minimum Revenue Position (MRP).* Concerns around the impact of MRP on the Council's budget from 2020/21 where there is a requirement to increase the level of budgetary provision for this. . Officers assured Members that the Council's latest Medium Term Financial Strategy, to be received at July's Executive Board will reflect this requirement.
- *Challenge regarding the 2016/17 Statement of Accounts.* Members were concerned about the status of the objection, and were informed that the objection was in regards to the Council's use of Lenders Option Borrowers Option (LOBOs). However, Officers were expecting to receive a positive response from KPMG by the end of the month and would be reporting back to the Corporate Governance and Audit

Committee in due course. Members were also informed that there had not been any objections to the 2018/19 Statement of Accounts.

- *Protective claim against Barclays.* The Board acknowledged the Council's recent action to issue a protective claim against Barclays in connection with the bank's involvement in manipulation of the Libor benchmark rate and its impact on the Council's entry into certain LOBO transactions with the bank.

RESOLVED – That the contents of the report be noted.

23   Work Schedule

The Head of Governance and Scrutiny Support submitted a report setting out the main issues highlighted and discussed at the Board's previous meeting in June 2018 and introducing the Board's proposed 2018/19 work schedule for consideration.

The Principal Scrutiny Adviser introduced the report and outlined the areas within the work programme.

The Board also acknowledged that a working group meeting had been arranged for 1st August 2018 to discuss the potential scope for the Board's forthcoming Inquiry into the Digitalisation of Services.

RESOLVED – That the outline work programme presented at the meeting be agreed, with the addition of an item focusing on unused Council-owned buildings to the September schedule.

24   Date and Time of Next Meeting

The next meeting of the Scrutiny Board – Strategy and Resources to take place on Monday 10th September 2018 at 10:30am (pre-meeting for all Board Members at 10:00am).

(The meeting concluded at 11:50am)

Leeds
CITY COUNCIL

Report author: Susan Holden

Tel: 85331

Report of the Chief Officer Elections and Regulatory

Report to Scrutiny Board (Strategy and Resources)

Date: **10th September 2018**

Subject: **Gambling Act 2005 Statement of Licensing Policy**

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

Summary of main issues

1. Every three years the Council is required by the Gambling Act 2005 to review the Gambling Act 2005 Statement of Licensing Policy (Licensing Policy), and to consult upon any changes.

2. The three yearly review is taking place this year and officers have reviewed the current policy and made suggestions in line with changes to Gambling Commissions Licence Conditions and Codes of Practice. The reviewed policy has been presented to the public for consultation in line with the requirements of the Act. It has elicited five responses, two from gambling operators, one from a support organisation and two from parish councils.

3. Having reviewed these responses the revised Policy is now presented to Scrutiny Board (Strategy and Resources) for their comments before referring to Executive Board for onward referral for adoption to Council under the Budgetary and Policy Framework.

Recommendations

4. That Scrutiny Board (Strategy and Resources) consider the contents of the report and provide comments or recommendations to Executive Board in line with the Budgetary and Policy Framework.

1.0   Purpose of this report

1.1   To advise Scrutiny Board (Strategy and Resources) that the triennial review of the Gambling Act 2005 Statement of Licensing Policy is underway with the public consultation having taken place.

1.2   To request that Scrutiny Board (Strategy and Resources) consider the contents of the report and provide comments or recommendations to Executive Board in line with the Budgetary and Policy Framework.

2.0   Background information

2.1   Under Section 349 of the Gambling Act 2005 the Licensing Authority is required to prepare a statement of principles that they propose to apply in exercising their functions under this Act. This process is to be repeated every three years from 31st January 2007.

2.2   The consultation process is laid out clearly in the Gambling Act 2005, the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 and the Guidance to Licensing Authorities issued by the Gambling Commission (www.gamblingcommission.gov.uk).

3.0   Main issues

3.1   This will be the fifth time that the council has reviewed and amended the Gambling Act 2005 Statement of Licensing Policy (Licensing Policy).

3.2   In the last three years there have been a number of issues that have come to the attention of councils nationwide. The most publicly reported of which is the increase in the number of Fixed Odds Betting Terminals in premises in deprived areas. In Leeds, although there has not been a significant change in the number of betting shops, there has been movement and more premises are opening in deprived areas.

3.3   Also the Large Casino has opened in Leeds city centre. As part of the undertakings made when the ability to grant the licence was awarded to Leeds, the council commissioned research from Leeds Beckett University to identify problem gambling in Leeds. This research detailed a number of groups that are vulnerable to problem gambling. This information has been included in this revision of the policy.

3.4   As part of the review process officers have contacted the responsible authorities (including West Yorkshire Police, Public Health, West Yorkshire Fire and Rescue Services, Leeds Safeguarding Children Board) who have made no further comments.

3.5   Officers have worked with Public Health and the council's Financial Inclusion Team on matters related to the study the council commissioned into problem gambling.

3.6   The Licensing Policy draft was approved by Delegated Decision Notice in June 2018 and underwent a public consultation which ran from mid June to early August 2018. The consultation was advertised by way of letters and emails to over 300 businesses, ward councillors, MPs, parish and town councils and support organisations. The council has received five responses to the public consultation. Two have been received from gambling operators, two have been received from parish council and one from a support organisation. The Consultation Report is attached at appendix 1. As none of the responses are from individuals, the names of the organisations have been included.

3.7   The responses have been reviewed and a summary of the resultant changes are included within Appendix 1. The amended Licensing Policy with track changes is attached at Appendix 2.

3.8   The approval of the policy is a matter for full Council. The approval process follows the Budgetary and Policy Framework. The suggested timescale for approval is as follows:

Scrutiny Board   10th September
Executive Board   17th October
Council   14th November

4.0   Corporate Considerations

4.1   Consultation and Engagement

4.1.1   The Licensing Policy is subject to a statutory consultation. It is planned to use this opportunity to consult with the statutory consultees and ward member, parish and town councils and Citizen Advice Bureau.

4.2   Equality and Diversity / Cohesion and Integration

4.2.1   The Licensing Policy review process is subject to an EDCI Assessment, and a screening form has been completed. It is attached at Appendix 3.

4.3   Council Policies and City Priorities

4.3.1   The licensing regime contributes to the following Best Council Plan 2018-21 outcomes:

- Keeping people safe from harm, protecting the most vulnerable
- Helping people out of financial hardship
- Tackling crime and anti-social behaviour
- Being responsive to local needs, building thriving, resilient communities
- Promoting community respect and resilience

4.3.2   The licensing regime contributes to our best Council ambition of being an efficient and enterprising organisation

4.4 Resources and Value for Money

4.4.1 A review of the effectiveness of specific consultation methods has been instrumental in reducing costs. The public consultation of the policy is now mostly undertaken by email, which has helped reduce the cost further.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications for this report.

4.6 Risk Management

4.6.1 Scrutiny Board has the option of recommending that further work is undertaken. The risk is this would impact on the policy approval timescales. A revised policy must be in place by January 2019 in order for the council to continue determining gambling licences and authorisations under the Gambling Act 2005.

5 Conclusions

5.1 The Statement of Licensing Policy is under statutory review. A public consultation has been undertaken and the policy reviewed based on the comments received. The final draft policy and the consultation report has been presented for endorsement to Licensing Committee on the 4th September (verbal report of the outcome of that meeting to be presented by officers due to the tight timescales).

5.2 Approval of the Policy is a matter for full Council following the Budgetary and Policy Framework therefore the next step is for the policy to be presented to Executive Board along with comments or recommendations from Scrutiny Board. The next available Executive Board is on 17th October.

6 Recommendations

6.1 That Scrutiny Board (Strategy and Resources) consider the contents of the report and provide comments or recommendations to Executive Board in line with the Budgetary and Policy Framework.

7 Background documents[1]

7.1 There are no unpublished background documents that relate to this matter.

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[1] 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.

Consultation Report

Gambling Act 2005

The Gambling Act 2005 Statement of Licensing Policy has been reviewed and undergone a public consultation. A number of responses were received and are included within this report along with the Council's comments and suggested changes to the Policy.

Purpose of this report

To present the consultation responses and the council's proposed changes.

Background information

Under Section 349 of the Gambling Act 2005 the Licensing Authority is required to prepare a statement of principles that they propose to apply in exercising their functions under this Act. This process is to be repeated every three years from 31st January 2007.

The consultation process is laid out clearly in the Gambling Act 2005, the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 and the Guidance to Licensing Authorities issued by the Gambling Commission (www.gamblingcommission.gov.uk).

Main issues

This will be the fifth time that the council has reviewed and amended the Gambling Act 2005 Statement of Licensing Policy (Licensing Policy).

In the last three years there have been a number of issues that have come to the attention of councils nationwide, the most publicly reported of which is the increase in the number of Fixed Odds Betting Terminals in premises in deprived areas. In Leeds, although there has not been a significant change in the number of betting shops, there has been movement and more premises are opening in deprived areas.

The Large Casino has also opened in Leeds city centre. As part of the undertakings made when the ability to grant the licence was awarded to Leeds, the council commissioned research from Leeds Beckett University to identify problem gambling in Leeds. This research detailed a number of groups that are vulnerable to problem gambling. This information has been included in this revision of the policy.

As part of the review process officers have contacted the responsible authorities (including West Yorkshire Police, Public Health, West Yorkshire Fire and Rescue Services, Leeds Safeguarding Children Board) who have made no further comments. Officers have worked with Public Health and the council's Financial Inclusion Team on matters related to the study the council commissioned into problem gambling.

Leeds City Council consulted widely upon this policy statement before finalising and publishing it. The policy was presented for public consultation on the website, and by email and post to solicitors, licensees, support organisations, responsible authorities, ward members, MPs, trade associations, and parish councils. In total 170 emails and 526 letters were sent advising interested parties of the consultation. The consultation was also advertised via a press release. The consultation took place between 11th June and 5th August 2018 and followed the Cabinet Office's Code of Practice on Consultation. The responses are provided in this document, along with the Council's response.

The approval process follows the Budgetary and Policy Framework. The suggested timescale for approval is as follows:

Scrutiny Board	10th September
Executive Board	17th October
Council	14th November

Consultation Responses

Consultation Response from Luxury Leisure and Talarius Limited

Thank you for the opportunity to make comments on the above consultation. On behalf of Luxury Leisure and Talarius Limited I make the following comments in relation to the consultation draft (the "Draft"):-

1. As the Authority will appreciate, in matters of regulation under the Gambling Act 2005 (the "Act") it is subject to the Regulators' Code. That code imposes a number of obligations on the Authority, including one that it should carry out its activities in a way that it supports those it regulates to comply and grow. Additionally under the Code, when designing and reviewing policies, the Authority must among other things, understand and minimise the negative economic impact of its regulatory activities and regulate and minimise the costs of compliance of those it regulates. Further, the Authority should take an evidence-based approach in determining priority risks and recognise the compliance record of those it regulates. I cannot see a reference to the Regulators' Code in the current Draft and suggest that it is incorporated.

Council Response: A reference to the Regulators' Code can be included within the Enforcement section.

2. Para 14.10 – It would seem that some wording might be missing from this paragraph – perhaps after "In order for location to be considered".....?

Council Response: This is a formatting error and this sentence should form part of the previous section. This can be moved so that it sits in the right place and makes more sense in context.

3. Para 14.12 – As the Authority will appreciate, moral objections to gambling are not valid in relation to applications under the Act. As such, we do not understand why the proximity of places of worship is relevant to the licensing objectives or Local Risk Assessments. We suggest this bullet point be removed.

Council Response: Not only are places of worship considered to be sensitive locations as they may provide refuge to those in need, many churches host 12 step programmes to support addiction treatment. Even if the church in question does not host a specific gambling addiction treatment programme, gambling addiction is commonly co-morbid with other addictions such as alcohol and many more churches host alcohol treatment programmes. For this reason their locality to gambling premises should be considered within the local risk assessments.

4. Para 14.13 – the 4th bullet point refers to the local exchange of information about "self-exclusions and gaming trends". It is not clear between whom information is to be exchanged. The Authority will be aware of MOSES schemes but equally aware of the provisions of GDPR. It is not clear what the Authority has in mind in terms of "gaming trends" in this regard.

Council Response: Any data shared with the authority would be anonymised and therefore would not fall under the provisions of GDPR. The licensing authority has no need for sensitive personal data on individuals in regard to self-exclusions and gaming trends. This will be made clearer in that paragraph.

5. In the 5th bullet point reference is made to not having advertisements to "entice passers-by". Gambling facilities provided under the Act are perfectly legal, provided they are provided in a compliant manner. There is no general blanket ban on advertising. It is of course subject to the LCCP and the CAP code and made in a responsible way. It is not prohibited and we suggest this bullet point be amended.

Council response: In order to be consistent with the objective of the protection of children and vulnerable people, licence holders should consider if their advertisements are likely to attract children and vulnerable people. This can be clarified in the policy.

6. Para 14.18 – It would be helpful if a link to the Local Area Profile was inserted.

Council response: As it's possible the link will change throughout the lifetime of the policy, and may even be withdrawn, it is preferable for potential applicants to contact Entertainment Licensing who will not only provide the guidance in relation to the application but also the correct link at that time.

7. Para 14.22 – In our opinion, the wording of this para strays dangerously close to issues of demand. The issue of impact on vulnerable people is properly a matter for the LRA, which is dealt with in detail at paras 14.10 – 14.17. We suggest this para be removed. At worst it risks being interpreted as a demand issue and at best it duplicates the provisions on the LRA.

Council response: We concur that this matter is dealt with in the paragraphs which concentrate on location and also in the Local Risk assessment section and para 14.22 should be moved to that place in the Policy (around 14.8). The purpose of this paragraph was to ensure that the location of other gambling licensed premises is taken into consideration when premises are completing their local risk assessment. For example in some areas, gambling premises may want to set up a communication link with other premises so that local information can be shared. Similarly, the presence of other gambling premises in the area may have an impact on the licensing objectives which could be adequately addressed through the local risk assessment. However the commercial demand for gambling premises is not a matter that can be taken into consideration, and this will be clarified within the policy.

8. Para 14.27, bullet point 11 – Legislators made the decision that children are to be allowed without an adult in specific premises and this is enshrined in the Act. With respect, it is not for the Authority to seek to amend that legislation through the SoP. If there are concerns about supervision in specific premises, the Authority has enforcement power and powers of review. To include such a condition amongst the suggested conditions that could be imposed without evidence of any issue, would be wholly inappropriate.

Council response: In para 14.24 it is clear that conditions would only be imposed where there are specific risks or problems associated with a particular locality or specific premises, or class of premises.

9. The final bullet point refers to "obscuring windows". It is not clear to us what is meant by this, but if it is intended to suggest that a condition be attached requiring shop front windows to be obscured, without evidence of a specific issue, we submit that would be wholly inappropriate.

Council response: Again in para 14.24 conditions would only be imposed where there are specific risks or problems.

10. Para 16.4 – the licensing objective set out in the Act that is relevant to this paragraph is outlined at section 13 – i.e. "protecting children and other vulnerable persons form being harmed or exploited by gambling". The harm that is relevant under the Act is that caused by the gambling facilities in question. It is not harm in the wider sense – the Authority has other enforcement powers in relation harm caused in other ways and to seek to incorporate other harm in the SoP would be to duplicate regimes. Under the Act, the SoP is a statement of the principles which the Authority proposes to exercise in applying its functions under the Act, as is acknowledged on page 5 of the Draft. Accordingly we recommend that the final sentence of this bullet point is removed from the Draft.

Council response: Family entertainment centres are premises which are attractive to children and where children are permitted to enter and use the facilities without the supervision of an adult. The final sentence of paragraph at 16.4 is explained in more detail in paragraphs 16.5.

11. Para 16.5 – The operator's policies and procedures are referred to in general terms with some examples of that may be included. However, unlike the other bullet points, the final bullet point goes beyond the generalities, which does not seem appropriate in the context of the paragraph. Removing it will not constrain the Authority, or applicants in assessing what might be suitable for specific premises. Indeed much of the wording is much more akin to a condition.

Council response: Yes, we concur. The detail has been replaced with a sentence that directs applicants to West Yorkshire Police for further advice.

12. Paras 17 and 19 – we note that no wording has been included for casinos or betting premises in the same terms as appears at 15.3 for AGCs. This does not seem consistent and we would expect the words to be replicated for these adult only environments.

Council response: Yes, this is a fair point and the policy will be amended accordingly.

Consultation Response from Gamcare

Thank you for your email, we appreciate your interest in our work.

We would suggest that Local Licensing Authorities primarily consider applications from GamCare Certified operators. GamCare Certification is a voluntary process comprising an independent audit assessment of an operator's player protection measures and social responsibility standards, policy and practice. Standards are measured in accordance with the GamCare Player Protection Code of Practice. If you would like more information on how our audit can support Local Licensing Authorities, please contact mike.kenward@gamcare.org.uk or paul.carpenter@gamcare.org.uk.

For more information on GamCare training and other services available to local authorities, as well as recommended training for gambling operators, please see the attached brochures.

Council response: The council thanks GamCare for their response, and the information provided regarding GamCare Certified operators. The licensing process and the Gambling Act require the licensing authority to permit gambling if it is reasonably consistent with the licensing objectives, the Gambling Commissions Guidance for Licensing Authorities and the Statement of Licensing Policy. An application that does not attract a representation it is granted automatically. Otherwise a licensing subcommittee would only consider the contents of any such representation when deciding to grant a licence. Although an applicant can use their GamCare certification as a way of demonstrating the quality of player protection measures and social responsibility standards, this would only be considered if these matters are relevant to the received representations.

Consultation Response from Rawdon Parish Council

Rawdon Parish Council have considered the consultation documents and are of the view that regulation of gambling in the city should be tightened to the maximum extent permitted within the law.

Council response: The council thanks Rawdon Parish Council for their comments.

Consultation Response from Swillington Parish Council

Swillington Parish Council has noted the contents of the statement of the licensing policy and in in favour of the proposals with no other comments to make.

Council response: The council thanks Swillington Parish Council for their comments.

Consultation Response from the Racecourse Association Ltd

I am writing on behalf of the Racecourse Association, the trade association for horse racecourses in Great Britain. We have reviewed the revision of statement of gambling licensing policy for Leeds City Council, to which we would like the opportunity to respond on behalf of our members.

Local Risk Assessment (Paragraph 14.12 – 14.17) – The Council is asked to be aware that racecourse is not obliged to conduct a risk assessment, that is the responsibility of the operator on the track. We would request that this is specified in the consultation.

Council response: This can be clarified within the policy.

Conclusions

Officers have completed the review of the Licensing Policy following the public consultation and have produced a final policy for approval. The policy now continues on the budget and policy framework and will be presented to Scrutiny Panel in September, Executive Board in October and Council in November. The Gambling Act 2005 Statement of Licensing Policy 2019-2021, once adopted, will come into effect on 31st January 2019.

Statement of Licensing Policy 2019 – 2021

Gambling Act 2005

Further copies of this document can be obtained from:

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The Gambling Act 2005 obtained Royal Assent in 2005 and came into effect in 2007.

Under Section 349 of the Gambling Act 2005 the Licensing Authority is required to prepare a statement of principles that they propose to apply in exercising their functions under this Act. This process is to be repeated every three years from 31st January 2007.

The consultation process is laid out clearly in the Gambling Act 2005, the Gambling Act 2005 (Licensing Authority Policy Statement)(England and Wales) Regulations 2006 and the Guidance to Licensing Authorities issued by the Gambling Commission (www.gamblingcommission.gov.uk).

The purpose of the Statement of Licensing Policy is to set out the principles that the Council propose to apply when determining licences, permits and registrations under the Gambling Act 2005.

Any decision taken by the Council in regard to determination of licences, permits and registrations should aim to permit the use of premises for gambling in so far as it is reasonably consistent with the licensing objectives which are:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable persons from being harmed or exploited by gambling

The principles to be applied specifically to the determination of premises licence applications include definition of premises, location, duplication with other regulatory regimes, conditions, door supervision, layout of the premises and supervision of gaming facilities. The policy also specifically mentions adult gaming centres, family entertainment centres, casinos, bingo premises, betting premises, tracks and travelling fairs.

The council has the ability to issue permits for prize gaming and unlicensed family entertainment centres. The council is able to specify the information it requires as part of the application process which will aid determination and this information is described in this Policy.

Club gaming and club machine permits are also issued by the council. The process for this is described, along with other processes specified in the legislation for example temporary use notices, occasional use notices and small society lotteries.

Enforcement of the legislation is a requirement of the Act that is undertaken by the council in conjunction with the Gambling Commission. The policy describes the council's enforcement principles and the principles underpinning the right of review.

The policy has three appendices, describing the stakes and prizes which determine the category of a gaming machine, a glossary of terms and exempt gaming in pubs and clubs.

1.   The licensing objectives

1.1   Under the Gambling Act 2005 (the Act) Leeds City Council is the licensing authority for the Leeds district and licences premises for gambling activities as well as granting various other gambling permits. In this document, unless otherwise stated, any references to the council are to the Leeds Licensing Authority.

1.2   The council will carry out its functions under the Act with a view to aiming to permit the use of premises for gambling in so far as it is reasonably consistent with the three licensing objectives set out at Section 1 of the Act. The licensing objectives are:

- preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- ensuring that gambling is conducted in a fair and open way
- protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.3   More information can be found about how the council will achieve this in Part B and C of this document.

1.4   The council will follow any regulations and statutory guidance issued in accordance with the Act and will have regard to any codes of practice issued by the national gambling regulator, the Gambling Commission.

1.5   The council is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it is:

- in accordance with any relevant code of practice issued by the Gambling Commission
- in accordance with any relevant guidance issued by the Gambling Commission
- reasonably consistent with the licensing objectives and
- in accordance with this document.

1.6   The Gambling Commission's Licence Conditions and Code of Practice (LCCP) require gambling premises to undertake a risk assessment taking into consideration their local information. Specific information about localities is provided in this policy. at Section xxx.

2. The Leeds district
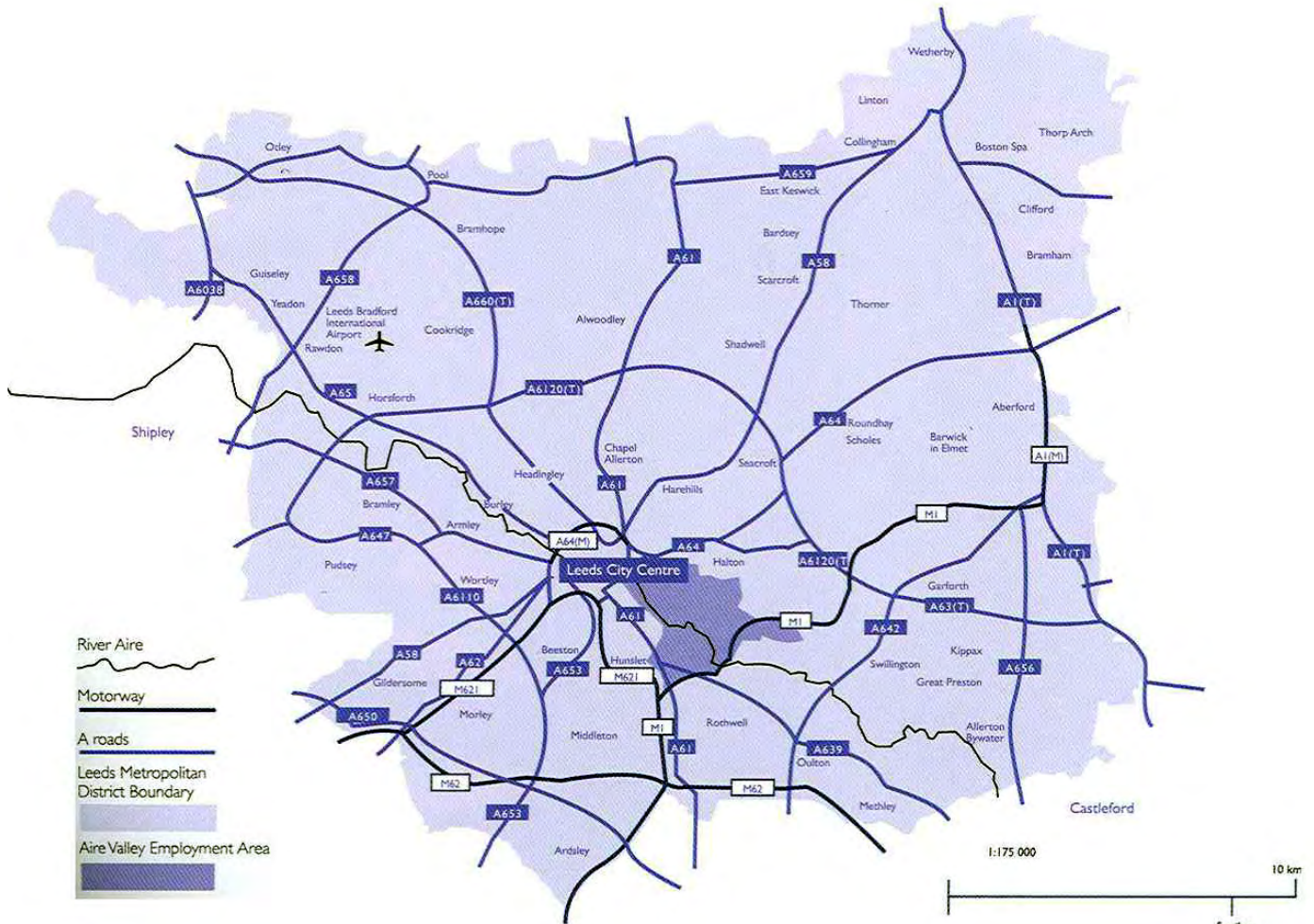
2.1 Leeds City Council has sought to establish Leeds as a major European city and cultural and social centre. It is the second largest metropolitan district in England and has a population of 2.2 million people living within a 30 minute drive of the city centre.

2.2 The Leeds metropolitan district extends over 562 square kilometres (217 square miles) and has a population of 761,481 (ONS, Population Estimates for UK as at 30 June 2013). It includes the city centre and the urban areas that surround it, the more rural outer suburbs and several towns, all with their very different identities. Two-thirds of the district is greenbelt (open land with restrictive building), and there is beautiful countryside within easy reach of the city.

2.3 Over recent years, Leeds has experienced significant levels of growth in entertainment use within the City, coupled with a significant increase in residential development. The close proximity of a range of land uses and the creation of mixed-use schemes has many benefits including the creation of a vibrant 24-hour city. Leeds City Council has a policy promoting mixed use development including residential and evening uses throughout the city centre.

2.4   Leeds has strong artistic traditions and top performing artistes can be seen at the Leeds first direct Arena, Leeds Town Hall and at other indoor and outdoor venues across the city. The success of arts and heritage organisations including the Grand Theatre, West Yorkshire Playhouse, Opera North, Northern Ballet Theatre, Phoenix Dance Theatre, Harewood House and the Henry Moore Institute, and other similar venues, has helped to attract other major arts and heritage investments such as the award winning Royal Armouries and the Thackray Medical Museum. The city also boasts a wealth of community based sports, entertainment, heritage and recreational facilities. There is a vibrant voluntary sector including thousands of groups and societies.

2.5   Sport is a passion for people in Leeds and Yorkshire. Leeds United Football Club has a loyal and passionate following and Elland Road is one of England's great traditional grounds. Cricket is followed with enthusiasm with Yorkshire Cricket Club's home in Headingley. Leeds has a world's first dual code rugby partnership – Leeds Rhino Rugby League and Leeds Carnegie Rugby Union. The Leeds Rhinos in particular have enjoyed great success in recent years. Wetherby racecourse was established in 1891 and is considered one of the best jump courses in the country.

2.6   Leeds is a city with many cultures, languages, races and faiths. A wide range of minority groups including Black Caribbean, Indian, Pakistani, Irish and Chinese as well as many other smaller communities make up almost 11% of the city population.

2.7   Leeds has a strong economy that has enabled the city to recover well from the recession. However, Leeds is also a city marked by health inequalities, indicating that not everyone has benefited from the economic growth equally. The number of neighbourhoods falling into the 10% most deprived nationally has increased since 2010 but the number of least derived neighbourhoods has also increased – the inequalities gap is getting wider.

2.8   Inclusive growth in Leeds should help reverse the worsening socio-economic position in many neighbourhoods, by focusing not just on quantity of growth but also quality; actions should reflect people's experience of opportunities, barriers, skills and employment and living standards.

2.9   Life expectancy in Leeds (2013-2015) is 80 years and 2.5 months. However for males and females living in deprived Leeds this is lower by 5 years 5 months and 4 years 8 months respectively.

2.10   A worrying trend of an increasing number of suicides among men was identified in Leeds. Although we are unable to establish to what extent gambling addiction has contributed to this, there is evidence that the majority of problem gamblers haves contemplated suicide. Furthermore people with poor mental health are at significantly high risk of problem gambling (Geofutures 2015).

2.11   For further health and deprivation information about the local area visit http://observatory.leeds.gov.uk.

3. Integration with other guidance, policies, objectives and strategies

Vision for Leeds

3.1 The Vision for Leeds 2011-2030 ~~is published by the Leeds Initiative, as the city's strategic partnership group. It~~ sets the overall aim that "by 2030, Leeds will be locally and internationally recognised as the best city in the UK". By 2030:
- Leeds will be fair, open and welcoming
- Leeds' economy will be prosperous and sustainable
- All Leeds' communities will be successful

3.2 This Statement of Licensing Policy seeks to promote the licensing objectives within the overall context of the three aims set out in the Vision for Leeds 2011-2030.

Best Council Plan

3.3 The Best Council Plan 2018/19 – 20/21 aims to address poverty and inequalities by maintain a long term strategic focus on strengthening the economy whilst supporting the most vulnerable.

Leeds Health and Wellbeing Strategy 2016-2021

3.4 Leeds Health and Wellbeing Strategy 2016-2021 describes the council's vision for health and wellbeing as 'Leeds will be a health and caring city for all ages, where people who are the poorest improve their health the fastest'. This policy is particularly affected by the following health and wellbeing priorities:
- Promote mental and physical health equally
- Stronger focus on prevention
- Housing and environment enable people… to be healthy

Child Friendly

3.5 The council has announced its intention for the city to become 'Child Friendly'. This links back to the council's vision which states:

'Best city… for children
Leeds will be a child-friendly city where the voices, needs and priorities of children and young people are heard and inform the way we make decisions and take action.'

3.6 There are over 180,000 children and young people in Leeds. To become a child friendly city, and the best city for children and young people, their voices and views need to be heard and responded to, and that they are active participants in their local community and citywide.

3.7 The UN convention on the rights of the child sets out the basic rights for children worldwide. The UN developed the model for child friendly city model – a place where children rights are known and understood by children and adults alike, and where these rights are reflected in policies and budgets.

3.8   As part of the aim for Leeds to become a child friendly city, the council declared 12 wishes.

3.9   This policy is particularly affected by wish 2 – "Children and young people find the city centre welcoming and safe, with friendly places to go, have fun and play" and wish 3 – "There are places and spaces to play and things to do, in all areas and open to all".

4.   The purpose of the Gambling Act 2005 – Statement of Licensing Policy

4.1   Licensing authorities are required by the Gambling Act 2005 to publish a statement of the principles which they propose to apply when exercising their functions under the Act. This document fulfils this requirement. Such statement must be published at least every three years. The statement can also be reviewed from "time to time" and any amendments must be consulted upon. The statement must then be re-published.

4.2   Leeds City Council consulted widely upon this policy statement before finalising and publishing it. The policy was presented for public consultation on the website, and by email and post to solicitors, licensees, support organisations, responsible authorities, ward members, MPs, trade associations, and parish councils. In total 170 emails and 526 letters were sent advising interested parties of the consultation. The consultation was also advertised via a press release~~on the council's Talking Point webpages~~.

4.3   The consultation took place between 11th June and 5th August 2018 and followed the Cabinet Office's Code of Practice on Consultation. The consultation elicited five responses which are available on request. The policy was approved at a meeting of the Full Council on 14th November 2018.

5.   The licensing framework

5.1   The Gambling Act 2005 brought about changes to the way that gambling is administered in the United Kingdom. The Gambling Commission is the national gambling regulator and has a lead role in working with central government and local authorities to regulate gambling activity.

5.2   The Gambling Commission issues operators licences and personal licences. Any operator wishing to provide gambling at a certain premises must have applied for the requisite personal licence and operator licence before they can approach the council for a premises licence. ~~In t~~This way, the Gambling Commission is able to screen applicants and organisations to ensure they have the correct credentials to operate gambling premises. The council's role is to ensure premises are suitable for providing gambling in line with the three licensing objectives and any codes of practice issued by the Gambling Commission. The council also issues various permits and notices to regulate smaller scale and or ad hoc gambling in various other locations such as pubs, clubs and hotels.

5.3   The council does not licence large society lotteries or remote gambling through websites. These areas fall to the Gambling Commission. The National Lottery is not licensed by the Gambling Act 2005 and is regulated by the Gambling Commission under the National Lottery Act 1993.

6. Declaration

6.1 This statement of licensing policy will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

6.2 In producing this document, the council declares that it has had regard to the licensing objectives of the Gambling Act 2005, the guidance issued by the Gambling Commission, and any responses from those consulted on the policy statement.

7. Responsible authorities

7.1 The Act empowers certain agencies to act as responsible authorities so that they can employ their particular area of expertise to help promote the licensing objectives. Responsible authorities are able to make representations about licence applications, or apply for a review of an existing licence. Responsible authorities will also offer advice and guidance to applicants.

7.2 The council is required by regulations to state the principles it will apply to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:
- the need for the body to be responsible for an area covering the whole of the licensing authority's area
- the need for the body to be answerable to democratically elected ~~persons~~people, rather than any particular vested interest group etc.

7.3 In accordance with the regulations the council designates the ~~L~~Local Safeguarding Children Board for this purpose. Leeds Safeguarding Children Board has produced a "West Yorkshire Consortium Procedures Manual which can be found at http://westyorkscb.proceduresonline.com.   Applicants may find this manual useful as a point of reference, a guide for good practice and the mechanism by which to make a referral to Social Care, when producing their own policies and procedures in relation to the objective of protection of children and vulnerable people.

7.4 The contact details of all the responsible authorities under the Gambling Act 2005 are available on the council's website within the guidance documents at http://www.leeds.gov.uk/Business/Pages/Gambling-Premises-Licences.aspx.

8. Interested parties

8.1 Interested parties are certain types of people or organisations that have the right to make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person-

a)   lives sufficiently close to the premises to be likely to be affected by the authorised activities,

b)   has business interests that might be affected by the authorised activities, or

c)   represents persons who satisfy paragraph (a) or (b)"

8.2   The council is required by regulations to state the principles it will apply to determine whether a person is an interested party. The principles are:

- Each case will be decided upon its merits. The council will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission's Guidance to local authorities.

- Within this framework the council will accept representations made on behalf of residents and tenants associations.

- In order to determine if an interested party lives or has business interests, sufficiently close to the premises which could be to be likely to be affected by the gambling activities, the council will consider factors such as the size of the premises and the nature of the activities taking place.

8.3   The council will provide more detailed information on the making of representations in a separate guidance note. The guidance note has been prepared in accordance with relevant Statutory Instruments and Gambling Commission guidance.

9.   Exchange of information

9.1   Licensing authorities are required to include in their policy statement the principles to be applied by the authority with regards to the exchange of information between it and the Gambling Commission, as well as other persons people listed in Schedule 6 to the Act.

9.2   The principle that the council applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 2018 1998 will not be contravened. The council will also have regard to any guidance issued by the Gambling Commission to local authorities on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

10.   Licensing authority functions

10.1   Licensing authorities are responsible under the Act for:

- licensing premises where gambling activities are to take place by issuing premises licences
- issuing provisional statements
- regulating members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- issuing Club Machine Permits to commercial clubs
- granting permits for the use of certain lower stake gaming machines at Unlicensed Family Entertainment Centres
- receiving notifications from alcohol licensed premises (under the Licensing Act 2003) of the use of two or less gaming machines
- granting Licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where more than two machines are required
- registering small society lotteries below prescribed thresholds
- issuing Prize Gaming Permits
- receiving and endorsing Temporary Use Notices
- receiving Occasional Use Notices (for tracks)
- providing information to the Gambling Commission regarding details of licences issued (see section above on 'Exchange of information')
- maintaining registers of the permits and licences that are issued under these functions.

10.2   The council will not be involved in licensing remote gambling at all. This will fall to the Gambling Commission via operator licences.

11. Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

11.1 The Gambling Commission will take a lead role in keeping gambling crime free by vetting all applicants for personal and operator licences. The council's main role is to try and promote this area with regard actual premises. Thus, where an area has known high levels of organised crime, the council will consider carefully whether gambling premises are suitable to be located there (see paragraph 13.8 and 13.9) and whether conditions may be required such as the provision of door supervision (see paragraph 13.15).

11.2 There is a distinction between disorder and nuisance. In order to make the distinction, when incidents of this nature occur, the council will consider factors such as whether police assistance was required and how threatening the behaviour was.

11.3 Issues of nuisance cannot be addressed by the Gambling Act provisions, however problems of this nature can be addressed through other legislation as appropriate.

11.4 Examples of the specific steps the council may take to address this area can be found in the various sections covering specific premises types in Part C of this document and also in Part D which covers permits and notices.

12. Ensuring that gambling is conducted in a fair and open way

12.1 The council is aware that except in the case of tracks (see section 18) generally the Gambling Commission does not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences.

12.2 However the council will familiarise itself with operator licence conditions and will communicate any concerns to the Gambling Commission about misleading advertising or any absence of required game rules or other matters as set out in the Gambling Commission's Licence Conditions and Code of Practice.

12.3 Examples of the specific steps the council may take to address this area can be found in the various sections covering specific premises types in Part C of this document and also in Part D which covers permits and notices.

13. Protecting children and other vulnerable persons from being harmed or exploited by gambling

Protection of children

13.1   This licensing objective means preventing children from taking part in most types of gambling. The council will therefore consider whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances/machines, segregation of areas etc.

13.2   The Act provides the following definition for child and young adult in Section 45:

Meaning of "child" and "young person"
(1)   In this Act "child" means an individual who is less than 16 years old.
(2)   In this Act "young person" means an individual who is not a child but who is less than 18 years old.

For the purpose of this section protection of children will encompass both child and young person as defined by the Act.

13.3   The council will pay particular attention to any codes of practice which the Gambling Commission issues as regards this licensing objective in relation to specific premises such as casinos.

13.4   Examples of the specific steps the council may take to address this area can be found in the various sections covering specific premises types in Part C of this document and also in Part D which covers permits and notices.

Protection of vulnerable people

13.5   The council is aware of the difficulty in defining the term "vulnerable person". In most recent literature it is not a term that is used, with the term "adults at risk of abuse or neglect" or "adults at risk" being the preferred terms.

13.6   The Gambling Commission, in its Guidance to Local Authorities, does not seek to offer a definition for the term "vulnerable people" but will, for regulatory purposes assume that this group includes people:

"who gamble more than they want to, people who gamble beyond their means, elderly persons, and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, or because of the influence of alcohol or drugs."

13.7   The Care Act 2014 imposes a requirement on a local authority to "make enquiries if it has has reasonable cause to suspect that an adult in its area, whether or not ordinarily resident there, has needs for care and support, is experiencing, or is at risk of, abuse or neglect, and as a result of those needs is unable to protect himself or herself against the abuse or neglect or the risk of it".

13.8 The local authority must make whatever enquiries it thinks necessary to enable it to decide whether any action should be taken in the adult's case (whether under this Part or otherwise) and, if so, what and by whom. "Abuse" includes financial abuse; and for that purpose "financial abuse" includes having money or other property stolen, being defrauded, being put under pressure in relation to money or other property, and having money or other property misused.

13.9 The Department of Health document "No Secrets" from 2000 offers a definition of a vulnerable adult as a person:

"who is or may be in need of community care services by reason of mental or other disability, age or illness; and who is or may be unable to take care of him or herself, or unable to protect him or herself against significant harm or exploitation."

13.10 In 2016, Leeds City Council commissioned Leeds Beckett University to undertake research into Problem Gambling in Leeds (*Problem Gambling in Leeds; Kenyon, Ormerod, Parsons and Wardle, 2016*). This research looked specifically at identifying groups of the society that could be considered vulnerable to problem gambling:

13.11 **Young people** – rates of problem gambling among young people who gamble are higher than older adults, and youth gambling behaviours are consistent with the harm paradox, whereby these age groups are less likely to gamble generally but those that do are more likely to experience difficulties with their behaviour (Wardle, 2015).

13.12 **Minority ethnic groups** – There is consistent evidence that those from Asian or Black backgrounds are more vulnerable to gambling problems and there is clear evidence of the harm paradox (Wardle, 2015).

13.13 **Unemployed and constrained economic circumstance** – generally those of lower income are less likely to gamble but those that do spend a higher proportion of their income on gambling. This is highlighted as a concern given the lesser ability of lower income households to protect themselves from financial instability (Brown et al, 2011).

13.14 There is evidence that those in debt and those using money lenders and/or pawnbrokers are more likely to be problem or at risk gamblers (Meltzer et al, 2012). The relationship between constrained economic circumstances and gambling problems is likely to be complex and multi-faceted. It may be mediated by other economic opportunities and personal feelings about how well off you are compared with others. Despite this complexity, there is a consistent body of evidence showing that, for whatever reason, those who are unemployed and who gamble are more likely to experience adverse outcomes from their gambling than those in paid employment.

13.15 **Area deprivation** – There are a number of British surveys that have consistently shown that those living in more deprived areas are more likely to experience problems with their gambling behaviour. This was despite having roughly the similar levels of past year gambling participation to those who live in less deprived areas.

13.16   Wardle (2015) looked at the distribution of machines and licensed betting offices and argues that there was clear and consistent evidence of a spatial skew, whereby high density machine zones or areas with licensed betting offices are more deprived than others. Recent research has shown that among gamblers who held loyalty cards, rates of problem gambling (28%) were higher among those who lived within 400 metres of a concentration of betting offices than those who did not (22%) (Astbury & Wardle, 2016).

13.17   **Homeless** – The rates of problem gambling are higher among those who are homeless than those who are not. Although studies are small, they show that there is a significant relationship with gambling preceding homelessness. Little is known about why rates of problem gambling among homeless population groups is higher than the general population but given associations with other mental health conditions, homeless people should be considered a vulnerable group.

13.18   **Mental ill health** – There is a strong association between mental ill health and problem gambling. Associations were found between problem gambling and general anxiety disorder, phobia, obsessive compulsive disorder, panic disorders, eating disorders, probably psychosis, attention deficit hyperactivity disorder, post-traumatic stress disorder, harmful and hazardous levels of alcohol consumption and drug addiction. Overall three quarters of problems gamblers seeking treatment also experience co-morbid mental health disorders.

13.19   Being a problem or at risk gambler is associated with latter onset of major depressive disorder, alcohol use and dependence, drug use and experience of any mental disorder. Illegal drug use and experience of any mental disorder is also associated with the subsequent onset of at risk and problem gambling. These findings seem to confirm that the conclusion that the relationship between problem gambling and mental ill health may be cyclical.

13.20   **Substance abuse/misuse** – The evidence base relating to the relationship between substance abuse/misuse and experience of problem gambling broadly measures that of mental ill health. Evidence from British based surveys has shown that rates of problem gambling were higher among those with alcohol dependence (3.4%) or drug dependence (4.4%) that the general population (0.74%) (Wardle, 2015). A systemic review of those seeking treatment for gambling problems showed that 15% also experience alcohol dependence and 7% have other substance abuse disorders (Dowling et al, 2015). There is strong evidence that alcohol and substance misuse are associated with problem gambling. As with other mental health conditions, these conditions can co-occur at the same time.

13.21   **Personality traits/cognitive distortions** – There is a strong body of evidence highlighting the relationship between various personality traits, such as cognitive distortions or impulsivity, with problem gambling. Cognitive distortions, such as erroneous perceptions of gambling and illusion of control are well established risk factors for problem gambling (Johansson et al, 2009). However little research has been conducted to explore the complex interaction of personality traits with other factors and their combined influence on the experience of broader gambling harms. Certain personality traits and/or cognitive distortions are just one potential aspect of vulnerability which is likely to be affected by a range of other factors.

13.22   Problem gamblers seeking treatment – Because this group is in the process of attempting to recover from gambling problems they should be treated as a vulnerable group in their own right (Wardle, 2015).

13.23   Problem gambling can affect anyone at any time. Whilst rates of problem gambling among all adults in Britain tend to be less than 1% (1.4% in large metropolitan areas such as Leeds), there are some groups that are more likely to experience problems. These groups could all be considered vulnerable to gambling problems. Leeds City Council already works with many of these groups however operators should consider these groups in their Local Risk Assessments, especially in relation to identifying the people in these groups, and mitigating harm experienced by them.

13.24   In the case of premises licences the council is aware of the extensive requirements set out for operators in the Gambling Commission's Code of Practice regarding social responsibility. In this document the Gambling Commission clearly describe the policies and procedures that operators should put in place regarding:

- Combating problem gambling
- Access to gambling by children and young persons people
- Information on how to gambling responsibly and help for problem gamblers
- Customer interaction
- Self-exclusion
- Employment of children and young persons people

13.25   All applicants should familiarise themselves with the operator licence conditions and codes of practice relating to this objective and determine if these policies and procedures are appropriate in their circumstances. The council will communicate any concerns to the Gambling Commission about any absence of this required information.

13.26   Applicants may also like to make reference to Leeds Safeguarding Adults Partnership document entitled "Leeds Multi Agency Safeguarding Adults Policies and Procedures – West and North Yorkshire and York" which provides extensive guidance on identifying vulnerable people and what can be done to reduce risk for this group. This document can be accessed via http://www.leedssafeguardingadults.org.uk

13.27   Applicants should consider the following proposed measures for protecting and supporting vulnerable persons people, for example:

- leaflets offering assistance to problem gamblers should be available on gambling premises in a location that is both prominent and discreet, such as toilets
- training for staff members which focuses on building an employee's ability to maintain a sense of awareness of how much (e.g. how long) customers are gambling, as part of measures to detect persons people who may be vulnerable (see 12.4.1).
- trained personnel for the purpose of identifying and providing support to vulnerable persons people
- self exclusion schemes
- operators should demonstrate their understanding of best practice issued by organisations that represent the interests of vulnerable people

- posters with GamCare Helpline and website in prominent locations
- windows, entrances and advertisements to be positioned or designed not to entice children or vulnerable people.passers-by.

13.28   It should be noted that some of these measures form part of the mandatory conditions placed on premises licences.

13.29   The council may consider any of the above or similar measures as licence conditions should these not be adequately addressed by any mandatory conditions, default conditions or proposed by the applicant.

14.   General Requirements

14.1   The council will issue premises licences to allow those premises to be used for certain types of gambling. For example premises licences will be issued to amusement arcades, bingo halls, bookmakers and casinos.

14.2   Premises licences are subject to the permissions/restrictions set-out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach other conditions, where it is believed to be necessary and proportionate.

14.3   Applicants should also be aware that the Gambling Commission has issued Codes of Practice for each interest area for which they must have regard. The council will also have regard to these Codes of Practice.

Definition of "premises"

14.4   Premises is defined in the Act as "any place". Different premises licences cannot apply in respect of a single premises at different times. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances.

14.5   The council will take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular the council will assess entrances and exits from parts of a building covered by one or more licences to satisfy itself that they are separate and identifiable so that the separation of different premises is not compromised and that people do not 'drift' into a gambling area.

14.6   The council will pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Issues that the council will consider before granting such applications include whether children can gain access, compatibility of the two establishments; and the ability to comply with the requirements of the Act. In addition an overriding consideration will be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

14.7   An applicant cannot obtain a full premises licence until they have the right to occupy the premises to which the application relates.

14.8 The council is aware that demand issues (e.g. the likely demand or need for gambling facilities in an area) cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. The council will pay particular attention to the protection of children and vulnerable ~~persons~~people from being harmed or exploited by gambling, as well as issues of crime and disorder.

14.9 With regards to these objectives it is the council's policy, upon receipt of any relevant representations, to look at specific location issues including:

- the possible impact a gambling premises may have on any premises that provide services to children or young people, i.e. a school, or vulnerable adult centres in the area
- the possible impact a gambling premises may have on residential areas where there may be a high concentration of families with children
- the size of the premises and the nature of the activities taking place
- any levels of organised crime in the area.

14.10 In order for location to be considered, the council will need to be satisfied that there is sufficient evidence that the particular location of the premises would be harmful to the licensing objectives.

14.11 Although the council cannot consider if there is a need or demand for the gambling facilities applied for, applicants should consider the proximity of other gambling premises in the Local Risk Assessment and the impact this will have on residents, including children and vulnerable groups.

Local Risk Assessments

14.12 From 6 April 2016, it is a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), under section 10, for licensees (except for those which hold betting licences for tracks) to assess the local risks to the licensing objectives posed by the provision of gambling facilities at their premises and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this policy.

14.13 The LCCP goes on to say licensees must review (and update as necessary) their local risk assessments:

a. to take account of significant changes in local circumstance, including those identified in this policy;
b. when there are significant changes at a licensee's premises that may affect their mitigation of local risks;
c. when applying for a variation of a premises licence; and
d. in any case, undertake a local risk assessment when applying for a new premises licence.

14.14 The council will expect the local risk assessment to consider the urban setting:~~as a minimum:~~

- The proximity of the premises to schools.
- The commercial environment.
- Factors affecting the footfall.
- Whether the premises is in an area of deprivation.
- Whether the premises is in an area subject to high levels of crime and/or disorder.
- The ethnic profile of residents in the area.
- The demographics of the area in relation to vulnerable groups.
- The location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children will gather.
- The range of facilities in the local area such as other gambling outlets, banks, post offices, refreshment and entertainment type facilities.
- Known problems in the area such as problems arising from street drinkers, youths participating in anti-social behaviour, drug dealing activity, etc.
- The proximity of churches, mosques, temples or any other place of worship.

14.15 The~~In any case the~~ local risk assessment should show how vulnerable people, including people with gambling dependencies, are protected:

- The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the manning of premises affects this.
- Information held by the licensee regarding self-exclusions and incidences of underage gambling.
- Arrangements in place for local exchange of anonymised information regarding self-exclusion and gaming trends.
- Gaming trends that may mirror days for financial payments such as pay days or benefit payments.
- Arrangements for monitoring and dealing with under age people and vulnerable people, which may include:
  o dedicated and trained personnel,
  o leaflets and posters,
  o self-exclusion schemes,
  o window displays and advertisements designed to not entice children and vulnerable people.
- The provision of signage and documents relating to games rules, gambling care providers and other relevant information be provided in both English and the other prominent first language for that locality.
- The proximity of premises that may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor surgeries, council one stop shops, addiction clinics or help centres, places where alcohol or drug dependent people may congregate.

14.16   The local risk assessment should show how children are to be protected:

- The proximity of institutions, places or areas where children and young people frequent such as schools, youth clubs, parks, playgrounds and entertainment venues such as bowling ~~allies~~alleys, cinemas, etc.
- The proximity of place where children congregate such as bus stops, cafes, shops.
- Areas that are prone to issues of youths participating in anti-social behaviour, including activities such as graffiti, tagging, underage drinking etc.

14.17   Other matters that the assessment may include:

- ~~The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the manning of premises affects this.~~
- Details as to the location and coverage of working CCTV cameras, and how the system will be monitored.
- The layout of the premises so that staff have an unobstructed view of ~~persons~~people using the premises.
- The number of staff that will be available on the premises at any one time. If at any time that number is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those ~~persons~~people using the premises.
- ~~Arrangements for monitoring and dealing with under age persons and vulnerable persons, which may include dedicated and trained personnel, leaflets, posters, self-exclusion schemes, window displays and advertisements not to entice passers-by etc.~~
- ~~The provision of signage and documents relating to games rules, gambling care providers and other relevant information be provided in both English and the other prominent first language for that locality.~~
- Where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for gambling in reliance on the licence.

14.18   Such information may be used to inform the decision the council makes about whether to grant the licence, to grant the licence with special conditions or to refuse the application.

14.19   This policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how the concerns can be overcome.

Local Area Profile

14.20   Each locality has its own character and challenges. In order to assist applicants, where there is an issue in a local area which impacts on how the applicant should complete their risk assessment, the council may publish a local area profile. This profile, compiled in conjunction with the Community Hubs and approved by the Licensing Committee, can be obtained from Entertainment Licensing.

14.21   The local area profiles should be given careful consideration when making an application. Applicants may be asked to attend a meeting with licensing officers to discuss the profiles,

appropriate measures to mitigate risk in the area and how they might be relevant to their application. The local area profiles will be presented to any subsequent licensing subcommittee when they determine an application that has received representations.

14.22 The council recognises that it cannot insist on applicants using the local area profiles when completing their risk assessments. However an applicant who decides to disregard the profiles may face additional representations and the expense of a hearing as a result.

Duplication with other regulatory regimes

14.23 The council will seek to avoid any duplication with other statutory/regulatory systems where possible, including planning. The council will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about proposed conditions which are not able to be met by the applicant due to planning restrictions, should such a situation arise.

Conditions

14.24 The council is aware that the Secretary of State has set mandatory conditions and default conditions and the Gambling Commission has set Licence Conditions and Codes of Practice which are necessary for the general good conduct of gambling premises, therefore it is unlikely that the council will need to impose individual conditions imposing a more restricted regime in relation to matters that have already been dealt with.

14.25 Where there are specific risks or problems associated with a particular locality, or specific premises, or class of premises, the council will attach individual conditions to address this.

14.26 Any conditions attached to a licence issued by the council will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence applied for, and/or related to the area where the premises is based;
- fairly and reasonably related to the scale, type and location of premises;
- consistent with the licensing objectives, and;
- reasonable in all other respects.

14.27 Decisions about individual conditions will be made on a case by case basis, although there will be a number of control measures the council will consider using, such as supervision of entrances, supervision of adult gaming machines, appropriate signage for adult only areas etc. There are specific comments made in this regard under each of the licence types in this policy. The council will also expect the applicant to offer his/her own suggestions as to the way in which the licensing objectives can be met effectively

14.28 Where certain measures are not already addressed by the mandatory/default conditions or by the applicant, the council may consider licence conditions to cover issues such as:

- Proof of age schemes.
- CCTV.
- Supervision of entrances.
- Supervision of machine areas.
- A reduction in the number of betting machines (betting premises).
- The manning of premises.
- Physical separation of areas.
- Location of entrance points.
- Notices/signage.
- Specific opening hours.
- A requirement that children must be accompanied by an adult (in premises where children are allowed).
- Enhanced CRB checks of the applicant and/or staff.
- Staff training in brief intervention, conflict resolution, basic knowledge of mental health, learning disabilities and addiction, including substance misuse.
- Support to ~~persons~~people with gambling addiction, including brief intervention.
- Policies to address seasonal periods where children may more frequently attempt to gain access to premises and gamble such as pre and post school hours, half term and school holidays.
- Policies to address the problems associated with truant children who may attempt to gain access to premises and gamble.
- Obscuring windows where appropriate and~~–~~ labelling premises so it's clear that they are gambling premises.

14.2~~9~~ This list is not mandatory or exhaustive and is merely indicative of examples of certain measures which may satisfy the requirements of the licensing authority and the responsible authorities, depending on the nature and location of the premises and the gambling facilities to be provided.

14.~~30~~ There are conditions which the council cannot attach to premises licences which are:

- any condition on the premises licence which makes it impossible for the applicant to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated) and
- conditions in relation to stakes, fees, winnings or prizes.

Door supervision

14.3~~1~~ The council will consider whether there is a need for door supervision in terms of the licensing objectives of protection of children and vulnerable ~~persons~~people from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. It is noted though that the Gambling Act 2005 has amended the Private Security Industry Act 2001 and that door supervisors at casinos or bingo premises are not required to be licensed by the Security Industry Authority. Where door supervisors are provided at these premises the operator should ensure that any ~~persons~~people employed

in this capacity are fit and proper to carry out such duties. Possible ways to achieve this could be to carry out a criminal records (CRB) check on potential staff and for such personnel to have attended industry recognised training.

15.   Adult gaming centres

15.1   Adult gaming centres are a ~~new~~ category of premises introduced by the Act that are most closely related to ~~what are commonly known as~~ adult only amusement arcades seen in many city centres.

15.2   Under the Act, a premises holding an adult gaming centre licence will be able to make category B, C and D gaming machines available and no one under 18 will be permitted to enter such premises ~~(see Appendix 1)~~.

15.3   The council will specifically have regard to the need to protect children and vulnerable ~~persons~~people from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.

15.4   Where certain measures are not already addressed by the mandatory and default conditions and the Gambling Commission Codes of Practice or by the applicant, the council may consider licence conditions to address such issues.

16.   Licensed family entertainment centres (FECs)

16.1   Licensed family entertainment centres are those premises which usually provide a range of amusements such as computer games, penny pushers and may have a separate section set aside for adult only gaming machines with higher stakes and prizes. Licensed family entertainment centres will be able to make available unlimited category C and D machines where there is clear segregation in place so children do not access the areas where the category C machines are located (see Appendix 1).

16.2   Where category C or above machines are available in premises to which children are admitted then the council will ensure that:

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance. For this purpose a rope, floor markings or similar provision will not suffice and the council may insist on a permanent barrier of at least 1 meter high
- only adults are admitted to the area where the machines (category C) are located
- access to the area where the machines are located is supervised at all times
- the area where the machines are located is arranged so that it can be observed by staff; and
- at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to ~~persons~~people under 18.

16.3   The council will specifically have regard to the need to protect children and vulnerable ~~persons~~people from harm or being exploited by gambling in these premises. The council

will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

16.4   The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

16.5   The efficiency of such policies and procedures will each be considered on their merits, however, they may include:
- appropriate measures and training for staff as regards suspected truant children on the premises
- measures and training covering how staff would deal with unsupervised very young children being on the premises
- measures and training covering how staff would deal with children causing perceived problems on or around the premises
- the arrangements for the supervision of the premises either by staff or the use of a suitable CCTV system. Advice regarding the suitability of a CCTV system can be obtained from West Yorkshire Police.

appropriate measures and training for staff as regards suspected truant children on the premises
measures and training covering how staff would deal with unsupervised very young children being on the premises
measures and training covering how staff would deal with children causing perceived problems on or around the premises.

~~the arrangements for supervision of premises either by staff or the use of CCTV.~~

- ~~Any CCTV system installed should both the interior and the entrance working to the latest Home Office and ACPO standards and to the satisfaction of West Yorkshire Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative the police and local authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.~~

16.6   Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to <u>undertake a DBS</u>~~be CRB~~ check~~ed~~.

16.7   The council will refer to the Commission's website to familiarise itself with any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. The council will also make itself aware of the mandatory or default conditions and any Gambling Commission Codes of Practice on these premises licences.

17.   Casinos

17.1   Leeds has a number of casinos which were licensed under the Gaming Act 1968, which have been subsequently converted into Gambling Act 2005 Converted Casino Premises Licences.

17.2   The Gambling Act states that a casino is an arrangement whereby people are given the opportunity to participate in one or more casino games whereby casino games are defined as a game of chance which is not equal chance gaming. This means that casino games offer the chance for multiple participants to take part in a game competing against the house or bank at different odds to their fellow players. Casinos can also provide equal chance gaming and gaming machines. Large and small casinos can also provide betting machines.

Licence considerations / conditions

17.3   The Gambling Commission has provided Guidance for Licensing Authorities and Licence Conditions and Code of Practice which are applied to Operator's Licences. The council will take this into consideration when determining licence applications for converted casino licences.

17.4   <u>The council will specifically have regard to the need to protect children and vulnerable people from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.</u>

17.<u>5</u>   Where certain measures are not already addressed by the mandatory/default conditions, Gambling Commission Licence Conditions and Codes of Practice or by the applicant, the council may consider licence conditions to cover certain issues.

17.6   Detailed information on the Large Casino Application Process can be found in Appendix 4.

18.   Bingo premises

18.1   There is no official definition for bingo in the Gambling Act 2005, however from a licensing point of view, there is a category of premises licence specifically for bingo premises which is used by traditional commercial bingo halls for both cash and prize bingo. In addition theis premises licence will authorise the provision of a limited number of gaming machines in line with the provisions of the Act (see Appendix 1).

18.2   The council is aware that it is important that if children are allowed to enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category C or above machines are available in premises to which children are admitted then the council will ensure that:

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance. For this purpose a rope, floor markings or similar provision will not suffice and the council may insist on a permanent barrier of at least one meter high
- only adults are admitted to the area where the machines are located
- access to the area where the machines are located is supervised at all times
- the area where the machines are located is arranged so that it can be observed by staff
- at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to personspeople under 18
- children will not be admitted to bingo premises unless accompanied by an adult.

18.3   The Gambling Commission has provided Guidance for Licensing Authorities and Licence Conditions and Code of Practice which are applied to Operator's Licences. The council will take this into consideration when determining licence applications for bingo premises.

18.4   Where certain measures are not already addressed by the mandatory/default conditions, the Gambling Commission Code of Practice or the applicant, the council may consider licence conditions to address such issues.

19.   Betting premises

19.1   Betting premises are premises such as bookmakers where various types of gambling are authorised to take place. The Act contains a single class of licence for betting premises however within this single class there are different types of premises which require licensing such as high street bookmakers, bookmakers located in self-contained facilities at race courses as well as the general betting premises licences that track operators will require.

19.2   The council will specifically have regard to the need to protect children and vulnerable people from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.

19.3   The council is aware that Section 181 of the Act contains an express power for licensing authorities to restrict the number of betting machines, their nature and the circumstances in which they are made available by attaching a licence condition to a betting premises licence. When considering whether to impose a condition to restrict the number of betting machines in particular premises, the council, amongst other things, will take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines.

19.4   Where an applicant for a betting premises licence intends to offer higher stake category B gaming machines (categories B2-B4) including any Fixed Odds Betting Terminals (FOBTs), then applicants should consider the control measures related to the protection of vulnerable ~~persons~~people, highlighted in section 12.

19.5   Where certain measures are not already addressed by the mandatory/default conditions, Gambling Commission Code of Practice or the applicant, the council may consider licence conditions to address such issues.

20.   Tracks

20.1   Tracks are sites (including racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the "totaliser" or "tote"), and also general betting, often known as "fixed-odds" betting. Multiple betting outlets are usually located on tracks such as 'on-course' betting operators who come onto the track just on race days to provide betting for the races taking place on that track. There can also be 'off-course' betting operators who may operate self-contained facilities at the tracks which offer customers the chance to bet on other events, not just those taking place on the track.

20.2   All tracks will require a primary `general betting premises licence' that the track operator will hold. It should be noted that track operators do not require an operating licence from the Gambling Commission although they may apply for one. This is because the various other gambling operators offering betting at the track will each hold an operating licence.

20.3   Tracks may also be subject to one or more premises licences, provided each licence relates to a specified area of the track. This may be preferable for any self-contained premises providing off-course betting facilities at the track. The council will however assess each individual case on its merits before deciding if this is necessary. Where possible the council will be happy for the track operator to decide if any particular off-course operators should apply for a separate premises licence.

20.4   If any off-course operators are permitted to provide betting facilities under the authorisation of the track operator's premises licence, then it will be the responsibility of the premises licence holder to ensure the proper conduct of such betting within the premises boundary.

20.5   Gambling Commission guidance also indicates that it would be possible for other types of gambling premises to be located at a track under the authorisation of separate premises licences, e.g. a casino premises licence or adult gaming centre premises licence. If you require further guidance on this provision please contact the Entertainment Licensing Section.

20.6   Children and young ~~persons~~people will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, although they are still prevented from entering areas where gaming machines and betting machines (other than category D machines) are provided.

20.7   The council will consider the impact upon the protection of children licensing objective and the need to ensure that entrances to each type of betting premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

Betting machines

20.8   The council is aware that Section 181 of the Act contains an express power for licensing authorities to restrict the number of betting machines, their nature and the circumstances in which they are made available by attaching a licence condition to a betting premises licence. When considering whether to impose a condition to restrict the number of betting machines in particular premises, the council, amongst other things, will take into account the size of the premises, the number of counter positions available for person-to-person transactions and the location of the machines, in order to ensure they are in a properly segregated area where children are not permitted.

20.9   Where certain measures are not already addressed by the mandatory/default conditions, the Gambling Commission's Licence Conditions and Code of Practice or the applicant, the council may consider licence conditions to address such issues.

21.   Travelling fairs

21.1   Travelling fairs have traditionally been able to provide various types of low stake gambling without the need for a licence or permit provided that certain conditions are met and this provision continues in similar fashion under the new Act.

21.2   Travelling fairs have the right to provide an unlimited number of category D gaming machines and/or equal chance prize gaming (without the need for a permit) as long as the gambling amounts to no more than an ancillary amusement at the fair (see Appendix 1).

21.3   The council will consider whether any fairs which take up the above entitlement fall within the statutory definition of a travelling fair.

21.4   The council is aware that the 27 day statutory maximum for the land being used as a fair is per calendar year and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. The council will work with its neighbouring authorities to ensure that land which crosses the council boundary is monitored so that the statutory limits are not exceeded.

22. Provisional statements

22.1   A provisional statement application is a process which allows a developer to examine the likelihood of whether a building which he expects to be constructed, to be altered or to acquire a right to occupy would be granted a premises licence. A provisional statement is not a licence and merely gives the holder some form of guarantee that a premises licence would be granted so the developer can judge whether a development is worth taking forward in light of the need to obtain a premises licence. An applicant may also apply for a provisional statement for premises which already hold a premises licence (either for a different type of gambling or the same type).

22.2   In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from responsible authorities or interested parties can be taken into account unless they concern matters which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant's circumstances. In addition, the council may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

a) which could not have been raised by objectors at the provisional licence stage; or
b) which in the authority's opinion reflect a change in the operator's circumstances.

22.3   When determining a provisional statement application the council will operate in accordance with the Act and will not have regard to any issues related to planning consent or building regulations, e.g. the likelihood that planning consent will be granted.

23. Unlicensed family entertainment centre gaming machine permits (UFECs)

23.1   The term 'unlicensed family entertainment centre' is one defined in the Act and refers to a premises which provides category D gaming machines along with various other amusements such as computer games and penny pushers. The premises is 'unlicensed' in that it does not require a premises licence but does require a permit to be able to provide category D machines. It should not be confused with a 'licensed family entertainment centre' which requires a premises licence because it contains both category C and D gaming machines.

23.2   The Gambling Act 2005 contains provision for local authorities to prepare a "Statement of Principles" that they propose to consider in determining the suitability of an applicant for a permit. Schedule 10, Para 7 of the Act states "In preparing this statement, and/or considering applications, it [the council] need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission.

23.3   In line with the above provision the council has prepared a 'Statement of Principles' in relation to unlicensed family entertainment centre gaming machines as follows:

Statement of Principles

23.4   The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

23.5   The efficiency of such policies and procedures will each be considered on their merits, however, they may include:
- appropriate measures and training for staff as regards suspected truant children on the premises
- measures and training covering how staff would deal with unsupervised very young children being on the premises
- measures and training covering how staff would deal with children causing perceived problems on or around the premises.
- the arrangements for supervision of premises either by staff or the use of CCTV. Any CCTV system installed should both the interior and the entrance working to the latest Home Office and ACPO standards and to the satisfaction of West Yorkshire Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative the police and local authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

23.6   Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to undertake a DBS checkbe CRB checked.

23.7   The council will also expect, as per the Gambling Commission Guidance, that applicants demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs
- That the applicant has no relevant conviction (those that are set out in Schedule 7 of the Act), and
- That staff are trained to have a full understanding of the maximum stakes and prizes.

23.8   In line with the Act, while the council cannot attach conditions to this type of permit, the council can refuse applications if they are not satisfied that the issues raised in the "Statement of Principles" have been addressed through the application.

23.9   Applicants only need to address the "Statement of Principles" when making their initial applications and not at renewal time.

24   Gaming machine permits in premises licensed for the sale of alcohol

24.1   There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have two gaming machines, of categories C and/or D. The premises merely need to notify the council. The council can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of Section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with)
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises.

24.2   If a premises wishes to have more than two machines, then it needs to apply for a permit and the council must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and "*such matters as they think relevant*." The council considers that "such matters" will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable ~~persons~~people from harm or being exploited by gambling. The council will also expect the applicant to satisfy the authority that there will be sufficient measures to ensure that children and young people under the age of 18 do not have access to the adult only gaming machines.

24.3   All alcohol licensed premises with gaming machines must have regard to the need to protect children and vulnerable ~~persons~~people from harm or being exploited by gambling and provide sufficient measures to ensure that under 18 year olds do not use the adult only gaming machines.

24.4   Measures which may satisfy the council that ~~persons~~people under 18 years will be prevented from using the machines may include the machines being in close proximity to the bar, or in any other area where they are capable of being adequately supervised. Notices and signage may also help. As regards the protection of vulnerable ~~persons~~people, applicants may wish to consider the provision of information leaflets and or helpline numbers for organisations such as GamCare.

24.5   The council can decide to grant the permit with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.

24.6   The holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine(s).

24.7   It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would need to be dealt with under the relevant provisions of the Act.

24.8   Alcohol licensed premises are able to provide some limited equal chance gaming. Licensees are referred to the advice provided by the Gambling Commission and Appendix 3 of this document.

25.   Prize gaming permits

25.1   Section 288 defines gaming as prize gaming if the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming. The prizes will be determined by the operator before play commences. Prize gaming can often be seen at seaside resorts in amusement arcades where a form of bingo is offered and the prizes are displayed on the walls.

25.2   A prize gaming permit is a permit issued by the licensing authority to authorise the provision of facilities for gaming with prizes on specified premises.

25.3   The Gambling Act 2005 contains provision for local authorities to prepare a "Statement of Principles" that they propose to consider in determining the suitability of an applicant for a permit. Schedule 14, Para 8 of the Act states, "in preparing this statement, and/or considering applications, it [the council] need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission under Section 25.

25.4   In line with the above provision the council has prepared a Statement of Principles in relation to prize gaming permits as follows:

Statement of Principles

25.5   The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

25.6   The efficiency of such policies and procedures will each be considered on their merits, however, they may include:

- appropriate measures and training for staff as regards suspected truant children on the premises
- measures and training covering how staff would deal with unsupervised very young children being on the premises
- measures and training covering how staff would deal with children causing perceived problems on or around the premises.
- the arrangements for supervision of premises either by staff or the use of CCTV. Any CCTV system installed should both the interior and the entrance working to the Home Office and ACPO standards as described PSDB leaflet 09/05 and to the satisfaction of West Yorkshire Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative the police and local authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

25.7   Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to undertake a DBS check. be CRB checked.

25.8   The council will also expect, as per the Gambling Commission Guidance, that applicants demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible
- That the gaming offered is within the law.

25.9   In line with the Act, while the council cannot attach conditions to this type of permit, the council can refuse applications if they are not satisfied that the issues raised in the "Statement of Principles" have been addressed through the application.

25.10   Applicants only need to address the "Statement of Principles" when making their initial applications and not at renewal time.

25.11   There are conditions in the Gambling Act 2005 by which the permit holder must comply. The conditions in the Act are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

26. Club gaming and club machine permits

26.1 Members clubs and miners' welfare institutes may apply for a 'club gaming permit' or a 'club machine permit'. The 'club gaming permit' will enable the premises to provide gaming machines (three machines of categories B4, C or D), equal chance gaming. i.e. poker, bingo etc. A 'club machine permit' will enable the premises to provide gaming machines (three machines of categories B4, C or D). Commercial clubs may apply for a 'club machine permit' only.

26.2 To qualify for these special club permits a members club must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of the Royal British Legion and clubs with political affiliations.

26.3 Clubs must have regard to the protection of children and vulnerable ~~persons~~people from harm or being exploited by gambling. They must provide sufficient measures to ensure that under 18 year olds do not use the adult only gaming machines. These measures may include:

- the machines being in close proximity to the bar, or in any other area where they are capable of being adequately supervised
- notices and signage
- the provision of information leaflets / helpline numbers for organisations such as GamCare.

26.4 Before granting the permit the council will need to satisfy itself that the premises meets the requirements of a members' club and that the majority of members are over 18.

26.5 The council may only refuse an application on the grounds that:

(a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which they have applied;

(b) the applicant's premises are used wholly or mainly by children and/or young ~~persons~~people;

(c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;

(d) a permit held by the applicant has been cancelled in the previous ten years; or

(e) an objection has been lodged by the Commission or the police.

26.6 There is also a 'fast-track' procedure available for premises which hold a club premises certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which the council can refuse a permit is reduced. The grounds on which an application under the process may be refused are:

(a) that the club is established primarily for gaming,

(b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or

(c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

27. Temporary use notices

27.1 Temporary use notices allow the use of premises on not more than 21 days in any 12 month period for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be useful for a temporary use notice would include hotels, conference centres and sporting venues.

27.2 Temporary Use Notices allow the use of premises for any form of equal chance gambling where those participating in the gaming are taking part in a competition which is intended to produce a single, overall winner.

27.3 Only ~~persons~~people or companies holding a relevant operating licence can apply for a temporary use notice to authorise the particular class of gambling permitted by their operating licence.

27.4 A temporary use notice must be lodged with the licensing authority not less than three months and one day before the day on which the gambling is due to take place. Detailed information about how to serve a temporary use notice will be available in a separate guidance note.

27.5 The Act makes a special reference, in the context of temporary use notices, to a "set of premises" to try and ensure that large premises which cannot reasonably be viewed as separate are not used for more temporary use notices than permitted under the Act. The council considers that the determination of what constitutes "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. In considering whether a place falls within the definition of a "set of premises", the council will look at, amongst other things, the ownership/occupation and control of the premises. The council will be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

28. Occasional use notices (for tracks)

28.1 There is a special provision in the Act which provides that where there is betting on a track on eight days or less in a calendar year, betting may be permitted by an occasional use notice without the need for a full premises licence. Track operators and occupiers need to be aware that the procedure for applying for an occasional use notice is different to that for a temporary use notice. The application may be made in writing, to the council by the person responsible for the administration of the events on a track or by an occupier of the track.

28.2 The council has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The council will however

consider the definition of a 'track' and whether the applicant is entitled to benefit from such notice.

29.   Small society lottery registrations

29.1   A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part.

29.2   The Act creates two principal classes of lotteries: Licensed lotteries and exempt lotteries. Licensed lotteries are large society lotteries and lotteries run for the benefit of local authorities. These will be regulated by the Gambling Commission. Within the class of exempt lotteries there are four sub classes, one of which is small society lotteries.

29.3   A small society lottery is a lottery promoted on behalf of a non-commercial society as defined in the Act which also meets specific financial requirements set out in the Act. These will be administered by the council for small societies who have a principal office in Leeds and want to run such lottery.

29.4   A lottery is small if the total value of tickets put on sale in a single lottery is £20,000 or less and the aggregate value of the tickets put on sale in a calendar year is £250,000 or less.

29.5   To be 'non-commercial' a society must be established and conducted:

- for charitable purposes,
- for the purpose of enabling participation in, or supporting, sport, athletics or a cultural activity; or
- for any other non-commercial purpose other than that of private gain.

29.6   The other types of exempt lotteries are 'incidental non-commercial lotteries', 'private lotteries' and 'customer lotteries'. If you require guidance on the different categories of lotteries please contact the council.

29.7   The National lottery is not licensed by the Gambling Act 2005 and continues to be regulated by the National Lottery Commission under the National Lottery Act 1993.

30.   Enforcement principles

30.1   The council will work closely with the responsible authorities in accordance with a locally established joint enforcement protocol and will aim to promote the licensing objectives by targeting known high risk premises following government guidance around better regulation. Specifically the council is subject to the Regulators' Code which provides the following six provisions which the Council should follow in its enforcement activities, unless it concludes, on the basis of material evidence, that a specific provision of the Code is either not applicable or outweighed by another relevant consideration.

1.   Regulators should carry out their activities in a way that supports those they regulate to comply and grow
2.   Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views
3.   Regulators should base their regulatory activities on risk
4.   Regulators should share information about compliance and risk
5.   Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply
6.   Regulators should ensure that their approach to their regulatory activities is transparent

30.2   In carrying out its enforcement duties with regards to the inspection of premises; and the powers to institute criminal proceedings in respect of certain offences under the Act the council will endeavour to be:

Proportionate: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised;

Accountable: regulators must be able to justify decisions, and be subject to public scrutiny;

Consistent: rules and standards must be joined up and implemented fairly;

Transparent: regulators should be open, and keep regulations simple and user friendly; and

Targeted: regulation should be focused on the problem, and minimise side effects.

30.3   The council will endeavour to avoid duplication with other regulatory regimes so far as possible.

30.4   Where there is a Primary Authority scheme in place, the council will seek guidance from the Primary Authority before taking any enforcement action. At the time of the publication of this policy there were four Primary Authority arrangements with host local authorities:

Coral	London Borough of Newham
William Hill	City of Westminster
Ladbrokes	Milton Keynes
Paddy Power	Reading

30.5   Further information, including an index of all Primary Authority arrangements can be found at https://primaryauthorityregister.info/par/index.php/home

30.6   The council will also adopt a risk-based inspection programme in line with government recommendations around better regulation and the principles of the Hampton Review.

30.7   The main enforcement and compliance role for the council in terms of the Gambling Act 2005 will be to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission will be the enforcement body for the operator and personal licences. Concerns about the manufacture, supply or repair of gaming machines will not be dealt with by the council but will be notified to the Gambling Commission. In circumstances where the council believes a premises requires a premises licence for gambling activities and no such licence is in force, the council will alert the Gambling Commission.

30.8   The council will also keep itself informed of developments as regards the work of the Better Regulation Executive in its consideration of the regulatory functions of local authorities.

30.9   The council's enforcement/compliance protocols/written agreements will be available upon request.

31.   Reviews

31.1   A review is a process defined in the legislation which ultimately leads to a licence being reassessed by the Licensing Committee with the possibility that the licence may be revoked, suspended or that conditions may amended or new conditions added.

31.2   Requests for a review of a premises licence can be made by interested parties or responsible authorities; however, it is for the council to decide whether the review is to be carried-out. This will be on the basis of whether the request for the review is:

i)   in accordance with any relevant code of practice issued by the Gambling Commission
ii)   in accordance with any relevant guidance issued by the Gambling Commission
iii)   reasonably consistent with the licensing objectives and
iv)   in accordance with this authority's Gambling Act 2005 – Statement of Licensing Policy.

31.3   In addition the council may also reject the application on the grounds that the request is frivolous, vexatious, will certainly not cause this authority to wish to alter, revoke or suspend the licence, or is substantially the same as previous representations or requests for review.

31.4   The council can also initiate a review of a licence on the basis of any reason which it thinks is appropriate.

Appendix 1   Gaming machines

This appendix describes the categories of gaming machine as set out in the Act (and in regulations) and the number of such machines that may be permitted in each type of gambling premises.

- Table 1 below sets out the current proposals for the different categories with the maximum stakes and prizes that will apply. This table will be updated as soon as the proposals are confirmed.

- Table 2 overleaf shows the maximum number of machines permitted and in the case of casinos the ratios between tables and machines.

Table 1

Category of machine	Maximum Stake	Maximum Prize
A	Unlimited	Unlimited
B1	£5	£10,000 (with the option of a max £20,000 linked progressive jackpot on a premises basis only)
[1]B2	£100	£500
B3	£2	£500
B3A	£2	£500
B4	£2	£400
C	£1	£100
D – money prize	10p	£5
D – non-money prize (other than a crane grab machine)	30p	£8
D – non-money prize (crane grab machine)	£1	£50
D – combined money and non-money prize (other than a coin pusher or penny falls machine)	10p	£8 (of which no more than £5 may be a money prize)
D – combined money and non-money prize (coin pusher or penny falls machine)	20p	£15 (of which no more than £8 may be a money prize)

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1 The category B2 is not actually a traditional slot machine. It refers to a type of gaming machine known as a fixed odds betting terminal (FOBTs). These are a new type of gaming machine which generally appear in licensed bookmakers. FOBTs have 'touch-screen' displays and look similar to quiz machines familiar in pubs and clubs. They normally offer a number of games, roulette being the most popular. The Government has announced a reduction in the stakes of B2 machines to £2 in April 2018.

Table 2

Premises Type	Machine category						
	A	**B1**	**B2**	**B3**	**B4**	**C**	**D**
Large casino (machine/table ratio of 5-1 up to maximum)		Maximum of 150 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 150 (subject to machine/table ratio)					
Small casino (machine/table ratio of 2-1 up to maximum)		Maximum of 80 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 80 (subject to machine/table ratio)					
Pre-2005 Act Casinos (no machine/table ratio)		Maximum of 20 machines categories B to D (except B3A machines), or any number of C or D machines instead					
Betting premises and tracks operated by pool betting			Maximum of 4 machines categories B2 to D (except B3A machines)				
Bingo Premises[1]				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4*		No limit C or D machines	
Adult gaming centre[2]				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4*		No limit C or D machines	
Licensed family entertainment centre[3]						No limit C or D machines	
Family entertainment centre (with permit)							No limit on category D machines
Clubs or miners' welfare institutes with permits[4]					Maximum of 3 machines in categories B3A or B4 to D*		
Qualifying alcohol licensed premises						1 or 2 machines of category C or D automatic upon notification	
Qualifying alcohol licensed premises with licensed premises gaming machine permit						Number of category C-D machines as specified on permit	
Travelling fair							No limit on category D machines
	A	**B1**	**B2**	**B3**	**B4**	**C**	**D**

1. Bingo premises licence are entitled to make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines on the premises. Where a premises licence was granted before 13 July 2011, they are entitled to make available eight category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Category B machines at bingo premises are restricted to sub-category B3 and B4 machines, but not B3A machines.

2. Adult gaming centres are entitled to make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises and any number of category C or D machines. Where a premises licence was granted before 13 July 2011, they are entitled to make available four category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Category B machines at adult gaming centres are restricted to sub-category B3 and B4 machines, but not B3A machines.

3. Only premises that are wholly or mainly used for making gaming machines available may hold an unlicensed FEC gaming machine permit or an FEC premises licence. Category C machines may only be sited within licensed FECs and where an FEC permit is in force. They must be in a separate area to ensure the segregation and supervision of machines that may only be played by adults. There is no power for the licensing authority to set a limit on the number of machines under the FEC permit.

4. Members' clubs and miners' welfare institutes with a club gaming permit or with a club machine permit, are entitled to site a total of three machines in categories B3A to D but only one B3A machine can be sited as part of this entitlement.

5. Commercial clubs with club machine or gaming permits are entitled to a total of three machines in categories B4 to D.

Appendix 2 Glossary of terms

Term	Description
ATM	Auto teller machine or cash machine.
Betting	Betting is defined as making or accepting a bet on the outcome of a race, competition or other event or process or on the outcome of anything occurring or not occurring or on whether anything is or is not true. It is irrelevant if the event has already happened or not and likewise whether one person knows the outcome or not. (Spread betting is not included within this definition).
Betting Machines / Bet Receipt Terminal	Betting machines can be described as automated betting terminals where people can place bets on sporting events removing the need to queue up and place a bet over the counter.
Bingo	There are essentially two types of bingo: cash bingo, where the stakes paid make up the cash prizes that can be won and prize bingo, where various forms of prizes can be won, not directly related to the stakes paid.
Book	Running a 'book' is the act of quoting odds and accepting bets on an event. Hence the term 'Bookmaker'.
Casino games	A game of chance, which is not equal chance gaming. Casino games includes Roulette and black jack etc.
Chip	Casinos in the UK require you to use chips to denote money. They are usually purchased and exchanged at a cashier's booth.
Coin pusher or penny falls machine	A machine of the kind which is neither a money prize machine nor a non-money prize machine
Crane grab machine	A non-money prize machine in respect of which every prize which can be won consists of an individual physical object (such as a stuffed toy) won by a person's success in manipulating a device forming part of the machine so as to separate, and keep separate, one or more physical objects from a group of such objects.
Default condition	These are prescribed in regulations and will be attached to all classes of premises licence, unless excluded by the council.
Equal Chance Gaming	Gaming which does not involve playing or staking against a bank.
Fixed odds betting	If a gambler is able to establish what the return on a bet will be when it is placed, (and the activity is not 'gaming' see below), then it is likely to be betting at fixed odds.
Fixed Odds betting terminals (FOBTs)	FOBTs are a type of gaming machine which generally appear in licensed bookmakers. FOBTs have 'touch-screen' displays and look similar to quiz machines familiar in pubs and clubs. They normally offer a number of games, roulette being the most popular.
Gaming	Gaming can be defined as 'the playing of a game of chance for winnings in money or monies worth, whether any person playing the game is at risk of losing any money or monies worth or not'.

Term	Description
Gaming Machine	Any type of machine allowing any sort of gambling activity including betting on virtual events but not including home computers even though users can access online gaming websites.
Licensing Objectives	The licensing objectives are three principal goals which form the basis of the Act. Stakeholders who have an interest in the Act need to try and promote these objectives: The licensing objectives are: • Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime. • Ensuring that gambling is conducted in a fair and open way. • Protecting children and other vulnerable ~~persons~~people from being harmed or exploited by gambling.
Lottery	A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part. A lottery is defined as either a simple lottery or a complex lottery. A simple lottery is one where ~~persons~~people are required to pay to participate and one or more prizes are allocated to one or more members of a class and the prizes are allocated by a process which relies wholly on chance. A complex lottery is where ~~persons~~people are required to pay to participate and one or more members of a class and the prizes are allocated by a series of processes where the first of those processes relies wholly on chance. Prize means money, articles or services provided by the members of the class among whom the prize is allocated. (It should be noted that the National Lottery is not included in this definition of lottery and is regulated by the National Lottery Commission).
Mandatory condition	A condition which will be set by the Secretary of State (some set out in the Act and some to be prescribed by regulations) which will be automatically attached to a specific type of premises licence. The council will have no discretion to alter or remove these conditions.
Money prize machine	A machine in respect of which every prize which can be won as a result of using the machine is a money prize.
Non-money prize machine	A machine in respect of which every prize which can be won as a result of using the machine is a non-money prize. The winner of the prize is determined by: (i) the position in which the coin or token comes to rest after it has been inserted into the machine, together with the position of other coins or tokens which have previously been inserted into the machine to pay a charge for use, or (ii) if the insertion of a single coin to pay the charge for use enables the person using the machine to release one or more tokens within the machine, the position in which such tokens come to rest after being released, together with the position of other tokens which have previously been so released.

Term	Description
Odds	The ratio to which a bet will be paid if the bet wins, e.g. 3-1 means for every £1 bet, a person would receive £3 of winnings.
Off-course betting operator	Off-course betting operators may, in addition to premises away from the track, operate self-contained betting premises within a track premises. Such self-contained premises will provide facilities for betting on both events taking place at the track (on-course betting), as well as other sporting events taking place away from the track (off-course betting). In essence such premises operate like a traditional high street bookmakers. They will however only normally operate on race days.
On-course betting operator	The on-course betting operator is one who comes onto on a track, temporarily, while races are taking place, and operates at the track side. On-course betting operators tend to offer betting only on the events taking place on the track that day (on-course betting).
Pool Betting	For the purposes of the Gambling Act, pool betting is made on terms that all or part of the winnings: 1) Shall be determined by reference to the aggregate of the stakes paid or agreed to be paid by the ~~persons~~people betting 2) Shall be divided among the winners or 3) Shall or may be something other than money. For the purposes of the Gambling Act, pool betting is horse-race pool betting if it relates to horse-racing in Britain.
Regulations or Statutory instruments	Regulations are a form of law, often referred to as delegated or secondary legislation. They have the same binding legal effect as Acts and usually state rules that apply generally, rather than to specific ~~persons~~people or things. However, regulations are not made by Parliament. Rather, they are made by ~~persons~~people or bodies to whom Parliament has delegated the authority to make them, such as a minister or an administrative agency.
Representations	In the context of the Gambling Act representations are either positive statements of support or negative objections which are made in relation to a licensing application. Representations must be made in time, e.g. during a designated notice period.
Responsible authority (authorities)	Responsible authorities (RAs) are agencies which have been appointed by the Gambling Act or regulations to fulfil a designated role during the licensing process. RAs must be sent copies of all licensing applications and have the power to make representations about such applications. RAs also have the power to ask for licences to be reviewed. For Leeds the RAs include West Yorkshire Police, The local Safeguarding Children Board, Leeds City Council's Development Department as well as several others.

Term	Description
Skill machine / Skill with prizes machine	The Act does not cover machines that give prizes as a result of the application of pure skill by players. A skill with prizes machine is one on which the winning of a prize is determined only by the player's skill – any element of chance imparted by the action of the machine would cause it to be a gaming machine. An example of a skill game would be trivia game machines, popular in pubs and clubs, which require the player to answer general knowledge questions to win cash prizes.
Spread betting	A form of investing which is more akin to betting, and can be applied either to sporting events or to the financial markets. Spread betting is regulated by the Financial Services Authority.
Stake	The amount pledged when taking part in gambling activity as either a bet, or deposit to the bank or house where the house could be a gaming machine.
Statement of principles document	A document prepared by the council which outlines the areas that applicants need to consider before applying for gaming permits.
Table gaming	Card games played in casinos.
Tote	"Tote" is short for Totaliser, a system introduced to Britain in 1929 to offer pool betting on racecourses.
Track	Tracks are sites (including horse tracks and dog tracks) where races or other sporting events take place. Examples of tracks within the Leeds district would be Elland Road Football ground and Headingley Stadium.

Appendix 3 Summary of gaming entitlements for clubs and pubs

	Members' club or MW institute with club gaming permit	Bridge or whist club	Members' club or commercial club with club machine permit	Members' club, commercial club or MW institute without a club gaming permit	Pubs and other alcohol-licensed premises
Equal chance gaming	Yes	Bridge and/or whist only	Yes	Yes	Yes
Limits on stakes	No limit	No limit	Poker £1000 per week £250 per day £10 per person per game Other gaming No limit	Poker £1000 per week £250 per day £10 per person per game Other gaming No limit	Cribbage & dominoes No limit Poker £100 per premises per day Other gaming £5 per person per game
Limits on prizes	No limit	No limit	Poker £250 per game Other gaming No limit	Poker £250 per game Other gaming No limit	Poker £100 per game Other gaming No limit
Maximum participation fees – per person per day	Bridge and/or whist* £20 Other gaming £3	£18 (without club gaming permit) £20 (with club gaming permit)	Bridge and/or whist* £18 Other gaming £3 (commercial club) £1 (members club)	Bridge and/or whist* £18 Other gaming £1	None permitted
Bankers or unequal chance gaming	Pontoon Chemin de Fer	None permitted	None permitted	None permitted	None permitted
Limits on bingo	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	No bingo permitted	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.	Maximum of £2,000 per week in stakes/prizes. If more then will need an operating licence.

* On a day when no other facilities for gaming are provided

The current status of the Large Casino is that a premises licence has been granted. The following process will apply should the current licence cease to exist because it has either been surrendered or revoked.

1.   Background

1.1   The Act introduces three new categories of casino; one regional casino, eight large casinos and eight small casinos. In 2006 the council submitted a proposal for a regional and large casino to the Casino Advisory Panel.

1.2   On 15th May 2008 the Categories of Casino Regulation 2008 and the Gambling (Geographical Distribution of Large and Small Casino Premises Licences) Order 2008 was approved. This specified which licensing authorities could issue premises licences for large and small casinos. Leeds City Council was authorised to issue a large casino premises licence.

1.3   On 26th February 2008 the Secretary of State for Culture, Media and Sport issued the Code of Practice on Determinations Relating to Large and Small Casinos (Code of Practice). The council will comply with this Code which sets out:

   a. the procedure to be followed in making any determinations required under Paragraphs 4 and 5 of Schedule 9 to the Gambling Act 2005 and
   b. matters to which the Licensing Authority should have regard in making these determinations.

1.4   The council recognises that applicants may either apply for a casino premises licence or a provisional statement. As for all premises licences, applicants for a casino premises licence must fulfil certain criteria in that they must:

   a. hold or have applied for an operating licence from the Gambling Commission; and
   b. have the right to occupy the premises in question.

1.5   Should an applicant be unable to meet these two criteria they should apply for a provisional statement.

1.6   Unless otherwise specified, any reference to the application and procedures for a premises licence for a casino in the following parts of this section will also include the application and procedures for a provisional statement for a casino.

1.7   Where a provisional statement application is successful, the council may limit the period of time for which the statement will have effect. This period may be extended if the applicant so applies.

1.8   The council will ensure that any pre-existing contract, arrangement or other relationship with a company or individual does not affect the procedure for assessing applications so as to make it unfair or perceived to be unfair to any applicant.

1.9   In making a decision on both stages the council will take heed of any current Codes of Practice, current Regulations and guidance issued by the Secretary of State for the Department of Culture, Media and Sport and the Gambling Commission.

1.10   The council has not passed a "no casino" resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. It may choose to exercise this option should there be only one application for a large casino premises licence or should, where there is more than one application, those applications fail to meet the council's aspirations for benefit for the Leeds metropolitan area. Should the council decide in the future to pass such a resolution, it will update this policy with details of that resolution and any such decision will be made by full Council.

1.11   As per Part 8, Section 210 of the Gambling Act 2005 the council will not have regard to whether or not a proposal by the applicant is likely to be permitted in accordance with the law relating to planning or building and any licensing decision will not constrain any later decision by the council under the law relating to planning or building.

1.12   The council does not have a preferred location for the new large casino. Applicants can submit proposals for any site or location within the Leeds metropolitan area and each will be judged on its own individual merits.

2.   Application Process

Stage 1

2.1   The council will publish an invitation calling for applications. This invitation will be published in a trade newspaper, journal or similar publication. It will state the latest date the application must be made and the place from which a person may obtain an application pack.

2.2   The part of the application pack which relates to stage 1 will include, as a minimum, the following:
*   Guidance for applicants
*   Application form for Stage 1
*   Example notices

2.3   With regard to stage 1 of the application process, the general principles as stated in Part C of this gambling policy will apply to all applications.

2.4   At stage 1 the Licensing Committee or sub-committee, will determine, if there are valid representations, which applications would be granted if they were able to grant more than one application.

2.5   At stage 1, the council will not consider whether any of the applications is more deserving of being granted.

2.6   Should more than one applicant pass through stage 1, the process will proceed to the second stage with each successful applicant being invited to submit information about how their application would, if granted, benefit the area.

2.7   The part of the application pack which relates to stage 2 will include, as a minimum, the following:
- Stage 2 evaluation methodology, including scoring matrix
- Details of current Licensing Committee
- Details of the Advisory Panel
- Terms of reference for Advisory Panel
- Example Schedule 9 agreement
- Glossary
- Vision for Leeds 2011 to 2030

2.8   At stage 2, the procedure will follow the DCMS Code of Practice. However, the Code leaves individual councils to determine the detail of their own procedure.

2.9   The council will not bear any abortive costs of the unsuccessful applicants and their participation in all phases of the licence process is conducted entirely at the ~~applicants~~applicant's risk.

Advisory Panel

2.10   It is recognised that the Licensing Committee does not necessarily have specialised expertise required to fully evaluate each application. It will seek professional expertise from officers of the council. Where this expertise is not available, it may seek independent expertise from outside the council.

2.11   For this purpose, the Licensing Committee will appoint a non-statutory panel to assist it in the evaluation of the stage 2 application process. This panel will be called the "Advisory Panel". The Advisory Panel will evaluate each application using the evaluation methodology and scoring provided in the application pack.

2.12   To ensure there are no conflicts of interest, applicants will be provided with a list of Advisory Panel members. Where objections are made, it will be necessary to give details of the substance of such objection. These objections will be considered by the Licensing Committee before the evaluation of stage 2 applications commence.

2.13   The Advisory Panel will engage in discussions with each second stage applicant with a view to the particulars of an application being refined, supplemented or otherwise altered so as to maximise the benefits to the Leeds metropolitan area that would result from it (were it granted).

2.14   The Advisory Panel will report its findings to the Licensing Committee. The report will be made available to the applicant before being submitted to ensure that the information provided within it is accurate. Should the applicant disagree with the evaluation, this will

be noted and reported to the Licensing Committee, together with any necessary changes to the Advisory Panel's report.

2.15   The Licensing Committee will consider all the applications at Stage 2, and the report of the Advisory Panel. They will evaluate the proposals, in line with the principles below and determine which application, if granted, is likely to result in the greatest benefit to the area. This will involve an evaluation both of the benefits and the likelihood of their delivery.

2.16   The Licensing Committee will instruct officers to complete negotiations on any written agreements made under Paragraph 5(3)(b) of Schedule 9 of the Act. Once the negotiations have been completed officers will report to Licensing Committee who will then grant the licence to the successful applicant and reject the remaining applications.

2.17   In line with paragraph 5.7.4 of the Code of Practice, in determining the principles the council intends to apply in making any determination for a casino premises licence, the council has had specific regard to the following:

    a. The financial and other contribution a second stage applicant proposes to make to the Leeds metropolitan area,
    b. The likely effects of an application on employment, the local economy and regeneration within the authority's area,
    c. Whether, and the extent to which, the benefits offered are pursuant to an agreement under paragraph 5(3)(b) of Schedule 9 or otherwise.

2.18   In line with paragraph 3.3 of the Code of Practice, in determining the principles the council intend to apply at Stage 2, it disregarded the existence of any contract, arrangement or other relationship already in place; and will
    •   put in place arrangements to ensure that any such contract, arrangement or other relationship does not, actually or apparently, prejudice its ability to conduct the procedure fairly; and will
    •   prepare a register of interests disclosing their interest in any contract, arrangement or other relationship with an applicant or a person connected or associated with an applicant.

3.   Principles

3.1   At stage 2 the applicant will be required to state and demonstrate the benefit that they can bring to Leeds metropolitan area.

3.2   The council will seek to determine the greatest benefit through the following principles:

Financial   To seek to maximise the financial return to the council.
Social   To use any financial return accrued to facilitate the delivery
                 of programmes and projects that support the Council's
                 social and economic inclusion agenda, for the benefit of the
                 Leeds metropolitan area.

Economic   To secure a positive and significant economic impact for the local economy through the provision of a Large Casino in Leeds.

4.   Evaluation Criteria

4.1   The council will publish a detailed evaluation methodology, which includes the information applicants are required to supply in order to support their application, and the weight that will be placed on each criterion. This evaluation methodology will be included in the application pack.

4.2   Applicants should carefully examine the evaluation methodology and tailor their application accordingly to ensure that they maximise benefits in accordance with this methodology.

4.3   In line with paragraph 5.7.4 of the Code of Practice, and the principles stated at 16.37 of this policy, the council has selected the following criteria which they will use to evaluate and score applications:

Financial Contribution   This criterion relates to 16.33a and the first and second principles

Socio-economic   This criterion relates to 16.33b and the second and third principles

Risk and deliverability   This criterion relates to 16.33c and all three principles

Financial Contribution

4.4   The council is seeking to identify and quantify the level of financial contribution that could be secured for the Leeds metropolitan area. It is expected that the contribution will comprise a mixture of annual payments received from the applicant and a lump sum payable upon signing of any agreements and on specified dates and/or events thereafter.

4.5   The financial contribution will be used by the council to establish and maintain the council administered Social Inclusion Fund (SIF) which will facilitate the delivery of programmes and projects that support the council's social and economic inclusion agenda, for the benefit of the Leeds metropolitan area.

4.6   The financial contribution will be evaluated in terms of its ability to fund a credible and sustainable SIF. As such a mixture of upfront and annual payments is required.

4.7   The scoring of financial contributions will be weighted as follows:

1.0	1.0 Financial Contribution	33%
1.1	Net Present Value of total financial offer	
1.2	Upfront capital payment paid to the council on completion of the Schedule 9 Agreement	
1.3	Net Present Value of annual cash sum offer	

4.8   Further detail including the information required, its format and how the submission will be evaluated can be found in the evaluation methodology included in the stage 2 application pack.

Socio-economic

4.9   The council is seeking to identify and quantify the level of expected net socio-economic benefits that could be secured for the Leeds metropolitan area based on the projected gross levels applicants believe their proposals will generate.

4.10   The council will expect to see that the applicant has tailored its proposals specifically to the requirements of Leeds through research and detailed assessment of the physical, social and economic position as outlined in its vision documents. These documents will be made available in the stage 2 application pack.

4.11   Applicants should have regard to the proposed location of the premises, with regard to meeting the licensing objective which seeks to protect children and vulnerable ~~persons~~people from being harmed or exploited by gambling. Applicants will be asked to provide information related to the area in which their proposed developed is situated in their strategy and vision documents.

4.12   Applicants will be asked to provide information on how their development will impact on employment and training, including amongst others, graduate training, NEETs and vocational qualifications as well as opportunities for Leeds businesses and the local supply chain.

4.13   Applicants must demonstrate a firm commitment to mitigation of negative impacts and ensuring residents' safety and health is not put at risk by the large casino. In particular, attention should be focussed on mitigation for the most vulnerable in society and for those living closest to the proposed casino and applicants must ensure that problem gambling issues do not increase in the Leeds area. Applicants must provide an assessment of the social, equality and health impacts of their proposed casino developments and provide mitigation plans to minimise and eliminate negative impacts. Applicants should also commit to supporting the ongoing monitoring of negative social, equality and health impacts of the large casino and make contractual commitments in the schedule 9 agreement on all mitigation measures proposed.

4.14   The scoring of the socio-economic benefits will be weighted as follows:

2.0 Socio-economic	34%
2.1 Strategy and vision for proposed development	
2.2 Economic Benefits (Gross):	
- Net contribution to local economy (including direct employment and GVA)	
- Credibility of economic assumptions	

2.3 Net social impacts

4.15   Further detail including the information required, its format, data requirements and how the submission will be evaluated can be found in the evaluation methodology included in the stage 2 application pack.

Risk and deliverability

4.16   At stage 2 the council will assess the risk and deliverability of the proposed scheme. In particular the council will wish to consider what legal and financial assurances there are that the proposed development will be delivered within 5 years, and that the promised benefits will both materialise and be maintained. Firm evidence is required that all benefits and development proposed can be funded and a contractual obligation with penalties for non-delivery is required.

4.17   The application pack will include a template agreement under paragraph 5(3)(b) of Schedule 9 to the 2005 Act ('a schedule 9 agreement'). Such an agreement will be negotiated with the applicants during the stage 2 evaluation process. This agreement will include a list of the benefits proposed, along with delivery targets and details of the penalties for non-delivery. Applications where the benefits, including delivery of the development itself, are made subject of contractual obligation and where the applicant provides damages for non-delivery are likely to receive greater weight in the evaluation process.

4.18   The council is aware that the casino application may form part of a wider development proposal or be a new development. A casino development with firm contractual commitment to be fully operational within a 5 year timescale with proof of funding and with meaningful payment proposed for late or non-delivery will score more highly than a casino development that is not supported by a contractual commitment and/or meaningful payments for late or non-delivery and/or proof of funding. Any part of a wider development proposal which is not directly required for the delivery of the casino will score more highly if the applicant commits to completing the wider development within a 5 year timescale, proposes meaningful payment for late or non-delivery and provides proof of funding. These commitments will be contained within the schedule 9 agreement and the five year timescale will start from the signing of the schedule 9 agreement. Applicants must demonstrate that all development proposals are credible.

4.19   The scoring of risk and deliverability will be weighted as follows:

3.0 Risk and deliverability	**33%**
3.1 Contents of the Schedule 9 Agreement	
3.2 Deliverability:	
- Financing	
- Financial Standing	
- Right to occupy the site/premises	
- Credibility of approach to implementation	

4.20   Further detail including the information required, its format and how the submission will
         be evaluated can be found in the evaluation methodology included in the stage 2
         application pack along with a template schedule 9 agreement.

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Equality, Diversity, Cohesion and Integration Screening

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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision.** Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

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

Directorate: Citizens and Communities	**Service area:** Entertainment Licensing
Lead person: Susan Holden	**Contact number:** 0113 378 5331

1. Title:

Is this a:

[X] **Strategy / Policy** [ ] **Service / Function** [ ] **Other**

If other, please specify

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

Under Section 349 of the Gambling Act 2005 the Licensing Authority is required to prepare a statement of principles that they propose to apply in exercising their functions under this Act. This process is to be repeated every three years from 31st January 2007.

The consultation process is laid out clearly in the Gambling Act 2005, the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 and the Guidance to Licensing Authorities issued by the Gambling Commission (www.gamblingcommission.gov.uk).

3. Relevance to equality, diversity, cohesion and integration		

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

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

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		X
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations		X

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

If you have answered **yes** to any of the above and;
  • Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4.**
  • Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5.**

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

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

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

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

The council is aware of the difficulty in defining the term "vulnerable person". In most recent literature, it is not a term that is used, with the term "adults at risk of abuse or neglect" or "adults at risk" being the preferred terms.

The Gambling Commission, in its Guidance to Local Authorities, does not seek to offer a definition for the term "vulnerable people" but will, for regulatory purposes assume that this group includes people:

> "who gamble more than they want to, people who gamble beyond their means, elderly persons, and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, or because of the influence of alcohol or drugs."

The Care Act 2014 imposes a requirement on a local authority to "make enquiries if it has reasonable cause to suspect that an adult in its area, whether or not ordinarily resident there, has needs for care and support, is experiencing, or is at risk of, abuse or neglect, and as a result of those needs is unable to protect himself or herself against the abuse or neglect or the risk of it".

The local authority must make whatever enquiries it thinks necessary to enable it to decide whether any action should be taken in the adult's case (whether under this Part or otherwise) and, if so, what and by whom. "Abuse" includes financial abuse; and for that purpose "financial abuse" includes having money or other property stolen, being defrauded, being put under pressure in relation to money or other property, and having money or other property misused.

The Department of Health document "No Secrets" from 2000 offers a definition of a vulnerable adult as a person:

> "who is or may be in need of community care services by reason of mental or other disability, age or illness; and who is or may be unable to take care of him or herself, or unable to protect him or herself against significant harm or exploitation."

In 2016, Leeds City Council commissioned Leeds Beckett University to undertake research into Problem Gambling in Leeds (*Problem Gambling in Leeds; Kenyon, Ormerod, Parsons and Wardle, 2016*). This research looked specifically at identifying groups of the society that could be considered vulnerable to problem gambling:

Young people – rates of problem gambling among young people who gamble are higher than older adults and youth gambling behaviours are consistent with the harm paradox, whereby these age groups are less likely to gamble generally but those that do are more likely to experience difficulties with their behaviour (Wardle, 2015).

Minority ethnic groups – There is consistent evidence that those from Asian or Black backgrounds are more vulnerable to gambling problems and there is clear evidence of the harm paradox (Wardle, 2015).

Unemployed and constrained economic circumstance – the generally those of lower income are less likely to gamble but those that do spend a higher proportion of their income on gambling. This is highlighted as a concern given the lesser ability of lower income households to protect themselves from financial instability (Brown et al, 2011).

There is evidence that those in debt and those using money lenders and/or pawnbrokers are more likely to be problem or at risk gamblers (Meltzer et al, 2012). The relationship between constrained economic circumstances and gambling problems is likely to be complex and multi-faceted. It may be mediated by other economic opportunities and personal feelings about how well off you are compared with others. Despite this complexity, there is a consistent body of evidence showing that for whatever reason, those who are unemployed and who gamble are more likely to experience adverse outcomes from their gambling than those in paid employment.

Area deprivation – There are a number of British surveys that have consistently shown that those living in more deprived areas are more likely to experience problems with their gambling behaviour. This was despite having roughly the similar levels of past year gambling participation to those who live in less deprived areas.

Wardle (2015) looked at the distribution of machines and licensed betting offices and argues that there was clear and consistent evidence of a spatial skew, whereby high density machine zones or areas with licensed betting offices are more deprived than others. Recent research has shown that among gamblers who held loyalty cards, rates of problem gambling (28%) were higher among those who lived within 400 metres of a concentration of betting offices than those who did not (22%) (Astbury & Wardle, 2016).

Homeless – The rates of problem gambling are higher among those who are homeless than those who are not. Although studies are small, they show that there is a significant relationship with gambling preceding homelessness. Little is known about why rates of problem gambling among homeless population groups is higher than the general population but given associations with other mental health conditions, homeless people should be considered a vulnerable group.

Mental ill health – There is a strong association between mental ill health and problem gambling. Associations were found between problem gambling and general anxiety disorder, phobia, obsessive compulsive disorder, panic disorders, eating disorders, probably psychosis, attention deficit hyperactivity disorder, post-traumatic stress disorder, harmful and hazardous levels of alcohol consumption and drug addiction. Overall three quarters of problems gamblers seeking treatment also experience co-morbid mental health disorders.

Being a problem or at risk gambler is associated with later onset of major depressive disorder, alcohol use and dependence, drug use and experience of any mental disorder. Illegal drug use and experience of any mental disorder is also associated with the subsequent onset of at risk and problem gambling. These findings seem to confirm that the conclusion that the relationship between problem gambling and mental ill health may be cyclical.

Substance abuse/misuse – The evidence base relating to the relationship between substance abuse/misuse and experience of problem gambling broadly measures that of mental ill health. Evidence from British based surveys has shown that rates of problem gambling were higher among those with alcohol dependence (3.4%) or drug dependence (4.4%) than the general population (0.74%) (Wardle, 2015). A systemic review of those seeking treatment for gambling problems showed that 15% also experience alcohol dependence and 7% have other substance abuse disorders (Dowling et al, 2015). There is strong evidence that alcohol and substance misuse are associated with problem gambling. As with other mental health conditions, these conditions can co-occur at the same time.

Personality traits/cognitive distortions – There is a strong body of evidence highlighting the relationship between various personality traits, such as cognitive distortions or impulsivity, with problem gambling. Cognitive distortions, such as erroneous perceptions of gambling and illusion of control are well established risk factors for problem gambling (Johansson et al, 2009). However little research has been conducted to explore the complex interaction of personality

traits with other factors and their combined influence on the experience of broader gambling harms. Certain personality traits and/or cognitive distortions are just one potential aspect of vulnerability which is likely to be affected by a range of other factors.

Problem gamblers seeking treatment – Because this group is in the process of attempting to recover from gambling problems they should be treated as a vulnerable group in their own right (Wardle, 2015).

Problem gambling can affect anyone at any time. Whilst rates of problem gambling among all adults in Britain tend to be less than 1% (1.4% in large metropolitan areas such as Leeds), there are some groups that are more likely to experience problems. These groups could all be considered vulnerable to gambling problems. Leeds City Council already works with many of these groups however operators should consider these groups in their Local Risk Assessments, especially in relation to identifying the people in these groups, and mitigating harm experienced by them.

Vulnerable people, especially the elderly, people with disabilities, people who are ill can be considered at protected characteristics and have been forefront when reviewing the policy.

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

The impact on vulnerable people specifically relates to gambling premises which are embedded within the community such as betting shops and adult gaming centres. Betting shops in particular are plentiful and on every high street. They also have fixed odds betting terminals which are considered to be highly addictive gaming machines, offering casino style games. The increase in the availability of these machines is of concern nationally. Additional requirements under the Gambling Commission's Licence Conditions and Codes of Practice (LCCP) seek to address risks to vulnerable people.

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

This is the fifth review of the Gambling Act 2005 Statement of Licensing Policy. At this review the council does not seek to remove any of the protections included in other versions of the policy. It does seek to include additional requirements on licence applicants to consider their local area when making their application and for all existing gambling premises to undertake a similar review. These measures are included in paragraph 13.10, on page 17 of the policy, onwards. The new policy provides more detail on groups that may be considered vulnerable, especially to problem gambling. This work came from research commissioned by the Council from Leeds Beckett University.

5. If you are **not** already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment**.	
Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

6. Governance, ownership and approval
Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Nicola Raper	Section Head Entertainment Licensing	1st May 2018
Date screening completed		1st May 2018

7. Publishing

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board**, **Full Council, Key Delegated Decisions** or a **Significant Operational Decision.**

A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record.

Complete the appropriate section below with the date the report and attached screening was sent:

For Executive Board or Full Council – sent to **Governance Services**	Date sent:
For Delegated Decisions or Significant Operational Decisions – sent to appropriate **Directorate**	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent:

Report author: Angela Brogden

Tel: 0113 3788661

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date: 10ᵗʰ September 2018

Subject: Civic Enterprise Leeds 2018/19 Quarter 1 Performance Update

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

1.0 Purpose of this report

1.1 Civic Enterprise Leeds sits within the Resources and Housing Directorate and consists of Facilities Management, Cleaning, Catering, Passenger Transport and Fleet Services.

1.2 At the beginning of the municipal year, the Scrutiny Board requested a performance update for Civic Enterprise Leeds. The attached report therefore provides the 2018/19 quarter 1 performance results for Civic Enterprise Leeds for the following categories:

- Delivery
- Cost
- People
- Safety
- Quality

1.3 Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.

2.0 Recommendation

2.1. That the Scrutiny Board considers the attached performance report and agrees any specific scrutiny actions that may be appropriate.

3.0 Background documents[1]

3.1. None

Civic Enterprise Leeds

Quarter Reporting Qtr1

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Civic ENTERPRISE LEEDS

Executive Summary

Civic Enterprise Leeds sits within the Resources and Housing Directorate and consists of Facilities Management, Cleaning, Catering, Passenger Transport and Fleet Services.

Our key priorities for 2018/19 are set out in page 9 of this report and are People, Delivery, Safety, Cost and Quality. Key objectives have been set out for the year which include Health and Well Being which involves us rolling out a healthy living agenda targeting areas most effected by poverty, working with Housing Leeds on the High Rise Strategy, delivering an alternative delivery model in Passengers for SEND transport, continuing on our digitisation journey and taking advantage of technological solutions to enhance processes, provide advice and support across the Council on Commercialisation and continue with our own Commercialisation agenda and finally Inclusion and Diversity, developing a model of good practice and playing out a broader delivery role across the Council. Our performance against these objectives is covered on pages 11 to 15; good progress has been made against all of these objectives at quarter 1.

Each section of Civic Enterprise Leeds has its own service specific performance indicators. Pages 16 to 19 cover Cleaning and Facilities Management. Performance at quarter 1 is good, particular emphasis has been put on Fire Safety post Grenfell and our results show excellent progress such as achieving 24 Fire Safety Audits in High Rise Blocks, 100% of reported bulky items moved in 24 hours and 100% of blocked bin chutes attended to in 24 hours, issues still remain around timescales for physically unblocking the chutes as there are a number of factors which inhibit this, we are working with colleagues in Housing, Refuse and Enforcement on this. As well as this excellent performance we have introduced Stage 1 Fire Safety Check Sheets to all Low Rise blocks that receive a cleaning service across the City. The average cleaning monitoring score is slightly up from the previous quarter to 91% a number of mystery shopping exercises have taken place in Qtr. 1 with tenant members of the High Rise Strategy Board and results were excellent.

Other highlights include delivering a marked increase in the number of PRESTO gardening and window cleaning customers after a successful targeted marking campaign and increasing our share of business in the school cleaning sector bringing Morley Victoria, Shakespeare and Parklands Primary onto contract.

Performance against the Facilities Management E-Schedule is good, all legislative requirements such as Fire Risk Assessments and Evacuations are above 89% and we have recently added in new indicators such as an annual Inclusion and Diversity review of the building and annual review of Local Safety Arrangements and associated training which will make our buildings more inclusive and safer. Performance is slightly ahead of previous quarter which is extremely pleasing as much time was spent on recommissioning Merrion House and decommissioning buildings as part of the move into Merrion House, ensuring that all surplus furniture and equipment was put to good use and implementing a revised reception/security model for our main city centre office accommodation which links all of the buildings

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and has specific lock down plans in place. This new reception model has been a huge success and has been recognised by other departments and has been rolled out beyond the City Centre and now includes Apex House and Tech North. We were successful with our bid for capital funding to carrying the recommendations from the Customer Access Buildings Security Review and these are now being implemented to improve staff and customers safety.

Catering's performance is detailed on pages 20 to 23, highlights include holding 75% of the primary catering market and achieving 81% of good/very good client rating this represents a slight drop in performance on both of these indicators but robust action plans are in place to improve performance, including setting up a marketing group to target new business and tie in existing customers in to long term contracts.. Other achievements in Quarter 1 include serving 32,103 meals a day which is good for this time of year as many parents typically decide to switch to packed lunch in the warmer weather.

Other highlights include a review of some of our supplier contracts, and we now have a number of excellent locally based fresh food suppliers who sustainably supply and use local growers, there is also the potential for these new contracts to deliver £400k savings over the life of the contracts. We have also achieved the Soil Association Food for Life Bronze Accreditation which demonstrates that we are serving freshly prepared food, cooked from scratch, sourcing environmentally sustainable and ethical food.

Flavour remains very busy with a record breaking month of income during Qtr. 1 and there is exciting news with the prospect of developing a café/coffee shop on the waterfront at Yeadon Tarn.

Pages 24 to 27 detail Passenger Transport's performance for this quarter, highlights include a projected increase in the number of children with SEND who are eligible for transport which leaves a potential budget pressure. To counter this we are further encouraging independent travel and a Personal Travel allowance, so far 10 families are signed up with a potential annual saving of £70k. The service continues to work with Adults and Health to offer a more flexible service for the elderly and is currently on line to come in on budget. PRESTO has seen an increase in the number of customers by 21% during Qtr 1 but there has been a continued trend in decrease in number of meals delivered each day down by 2% we are working with Adults and Health, the NHS, GP's and dieticians to ensure the service is promoted fully.

A comprehensive review of all routes have been undertaken in Q1 which coincides with retendering of Taxi provision and it is anticipated that this will deliver reduced costs. Lots of proactive work around staff engagement and inclusion from which the service is seeing positive results including improved levels of attendance.

Fleet Services performance is detailed on pages 28 to 34. Highlights include a HGV MOT pass rate at 85% which is a vital indicator for the industry, 100% response to breakdowns on time and 98% customer satisfaction. Other achievements include sustaining levels of turnover in external MOT income now projected at £120k pa, and training over 639 staff in driver related subjects ensuring our staff have vital training to keep themselves and members of the public safe. Other important work has taken

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place includes future proofing the Council's fleet to ensure it complies with the Clean Air Requirements including procuring a further 51 EV's giving us the largest EV fleet in the UK and rolling out the telematics program across departments.

Fleet continued with a strong uptake of the apprentice Levy, the apprentice Levy is being used to train 30 staff to gain LGV licences across the Council and Fleet has 8 of its own staff on apprentice schemes.

Our financial performance is detailed on page 35. A balanced position is currently forecast and any risk is managed through service specific action plans, details of key area' of risk around our proposed budget savings are detailed in column A.

Overtime is summarised on page 36, the majority of Civic Enterprise Leeds staff work part time so the majority of this is not paid at enhanced rates it is classed as additional time paid at plain time. The table shows a projected over spend of £250k due to a number of factors mainly around increased income and demand for services such as City Centre Gate Security, Concierge and Fire Safety work in High Rise Flats and Hostile Vehicle Mitigation services and is offset by an increase In income so is budget neutral. We are looking to deliver some of this work with permanent staff which will be recruited and expect this overspend to come down.

Civic Enterprise Leeds employees are integral to us providing high quality services to the people of Leeds, our Quarter 1 performance is detailed on pages 37 to 45. In summary we have seen an increase in headcount 2982 in 2017/18 to 3025 which is due to a number of factors including our ongoing drive to fill vacant posts, increase income through new work streams and the consolidation of FM services by directorates into CEL including the transfer of 8 Caretaking staff transferring into CEL from the Central Library where CEL now pick up the FM.

Our Equality data is on pages 38. A lot of positive work has been undertaken with the staff networks to increase participation with front line staff and the Head of Fleet is now chair of the Disable Staff Network and the department has offered advice and support to a number of network events such as Pride and the DSN conference.

Managing attendance is critical to our financial success and our service delivery, our attendance levels have continued to remain steady based on the previous years; this is a result of closer working with Trade Unions and colleagues in HR and introducing a number of measures to improve health, well-being and support staff in work. All staff who have had unbroken attendance for 2017/18 have been written to with a personal thank you from their head of service.

Civic Enterprise Leeds are committed to providing sustainable and permanent vacancies within our departments. Agency staff, however, are sometimes required to ensure the flexibility of some functions are maintained. It is our aim to reduce the total number of agency staff in line with the Council's objectives regarding employment within the city. We have seen a reduction in agency staff across most areas of the business, but towards the beginning of Qtr. 1 there has been an increase mainly due to increased demand for Security staff across the city, agency staff are only deployed when there are no other options and until direct staff can be recruited and the graphs on page 42 show that agency usage is coming down as staff are recruited.

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We have worked very hard to improve staff engagement, communication, training and development and we have worked closely with the Unions on the learning agreement. Our staff survey results on page 43 reflect this with excellent results a score of 8.12 against council average of 7.54 on the question how satisfied are you with your job, we also attribute this to completing 100% appraisals across the group on time.

CEL invests heavily in staff training, it has its own in house training team which delivers training to CEL staff as well as Council staff and also delivers training to other organisations staff which brings in income and is a service that we hope to grow over time. Page 44 gives details of all training delivered across CEL in Qtr. 1, highlights include 131 staff trained in First Aid, 77 in manual handling and 52 in general Health and Safety.

We have worked closely with HR, Procurement and training providers to maximise our uptake of the apprentice levy, page 45 gives details of the number of staff enrolled on apprentice schemes and the range of different courses and levels. CEL will have 44 staff enrolled for apprentices, some have started already and some are due to start Sept 18. Going forward any suitable vacancies will be advertised as apprentices and we will also be looking at maximising the conversion of existing posts into apprentices.

The Health, Safety and Well Being of our staff and customers is critical to our success, we are proud of our record and this is demonstrated with our continued accreditation to ROSPA and OSHAS 18001 Health and Safety Management Systems. Our Health and Safety performance is detailed on pages 46 to 49. In quarter 1 we had 76 accidents across all areas of Civic Enterprise Leeds; all of these accidents were thoroughly investigated with a CF50 being completed and a Managers Investigation being carried out and any recommendations implemented. Six of these were RIDDOR reportable with a summary of these on page 46, these have been robustly investigated by the service and H&S and any recommendations have been put in place.

Our commitment to Health and Safety is demonstrated in our training statistics with 733 members of staff being trained in safety related courses in quarter 1 and increase of 434 on the previous quarter.

We take our Corporate Social Responsibility seriously, we are proud to be a Joseph Rowntree Living Wage Employer and run a number of initiatives to support staff and many other activities across the city such as corporate parenting for looked after young people and mentoring, details are on pages 50 and 51 and Q1 highlights include supporting the holiday hunger partnership initiative enabling children in deprived areas to access activities which include healthy meals during the school holidays; continuing with supported internships for young people and the provision of recycled LCC fleet vehicles which were to be disposed of to a local charity Catch, the vehicles were provided fully serviced and inspected.

We continue to manage Risk and Resilience closely with details on pages 52 of the pack, a number of Business Continuity Plans are in place to ensure our services can still operate should there be an array of unplanned events such as loss of power or severe weather. Our ability to respond is critical to other council services being able to deliver in such difficult times, a good example of this in Q1 is the support our teams offered at Cottingely MSF's where all communal power was lost and our teams provided emergency lighting and staff to assist residents get around the building at night.

There are a number of high level risks detailed on our risk register, all of which are managed closely with specific action plans with robust control measures in place around risks such as Fuel Shortages and compliance with Regulations these are detailed on page 52.

Civic Enterprise Leeds always strives to deliver the highest possible levels of service that we can to our colleagues and customers. We are proud of our ISO9001 accreditation and have an established quality management system in place that continually holds up to scrutiny from both internal and external auditors to ensure we maintain the standard. Our quality results on pages 53, 54 and 55 show how we have performed over quarter 1. During this quarter we successfully undertook conversion to BS EN ISO 9001:2105 which we were very proud of and this gives us more opportunity to introduce more risk based thinking through planning and implementing actions to address risks and take advantage of opportunities.

Commercialisation and bringing in additional income if one of CEL's key objectives, we have many years' experience of trading across a number of areas and have developed a robust offer that is tried and tested in the market. Pages 56 to 59 gives a summary of our current trading position, our aspirations for areas to grow into and projections for the future.

Highlights include a 20% increase in PRESTO customers and an exciting new addition to the service home gardening and window cleaning which has seen good take up, Fleet continue to have strong take up on private MOT's and their partnership with LTHT is blossoming delivering a number of fleet related services on their behalf.

Trading with schools on catering is becoming increasingly difficult, accademisation is making the market volatile and a number of schools have been lost to private contractors, the service is working hard to tie existing schools into long term contracts and actively market to new schools. In contrast Civic Flavour is going from strength to strength with turnover increased significantly with lots of new business in the pipe line.

Cleaning and Facilities continue to have a strong trading presence and are actively seeking and bidding for tender opportunities and deliver services gained through competitive tendering exercises. UNITY Housing, WYFRS, Doncaster St Ledger homes are just a few of our clients. Accademisation has been a challenge but the service has worked hard on productivity quality and price and has enhanced its market share being successful with 3 tenders for Primary Schools in Qtr. 1. The service continues with a targeted marketing campaign.

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Page 59 of the pack gives details of our aspirations for trading, our 5 year commercialisation plan shows our aspirations, projecting increase of commercial activity of 17% after year 5.

We have seen good progress across all areas of Civic Enterprise Leeds in terms of People, Delivery, Safety, Cost and Quality, this has been demonstrated by the information in this pack and we are striving to continue to deliver improvements in quarter 2 in what will be difficult times due to a number of challenges. These include the increase in demand on Special Educational Needs Transport, trading with academies and the challenges that come from operating in a commercial market.

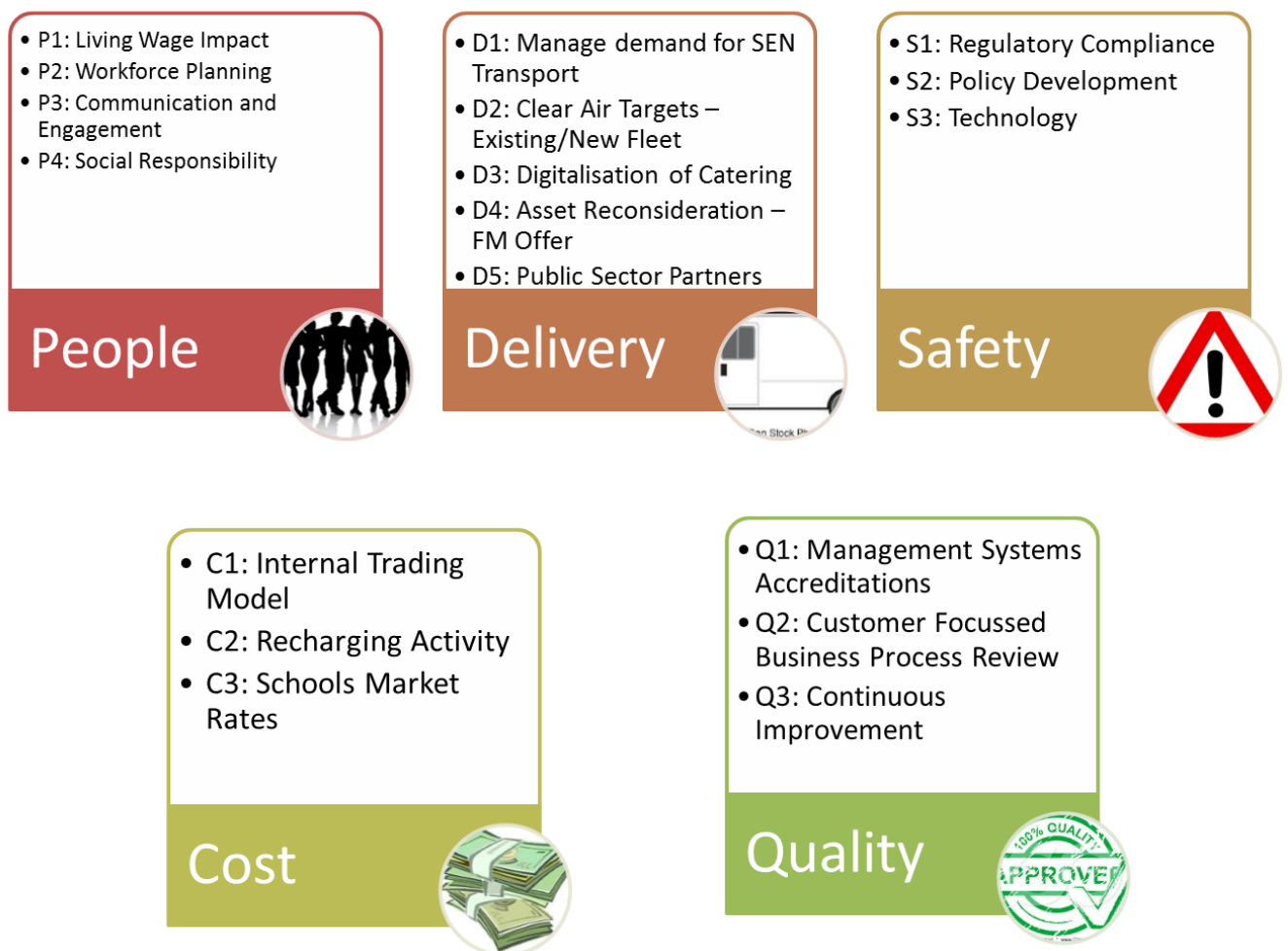**Sarah Martin**

Chief Officer

Civic Enterprise Leeds

August 2018

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Introduction

The purpose of this document is to provide the quarter performance results for Civic Enterprise Leeds for the following categories:

- Delivery
- Cost
- People
- Safety
- Quality

Below outlines the key priorities for Civic Enterprise Leeds within the financial year.

- P1: Living Wage Impact
- P2: Workforce Planning
- P3: Communication and Engagement
- P4: Social Responsibility

People

- D1: Manage demand for SEN Transport
- D2: Clear Air Targets – Existing/New Fleet
- D3: Digitalisation of Catering
- D4: Asset Reconsideration – FM Offer
- D5: Public Sector Partners

Delivery

- S1: Regulatory Compliance
- S2: Policy Development
- S3: Technology

Safety

- C1: Internal Trading Model
- C2: Recharging Activity
- C3: Schools Market Rates

Cost

- Q1: Management Systems Accreditations
- Q2: Customer Focussed Business Process Review
- Q3: Continuous Improvement

Quality

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Civic Enterprise Leeds sits within the Resources & Housing Directorate and is comprised of the following services:

- Facilities Management and Cleaning
- Catering
- Passenger Transport
- Fleet Services

The Leadership Management Team Structure is as follows:

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                    Sarah Martin
                    Chief Officer
                       Civic
                     Enterprise
                       Leeds
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| Richard Jackson Head of Cleaning | Mandy Snaith Head of Catering | Julie Hatton Head of Passenger Transport | Terry Pycroft Head of Fleet | Les Reed Head of Facilities Management |
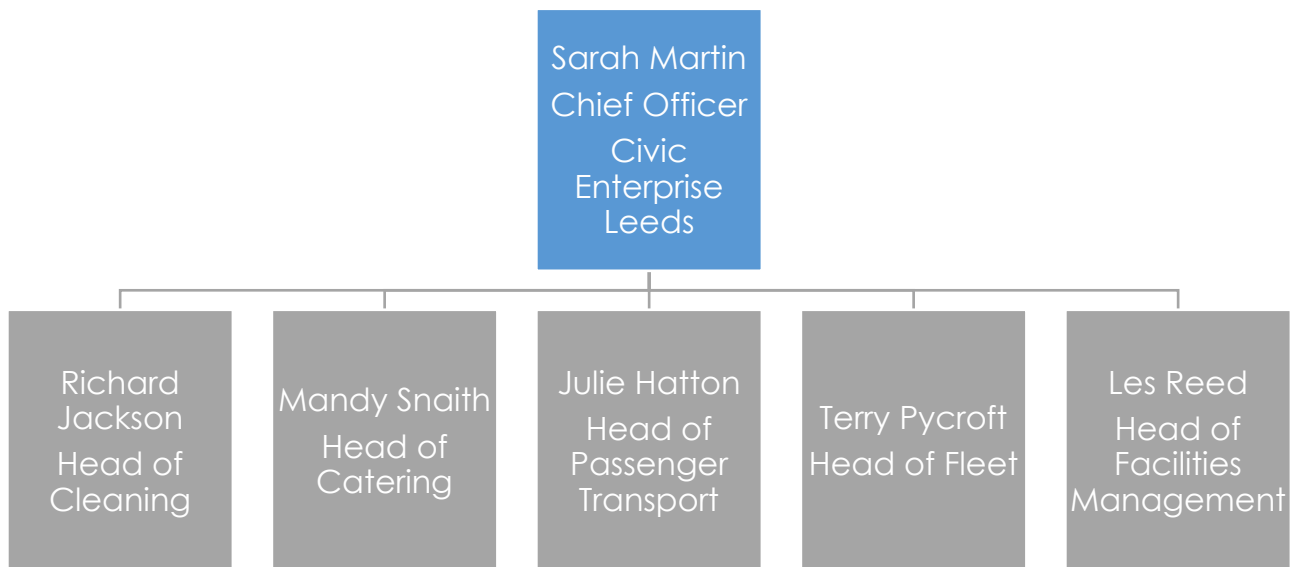
Civic Enterprise Leeds is proud to provide excellent service delivery to all our clients (internal and external) to ensure that we continually improve our procedures and standards across all services. The below highlights the overall service objectives and provides updates from both an overall and service specific level.

Objective Summary 18/19 – Updates

	OBJECTIVES PLAN 2018/19
Objective	**Q1 Update**
Health and Wellbeing Work with health partners to seek and rollout a healthy living agenda targeting areas most affected by poverty.	We are working in partnership with FareShare and Communities and Environment in relation to Holiday hunger. We will provide a healthy lunch 3 days a week for up to 30 local children throughout the summer at Dewsbury Road Community Hub starting Friday 27th July. The pilot project will consist of an activity (as there is a library this will be supporting the Reading Challenge, but crafts will also be on offer) and a lunch. The ingredients for the lunch will be provided to Catering Leeds by FareShare. The food will be prepared at Cross Green Transport Kitchen and transported by Cleaning up to site.
High Rise Strategy Review and extend the role of Cleaning with Housing Management in order to improve standards and create a safer environment for residents.	Trial of Total Mobile hand held technology solution now commenced for Stage 1 Fire Safety Checks to give real time reporting and more accountability. MSF evening concierge pilot is under review initial feedback is excellent huge reduction in ASB and spend of repairs continuing to roll out to further blocks on an informed basis. Continue to take part in mystery shopper exercises making unannounced visits with tenants- Feedback positive. Working with refuse and housing on Bin Chute action plan to address issues with access/capacity/broken linings.

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Passenger Transport Deliver the alternative service delivery models in order to reduce costs and enhance outcomes on SEN transport.	As part of the partnership working with the Wellspring academy, agreement was reached with the East Springwell site to trial shared transport. As a result of this the number of routes reduced from 47 to 30 routes, a 56% reduction. This is expected to generate £70k savings in 2018-19. Work is underway to reschedule the home to school transport routes and through the use of a scheduling tool and then e-auction for the new routes.. Discussions with a number of settings regarding the provision of their transport will take place in September and updates provided accordingly. Information has been requested from core cities regarding best practices and bench marking indicators. 10 business cases have been approved for Personal Travel Allowances that have been submitted by families which will deliver full year savings of £70k. 5 of these families agreed to trial the system which allowed them to manage their transport and budgets for 2 to 4 weeks to the end of the summer term. This trial proved to be very worthwhile and successful. We are also supporting 10 more families that are in the process of submitting PTA applications.

Digitalisation Identify and implement technological solutions to improve business processes and stakeholders communication.	Calls9 pilot concluded and was felt to be a useful tool for the areas involved. This is an online mirror of Insite which also includes service specific information which can be accessed off network and is configured for smart phones and other mobile devices which was led by HR. Awaiting a corporate decision around the business decision going forward. CEL meets the appropriate standards of GDPR. Continue to utilise social media to effectively engage with employees. Currently have 365 Facebook members. Live kitchen pilot continues to enable the service to develop electronically. Process will provide a computer to each kitchen improving planning, communication and business intelligence for our service and will improve stakeholder position through increased parental and school information in relation to pre-orders, menu planning, recipes, online payment, debt chasing and general communication. New AV kit now in place in all Committee rooms, East and West, Leaders Board Room and Chief Exec's board room giving state of the art vision and sound and skype facilities. Trials commenced on Total Mobile for Stage 1 fire safety check sheets in high rise flats to give real time reporting information on repair and fire safety issues. Telematics has been fitted to 295 vehicles which are undergoing trials, for future roll out should efficiencies be found. Tranman replacement contract and specification is now completed on schedule, including the details for earned recognition with DVSA. The specification for a new database has been agreed following consultation with all stakeholders and the intention is to tender for the provision in the autumn. The service aims to improve communication with all stakeholders through the use of a new database. Approval has been given to provide a new database for Presto. This should be delivered in the autumn and will improve all scheduling and comms with employees.

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Commercialisation Provide advice and directions to traded services functions and further expand external commercialisation and shared services functions.	In Q1 we placed a bid for work at an FE establishment (UTC Leeds) which we were successful with. Service commences September 18. Expansion into the FE Sector is being explored with a bespoke FE marketing plan currently in development The expansion of primary academies has seen business churn within catering this year. The service is working hard on a retention strategy which can compete with the private sector and continues to secure some longer term Service Level Agreements with primaries who had gone out to market. Focussing on securing existing business and seeking new the service is demonstrating a pro-active approach to securing business stability Flavour business continues to grow across the city with Q1 income on track. Successful relationships with Triathlon and increasing private companies is also growing. We continue to work with partners in Sports on the development of commercial catering provision at Yeadon Tarn and Aireborough Leisure Centre/Library. This gives the opportunity for bespoke branded coffee shop developments to both sites which will be wholly run and managed by Flavour the Commercial Catering arm of Catering Leeds Cleaning continues with its marketing strategy to schools and other public third sector organisations and being successful with bids for 3 x new primary school contracts and the University Technical College. Working is ongoing around benchmarking of price/quality/productivity across the group to ensure we remain competitive.

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| Inclusion and Engagement Develop a model of good practise and playout a broader delivery role across the Authority. | CEL Calendar of events and activity developed to aid planning for inclusion and engagement events.
E, D & I quarterly newsletter written and was sent to all staff early in Q2.
CEL newsletter developed in partnership with TU's. Aim is to keep all staff informed and involved with all services within the group.
Supported Internship graduation took place on 25.06.18. This was a 9 month placement, initially for 4 students.
Placements run until end July 18.
Work with Credit Union and other partners to offer financial signposting and advice to front line staff and their families.
Senior managers enrolled from program of Care Leaver Mentoring,
Work under way on creating combined roles across the group to be able to offer full time work for those who need more hours to support themselves and their families. |

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Civic ENTERPRISE LEEDS

Service Specific Delivery

Cleaning Services and Facilities Management

Facilities Management and Cleaning Services carries out a range of activities including:

- Cleaning – an internal building service carrying out routine and non-routine cleaning on behalf of the Council and external organisations
- Specialist Cleaning – void property clearance/cleaning, foul property cleans, window cleaning, emergency cleans, corporate/domestic removals and moves, bin chute clearance, needle removal, fly tipping removal and garden clearance
- Static Guarding & Security – front of house security service in buildings such as one stop shops
- Reception duties
- Caretaking
- Facilitating responsive and planned maintenance
- Compliance with building related legislation
- Energy Management – daily running of gas, electric and water contracts for the Council and schools within 2,300 sites

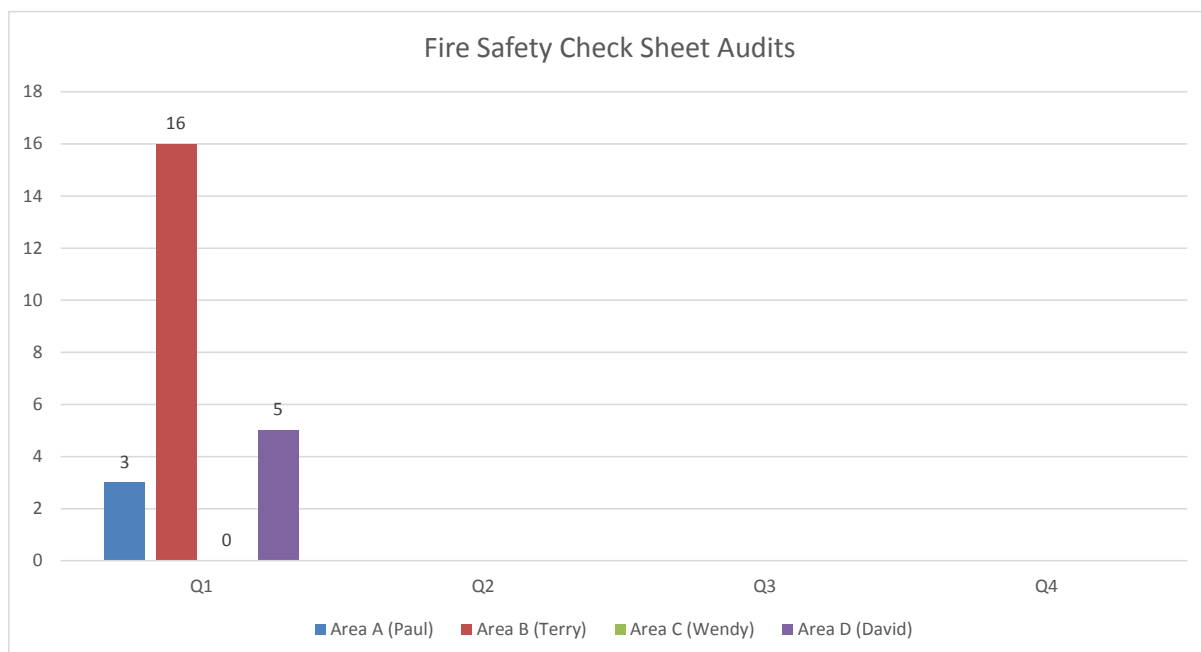## Quarter 1 Highlights – Cleaning Services and Facilities Management

- Successfully recommissioned Merrion House from FM perspective and moved back up 1800+ members of staff and completed various other CTW moves across the City, Merrion House now operating as business as usual and fully managed by FM.

- Assisted in facilitating a number of events across the City Centre which either bring income or are a vital part of our constitution such as SLAM Dunk, the Local Elections, Triathlon and the opening event for Merrion House.

- Further rolled out our new Front of House Reception model to now include Apex House this delivers efficiencies and an improved service but also gives opportunities of progression for front line cleaning staff.

- Delivered emergency call out support to a number of instances including power failures at Cottingley Heights where our teams supplied emergency lighting and staff to ensure the safety of residents.

- Continued to push the commercialisation agenda and pushed on with our marketing campaign to schools and other organisations and we were successful with our bids for Morley Victoria Primary, Parklands Primary, Armley Primary, Shakespeare Primary and the University Technical College.

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- After targeted marketing campaigns we have seen a steady growth in our new PRESTO home gardening and window cleaning services bringing income into the council.

- Delivered a number of recommendations from the customer access security review to make our public buildings safer for staff and customers, the review has continued and is now covering medium risk buildings.

- 15 staff are enrolled on apprentice schemes as we look to maximise our use of the apprentice levy.

- Worked across CEL to create multi skilled roles across all services and creating full time roles rather than just part time hours.

- Continued with our staff communication days to keep front line staff informed and involved and aware of Council Priorities and how they fit, we also completed a number of back to the floor exercises where managers work with front line teams.

- Further rolled out the Concierge pilot in high rise flats to support the high rise strategy work is underway on a full review but initial feedback is that tenants love it, reports of ASB and repairs are down.

- Completed a review of single use plastic cups across FM managed buildings and put alternative arrangements in place.

- Completed 100% of appraisals on time.

- Kitted out all Civic Hall Committee rooms with new AV Kit and Skype facilities to make the rooms more versatile and useable and to support the CTW agenda.

- Took part in a mystery shopping exercise with the High Rise tenant board members who were highly delighted with the standard of cleaning in blocks.

- Despite £150k budget saving being taken from the account we are still on target to hit out financial plan.

- Testing has commenced on Total Mobile a hand held IT solution to give real time reporting on Stage 1 Fire Safety Check Sheets

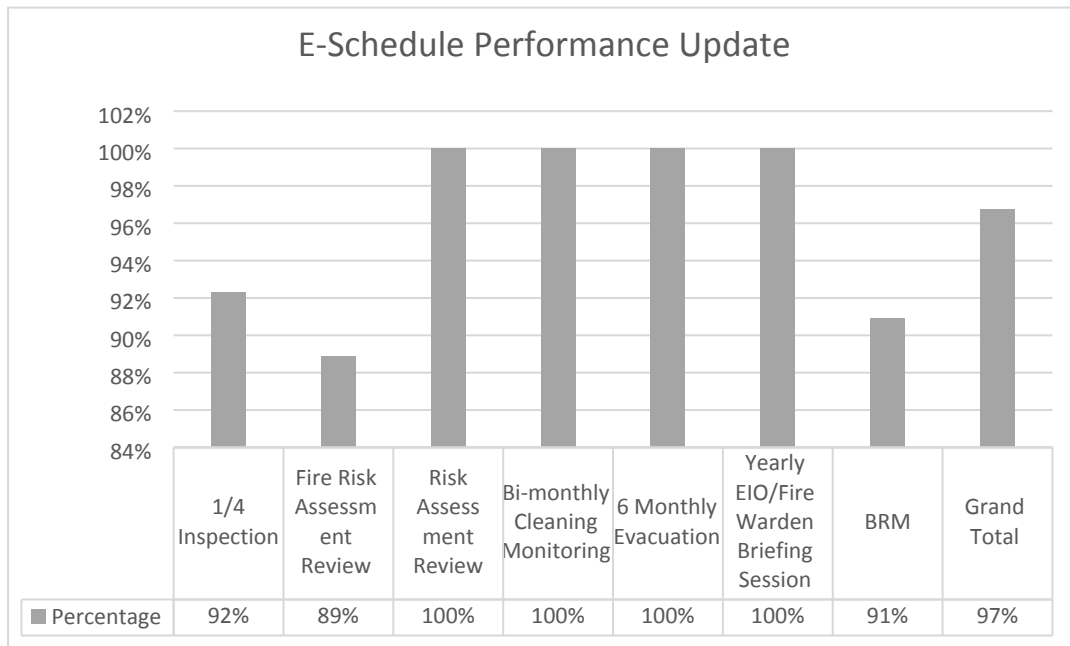## Quarter 1 Indicators – Cleaning Services and Facilities Management

	Q1				
91%	Average cleaning score for Q1	**91%**	Average score for external cleaning for Q1	**30**	Number of joint monitors completed
100%	Chute jobs attended	**82%**	Chutes cleared within 24 hours	**80%**	Demos actioned within 24 hours
96	Number of schools contracted	**24**	Number of fire safety audits	**100%**	Bulky items removed within 24 hours

Fire Safety Check Sheet Audit Figures

Fire Safety Check Sheet Audits

No Major non-conformances found

E-Schedule Performance Update

Percentage	1/4 Inspection	Fire Risk Assessment Review	Risk Assessment Review	Bi-monthly Cleaning Monitoring	6 Monthly Evacuation	Yearly EIO/Fire Warden Briefing Session	BRM	Grand Total
	92%	89%	100%	100%	100%	100%	91%	97%

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Catering Leeds

Catering delivers welfare and commercial catering activities to:

- Schools – Catering provides a fully managed school meals service. This includes planning menus, training staff, cooking and serving meals, developing and marketing the service to all schools. Catering Leeds also offers provision for after school clubs catering and supporting the healthy eating curriculum in schools

- Early Years – Catering provides breakfasts, lunches and teas in nurseries including food and menus that are suitable for very young and weaning infants

- Adult Social Care – Catering Leeds provides a full 7 day catering services in Council residential homes and day centres

- Civic Flavour is the commercial catering arm of Catering Leeds. It is primarily located within Civic Hall and provides commercial catering across Leeds to both internal and external clients

Quarter 1 Highlights – Catering Leeds

- Consistently maintain the majority share of primary catering across the city with 180 sites still with Catering Leeds. £1.64m net managed budget return for Primary School Catering in 17/18.

- Contract pressures –there are a number of private contractors seeking business in Leeds with a number of consultants being introduced to schools and offering efficiencies and longer term packages. We are working with a school meals specialist marketing company, to support us with the roll out of customer focused messages as well as create tangible marketing materials aimed at Heads, Business Managers, Governors, Parents and Pupils alike. As a service we risk rate all contracts and are actively working on developing marketing and service improvement plans for at risk schools. We have reviewed and amended our client satisfaction measures and are rolling these out now.

- A further 6 schools are changing their provider, the majority of these are working in groups:
  - Ruth Gorse Academy which includes Hillcrest Primary, Richmond Hill Primary and Ryecroft Primary. 25 staff involved. Collective return on bottom line of £50k. Awarded to Taylor Shaw to transfer 31.08.18
  - Ireland Wood Primary and Broadgate Primary are working with a consultant called 'Red Box'. 12 staff involved. Collective return of £32k. Awarded to Caterlink to transfer 31.08.18.

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- South SILC Specialist Inclusive Learning Centre are bringing their business in-house with effect from October half term. 3 staff involved. No financial loss to service. The business in SILC's has been subsidised by the service as a result of high costs and low meal numbers and we have been consulting with centres for 18 months in relation to our plans to move to a cost neutral position where direct costs would be payable by the centre rather than the service.
- Raynville Primary tested the market and opted to continue with the service with a longer SLA and a different model. 9 staff involved. £3k return on bottom line.
- Tranmere Park Primary considered their options and Catering Leeds have secured the business without a tender exercise and school happy to continue with the service with a longer SLA and a different model. 6 staff involved. £27k return on bottom line.
- Shakespeare Primary will return to Catering Leeds on 01.09.18, leaving Chartwells. This is as a result of a new school being built and the PFI agreement no longer restricting movement. This is a large school where we expect to be able to build business and increase numbers quickly. Staff will TUPE into the service, numbers are not confirmed yet. Expected return is approx. £90k
- Awarded the contract for the catering provision at University Technical College Leeds with effect from 01.09.18. Mobilisation meetings for this contract have commenced. 3 staff will TUPE into the authority. This is our first FE contract and we are now planning a targeted approach for other similar sites.

- Business development strategy – we are targeting schools who are not currently working with us to boost business, this is being carried out by Business Builders who work within the schools geographic location. A range of marketing materials are being developed to support this including renewing menu and provenance signage in every school.

- Meal numbers are above the same point last year, currently averaging 32,103 per day on average through the year so far, at a period when numbers tend to drop as parents provide packed lunches in better weather and schools take more trips. Numbers are below our target, as a result of the business losses at the end of the last financial year and this will be further impacted by business losses over the summer break. New business will help to offset this impact.

- Contracts have been reviewed for our fresh fruit and vegetable supply and an award has been made to our existing supplier, GT Produce. GT are locally based and work very closely with the service on Holiday Hunger projects, sustainable supply and use of local growers. Through the procurement exercise we have been able to secure a £400k reduction in costs for 2018/19 which we anticipate will provide a saving in future years, however due to the unknown Brexit/weather implications, we are unable to accurately forecast this.

- Commitment to Carers Week went well during w/c 11.06.18. Activities took place throughout CEL to raise awareness of the event on the Friday, with

Catering Leeds selling ice creams (Just One Cornetto for Commitment to Carers), which was shared with staff through social media (twitter and facebook) and included other staff working within LCC based at Knowsthorpe Gate. Catering raised £74 and overall CEL raised £278 which will go to St Gemma's Hospice, the new Lord Mayors charity.

- Health and Wellbeing Day took place on 17 May at Knowsthorpe Gate which Cllr Lewis attended and went really well. Table tennis, blood pressure checks, One You Leeds, Healthy Minds and many more attended and we shared information in relation to caffeine and the risks. Elements of this will be adopted for our next staff event to target front line staff and their health and wellbeing.

- Just One Day went well for Catering Leeds with a range of activities taking place including raffles, tombolas and the great fun, back to front day which allowed our front line staff take part.

- Our commitment to increased communications through positive feedback has again seen our Facebook subscribers rise further with this site now being used as a platform by over 30% of our staff to congratulate, seek advice and tips and build a real camaraderie between off site teams thought showcasing their photos and good news and enabling us to share corporate messages about the council agenda that they not have seen historically. Fruit Art sessions delivered in a number of schools, providing exciting session for 120 children.
All the children became totally enthralled making melon pizza and banana dolphins. The children are so creative with their various fruit toppings and love the idea of coconut looking like grated cheese! A comment from the class teacher was received *'I just wanted to say thank you so much for the wonderful visit yesterday. The children all really enjoyed themselves and the parents were so impressed with what they took home.'*

- Bushtucker trials delivered in many schools, providing fun sessions for 180 children.

- We developed and served a Royal Wedding theme menu in May which was really well received in schools who were also celebrating this event.

- Assessed by Soil Association for Food for Life Bronze accreditation. Award extended to now cover 145 primary schools. This accreditation signifies that we are serving freshly prepared food, cooked from scratch, sourcing environmentally sustainable and ethical food, making healthy eating easy and use food which is locally sourced and supplied. Catering Leeds and the schools have to meet and maintain specific criteria to achieve the accreditation.

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- Supported universities with two work placements in relation to food and nutrition. One placement from Leeds Trinity and one from Leeds Becketts.

- Catering Leeds completed the pilot with partners in HR to reduce the impact of the Digital Divide, alongside both Cleaning Leeds and Fleet Services with a pilot called 'Calls9'. This is an online mirror of Insite which also includes service specific information which can be accessed off network and is configured for smart phones and other mobile devices. Catering Leeds await the outcome of this trial.

- Flavour remains very busy with a record breaking month of income for the service during May. Exciting news is the development prospect of a café / coffee shop on the waterfront at Yeadon Tarn and the development of the same on a smaller scale at Aireborough Leisure Centre. Sports are keen to work with us to hand this opportunity over to us to manage knowing the increased footfall will impact on their activities and offers. Work with Steve Brown from Sport has been really positive and can do.

- Supported Internship graduation took place on 25.06.18. This was a 9 month placement, initially for 4 students, of which 3 made it through to the end. Placements run until end July 18. We expect 2 students to take on permanent roles within the service at the end of their placement.

- Discussions with Sports regarding the newly refurbished Aireborough Leisure Centre and Yeadon Tarn site are picking up pace and the go ahead has been given to start refurbishments for both sites, this is exciting news for both services with a real opportunity to create community coffee shops that have a complete commercial focus at the same time.

Quarter 1 Indicators – Catering Leeds

Q1					
75%	% of primary school market share	0	Contract(s) won	0	Contract(s) not retained
75p	Spend on plate	32103	Number of meals per day	85.71%	Average monitor scores
81%	of very/good client rating	5	Number of customer complaints	23	Number of compliments

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Civic ENTERPRISE LEEDS

Passenger Transport

- Passenger Transport provides transport on behalf of Children's Services and Adult Social Care. The service has 175 drivers and 300 escorts and transports over 3,000 passengers daily to day services and schools. These are adults with learning difficulties and children special educational needs provided through a mix of in-house services and taxi and private hire.
- Meals on Wheels – A service which provides hot, cold and frozen food to elderly customers who either self-refer or are referred by Adult Social Care
- Presto – a service which supports adults to live independently through a variety of services including companion care, cleaning services and drivers
- School Crossing Patrol – provision of 119 school wardens for the safe crossing of children
- We are continually reviewing our routes to ensure they are efficient and in doing so the effect they have on the carbon footprint is reduced.
- We have briefed staff on the various benefits on offer to LCC employees, i.e. the Leeds card, Leeds Credit Union, the pension scheme and the various union learn options.
- We have a contact with a third sector organisation to deliver meals on wheels.

Quarter 1 Highlights – Passenger Transport

- There continues to be an increase in the number of children and young people with SEND who are eligible for transport and we continue to work closely with colleagues in Children's and families in order to address this pressure.

- As part of the offer of travel assistance children and young people are encouraged to travel independently and the service aims to train 130 young people in 2018-19.

- As at the end of June 9 children had passed through the scheme. There is now a waiting list for training and the numbers will increase in September as new children are referred.

- Further to encouraging families and children to travel independently, in conjunction with Children's and families, the service, has introduced a Personal travel allowance. This is an optional support available to families who express an interest, and as at the end of June 110 families were contacted, ten of whom applied and were accepted with an annual saving of £70k.The service is aiming to achieve a target saving of £250k as a result of PTA's by the end of March 2019.

- Whilst there are a number of factors affecting the overall number of children requiring transport, the service is projecting the charge to Children's and Families to be in line with the budget of £11.9m.This may change significantly
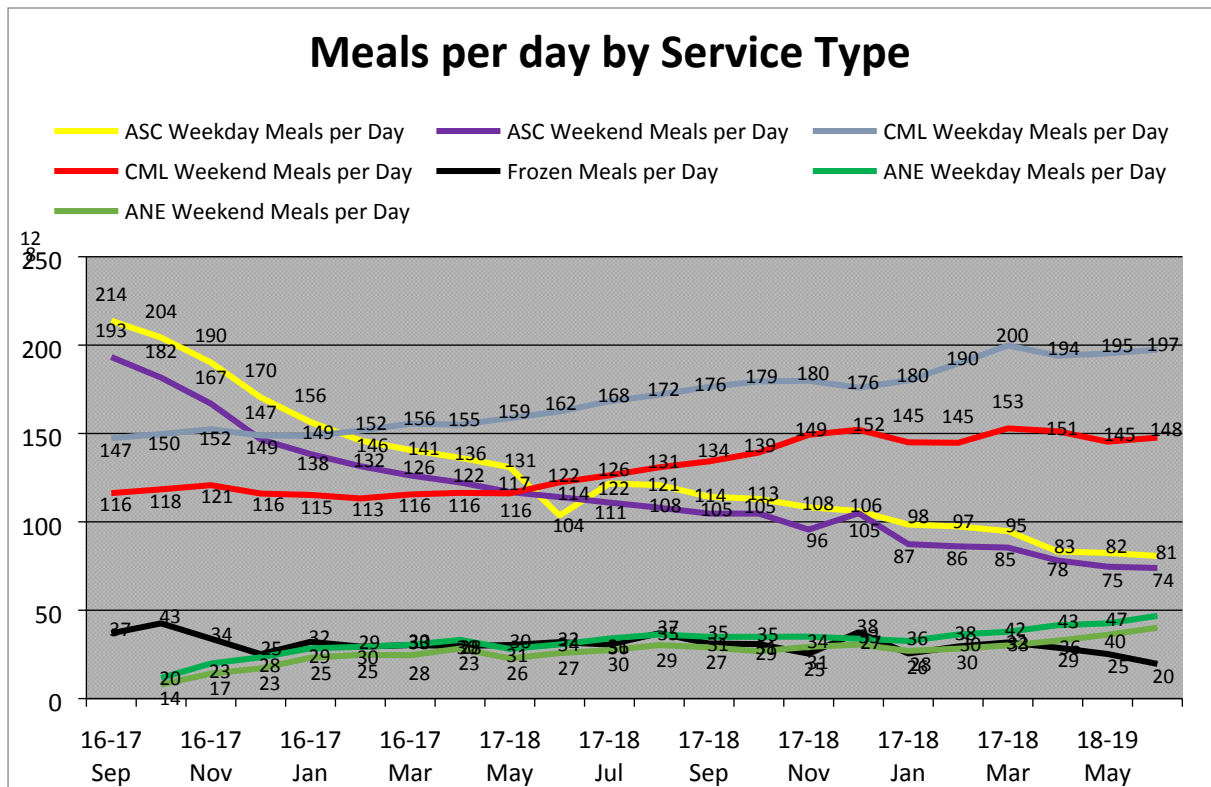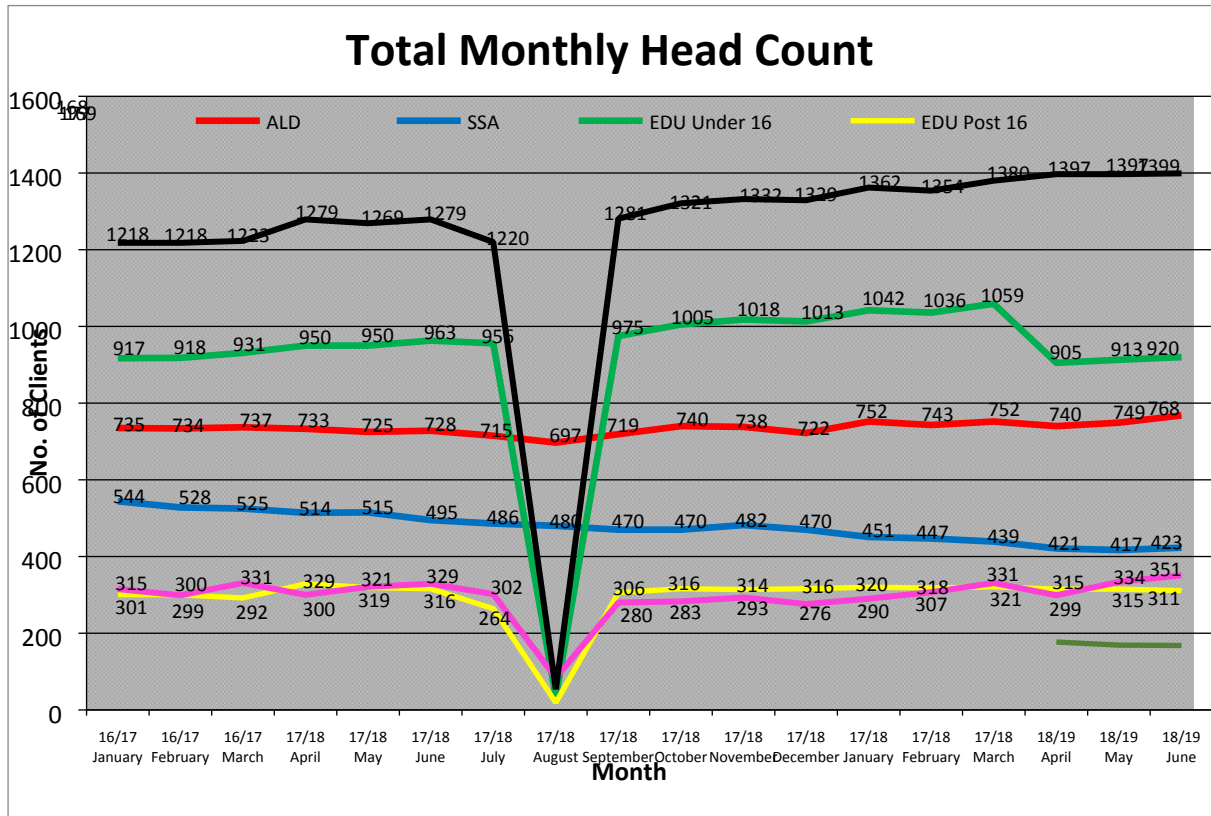
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following the new intake in September but the service will continue to work on a number of initiatives in order to reduce the demand and the spend.

- The service has started working with Adults and health to offer a more flexible service for the elderly. During the first quarter fact finding exercises were undertaken and the results are shared with Adults during the summer.

- As at the end of June 2018 the service was projecting the charge to Adults and health would be in line with the budget of £5.0m

- Presto (help at home service) is aiming to increase the number of hot meals delivered by 10% from 2017-18. As at the end of March 2018 there was an average of 333 meals delivered each day, as at the end of June this has dropped to 325 per day. This is a 2% reduction and the service is working with Adults and health, the NHS, GP's and dieticians to ensure the service is promoted fully.

- As at the end of March 2018 the help at home service had 126 customers receiving a regular service. At the end of June this had increased to 153, a 21% increase.

- The service manages its efficiencies through its trip rate, and the rates for as at the end of June , compared to the end of the financial year are as follows:-

	In house		Private hire	
	2017-18	1st Qtr 2018-19	2017-18	1st Qtr 2018-19
Adults and Health	£18.03	£17.83	£23.30	£22.39
SEND	£26.25	£24.05	£22.99	£23.56

- There are slight variances but the rates are monitored each month. There will be further variances in September as a result of the rescheduling and retendering of all the routes the service undertakes.
- During the first quarter we have undertaken our staff comms day "Let's Share" at which over 120 colleagues attended, we continue to promote our service Facebook and have 154 employees registered. The Supervisors continue to visit the various day services and schools, 47 visits were made in the 1st qtr, with any issues addressed accordingly.
- At the end of June we had undertaken 72 health and safety inspections on drivers and vehicles.
- Staff attendance remains a constant pressure, and our aim is to improve attendance by 10% from the 2017-18 year end figure of 13.65 days per fte. As at the end of June the cumulative figure was 2.7 days per fte against a target of 2.12.

Civic ENTERPRISE LEEDS

Total Monthly Head Count

Meals per day by Service Type

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Civic
ENTERPRISE
LEEDS

Run Occupancy

Year	Date	Total clie	Count of In-House Runs				Count of Private Hire Runs				Grand Total
			Adult	LAC	SEN	In-House Total	Adult	LAC	SEN	Private Hire Total	
2018	**Apr**	<2	74	4	23	101	1698	1223	3600	6521	6622
		2-6	804	11	223	1038	228	496	1622	2346	3384
		>7	875	1	438	1314	20		186	206	1520
2018	**May**	<2	47	3	38	88	1859	1904	5457	9220	9308
		2-6	873	23	366	1262	262	713	2546	3521	4783
		>7	950		696	1646	22		310	332	1978
2018	**Jun**	<2	34		32	66	1814	1853	5484	9151	9217
		2-6	774	16	432	1222	261	834	2884	3979	5201
		>7	863	3	774	1640	17		343	360	2000

Average Actual Distance Travelled by Clients

Year	Month	Adult In-House	Adult Private Hire	College In-Hou	College Private Hire	LAC In-House	LAC Private Hire	LAC Total	SEN In-House	SEN Private Hire	SEN Total	Grand Total
2018	April	5.65	7.28	5.94	7.71	9.74	9.54	10.20	10.26	10.25	9.05	8.18	8.47	7.57
2018	May	5.77	7.56	6.11	8.91	9.84	9.75	10.26	9.88	9.93	9.30	8.03	8.46	7.83
2018	June	10.56	7.60	9.98	9.13	10.00	9.91	10.10	9.59	9.66	17.55	7.94	11.22	10.63

Fleet Services

Fleet Services provides fleet management and maintenance functions for the Council's 1200 mixed municipal fleet and has a regulatory role in ensuring compliance with Regulations and the Goods Vehicle Operator Licence including:

- Stores – holding maintenance and avoidable repair parts
- Fleet Deployment – managing the hire Framework Contract, client liaison and managing driver logistics for the service
- Fleet Management – management of the procurement and disposal of fleet, servicing and MOT schedule. Regulation of O Licence, Licence Mandate Checks, management of traffic offences and fuel management
- Fleet Maintenance – servicing, routine planned and reactive works, light and large goods vehicle MOT
-

Quarter 1 Highlights – Fleet Services

Corporate initiatives

- DSN information gathering and strategy project well underway details for future DSN meetings currently being established.
- Liverpool Council visit to discuss CNG and EV fleet.
- Fire Service meeting to discuss CNG / EV and vehicle emergency planning and joint contingency.
- Pride event: early report being offed to the events team details shared to all.
- 9th May DSN network session, planning and implementation and university of Leeds discussions.
- High hazard group and fleets response to corporate transport audit.
- APSE event Coventry fleet presented at APSE on CNG and EV fleet replacement strategy.
- Fleet continues to work with LTHT re fleet procurement and maintenance of 38 fleet vehicle.

Fleet Management

- Procurement plan re clean air zone and fleet replacements continue with a number of vehicles currently being procured for Passengers and Highways.
- Tranman specification and business review continues with work process to meet the new procurement of a fleet management system.
- Telematics 295 fleet roll out has been completed reports for EPB underway.
- Transport logistics offer meeting at FTA discussions on earned recognition. Fleet started in full operator license review to report at high hazard group.
- (51) EVs ordered for Leeds City Council total will be 95 on fleet the largest UK EV fleet.

Fleet Maintenance

- 2x apprentices recruited for upskilling from LBS and facilities, all going well and staff settled in. Current report underway for 2018 intake.
- Contract Supplier day at John Charles Sports Centre for external contractors has taken place with a great response. Contracts x9 being set up.
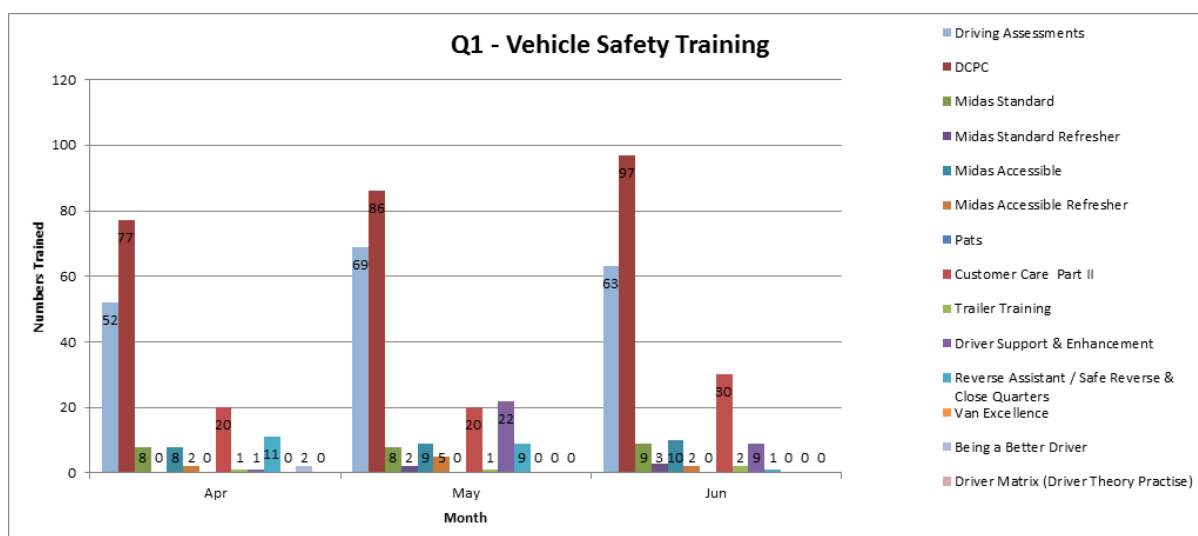
Vehicle Safety

- LGV levy and driver cohorts (x30) staff is underway.
- Fleet have (8) apprentices in the apprentice programme.
- All Driver CPC is coming to a close for 2018 all services on target.
- New courses are being registered for CEL to action through the hub including Lifting, Handling, and basic health & safety.
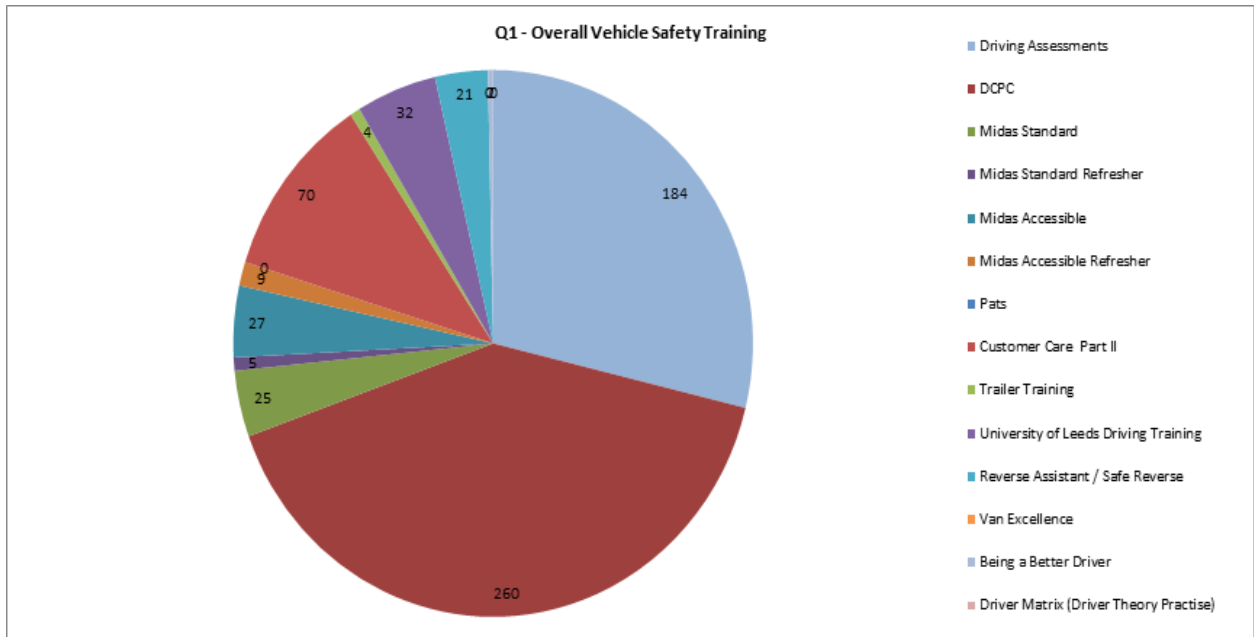
Quarter 1 Indicators – Fleet Services

Training Carried out by VST April 2018 to June 2019

	Driving Assessments	DCPC	Midas Standard	Midas Standard Refresher	Midas Accessible	Midas Accessible Refresher	Pats	Customer Care Part II	Trailer Training	Driver Support & Enhancement	Reverse Assistant / Safe Reverse & Close Quarters	Van Excellence	Being a Better Driver	Driver Matrix (Driver Theory Practise)
Apr	52	77	8	0	8	2	0	20	1	1	11	0	2	0
May	69	86	8	2	9	5	0	20	1	22	9	0	0	0
Jun	63	97	9	3	10	2	0	30	2	9	1	0	0	0
Total	184	260	25	5	27	9	0	70	4	32	21	0	2	0

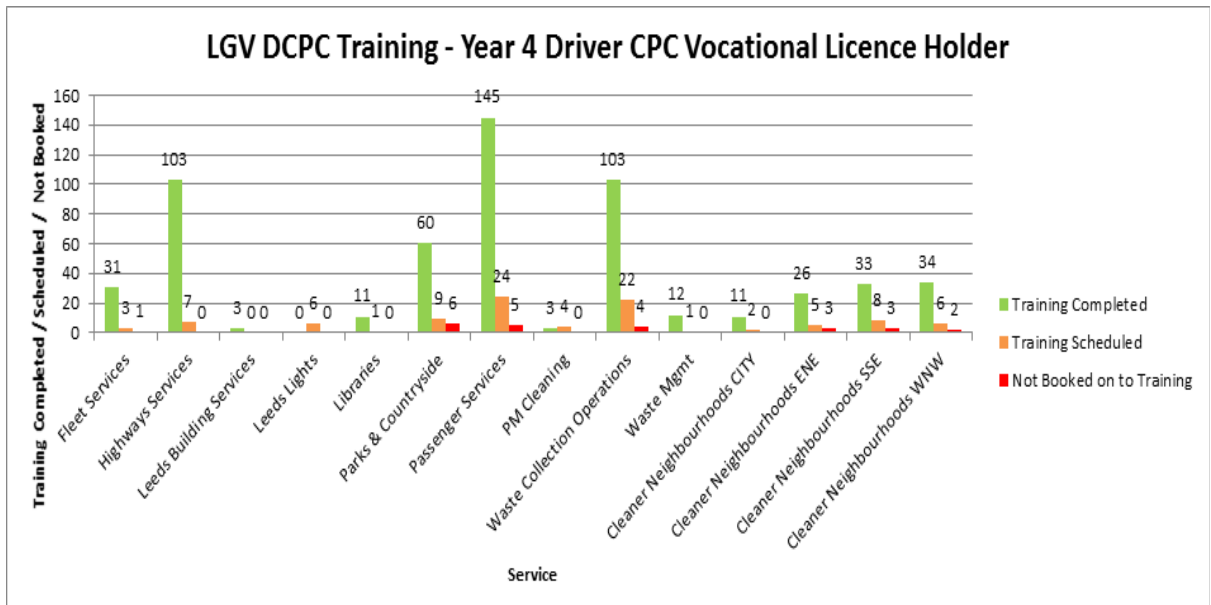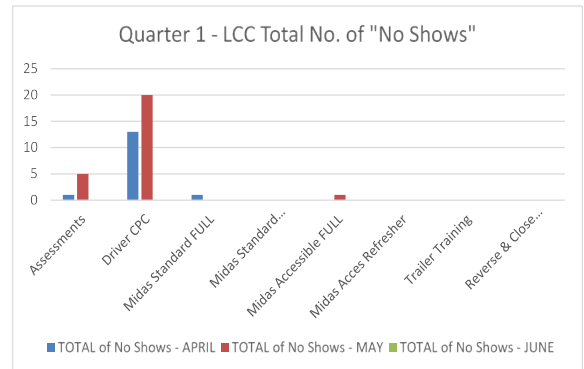**Overall Training carried out by VST April 2018 to June 2018**
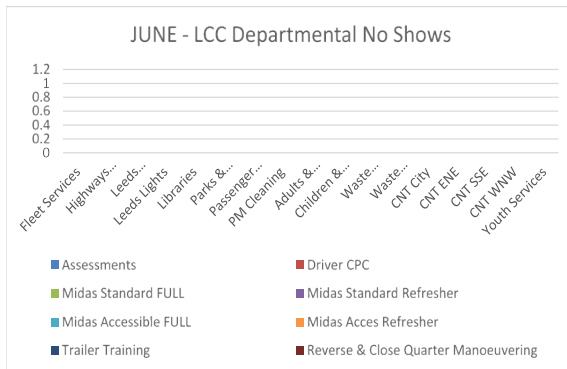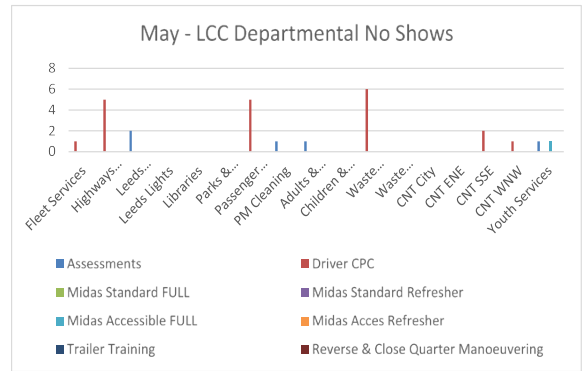
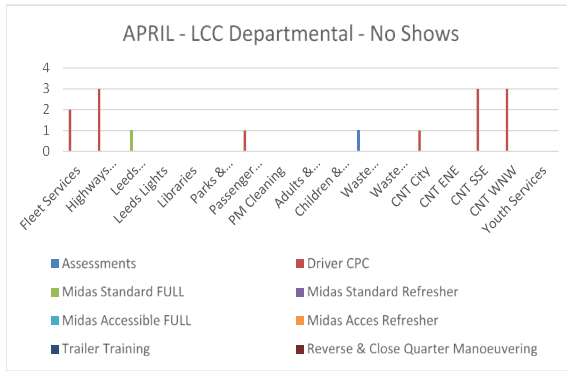|	Driving Assessments	DCPC	Midas Standard	Midas Standard Refresher	Midas Accessible	Midas Accessible Refresher	Pats	Customer Care Part II	Trailer Training	University of Leeds Driving Training	Reverse Assistant / Safe Reverse	Van Excellence	Being a Better Driver	Driver Matrix (Driver Theory Practise)
Total	184	260	25	5	27	9	0	70	4	32	21	0	2	0

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Q1 - Overall Vehicle Safety Training

Legend:
- Driving Assessments
- DCPC
- Midas Standard
- Midas Standard Refresher
- Midas Accessible
- Midas Accessible Refresher
- Pats
- Customer Care Part II
- Trailer Training
- University of Leeds Driving Training
- Reverse Assistant / Safe Reverse
- Van Excellence
- Being a Better Driver
- Driver Matrix (Driver Theory Practise)

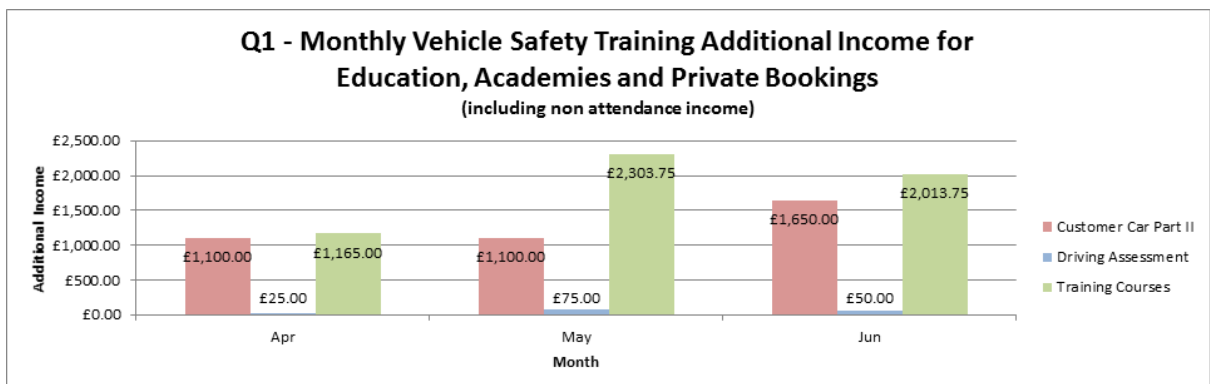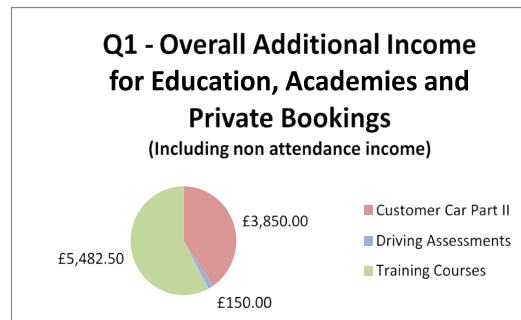| LGV CPC Update	29/06/2018				New YR4 Vocational Licence Holder (Commenced 05/10/17 – Finishes 26/07/2018)									
Total No. of Staff	35	110	3	6	12	75	174	7	129	13	13	34	44	42
Service	Fleet Services	Highways Services	Leeds Building Services	Leeds Lights	Libraries	Parks & Countryside	Passenger Services	PM Cleaning	Waste Collection Operations	Waste Mgmt	Cleaner Neighbourhoods CITY	Cleaner Neighbourhoods ENE	Cleaner Neighbourhoods SSE	Cleaner Neighbourhoods WNW
Training Completed	31	103	3	0	11	60	145	3	103	12	11	26	33	34
Training Scheduled	3	7	0	6	1	9	24	4	22	1	2	5	8	6
Not Booked on to Training	1	0	0	0	0	6	5	0	4	0	0	3	3	2

LGV DCPC Training - Year 4 Driver CPC Vocational Licence Holder

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LCC Departmental Non-attendance for driving assessments or training courses (non-chargeable for no shows)

APRIL - LCC Departmental - No Shows

May - LCC Departmental No Shows

JUNE - LCC Departmental No Shows

Quarter 1 - LCC Total No. of "No Shows"

Q1 Additional Income from Education, Academies and Private Bookings

Q1 Additional Income	Customer Car Part II	Driving Assessment	Training Courses	MONTHLY TOTAL
Apr	£1,100.00	£25.00	£1,165.00	£2,290.00
May	£1,100.00	£75.00	£2,303.75	£3,478.75
Jun	£1,650.00	£50.00	£2,013.75	£3,713.75
TOTAL	£3,850.00	£150.00	£5,482.50	£9,482.50

Q1 - Overall Additional Income for Education, Academies and Private Bookings
(Including non attendance income)

£3,850.00 — Customer Car Part II
£150.00 — Driving Assessments
£5,482.50 — Training Courses

Q1 - Monthly Vehicle Safety Training Additional Income for Education, Academies and Private Bookings
(including non attendance income)

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Education / Academies & Private Bookings **Included in Monthly Re-Charge Totals are:**
No Shows or Didn't bring licence for Assessments/Training Courses

TOTAL
£55.00
£75.00
£30.00
£160.00

Q1 - Overall Non Attendance Income for Education /Academies & Private Bookings
(Included in additional income)

£60.00
£100.00

■ Non Attendance / Didn't bring licence - Assessments

Q1 - Monthly Non Attendance Income for Education / Academies & Private Bookings
(included in additional income)

■ Non Attendance / Didn't bring licence - Assessments
■ Non Attendance - Training

Quarter 1 Tyre Checks

6 checks made at various sites. The ration of < 3.5 tonnes > to represent the LCC fleet of large and small vehicles

Q1 - Tyre Checks
0
6
■ Over 3.5t
■ Under 3.5t

Q1 - Vehicles 3.5 tonne and below
0
6

6 Light vehicles checked, of which 0 had tyres outside the required LCC Policy or legal limit

■ vehicles with tyre 2mm & under
■ vehicles with tyre 2.5mm & Over

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Thursday 10-05-2018

May saw a joint FTA/ Vehicle Safety audit for driver checks at Kirkstall Waste Management with very favourable results. No vehicles were found to have been started without first having a comprehensive pre start check by the driving staff. Of the 6 vehicles checked only one had defects and these had been identified by the driver on the paperwork and rectified prior to use. A message regarding the good practices of the drivers was sent to the section concerned, congratulating Andrew Bailey's team on their efforts with regards this vital part of compliance.

Monday 04-June 2018

Compliance audits undertaken internally at Libraries has shown significant positive results. The service has a proactive approach to all aspects of compliance and have given continual improved outcomes on each audit.
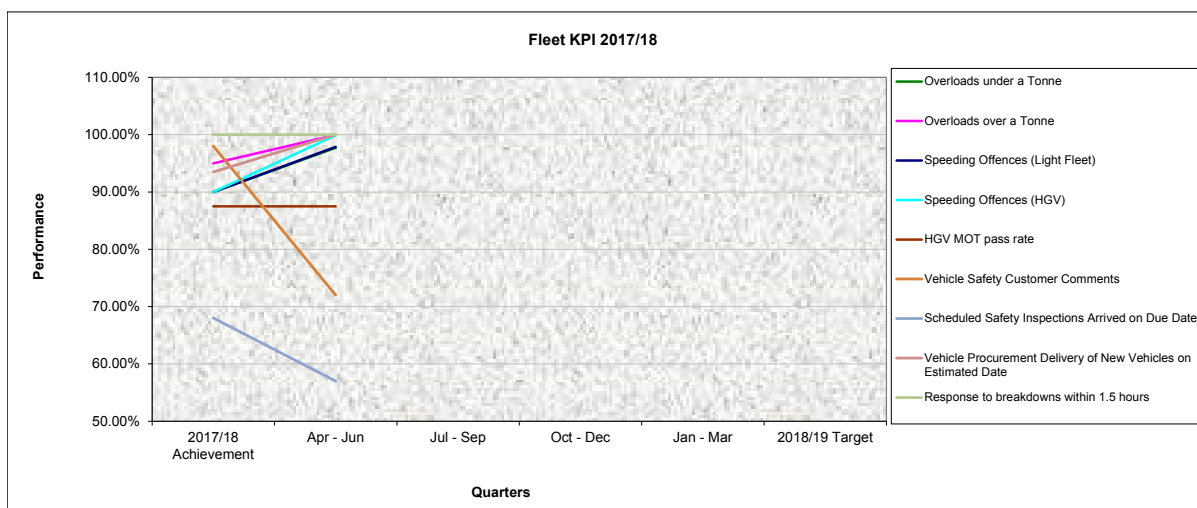
The only action which let this section down was a scan error where only part of the available information was placed into the file. This would, had the audit been conducted by the DVSA, been marked down as a non-compliance issue. The transport nominated person Jo Mallinson has identified a need to introduce measures surrounding defect report tool box talks, daily inspection spot checks and other highly valuable supervisory processes to ensure that compliance is not only maintained, but improved.

Thursday 28- June 2018

A joint FTA/Vehicle Safety audit at Refuse Collections Knowsthorpe way site had some "interesting results. Of the 5 vehicles checked out on site 4 had been subjected to an effective pre start check. 3 vehicles were found to be defect free and had been recorded as being in such condition by the driver. One vehicle 4436 was found to have a defective tyre, a nearside 3rd axle inner tyre was underinflated. The driver sought a repair from the tyre services prior to leaving the depot. However the driver of 4499 failed to identify that the vehicle had stop lamps which were inoperable and had not defected the vehicle prior to attempting to leave the yard area. This would have subjected the Council to 100 OCRS points had the vehicle been spot checked by the DVSA. The results of this audit had been shared with the service prior to leaving the site.

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Further instances of spot checks by Vehicle Safety resulted in the first prohibition notice placed on any vehicle by the Councils Compliance team. PM Cleaning had a vehicle overloaded by just over one ton and the vehicle was prevented from leaving the York Road site until the load was reduced to legal for road use levels.

Fleet Services KPI Report							
Fleet Maintenance and Management							
Performance Indicator	2017/18 Achievement	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	2018/19 Target	
Overloads under a Tonne	90.00%	97.70%				95%	
Overloads over a Tonne	95.00%	99.97%				95%	
Speeding Offences (Light Fleet)	90.00%	97.88%				95%	
Speeding Offences (HGV)	90.00%	99.90%				95%	
HGV MOT pass rate	87.50%	87.50%				100%	
Vehicle Safety Customer Comments	98.00%	72.00%				100.00%	
Scheduled Safety Inspections Arrived on Due Date	68.00%	57.00%				90.00%	
Vehicle Procurement Delivery of New Vehicles on Estimated Date	93.50%	100.00%				90.00%	
Response to breakdowns within 1.5 hours	100.00%	100.00%				100.00%	

Fleet KPI 2017/18

Cost

Budget Management - net variations against the approved budget

	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES									Total Expenditure £'000	Income £'000	Total (under) / overspend £'000
				Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000			
CEL	74,430	(63,658)	10,772	563	51	715	464	39	0	0	0	0	1,832	(1,832)	0

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
A. Key Budget Action Plans						
	Efficiencies					
5	Cleaning/Catering	Sarah Martin	Annual equipment replacement programme & investment in kitchen facilities to deliver savings.	🟩	(0.05)	
6	Cleaning/Catering	Sarah Martin	Operational cost savings within CEL from ASC Better Lives programme	🟩	(0.20)	
7	Cleaning	Sarah Martin	Additional income	🟩	(0.04)	
8	Facilities Management	Sarah Martin	Operational cost review.	🟩	(0.12)	
9	Fleet Services	Sarah Martin	Staffing restructure	🟩	(0.03)	
10	Fleet Services	Sarah Martin	Operational savings	🟩	(0.05)	

Resources and Housing Directorate - Forecast Variation	**0.00**

Civic Enterprise Leeds

At this stage in the financial year a balanced position is projected for CEL although we will continue to closely monitor some of the significant income generating services within the group.

Civic ENTERPRISE LEEDS

Overtime

There is a requirement across all of CEL's services for overtime to be paid to front line staff to ensure that critical services can continue to be delivered in times of staff absenteeism or additional work pressures. Overtime is used where required to cover for annual leave and sickness absence, vacancies and where additional income generating work requires it.

The majority of front line staff in CEL are part time working under 37 hours, where these staff are required to work additional hours the additional hours are paid at plain time up to 37 hours as per the Green Book Agreement.

Overtime is managed closely within CEL, first consideration is to use part time staff to limit the number of hours paid at enhanced rates and regular reviews take place on any overtime that is regularly paid to consider whether or not additional staff could be recruited to carry out this work.

There is a projected overspend across the group which is mainly due to the decision to cease using agency staff in school kitchens to cover staff absences and in security where there has been an increase in demand due to changes in National Security Threat Levels and the Customer Access Security Review and additional work around fire safety in high rise flats. This overspend is offset by a reduction in agency spend and increase income.

	Overtime				
	Previous years actual	Budget	Actual	Projection	Variance
	£000	£000	£000	£000	£000
Property Cleaning	385	483	132	530	47
Catering	415	367	105	367	0
Cleaning Schools	49	124	14	60	(64)
Transport Services	102	22	55	110	88
Security	183	93	62	250	157
School Crossing Patrol	14	14	4	20	6
Passengers	164	190	56	220	30
Facilities Management	162	194	46	180	(14)

Civic
ENTERPRISE
LEEDS

People

Civic Enterprise Leeds employees are integral to the directorate and providing services to the people of Leeds.

The following tables details a high level comparison between Q4 2017/18 with Q1 2018/19 to understand our position on staff retention and recruitment across corresponding quarters. The details show that there has been a slight increase in the overall headcount which is explained by the ongoing drive to fill vacant positions and reduce the dependency on agency staff and consolidation of services from across the council into CEL such as the transfer of FM responsibilities in the Central Library where 7 FTE porters transferred to CEL with the associated budget.

Q1 2018/19	Headcount	Full Time	FTE
Catering Services	1142	65	573
Fleet Services	54	52	53
Passenger Transport	621	114	398
Facilities / Cleaning / Security	1208	264	617
Total	3025	495	1642

Q4 2017/18	Headcount	Full Time	FTE
Catering Services	1115	64	559
Fleet Services	54	51	53
Passenger Transport	619	109	396
Facilities / Cleaning / Security	1194	251	600
Total	2982	475	1608

Comparison between Qtrs.	Headcount	Full Time	FTE
Catering Services	2.4%	1.6%	2.5%
Fleet Services	0.0%	2.0%	1.0%
Passenger Transport	0.3%	4.6%	0.8%
Facilities and Cleaning	1.2%	5.2%	2.9%
Total Average	1.4%	4.2%	2.2%

Equality and Diversity – Quarter 1

	Headcount	FTE	Female %	BME %	Disabled %	Over 51 years old %
Leeds City Council	14,628	12,462	61%	14%	5%	39%
Civic Enterprise Leeds	2,680	1,638	76%	12%	2%	48%
Catering Services	1,135	570	95%	13%	1%	35%
Cleaning Services	988	616	66%	15%	3%	51%
Fleet Services	54	53	6%	2%	6%	44%
Passenger Transport	635	399	67%	7%	6%	67%

Attendance Management

Below we have provided information relating to Civic Enterprise Leeds' sickness figures, as well as any actions that the services take to ensure that all employees are supported.

Catering Services – Attendance Data

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 17/18	Cum. Days per FTE	Target	Variance
Apr-18	570.24	323.15	0.57	0.57	0.70	-0.13
May-18	571.11	909.01	1.02	1.59	1.41	0.18
Jun-18	573.71	1511.88	1.04	2.64	2.12	0.52

Passenger Transport – Attendance Data

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 17/18	Cum. Days per FTE	Target	Variance
Apr-18	366.89	220.43	0.60	0.60	0.70	-0.10
May-18	366.40	556.67	0.92	1.52	1.41	0.11
Jun-18	366.09	990.11	1.19	2.70	2.12	0.58

Fleet Services – Attendance Data

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 17/18	Cum. Days per FTE	Target	Variance
Apr-18	53.01	65.81	1.24	1.24	0.70	0.54
May-18	52.51	111.99	0.89	2.13	1.41	0.72
Jun-18	53.01	169.18	1.06	3.19	2.12	1.07

Cleaning Services & Facilities Management – Attendance Data

	Average FTE	FTE Days Sickness	Total days sick per month per FTE 17/18	Cum. Days per FTE	Target	Variance
Apr-18	498.13	456.44	0.92	0.92	0.70	0.92
May-18	497.28	882.85	0.86	1.78	1.41	1.78
Jun-18	496.76	1429.78	1.10	2.88	2.12	2.88

The following proactive work has taken place to enable managers to support staff through periods of sickness and increase levels of attendance:

- Further training for all managers on the attendance management procedure
- Increase in number and response times for occupational health referrals so that staff get professional support earlier.
- Implemented Mental Health First Aiders and ensured all staff are aware of them and their role and how to access.
- Worked on a number of proactive initiatives to help staff stay fit and healthy such as the blood pressure working group and quarterly health and well-being newsletter.
- Regular check and challenge on Long Term Sick cases to see if more can be done to support staff back into work.

Safeguarding

In order to fulfil client requirements, it is essential that all staff are vetted in relation to DBS. We are responsible for vetting employees prior to employment as well as carrying out renewal DBS checks every three years. Below indicates the amount of DBS checks and renewals that have been carried out by Civic Enterprise Leeds over the last 12 months.

Number of Completed DBS Checks

	Q2	Q3	Q4	Q1
Catering	97	158	278	354
Cleaning	45	78	229	249
FM	0	0	0	0
Fleet	10	4	6	8
Passenger	30	59	45	30
Cumulative Total	182	299	558	641
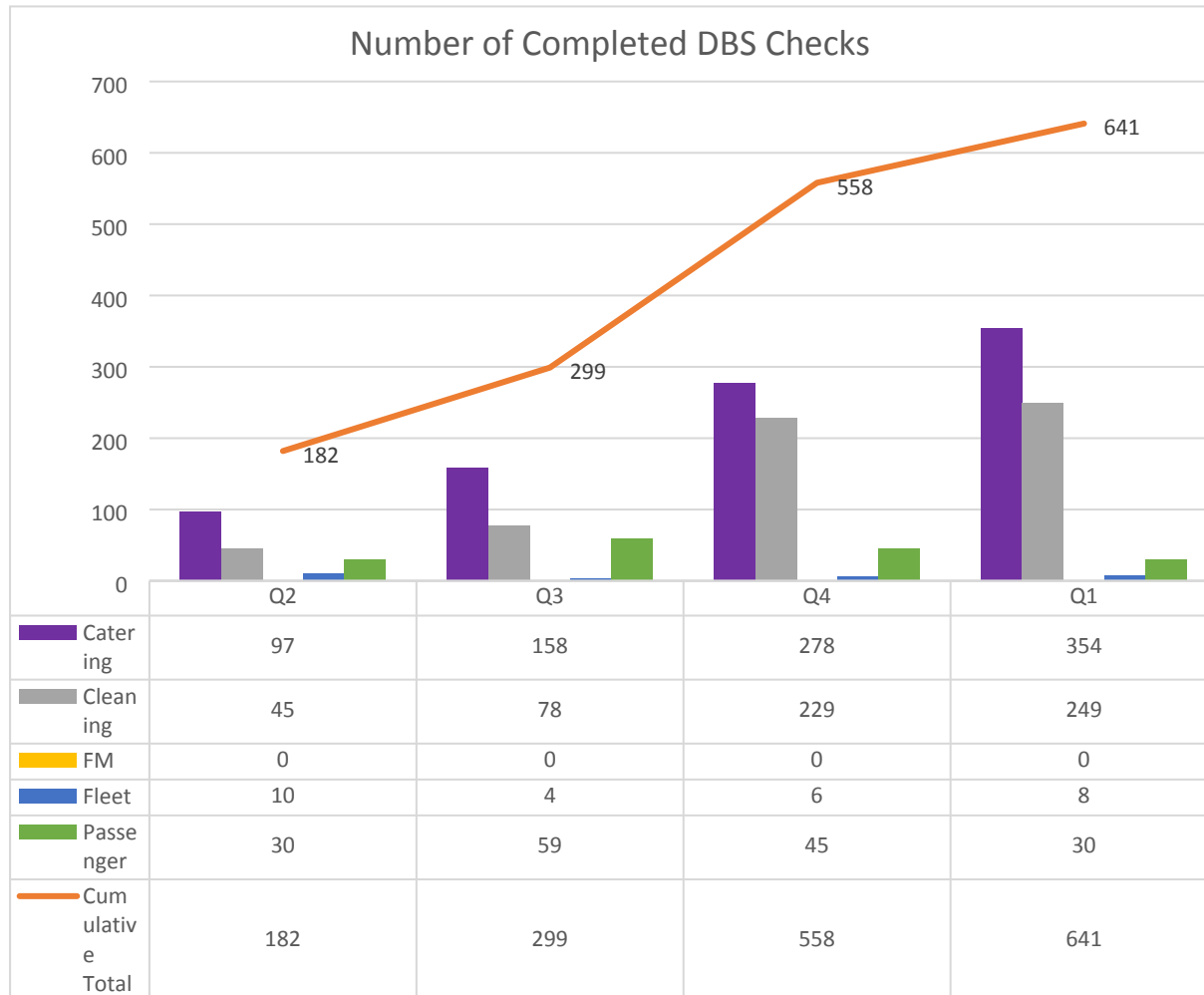
Agency Staff

Civic Enterprise Leeds are committed to providing sustainable and permanent employment opportunities within our service areas. Agency staff, however are required to be used to provide flexibility and to ensure services are maintained. It is the aim of CEL to reduce the total number of agency staff in line with Council objectives relating to employment within the city.

The commercial catering arm, Civic Flavour impacts on this due to the successful growth in their business and therefore further use of agency staff is required to resource any extra work. CEL are presently working on developing a pool of multi-skilled staff who can be integrated and used to resource increases in service demands and reduce the dependency on using agency staff.

The following graphs provides details and a comparison on agency hours employed and the costs during Qtr 1 2018/19 and compares against the previous Qtr 4 2017/18.

The details showed an increase in agency usage at the beginning of the quarter due to the extra demand for security staff and agency staff were used as an interim measure. However by the end of the quarter agency usage was reduced to levels lower than that of the previous quarter.

Agency Hours Usage CEL

	Month 1	Month 2	Month 3
17/18 Q4	1802.5	2263	5081.5
18/19 Q1	2953	2871	3879

Agency Cost CEL

	Month 1	Month 2	Month 3
17/18 Q4	£22,988.00	£29,382.00	£67,870.00
18/19 Q1	£40,873.00	£34,970.00	£58,237.00

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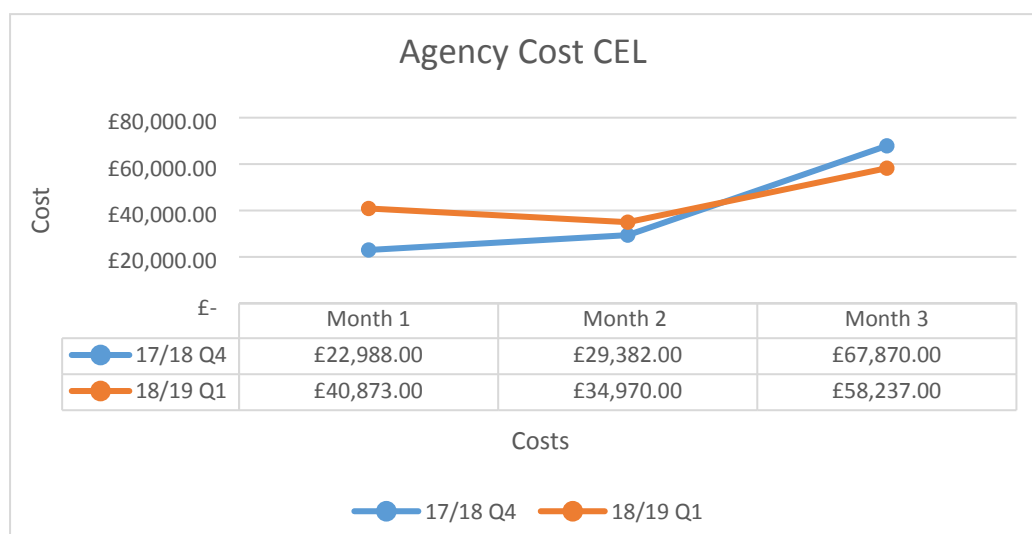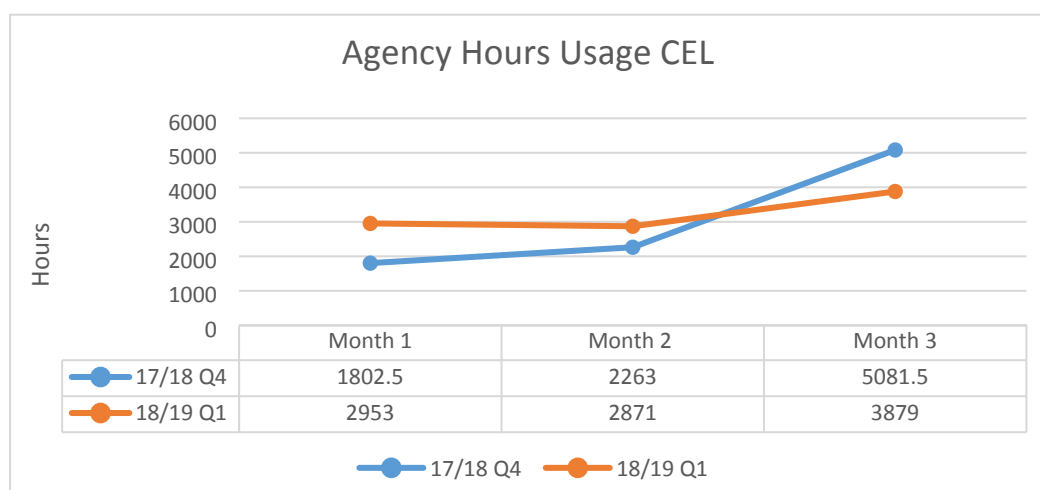
Appraisals & Staff Survey

Civic Enterprise Leeds performed extremely well on the staff survey with a score of 8.12 on "how satisfied are you with your job" against the Council average of 7.54 (+0.58 variance) which we believe is a result of our actions around employee development and engagement. This is also further evidenced by our 100% appraisal completion results and close working relationship with the Trade Unions. Further work will take place in Q2 to look at the results in more detail put together service specific action plans.

Service	Score
Leeds City Council (overall)	7.54
Civic Enterprise Leeds	8.12
Cleaning Services	8.15
Catering Services	8.01
Passengers	8.4

Service	Percentage Completion
Catering	100%
Cleaning & FM	100%
Fleet	100%
Passenger Transport	100%

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Training

Below demonstrates our commitment to training, especially with Health and Safety. The directorate has seen an increase in training provision through identification of requirements within the appraisal system.

Training Overview of Health and Safety related topics for Quarter 1		
Course Title	**Service Area**	**Numbers Trained**
Emergency First Aid At Work	Cleaning FM	93
Emergency First Aid	Passenger Transport	38
Food Hygiene Refresher	Catering Leeds	46
Manual Handling	Cleaning FM	52
Manual Handling	Catering Leeds	77
Fresh Raw Meat Handling	Catering Leeds	15
BICS Licence to Practice	Cleaning FM	12
Coping with violence and aggression	Cleaning FM	8
Infection Control	Cleaning FM	20
Health and Safety Awareness	Cleaning FM	52
Safe Disposal of Sharps	Cleaning FM	21
COSHH	Cleaning FM	33
Lift Control	Cleaning FM	23
Safeguarding	Cleaning FM	12
Bin Room Training	Cleaning FM	19
Inductions	Cleaning FM	19
Inductions	Catering Leeds	52
Team Teach	Passenger Transport	39
Accidents & Incident Reporting	Passenger Transport	30
School Crossing Patrol Service	Passenger Transport	18
Manual Wheelchair Transport	Passenger Transport	6
Telematics	Passenger Transport	39
Spatial Awareness	Passenger Transport	22
Drivers CPC	Passenger Transport	50

Apprentice Levy

Civic Enterprise Leeds have been working closely with HR, PPPU and Training Providers to identify opportunities to take advantage of the apprentice levy to improve the training and development of new and existing staff. Any new vacancies that would be appropriate to recruit apprentices to will be advertised and we are also looking at converting existing posts to apprentices where possible to aid staff development and progression.

CEL Apprentice Position - 26.07.18				
Service	**Course**	**Level**	**Commenced**	**To Start Sept 18**
Catering	Commis Chef	2	0	8
Catering	Chef de Partie	3	0	1
Catering	Team Leader	3	0	1
Catering	Leadership Management	5	1	1
Catering	Accounts	3	1	0
Fleet	Diploma in HGV Maintenance and Repairs	2	2	0
Fleet	Diploma in HGV Maintenance and Repairs	3	5	0
Fleet	Team Leader	3	2	1
Cleaning / Facilities	Business Admin	3	1	0
Cleaning / Facilities	Team Leader	3	7	2
Cleaning / Facilities	Operation Manager	5	1	4
Cleaning / Facilities	Strategic Management	6	0	1
Passengers	Team Leader	3	0	3
Passengers	Operation Manager	5	0	2

*Figures only include confirmed staff. Additions are being proposed and are being considered.

Health and Safety

Health and Safety is at the heart of everything we do in Civic Enterprise Leeds. The welfare and safety of our staff and customers is our biggest priority. Our commitment to Health and Safety is demonstrated and evidenced with our ROSPA Level 5 and OSHAS 18001 accreditations which we are very proud of. We work closely with colleagues in Central Health and Safety to regular review our processes and ensure that we are complying with legislation and best practice.

The information in this section highlights our overall Health and Safety Performance and provides updates on both an overall and service specific level.

Accident Reporting

The below table illustrates the total number of incidents recorded in Qtr. 1 within Civic Enterprise Leeds:

Number of Incidents per Service Area for the current period	
Type of Incident	CEL
RIDDOR	6
Other Kinds of Incidents	67
Physical Abuse	3

The following are the details of the RIDDOR reportable incidents which were due to the Injured Person recording 7 days or more absence form work due to the incident. All Accident are recorded and fulling investigated by management to identify the route cause and to implement any actions to prevent re-occurrence. Details are shared across all service areas so that lessoned learnt can be shared.

RIDDOR Reportable Incidents			
Injury	Service Area	Type of RIDDOR	Cause of Incident
Lower back pain	CEL	Over 7 days absence	IP was cleaning shelve which collapsed and in trying to prevent from falling IP pulled muscle in back.
Deep cut to leg	CEL	Over 7 days absence	IP was walking down stairs with a black bin bag full of rubbish the bag hit the wall and scrapped against IP leg resulting in cut from a broken glass jar that was located in the bag.

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Scald to foot	CEL	Over 7 days absence	IP was removing a gravy container filled with hot gravy from a trolley and accidently spilt some on their foot.
Lower back pain	CEL	Over 7 days absence	Went to get cling film to cover the dough and as IP turned their foot slipped and they fell backwards jarring their back.
Lower back pain	CEL	Over 7 days absence	IP fell of vehicle lift platform.
Back pain	CEL	Over 7 days absence	IP climbed on garage roof to remove Vegetation and slipped hurting back.

The following table details the category of incident that have been recorded over the Qtr. 1 period and this is used to identify any trends that can be investigated to identify any further actions or controls that need to be introduced.

Incident Category	CEL
Contact with electricity	3
Exposed to fire	3
Contact with Sharps	5
Exposed/contact with a harmful substance	3
Fall from height	1
Hit by a moving vehicle	2
Hit by a moving, flying or falling object	4
Injured whilst handling, lifting or carrying	8
Other kinds of accident/incident	1
Slipped, tripped or fell on the same level	6
Struck against something fixed or stationary	2
Verbal abuse only	2
Verbal Abuse with threats of violence	4
Physical abuse	3
Disruptive Behaviour	1
Driving Contravention	2
Damage to Property or Vehicle	26

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H&S Training

CEL each year put in place a programme for the delivery of the health and safety training that is required across all service areas and this is monitored for delivery and effectiveness. The following table details the training that has been delivered during quarter 1 and the attendance numbers that received the training.

Training Overview of Health and Safety related topics for Quarter 1 2018		
Course Title	**Service Area**	**Numbers Trained**
Emergency First Aid at Work	Cleaning FM	93
Manual Handling	Cleaning FM	52
BICS Training (Accreditation)	Cleaning FM	12
Coping with violence and aggression	Cleaning FM	8
Infection Control	Cleaning FM	20
Health and Safety Awareness	Cleaning FM	52
Safe Disposal of Sharps	Cleaning FM	21
COSHH	Cleaning FM	33
Lift Control	Cleaning FM	23
Safeguarding	Cleaning FM	12
Bin Room Training	Cleaning FM	19
Inductions	Cleaning FM	19
IOSH - Managing Safety	Fleet/Housing/Cleaning	10
Driving Assessments	Fleet supply to other services	184
DCPC	Fleet	260
Midas Standard	Fleet	25
Midas Standard Refresher	Fleet	5
Midas Accessible	Fleet	27
Midas Accessible Refresher	Fleet	9
PATS	Fleet	0
Customer care part 2	Fleet	70
Trailer training	Fleet	4
Driver support and enhancement	Fleet	32
Reverse assistant/safe reverse and close quarters	Fleet	21
Van excellence	Fleet	0
Being a better driver	Fleet	2
Driver matrix (Driver theory practice)	Fleet	0
Food Hygiene Refresher	Catering Leeds	23
Manual Handling	Catering Leeds	60
Fresh Raw Meat Handling	Catering Leeds	14
Induction	Catering Leeds	43
Emergency First Aid at Work	Passenger Services	24

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Civic ENTERPRISE LEEDS

H&S Work

Below lists the proactive work that has been completed within the quarter from a Health and Safety perspective.

- Started the review of OHSAS18001:2015 procedures in preparation for implementing across all service areas.
- Programme of training sessions started.

- Tool Box talks delivered to all staff on:
  - Mental Health
  - COSHH
  - Being a better driver
  - Safe working in hot weather
- Monthly Health Talk circulated to all staff
- Review of PPE focusing on Safety footwear
- Review of the H&S section WIM in Catering
- Review all Method Statements, introducing four addition ones with Catering.

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Corporate Social Responsibility

We take our responsibilities toward CSR extremely seriously, as part of the Council we have a responsibility towards our staff, customers and citizens of Leeds, our primary driver is not profit it is help the City become The Best City and allowing all to prosper and as such we run a number of initiatives to help our staff such as working with Leeds City Credit Union and Citizens advice to offer a package of financial help and sign posting , we are a Joseph Rowntree Foundation Living Wage employer and encourage other employers to do the same so that staff can earn enough to support their families.

Corporate Parenting- we actively offer work experience to Care Leavers, this has been a brilliant success and have 4 care leavers now working with us, we are working with HR to develop a further scheme where these employees are used as buddies.

We have worked closely with Jobs and Skills through the work@leeds scheme and have given work placements to over 30 young people and 10 of these now have full time employment with us.

We work closely with Local food banks providing transport for picks ups from supermarkets when they have been unable to arrange transport and also making collections any LCC buildings and donating food to them.

We have also take part in initiatives such as mentoring, working with the ahead partnership and the co-operative academy to provide mentoring to underachieving students.

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We provide work placements to local schools and other agencies to give young people the opportunity to gain experience of the working environment and improve their skills and where possible turn these into real job opportunities.

Staff from all levels of the organisation regular take part in away days in the communities carrying out improvement works such as grounds maintenance, litter picking and refurbishment works and we have worked with a number of organisations on this such as the Woodland Trust and numerous schools. We care about the communities we work in and are passionate about wanting them to succeed.

Corporate Social Responsibility - Qtr 1 Highlights include

- Supporting the holiday hunger partnership initiative, enabling children in deprived areas to access activities which include healthy meals.
- Arranged and supported food hampers for 30 families in a deprived area in Q1, at a time when schools are closed so the support of a free school meal is not available.
- Donated food and essentials for a family living in extreme hardship in Leeds.
- Collected clothes for a school clothing give away, again supporting those most at risk in the city.
- Continued with 3 supported internships, which will cease in Q2. Expecting 2 staff to be appointed into permanent positions.
- Supported two university work placements within nutrition and health.
- Undertook a range of activity for Just One Day raising money for the Lord Mayor's Charity at the time, Candlelighters.
- Continued regular volunteer reading sessions at a Leeds school.
- Leftover food from commercial catering events donated to St George's Crypt.
- Support given to a number of schools in terms of equipment and advice for clean up days involving the children
- Supported local charity catch with recycled LCC fleet vehicles.

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Risk Management & Resilience

Civic Enterprise Leeds works closely with the Corporate Resilience and Emergencies team to ensure that any areas of our service that are identified and Critical to the delivery of their Council's day to day business have robust plans in place to ensure continuity of service should an unplanned event occur.

Business Continuity Plans covering the loss or failure of IT systems, operational buildings, transport, staff or adverse weather which could impact on service delivery are in place for all the services that CEL are require to provide covering following areas:

Number	Service	RAG Rating	Last Review	Next Review
1	Catering	Low	Aug 2017	Aug 2018
2	Facilities Management	Low	Aug 2017	Aug 2018
3	Static Guarding	Low	Oct 2017	Oct 2018
4	Passenger Transport	Low	Aug 2017	Aug 2018
5	Fleet Services	Low	Nov 2017	Nov 2018

The most significant risks facing CEL are maintained on a risk register which is updated and reviewed each quarter. The risk register is reported to the CEL leadership team who have responsibility for ensuring the risks are being managed and treated properly, each risk identified has an individual Risk Management Plan with robust control measures in place to mitigate any potential negative outcomes. The risks are:

Ref/No	Title	Rating	Date Last Reviewed
CEL 1	Vehicle compliance - Council fails to meet VOSA/Police vehicle compliance requirements leading to a curtailment of the 'O' operator licence and limiting the number of vehicles LCC can use.	High	11/05/2018
CEL 2	Fuel shortage - Fuel shortage leads to reductions/ stoppages in Council's transport-related services.	High	11/05/2018
CEL 3	CEL Safeguarding - Risk of harm to a child or adult at risk, which may not be reported when using services provided or commissioned by CEL.	High	11/05/2018
CEL 4	Impact of the National Living Wage.	High	11/05/2018
CEL 5	LCC fleet vehicles fail to meet CAZ standards	High	11/05/2018
CEL 6	Council buildings failure to comply with building legislation - Physical condition of Council buildings fails to comply with building related legislation (including Health & Safety and accessibility) leading to; service disruption, adverse publicity, fine	High	11/05/2018

Quality

Civic Enterprise Leeds management systems and service processes have been accredited to the ISO9001 quality management standard for the past twenty five years. The fact that we hold the ISO9001 certification provides our customers both internal and external with confidence that we work to standards and procedures that will provide them with a high standard of customer service. There are also reassured that our management systems and services are continuously assessed and approved through external surveillances as well as by our own internal auditors.

During April 2018 CEL undertook an external transitional audit to BS EN ISO 9001:2105 quality management standard, and was successful in accreditation. The new certification demonstrated that CEL achieved the following:

- CEL demonstrated their ability to consistently provide products and services that meet customer requirements as well as any applicable statutory and regulatory requirements.
- Enhance customer satisfaction through the effective application of QMS system which included processes for improvement and the assurance of conformity to requirements.

The new standard gave CEL the opportunity to introduce more risk based thinking through planning and implementing actions to address risks and take advantage of opportunities.

During this period all internal auditors undertaken refresher training to incorporate new elements of the standard and how to develop audits with a focus on leadership and commitment.

Each Service area within CEL is audited by our own internal auditors throughout the year and the progress and results of these audits are monitored through regular QA meetings, which are then reviewed by the Senior Management Team.

The following table shows the progress CEL internal QA audits Undertaken Quarter 1. The details show that planned audits are taking place as scheduled.

Service Area	Quality Audits Planned	Quality Audits Undertaken	Suggestions for improvements	Observations	NCR's Raised
Catering Leeds	1	1	1	0	0
Cleaning / FM & Static Guarding	4	4	0	0	0
Fleet Services	3	3	2	3	0
Passenger Services	3	3	1	3	0

Service Specific Monitoring

Below indicates the quality monitoring results across all services in 2018:

Service	Type	Q1 Result	Q2 Result	Q3 Result
Facilities Management	Cleaning Monitoring Result	93%		
	E-Schedule	100%		
	Fire Safety Audits	No non-compliances		
Catering	Performance Monitoring	81%		
Passenger Transport	Quality Inspection	89%		
Fleet Services	Performance Monitoring	87%		

Compliments and Complaints

Civic Enterprise Leeds is committed to providing excellent customer satisfaction across all services in line with the Leeds City Council values. Below indicates compliment and complaints figures for year to date.

Compliments and Complaints 2018/2019
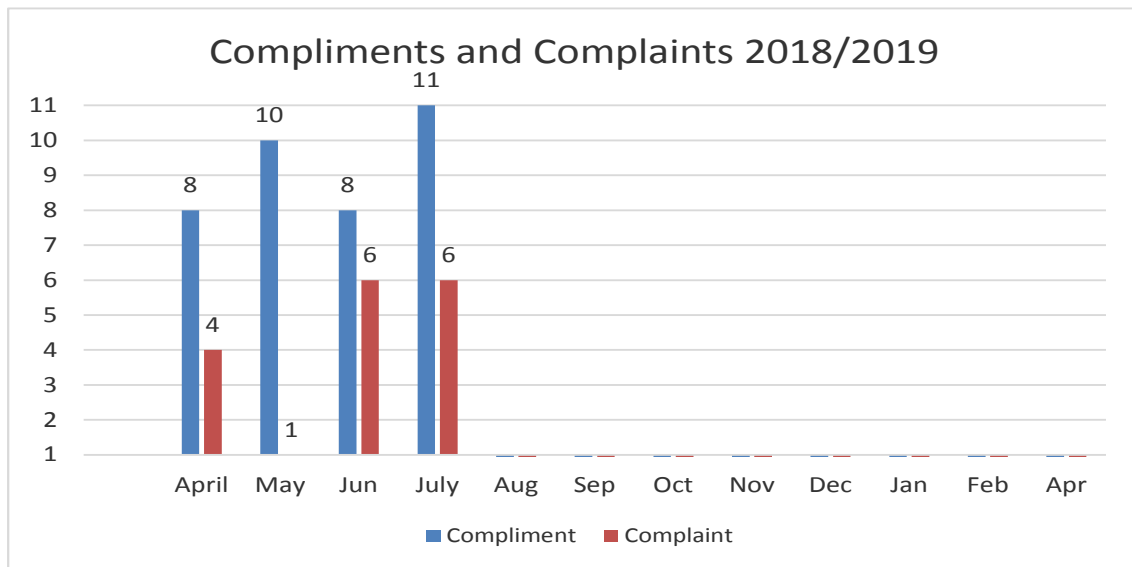
Commercialisation

We have many years of experience operating in a commercial market, delivering traded services such as catering and cleaning to Schools, third sector and private organisations. For us to survive in these markets against stiff competition we have had to develop a robust offer which is competitive on productivity, price and quality which has been done by listening to our customers, adapting to the market, developing Unique Selling Points and regularly benchmarking our costs, productivity, quality as well as actively marketing our services to bring in additional income to the Council.

Below is a brief summary of where we are currently trading and our aspirations and ideas for bring in additional business and associated income:

Passenger Transport

- Presto continues to expand; the number of customers now exceeds 120 from 100 in March 17, a 20% increase. Expected income of £150k for 2018/19.
- Meals on Wheels service continues to be promoted where ever possible, to Tenants Associations, Medical Centres and Social work teams. The service now provides over 630 meals per day. The number of customers who self-refer has increased by 16% yet, the number referred from Adults and Health show a reduction. This is regularly reported to Adults and Health.
- A new offer of a hot soup has been rolled out, hopefully this may generate additional interest from both new and existing customers and in turn generate additional income.
- The Independent travel training team continue to sell travel training to other Authorities, in particular Transport for London, as well as providing a consultancy service to Doncaster CC. Income from this was £30k in 2017/18.

Fleet Services

- Advertising on fleet is progressing and the clean air campaign has landed. Advertising logos are being applied to fleet vehicles. Various internal services are now working with Fleet on advertising internal services to generate new business. Fleet is now established as the ISP for fleet advertising. Signage is appearing on fleet offering the availability of advertising spaces.
- Commercial MOT offer continues which is, income generating. Approximately £120k MOT income generated in 2016/2017. Fleet continue to operate private test lanes for members of public and staff.
- We are working with the University Fleet and Leeds Teaching Hospital Trust for maintenance of both their fleets.
- Exploratory work continues with the NHS regarding the provision of transport services, 6 pilot vehicles are in place and the service is being supported by us in a number of areas.
- The vehicle safety team are providing training to Harrogate and York Councils which are income generating.

Catering Leeds

- Catering are actively marketing the business to all schools in the city particularly academy groups who are seeking best value 2 schools have just returned to service from private sector
- We consistently maintain the majority share of primary catering across the city with 187 sites still with Catering Leeds £2.15m net managed budgeted return for Primary School catering in 2017/18. Record level of meal numbers (6.4 million) achieved and we continue to pay the living wage.
- Civic Flavour work has significantly increased with additional private sector customers now using the service, including PWC, IoD, Turner Townsend etc. and contract for commercial catering now established with Leeds Teaching Hospital Trust but this is early days. £115k net managed budgeted return for Civic Flavour in 2017/18.
- Civic Flavour have taken over the full catering offer at John Charles Stadium from August 17, this includes the Aquatics Café, Gala Catering, Conference and Commercial bookings and a new relationship with Hunslet Hawkes has been established.
- We are in discussions with Sport regarding a potential Commercial catering offer at the newly refurbished Aireborough Leisure Centre.
- The potential for converting Yeadon Tarn Sailing Centre site into a fully functioning café is being considered Civic Flavour ready on this but being led by Sports and discussions around the building space.
- For 2 years running now, Civic Flavour are the supplier of choice for Columbia Threadneedle and Mongoose for Leeds Triathlon, this includes VIP and crew catering. Also supplier of choice for British Triathlon in Leeds.
- Shulmans Solicitors are using Flavour for annual conference within Civic Hall in November, the expected attendance is 100 over a weekend.

Cleaning Services and Facilities Management

- Provide cleaning service to a number of external organisations including West Yorkshire Fire and Rescue Service, Unity Housing, Unison, Leeds City Credit Union, Doncaster St Ledger Homes
- We are actively marketing to schools in Leeds that we don't clean (125) recent successes include Boston Spa High and Park Springs Primary, Armley Primary, Parkland Primary, Morley Victoria and Shakespeare Primary. We have seen consistent growth in this area, continuing with our productivity studies comparing our hourly rates and productivity rates across our portfolio and that of neighbouring Authorities and the private sector.
- We continue to actively market to schools just outside the Leeds Boundary in areas such as Tadcaster and Outwood.
- We are building up a relief caretaking service which schools buy in, seen good growth in this area with business up 15%.
- The specialist team are actively marketing our window cleaning services to schools and other organisations, working with LTHT to take over the window cleaning at Leeds Hospitals which the currently subcontract, we also deliver services to other local councils such as Harrogate and Selby and are looking to expand the work we do there.

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- We have a marketing working group which actively seek out tendering opportunities are currently working on submissions for YPOS's framework for FM services and Barnsley Councils window cleaning.
- We have developed a PRESTO home window cleaning and gardening service and are actively marketing the service and have had excellent take up of these services.

We have great aspirations to improve our market share in the sectors we currently work in but to also diversify into other area's and look at offering a one stop shop approach where our customers can pick from a menu of services.

There are robust action plans and marketing strategies in place to support this aspirations and to ensure that any risks to the existing business is controlled. Our three year commercial revenue plan is below which gives details on predicted growth and narrative on how we will achieve this.

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Commercial Revenue 5 Year Plan

£000					
Area Income	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Overall	19,071	19,372	20,179	21,165	22,436
Return	858	969	1,110	1,291	1,413
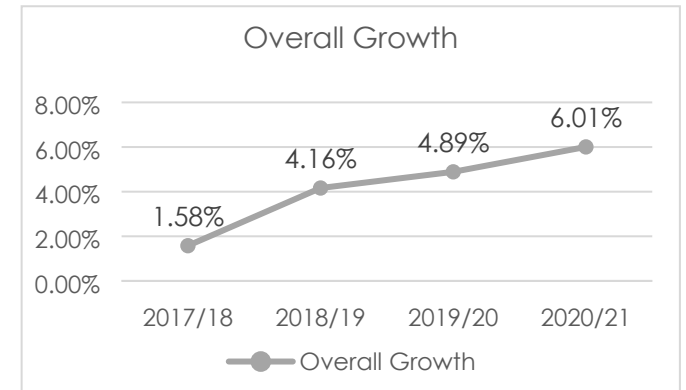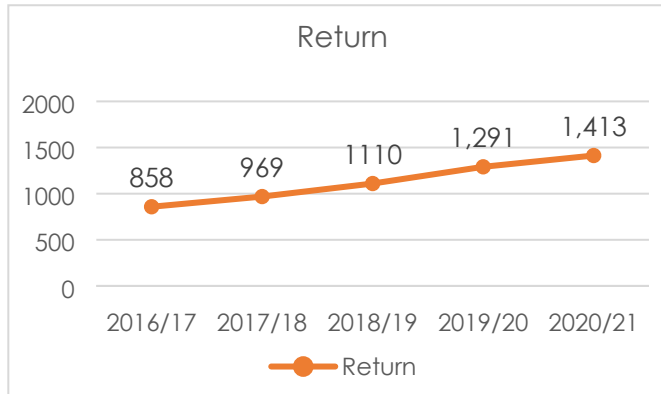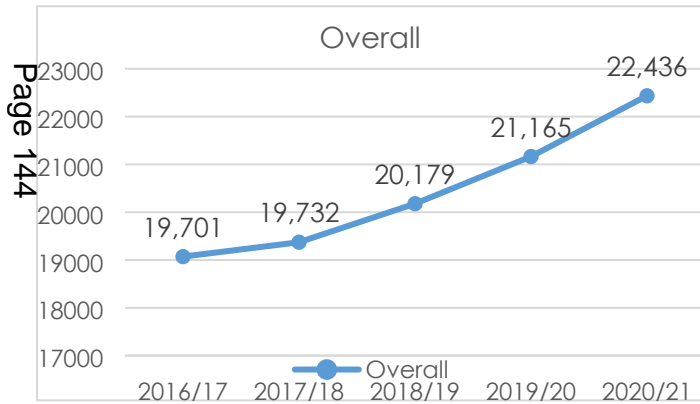
Feedback and Key Contacts

Your views are very important to Civic Enterprise Leeds. If you have any comments on what you have read in this Performance Summary, or on any service provided by our department, please let us know:

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Leeds
CITY COUNCIL

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date 10ᵗʰ September 2018

Subject: Medium-Term Financial Strategy 2019/20 - 2021/22

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

1.0   Purpose of this report

1.1   The 2018/19 budget report to Executive Board in February 2018 included an update of the Medium Term Financial Strategy 2019/20 to 2020/21. Within a set of assumptions, this identified an estimated budget gap of £30.5m and £41.4m in 2019/20 and 2020/21 respectively. It also stated the intention to present an updated Medium Term Financial Strategy to Executive Board at its meeting in July.

1.2   The Council's updated Medium Term Financial Strategy covering the period 2019/20 – 2021/22 was reported to the Executive Board during its meeting on 25ᵗʰ July 2018 for approval.

1.3   Setting, supporting and monitoring the Council's financial strategy falls within the remit of the Strategy and Resources Scrutiny Board and therefore a copy of the Executive Board report is attached for Members' consideration.

1.4   Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.

2.0   Recommendations

2.1   That the Scrutiny Board considers the attached Executive Board report and agrees any specific scrutiny actions that may be appropriate.

3.0 Background documents[1]

3.1 None.

Leeds City Council

Report author: Doug Meeson
Tel: 88540

Report of the Chief Officer – Financial Services

Report to: Executive Board

Date: **25th July 2018**

Subject: **Medium-Term Financial Strategy 2019/20 – 2021/22**

Are specific electoral Wards affected?		☐ Yes	☒ No	
If relevant, name(s) of Ward(s):				
Are there implications for equality and diversity and cohesion and integration		☒ Yes	☐ No	
Is the decision eligible for Call-In?		☒ Yes	☐ No	
Does the report contain confidential or exempt information?		☐ Yes	☒ No	
If relevant, Access to Information Procedure Rule number				

Summary of main issues

1. This report presents the Council's 2019/20 – 2021/22 Financial Strategy for Executive Board's approval.

2. This Financial Strategy reflects Government's known planned reductions in public sector funding, assumptions in respect of business rate retention as well as taking account of increasing costs from rising demand for services, inflation and other cost pressures.

3. The Chancellor of the Exchequer delivered his Spring Statement to the House of Commons on 13th March 2018. This not only provided an update on the economy and public sector debt but it confirmed that the Autumn 2018 budget will include an overall path of Government spend for 2020 and beyond and that there will be a Spending Review at Departmental Expenditure Level in 2019. Following the Local Government Finance Settlement in December 2017 the Government announced its aim to implement greater business rate retention, most likely 75%, nationally in 2020/21. This Medium Term Financial Strategy also assumes that the 100% Business Rate Retention Pilot continues into 2019/20. The Government has commenced its Fair Funding Review of Local Government finance which will consider the relative needs and resources of local authorities and introduce a new methodology for funding allocations. The Strategy assumes that should changes to allocations arise as a result of the Review, which won't be known until the autumn of

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2019, these will be revenue neutral to this Plan as it is anticipated that transitional arrangements would be in place.

4.   The recent issuing in February 2018 of a Section 114 (Local Government Finance Act 1999) notice at Northamptonshire County Council and the subsequent review undertaken through a Best Value review emphasise the requirement to undertake sound longer-term planning as a fundamental element of a robust financial management.

5.   The Strategy also incorporates an identified programme of efficiencies for the next three financial years and this will contribute towards how the Council will manage the known reduction in resources that support the services we deliver. In addition the Council has identified a number of cross cutting key workstreams that will contribute towards reducing the estimated budget gap.

6.   The Council is facing continued financial pressures through uncertainties with regard to the level of future funding, rising costs and growing demand. The scale of the funding gap between 2019/20 and 2021/22 is projected to be in the order of £13.8m, £52.0m and £31.0m respectively in each financial year. For the period covered by the Financial Strategy there is an estimated overall budget gap of £96.8m.

7.   Whilst work has been undertaken already to identify how the Council can make savings, at this stage it has not been possible to identify sufficient savings or income generation opportunities to entirely close the estimated gap over the next three years. Further options to consider in respect of addressing the budget gap for the period 2019/20 to 2021/22 will be required and officers will continue working on proposals for consideration by members.

8.   In reviewing the strategy it needs to be appreciated that over the planning period there are a number of significant risks which may impact upon the Council's finances. Moreover, there is much uncertainty within the national and economic environment within which local government operates. As such the strategy serves to indicate the range and scale of challenge and a direction of travel rather than a precise forecast of resources.

9.   In the context of these uncertainties and financial challenge, it is clear that the Council will need to continue to make difficult decisions around the level and quality of our services to ensure the delivery of the ambitions and priorities for the City and the Authority set out in the Best Council Plan. The development and implementation of the Best Council Plan will continue to inform and be informed by the Council's core funding, it's staffing and other resources and ongoing collaboration and engagement with partners across all sectors and the communities and citizens of Leeds. Initial budget proposals for the 2019/20 Best Council Plan and supporting budget will be brought to this Board in December 2018.

10.   While this Financial Strategy provides a financial planning framework through to 2020/21, it does not represent the proposed budget for the next three years. It should be stressed that under the Council's constitution, decisions to set the annual budget, the council tax base and the rate of council tax can only be taken by Full Council and therefore these decisions will continue to be made as part of the Council's annual budget-setting process.

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11.   This report also incorporates the Medium Term Financial Strategy for the Housing Revenue Account (HRA).

Recommendations

Executive Board is recommended to:

i)   Approve the 2019/20 – 2021/22 Medium-Term Financial Strategy for both General Fund services and the Housing Revenue Account;

ii)   Note that further proposals will be brought forward to address the current identified shortfall as part of the Council's budget process;

iii)   Note that the Chief Officer – Financial Services will be responsible for implementing these recommendations.

1.   Purpose of this report

1.1   The 2018/19 budget report to Executive Board in February 2018 included an update of the Medium Term Financial Strategy 2019/20 to 2020/21. Within a set of assumptions, this identified an estimated budget gap of £30.5m and £41.4m in 2019/20 and 2020/21 respectively. It also stated the intention to present an updated Medium Term Financial Strategy to Executive Board at its meeting in July.

1.2   In accordance with this requirement, this report presents the Council's updated Medium Term Financial Strategy covering the period 2019/20 – 2021/22 for Executive Board's approval.

2.   Background information

2.1   The environment in which local government operates continues to be one which presents significant financial challenges to all local authorities, including some areas of significant uncertainty.

2.2   The Government's spending review of 2015 set out plans for spending on public services by all Government departments for the period 2016/17 to 2019/20. Between 2010/11 and 2018/19 the core funding for Leeds from Government has reduced by £251m and a further reduction of £15.3m is expected in 2019/20 in line with the four year settlement agreement with the Government.

2.3   The Chancellor of the Exchequer's Spring Budget statement on the 13th March 2018 gave an update on the overall health of the economy and the level of public debt. On top of predicted GDP growth of 1.3%, 1.3% and 1.4% in 2019/20, 2020/21 and 2021/22 respectively, borrowing continues to be forecast to fall in every financial year to £26m in 2021/22. On the back of these forecasts the Chancellor stated that if public finances continue to reflect current improvements by the autumn then he "would have capacity to enable further increases in public spending and investment in years ahead." The 2018 Autumn Budget will include an overall path of Government spend for 2020 and beyond with a Spending Review at Departmental Expenditure level being issued in 2019. Therefore in the determination of the

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Council's Medium Term Financial Strategy the implications of the future spending plans with regard to Local Government and other areas of the public sector from 2020/21 onwards remain unknown and therefore it is unclear to what extent "austerity" will continue after 2019/20.

2.4 In addition to the reductions in our core funding the Council faces continuing growth in demand for many of its services, particularly for adults and children's social care. In balancing its budgets the Council must also deal with inflationary increases in costs and reductions in income from specific government grants and partner funding. Whilst we have responded successfully to these financial challenges to date, it is important that the Council has a robust Financial Strategy in place to address these continuing financial pressures. It is more important than ever that we continue with our programme of becoming a more efficient and enterprising organisation, our stated 'Best Council' ambition.

2.5 In December 2017 the Government notified the Council that the Leeds City Region Business Rates Pool to pilot 100% Business Rates retention had been successful and the estimated additional business rates, reduction in the levy and Section 31 grant was built into the 2018/19 budget. To date the Council has been notified that the Pilot is for 2018/19 only and final details are awaited in respect of the arrangements for 2019/20. It is unclear whether the Leeds City Region Pool will be required to bid again or whether the current 100% Business Rate retention arrangement will simply roll forward into 2019/20. From a planning perspective, and if Leeds City Region has to bid again, it will not know whether it has been successful until December 2019 which is also when the Council's Initial Budget Proposals for 2019/20 are being received at Executive Board. Greater certainty from Government with regard to their intentions around the future of Business Rates Pools pilots would provide more certainty to Local Authorities at a time when they are determining their financial strategies. The Government has announced its aims to implement greater business rate retention, most likely 75%, nationally in 2020/21. At the time of writing it is unclear what, if any, reforms of the business rate system will be introduced during the period of this Financial Strategy. It is, however, assumed that any such changes would be revenue neutral to this Plan.

2.6 In December 2017 the Government launched its Fair Funding Review of Local Government finance. Current funding baselines for Local Authorities are based on an assessment of relative needs and resources, using a methodology introduced over ten years ago and data which has not been refreshed since the introduction of the 50% business rates retention system in 2013/14. Since then demographic pressures and costs have affected local areas in different ways, with the Government themselves recognising that "introducing the new needs and resources formula could result in significant changes to the funding baselines of some Local Authorities". The outcome of the Fair Funding Review won't be known until the autumn of 2019 and will inform the level of resources available to support budgets from 2020/21 onwards. The Strategy assumes that any such changes will be revenue neutral during the life of this Plan as transitional arrangements are anticipated to be put in place.

2.7 Since 2017/18 the Government has provided additional resources to adult social care through a combination of additional adult social care grant, "Spring Budget grant", the improved Better Care Fund (iBCF) and the adult social care precept on Council Tax. This increase in funding has only been confirmed until 2019/20. In the identification of funding solutions for adult social care in March 2017 the Government

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said that it would publish a Green Paper on social care in the Spring of 2018, in order to allow a public consultation to be held. This followed the decision in July 2015 to postpone the introduction of a cap on lifetime social care charges and a more generous means test as had been proposed by the Dilnot Commission. The Government has said that the proposals in the Green Paper will "ensure that the care and support system is sustainable in the long term". Receipt of the Green Paper will hopefully provide greater certainty around the Government's intentions around the funding of adult social care, however publication has now been delayed until Autumn 2018.

2.8   Looking more widely, the potential impact that the vote by the British public to leave the European Union may have upon the Council (and indeed on the economy as a whole) still remains unclear although it's projected impact will have to be factored into the Government's determination of the 2019 Spending Review. Similarly this financial strategy does not take account of the financial impact of any devolution proposals that may emerge during this period.

2.9   Nationally many councils are reporting increasing financial pressures on Children Services. The Care Crisis Report published this year noted that in England and Wales the number of care order applications reached a record level in 2017 and the number of looked after children was at its highest since the Children Act 1989. The Review supports the call from the Association of Directors of Children's Services (ADCS) and the Local Government Association (LGA) for Government to make up the £2 billion shortfall in children's social care.

2.10   In the determination of both this Medium Term Financial Strategy and subsequent annual budgets it needs to be ensured that our processes and assumptions are sufficiently robust. The issuing of a Section 114 by Northamptonshire County Council in February 2018 and the subsequently commissioned Best Value Inspection, has increased the focus on Local Authorities' financial resilience and sustainability.

2.11   In the context of these uncertainties and financial challenges, the Council will need to continue to make difficult decisions around the level and quality of our services to ensure the delivery of the ambitions and priorities for the city and the authority set out in the Best Council Plan. Both the development and implementation of the Best Council Plan will continue to inform and be informed by the Council's core funding, it's staffing and other resources, ongoing collaboration and engagement with partners across all sectors and the communities and citizens of Leeds. Initial proposals for the 2019/20 Best Council Plan and supporting budget will be brought to this Board in December 2018.

2.12   In July 2017 Executive Board received the Council's Medium Term Financial Strategy which detailed a funding gap of £44.2m for the period 2018/2019 to 2020/21 of which £13.9m related to 2018/19. The 2018/19 Revenue Budget and Council Tax report which was received at Executive Board and Council in February 2017 required the identification of £33.9m of budget savings in order to address corresponding cost and funding pressures. The same report also provided an update in respect of 2019/20 and 2020/21 and this showed a revised gap of £30.5m and £41.4m in 2019/20 and 2020/21 respectively.

2.13   Given the known risks associated with the level of funding available for 2020/21 to 2021/22, the increased demand for services, the impact of business rate appeals

and increasing cost pressures there is a requirement to refresh the Medium Term Strategy to take account of the impact of all these issues on the overall level of resources available to support the Council's budget, and to roll the strategy on an additional year, namely to include 2021/22.

2.14   While this Financial Strategy provides a financial planning framework through to 2021/22, it does not represent the proposed budget for the next three years. It should be stressed that, under the Council's constitution, decisions to set the annual budget, the council tax base and the rate of council tax can only be taken by Full Council and therefore these decisions will continue to be made as part of the Council's annual budget-setting process.

3.   Main Issues

3.1   Settlement Funding Assessment (SFA) and changes in Local Funding

3.1.1   Table 1 Estimated Level of Resources

	2018/19 Final	2019/20 Indicative	2020/21 Indicative	2021/22 Indicative
	£m	£m	£m	£m
Revenue Support Grant	0.0	0.0	0.0	0.0
Business Rates Baseline	198.9	183.5	176.9	170.6
Settlement Funding Assessment	**198.9**	**183.5**	**176.9**	**170.6**
Business Rates Growth	23.6	23.6	21.7	25.7
Business Rates Surplus/(Deficit)	-13.3	-5.7	-0.5	-0.3
Council Tax: Core	282.6	296.0	306.9	318.1
Council Tax: Adult Social Care Precept	18.9	22.0	22.0	22.0
Council Tax Surplus/(Deficit)	0.2	0.0	0.0	0.0
Net Revenue Budget	**510.9**	**519.5**	**527.0**	**536.1**
Change in Resources		**8.6**	**7.5**	**9.2**

3.1.2   As part of the 2016/17 financial settlement, Government offered councils a 4-year funding settlement for the period 2016/17 to 2019/20, described as part of the move to a more self-sufficient local government. The levels of Revenue Support Grant and Business Rates Baseline funding assumed in the Financial Strategy to 2019/20 are in line with the figures provided by Government in the 2018/19 Final Settlement as outlined in the table above. The increases in Baseline funding and business rates growth assumed in 2020/21 reflect Government's plan to switch the indexation of Business Rates from the Retail Price Index to the lower Consumer Price Index measure in that year.

3.1.3   A key assumption within the Plan is whether beyond the current spending review period, i.e. beyond 2019/20, will there be further reductions in government funding for local government. The £7.5m increase in the level of funding between 2019/20 and 2020/21 and the £9.2m increase between 2020/21 and 2021/22 reflect the assumption that reductions in the level of revenue support grant that were a feature of the four year funding settlement will ease, reflecting the Chancellor's Spring 2018 statement that if public finances continue to reflect current improvements then he

"would have capacity to enable further increases in public spending and investment in years ahead." As a result 3.6% cuts in SFA are assumed in these years in comparison with cuts of 6.6% and 7.7% in 2018/19 and 2019/20 respectively.

3.1.4   No separate figures for Revenue Support Grant (RSG) are shown in Table 1 above as authorities piloting 100% retention forego RSG and the value of the grant foregone is then taken into account in setting the new Business Rates Baseline, increasing it so that their SFA remains unchanged. It is Government's stated intention to continue to 'roll in' RSG when they introduce 75% retention nationally in 2020/21 (see paragraph 3.2.2 below).

3.1.5   Changes in local funding, i.e. Business Rates Retention and Council Tax, are discussed in more detail below. After taking account of the overall changes in the level of funding available to the Council, Table 1 shows that the net managed budget for the Council will increase from £510.9m in 2018/19 to an estimated £536.1m in 2021/22.

3.2   **Business Rates Retention**

3.2.1   In December 2017, Government notified the Council that the Leeds City Region Business Rates Pool bid to pilot 100% Business Rates Retention in 2018/19 had been successful. The pilot scheme allows Pool member authorities to retain all additional growth in business rates above the business rates baselines determined by Government and associated Section 31 grants, whereas non-pilot authorities are required to remit 50% of that growth to Government. To date the Council has been notified that this Pilot is for 2018/19 only and further information is awaited in respect of the arrangements for 2019/20 and whether a further bid from the Leeds City Region Business Rates Pool is required.

3.2.2   As a consequence of delays in amending relevant legislation, it is not possible for Government to introduce 100% Business Rates Retention nationally in 2020/21, and they have signalled their intention to roll out a 75% retention scheme in that year and to continue to work towards greater business rates retention. Business Rates figures in the Medium Term Financial Strategy for 2019/20 reflect the assumption that the current 100% retention pilot will continue into next year and that 75% business rates retention will be implemented in 2020/21. It is possible that the Authority will not know the final position on business rates in 2019/20 until December 2018.

3.2.3   The Strategy assumes that budgeted business rates income retained by the Authority in 2018/19 (£209.1m) will reduce to £201.5m in 2019/20, £198.1m in 2020/21 and to £195.9m in 2021/22. This reduction reflects the forecast Consumer Price Index, assumed reductions in SFA, estimated business rates growth and any estimated business rates deficit.

3.2.4   Business rates growth above the baseline is based on current projections and includes estimates of in year growth. Growth above the baseline of £23.6m is included in 2019/20, decreasing to £21.7m in 2020/21 and then increasing to £25.7m in 2021/22. The lower growth in 2020/21 is a consequence of the assumed move from 100% retention in 2019/20 to a 75% scheme in 2020/21.

3.2.5 The shortfall between budgeted business rates income and actual in-year income becomes a cost that has to be met in the following year. In 2018/19 this totalled £13.3m and in 2019/20 this deficit is estimated to fall to £5.7m and has taken into consideration a range of risks to 2018/19 income, including levels of growth achieved and the impact of business rates appeals. It is expected that such risks will reduce in future years as the Council settles appeals against the 2010 ratings list and as Government anticipates fewer appeals against the new ratings list introduced in April 2017. This new list was introduced alongside a new appeals process and with so few ratepayers having appealed to date it is very difficult to estimate the potential impact of 2017 list appeals on future business rates income.

3.2.6 There remain many uncertainties around the future of business rates within the local government finance system. However, it is assumed that any reforms, which may be introduced during the period of this Financial Strategy, would be revenue neutral to this Plan as transitional arrangements would be applied.

3.3 Council Tax

3.3.1 The Financial Strategy assumes council tax base growth of 1.4% per annum (around 3,200 Band D properties in 2019/20), which is in line with the tax base increase in 2018/19. Further, the Strategy assumes that councils will continue to be able to raise core council tax by up to 2.99% in 2019/20, following the announcement of an increased referendum limit in 2018/19 and later confirmation that this higher limit would apply in 2019/20, subject to the usual consultation on the Local Government Finance Settlement and to parliamentary approval. It is assumed that the referendum limit will then return to 1.99% in subsequent years. Additionally, the Provisional Local Government Finance Settlement 2017 confirmed the continuation of the Adult Social Care precept, capping the total increase between 2017/18 and 2019/20 at 6%. A 3% precept was raised in 2017/18 and a 2% precept in 2018/19. As such the Strategy assumes a further 1% in 2019/20, maximising this flexibility, with no additional precept in later years. This precept will generate an additional £3.1m of local funding in 2019/20.

3.4 Other Funding Changes

3.4.1 The paragraphs below outline the key changes to other funding that the Council receives.

3.5 Specific Grant Funding Changes - New Homes Bonus

3.5.1 In 2011 Government introduced an incentive scheme to encourage housing growth across the country. Councils received additional grant equivalent to the average national council tax for each net additional property each year and this was to be received annually for six years. The 2015 spending review made a number of changes to the scheme, including the receipt of the grant being receivable over a reduced period of 4 years and the imposition of a national growth baseline before any reward is paid. The £0.3m pressure over the period of the Medium Term Financial Strategy reflects the impact of the introduction of the national growth baseline which has reduced the bonus in later years.

3.6 Specific Grant Funding Changes – Children and Families

3.6.1 One of the key pressures in Children and Families Directorate is the fall out of external funding over the life of the Medium Term Financial Strategy. The Council received £7.3m of Innovation Grant from the Department for Education (DfE) in late 2016/17. This has been profiled to be spent over the three financial years from 2017/18 and will be used to invest in continuing the Leeds children strategy. The investment will be used to continue trialing new approaches to working with children and families and to invest and reform preventative services in order to reduce demand and costs. An additional £2.3m in grant is expected to be received in 2018/19 subject to meeting the terms and conditions of the agreement. In 2017/18 £1.95m of the Innovation Grant was used to support the Children and Families budget to help offset pressures in respect of the Children Looked After (CLA) budget. This funding will need to be made available in 2019/20 to support planned spend against the programme. In 2020/21 new funding will need to be identified or current spend reviewed.

3.6.2 In addition to the Innovation Grant funding there is also uncertainty about the future of a number of other grants beyond 2019/20. These include Troubled Families Programme Earned Autonomy grant and the School Improvement and Brokerage grant.

3.7 Specific Grant Funding Changes - Adult Social Care Grants

3.7.1 In November 2016 Government announced increased funding for adult social care through the improved Better Care Fund (iBCF). The £10.1m due in 2019/20 represents the final year of the additional funding announced.

3.7.2 In February 2017 Government announced a total of £2.021bn nationally as supplementary funding to the improved Better Care Fund (iBCF) to be spent on social care. This additional £9.4m is known as the Spring Budget monies and it will no longer be receivable after 2020/21.

3.7.3 Government made available one-off Adult Social Care Support Grant in both 2017/18 and 2018/19, £3.3m and £2.1m respectively for Leeds. Government has not indicated that any further monies will be receivable in 2019/20 as it is difficult to think that there will not be some recognition of the demand pressures facing the service.

3.7.4 Though it has not been confirmed, and the Government's Green paper on the future funding of social care will not be published until the autumn of 2018, the Medium Term Financial Strategy assumes that an additional £9.4m will be receivable over the period 2020/21 and 2021/22.

3.8 Specific Grant Funding Changes - Public Health grant

3.8.1 In the 2015 spending review the Government indicated its intention to make savings in local authority public health spending and a further £1.2m reduction is projected to the end of 2020/21.

3.9 Specific Grant Funding Changes - Communities and Environment

3.9.1 The Housing Benefit and Local Council Tax Support Administration Subsidy grants (£3m and £1.1m respectively in 2018/19) are anticipated to reduce by a further

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£0.5m in 2019/20 and 2020/21 reflecting the continuing reductions in the national quantum of funding allocated to Local Authorities. These are indicative assessments at this stage as the final allocations will not be made until early in 2019. The Housing Benefit Admin Subsidy grant could be further influenced by a proposed review of the methodology for allocating the funding across authorities.

3.9.2 The reductions outlined above are partially offset by an assumption that £0.1m of additional new burdens funding will be received from the DWP during 2019/20 to compensate Local Authorities for additional workstreams.

3.9.3 Following the Prime Minister's announcement in March 2018, parents will no longer have to meet the costs of burials or cremations. The fees will be waived by all Local Authorities and met instead by a Government Funeral Fund for grieving parents who have lost their child. However, as Leeds City Council had already announced that it would abolish these fees as a part of the 2018/19 approved budget, the assumed level of funding of £0.2m will offset the loss of income already provided for.

3.10 **Specific Grant Funding Changes – Resources and Housing**

3.10.1 The Government have announced that the level of Flexible Homelessness Grant receivable will reduce by £0.7m in 2019/20. This grant, introduced in 2017/18, is designed to provide additional resources to Local Authorities to tackle homelessness and level of allocation is based on homelessness prevention outcomes.

3.11 **Specific Grant Funding Changes –Section 31 grants**

3.11.1 An error in the methodology used by the Ministry of Housing Communities and Local Government (MHCLG) in their calculation of Section 31 grants paid to compensate Local Authorities for any loss incurred as a result of the Government's decision to cap the business rates multiplier in 2014/15, 2015/16 and 2018/19 has resulted in a reduction of £1m in the level of grant receivable.

3.11.2 As a result of the assumption that 100% retention will continue into 2019/20, the Strategy recognizes an increase of £1.1m in Section 31 grants payable to the Authority in that year, which will contribute to the Council's Strategic accounts.

3.12 **Movement on the use of reserves**

3.12.1 The Strategy assumes that £3m from the General Reserve is used to support both the 2019/20 and 2020/21 budgets (£6m in total). In addition the 2019/20 budget doesn't assume a budgeted contribution of £1m to the General Reserve.

3.12.2 In February 2017, Council approved the Flexible Use of Capital Receipts Strategy which agreed the use of capital receipts to fund severance/redundancy costs. Consequently the £2m set aside in an earmarked reserve to fund ELI (Early Leaver's Initiative Costs) can be used to support the Medium Term Financial Strategy. The other movements in earmarked reserves are to recognize that the use of Section 106 deposits was for 2018/19 only and that £0.5m is required to fund unitary charge payments on PFI contracts.

4. Changes in Costs

4.1 Inflation

4.1.1 The Financial Strategy makes allowance for £19.7m of net inflation from 2019/20 to 2021/22. It provides inflation where there is a contractual commitment but anticipates that the majority of other spending budgets are cash limited. An anticipated 3% rise in fees and charges, where they can be borne by the market, has also been built into the Financial Strategy.

4.2 Employers Local Government Pensions Contributions

4.2.1 The most recent Actuarial Valuation of the West Yorkshire Pension Fund took place in December 2016 and the Authority has been notified that the employer's contribution will rise from the 15.9% contribution in 2018/19 to 16.2% in 2019/20. Overall this creates a pressure of £0.9m. It should be noted that as part of the recent Actuarial Valuation of the Fund, given the volatility of equity markets and the valuation of sterling, it was agreed that the contributions of the West Yorkshire authorities would be subject to an annual mini review of contribution rates which could result in further increases in April 2019, although to date these actuarial reviews have not resulted in any increased costs.

4.3 Pay Award and Leeds Living Wage

4.3.1 Provision of £38.2m has been for the costs of pay awards for the period covered by the Medium Term Financial Strategy. As well as providing for the cost of an annual 2% pay award for the period covered by the strategy, it also provides for the Council's minimum pay rate which is assumed to rise from the current £8.75 per hour.

4.4 Fall out of capitalised pension costs

4.4.1 The fallout of capitalised pension costs associated with staff who have left the Council under the Early Leavers Initiative (ELI) will save an estimated £4m.

4.5 Demand and Demography

4.5.1 The forecast recognises the increasing demography and consequential demand pressures for services in Adult Social Care, Children and Family Services and the Waste Management function with provision of £9.8m included in the Financial Strategy.

4.5.2 Within Adults and Health the population growth forecast assumes a steady increase from 2018 in the number of people aged 85-89 during 2019, 2020 and 2021 (0.9%, 3.6% and 2.6% respectively) resulting in additional costs for domiciliary care and placements (£5.9m). In addition, the strategy reflects the anticipated impact of increasing cash personal budgets through to 2020. The Learning Disability demography is expected to grow by 0.3% (based on ONS data) over the period. It should be noted that the high cost increase is primarily a combination of increasingly complex (and costly) packages for those entering adult care, as well as meeting the costs of the increasing need for existing clients whose packages may last a lifetime.

4.5.3 Children's Services continues to face significant demographic and demand pressures as a result of high birth rates (particularly within the most deprived clusters within the city), increasing inward migration into the city (particularly from BME groups from outside the UK), the increasing population of children & young people with special and very complex needs, greater awareness of the risks of child sexual exploitation, growing expectations of families and carers in terms of services offered and changes in government legislation, including "staying put", arrangements that enable young people to remain with their carers up to the age of 21. Consequently the Medium Term Financial Strategy provides £3.3m for the projected growth in the 0-19 year old population.

4.5.4 Based on assumed housing growth provision of £0.6m has been made for an additional refuse collection round and the increased disposal costs of waste to the RERF.

4.6 **Adult Social Care**

4.6.1 The financial strategy reflects the grant monies made available by Government and a proposed precept of 1% in 2019/20. The additional 1% precept is the final increase permitted by the Government. Together the precept and the grant will be utilized to fund a range of adult social care pressures and priorities including demand, demography, inflation increases on commissioned services and the Ethical Care Charter.

4.6.2 Table 2 below outlines how the additional funding provided by the improved Better Care Fund, the 'Spring Budget' grant, the Social Care grant and the precept all combine to increase the spending power with adult social care.

Table 2 Adult Social Care "Spending Power"

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Base Budget (restated)	207.5	217.8	224.2	224.2
Spring Grant 17/18	(14.7)			
Spring Grant 18/19	9.4	(9.4)		
Spring Grant 19/20		4.7	(4.7)	
Spring Grant 20/21 (assumed)			4.7	(4.7)
Spring Grant 21/22 (assumed)				4.7
Improved Better Care Fund	11.1	10.1		
ASC Support Grant 17/18	(3.3)			
ASC Support Grant 18/19	2.1	(2.1)		
ASC Precept	5.7	3.1	0.0	0.0
	217.8	224.2	224.2	224.2
Movement in Adult Social Care "Spending Power"		6.4	0.0	0.0

4.6.3 It should be noted that the increased "spending power" figures above do not simply translate into how the Council's Adults and Health managed budget for 2019/20 and

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beyond will look. This is because the grant income and the associated expenditure will net each other off in budget terms in each year that the grant is received.

4.6.4 Adult Social Care "Spending Power" is projected to increase by £6.4m in 2019/20 with no further increases assumed in the later years of the Strategy. It should be noted that the Adult Social Care expenditure simply to meet demand and demography costs in the region of £14m each year.

4.6.5 The iBCF annual growth is only known until 2019/20 with no announcement as to whether additional sums will be receivable. The reduced and final year of the Spring Budget is known for 2019/20 and the Medium Term Financial Strategy assumes that the amounts receivable for the final year of the Spring Budget will continue into 2020/21 with a similar sum in 2021/22. If the amount receivable is greater than the amount assumed in this strategy then the estimated budget gap within Adults and Health will reduce accordingly.

4.7 **National Living Wage and Leeds Living Wage– Commissioned Services**

4.7.1 In respect of services commissioned from external providers by Children and Families, £1.8m has been included to reflect National Living Wage increases. Similarly Adults and Health has provided £15.0m for similar National Living wage increases in commissioned services. In respect of externally commissioned home care and extra care services provision of £4.3m has been included to ensure that rates of pay are consistent with both Leeds Living Wage and the Ethical Charter assumptions. For the staff in a pension scheme with automatic enrolment, and their employer is providing a commissioned service to Adults and Health, the employer's contribution will increase from 2% to 3%. Leeds City Council's contribution to this increase is £0.6m.

4.8 **Leeds City of Culture 2023**

4.8.1 A report received at June's Executive Board set out details of Leeds Cultural Strategy with the creation of a Trust being identified as the most appropriate model for the delivery of this strategy. In accordance with the required resource contribution from the Council, as identified in the report to June's Executive Board, the financial strategy assumes a £2.5m increase in the contribution by 2021/22.

4.9 **Other pressures and savings**

4.9.1 Over the life of the Medium Term Financial Strategy 2019/2019- 2021/22 other cost pressures amount to £8.7m.

4.9.2 In recognition of the level of backlog maintenance associated with the Council's assets an additional £0.8m will be provided by 2021/22. In addition the Strategy also provides £0.8m for the increased cost of Microsoft Licences, £0.4m provides for an increase in the levy to the West Yorkshire Combined Authority in respect of the Transport Fund over the planning period and £0.5m is required annually to meet the costs of contract payments for PFI schools.

4.9.3 The net impact of the switch to Universal credit is forecast at around £1m over the next 3 years, mainly from reduced receipt of housing benefit overpayment income.

4.9.4 Other pressures across all Directorates amount to around £5.2m.These include £0.2m for the increased cost of Community hubs, £0.2m for the shortfall in Court Fee

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income, £0.2m for costs associated with the Sustainability Energy and Low Carbon team and £0.2m for service charges at Merrion House.

4.10 **Capital Financing Costs**

4.10.1 The Council's capital programme is determined by its capital spending priorities which combine a number of annual programmes investing in existing key assets and services. In addition capital spend is directed towards the priorities laid out within the Best Council plan. The revenue cost and affordability of the capital programme is considered as part of treasury management strategy. The Council set its forecast for capital spend over the next 3 years in February and outlined a programme of £881m in the Council's general fund services and its Housing Revenue Account.

4.10.2 The Council forecasts an additional borrowing requirement of £124m to support the 2019/20 capital programme spend of £289m. The additional revenue cost of this borrowing is forecast at £8.8m over the life of the Strategy, £7.8m of which relates to funding new capital programme spend. The remaining increase is largely due to a combination of restructuring debt, increases in interest rates assumptions and other costs associated with the delivery of the capital programme.

4.10.3 The Treasury strategy continues to fund the borrowing requirement from a combination of historically low short term rates and its balance sheet strength. However, it references that interest rates are expected to rise and as such allows for some longer term borrowing when market opportunities materialise. If interest rates rise at a faster pace than expected then the treasury strategy will look to lock in longer term funding providing the Council with greater funding certainty over the longer term.

4.11 **Minimum Revenue Provision**

4.11.1 The Minimum Revenue Provision (MRP) is an annual revenue charge for the repayment of borrowing and other capital financing liabilities. Local Authorities are required by statute to determine each financial year what they consider to be a prudent amount of MRP and are required by statutory guidance to approve an annual statement setting out their MRP policy. The policy is approved by full Council, as are any proposed subsequent revisions.

4.11.2 The 2017/18 Revenue Budget and Council Tax budget report, received at Executive Board in February 2017, identified that the Council had overprovided for MRP by £92.3m on its debt set aside since 2008/2009. This historical overprovision has been applied over a four year period (2016/17 to 2019/20) and has the effect of reducing the rate of repayments of borrowing over the period to which the overprovision is being applied, which is partly offset by additional interest costs in the meantime. However in the current climate of low interest rates Council agreed that this would be an acceptable cost given the benefits to be gained from the change. Moreover, it was recognised that this strategy provided an opportunity for the Council to transform its operations over a longer time period than otherwise, it would be necessary by 2020/21 to reinstate the budget for a "normal" level of MRP.

4.11.3 In 2020/21 it is therefore necessary to increase the MRP to meet the calculated level required. The calculated £30.4m increase can be partially offset by the identification of additional capital receipts (£3.6m) which are over and above the amount required to support the revenue budget. In 2021/22 no additional capital receipts are currently being assumed to offset the calculated £11.2m increase in MRP. Consideration will

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have to be as to what options are available to smooth these known increases over a longer period.

4.12 Impact of Academisation

4.12.1 Although an increasing number of schools within Leeds have become academies, Leeds City Council has continued to provide a number of services to these schools and has charged accordingly. In an increasingly competitive market these services are now being sourced from other providers, specifically in respect of the Human Resources function, and this has resulted in a reduction in the level of income receivable (£1.2m).

5. Estimated Budget Gap

5.1 <u>Table 3 Estimated Budget Gap</u>

2019/20 TO 2021/22 PROJECTIONS	2019/20 £m	2020/21 £m	2021/22 £m	Total £m
Settlement Funding Assessment	15.3	6.6	6.4	28.3
Changes in Local Funding	(23.9)	(14.2)	(15.5)	(53.6)
Contribution to/(from) General Reserve	(4.0)	0.0	3.0	(1.0)
Contribution to/(from) Earmarked Reserves	(0.6)	2.5	0.0	1.9
Changes in Specific Grant	(0.1)	3.1	(4.7)	(1.7)
Changes in S31 grants	1.0	0.0	0.0	1.0
Other Funding Changes	(0.1)	0.0	0.0	(0.1)
Decrease/(Increase) in Funding	**(12.4)**	**(1.9)**	**(10.9)**	**(25.1)**
Inflation	8.2	8.2	8.2	24.5
Employer's LGPS contribution	0.9	0.0	0.0	0.9
Pay Award including Living Wage	12.7	12.7	12.7	38.2
National Living Wage - commissioned services	5.5	5.6	5.6	16.8
Fall-out of capitalised pension costs	(1.1)	(1.5)	(1.4)	(4.0)
Demand and Demography	3.4	3.3	3.1	9.8
2023 City of Culture	1.5	0.5	0.5	2.5
Impact of Academisation	1.0	0.2	0.0	1.2
Other pressures/savings	6.5	2.3	0.0	8.8
Debt - external interest/Minimum Revenue Provision	1.9	30.6	15.2	47.6
Projected Cost Increases	**40.5**	**61.9**	**43.9**	**146.3**
Total Cost and Funding Changes	**28.1**	**60.0**	**33.1**	**121.1**

5.2 After taking account of changes to the settlement funding assessment, changes in local funding plus other cost and funding changes as outlined above there is a requirement to deliver £121.1m of savings over the period covered by the Medium Term Financial Strategy. This savings requirement is detailed above.

5.3 Proposals/Approach to meet the gap

5.3.1 In order to both manage the reductions required for the period 2019/20 to 2021/22, and protect front line services, the Council has embarked on an ongoing process of

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review across a range of services and policy areas which commenced in April 2016. The outcome of these reviews was incorporated into both the Council's 2017/2018 and 2018/2019 budgets. These service and policy reviews continue as part of an iterative approach to the Council's Best Council Plan and the aligned Medium Term Financial Strategy. The table below presents a summary of the identified savings arising, presented thematically.

5.3.2   <u>Table 4 Estimated Budget Gap less Savings Options</u>

2019/20 TO 2021/22 PROJECTIONS	2019/20 £m	2020/21 £m	2021/22 £m	Total £m
Estimated Budget Gap	**28.1**	**60.0**	**33.1**	**121.1**
Directorate Budget Savings Proposals				
Changes to Service	(1.2)	(2.4)	(0.9)	(4.6)
Efficiencies	(11.0)	(4.7)	(0.3)	(16.1)
Income - Fees & Charges	(0.6)	(0.5)	0.0	(1.1)
Income - Traded Services, Partner and Other Income	(1.4)	(0.3)	(0.8)	(2.5)
Total Budget Savings Proposals	**(14.3)**	**(7.9)**	**(2.0)**	**(24.3)**
Gap	**13.8**	**52.0**	**31.0**	**96.8**

5.3.3   The Financial Strategy assumes that the Council can continue to generate additional income through both fees and charges whilst at same time seeking to maximize trading opportunities. A review remains ongoing to ensure that the Council's current fees and charges are consistent with the Council's policy agreed at Executive Board in February 2016. In addition savings will be realised through changes to services and efficiencies. The key assumptions for addressing the budget gap are detailed below.

5.4   **Changes to Service**

5.4.1   Within Children's and Families services, the plan assumes that from 2019/20 the costs of Children Looked After will reduce by around £2.6m as a result of the impact of spending the DfE Innovations fund grant on preventative measures

5.4.2   City Development are targeting the development of a new car parking facility which will deliver a net contribution of £1.1m over the life of the strategy. In addition it is anticipated that increased income of £500k will be realised through investment properties.

5.4.3   As a registered training provider costs being incurred by the Council can be now be funded through the apprenticeship levy.

5.5   **Efficiencies**

5.5.1   Savings within Adults and Health reflect the need to address the fall out of short term grant funding through the life of the plan, including the Adult Social Care support grant (£2.1m) and the Spring Budget grant (£9.4m). To meet this requirement savings on demand based services and reductions in one-off spend associated with

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the Social Care grants mentioned in 5.5.1 and other efficiencies over the period are projected at over £13.5m.

5.5.2   Within Children and Families, targeted transport efficiencies are expected to realise savings of £0.5m in 2019/20.

5.5.3   Within Sports Centres further operating cost reductions of £0.2m are being targeted. Reductions in the Flexible Homelessness Grant and the Housing Benefit and Local Council Tax Admin Subsidy Grant will require corresponding savings of £0.3m and £0.7m respectively over the period. This will largely be realised through vacant posts and staff turnover.

5.5.4   Within Support Services further savings of £1.0m are targeted largely within business administration, finance, HR and programme / project management. These savings will be achieved through a combination of deleting budgeted vacant post, staff turnover, staff exiting the Authority through the Early Leavers Initiative and reviewing processes and, where business cases exist to make processes more efficient or embrace new technology, resources will be identified to progress these initiatives and realise the savings.

5.6   **Income - Fees & Charges**

5.6.1   An estimated additional £1.1m is forecast from fees and charges by 2020/21. This will be largely be generated through the generation of additional income at Parks and Attractions (£0.4m), increased income at Sports Centres (£0.2m), additional fee income generated within City Development (£0.2m) and additional income (£0.4m) from Adel Beck.

5.7   **Income – Traded Services / Other**

5.7.1   Leeds Building Services will target an additional contribution over three years through ongoing efficiencies and additional turnover. This additional turnover will result from work that previously would have been tendered to private sector contractors which will instead be delivered through the internal service provider.

5.8   **Revised Gap**

5.8.1   The total estimated savings from service reviews, efficiencies and additional income from the fees and charges that the Council is seeking to generate over the three year plan total approximately £24.3m. This is not sufficient to deal with changes to the settlement funding assessment, changes in local funding plus other cost and funding changes. Even after account is taken of the identified savings options there is still an estimated savings requirement of £96.8m for the three year period covered by the Medium Term Financial Strategy.

5.8.2   Recognising the financial challenges outlined in this report, work has commenced on progressing seven key budget workstreams which, when successfully implemented, are anticipated to contribute significantly in the achievement of a balanced budget position in each of the years covered by the Medium Term Financial Strategy. Details of these workstreams are contained in Table 5 below.

Budget Workstreams	
1	**Benchmarking/VfM**
	Using a more systematic approach to identify areas of activity within the council that are high cost and/or low performing to inform reviews to help determine how and where savings could come from.
2	**Digital**
	Further use of technology to reduce costs and improve customer experience
3	**External Funding**
	Maximise opportunities by having a more consistent, proactive and systematic approach to grants and other bids.
4	**Advertising**
	Maximise advertising income, building in greater use of technology (e.g. digital advertising)
5	**Assets**
	More efficient and effective use of the council's buildings aiming for fewer, better looked after assets
6	**Capital Review**
	Consider different approaches to risk share, prioritise investment and reduce debt. [Links to 'Assets' workstream above]
7	**Invest to save pot**
	Maximise opportunities by having a coherent approach to 'bidding' for investment with the key driver being to deliver savings (i.e. do more or the same but with less £).

6.   Reserves Policy

6.1   General Fund Reserves

6.1.1   Under the 2003 Local Government Act, the Council's Statutory Financial Officer is required to make a statement to Council on the adequacy of reserves as part of the annual budget setting process. It is also good practice for the Authority to have a policy on the level of its general reserve and ensure this is monitored and maintained.

6.1.2   The purposes of the general reserve policy are to:

- Maintain general reserves at a level appropriate to help longer-term financial stability; and

- Identify any future events or developments which may cause financial difficulty, allowing time to mitigate for these.

6.1.3   The general reserve policy encompasses an assessment of financial risks both within the Medium Term Financial Strategy and also in the annual budget. These risks should include corporate/organisation-wide risks and also specific risks within individual directorate and service budgets. This analysis of risks should identify areas of the budget which may be uncertain and a quantification of each 'at risk' element. This will represent the scale of any potential overspend or income shortfall and will not necessarily represent the whole of a particular budget heading. Each assessed risk will then be rated and scored in terms of impact and probability.

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6.1.4 The Financial Strategy assumes the use of £3.0m of general reserves in both 2019/20 and 2020/21. The table below sets out the indicative general reserve level from 2018/19 to 2021/22.

6.1.5 By the end of the plan, the level of General Reserve is forecast to be £20.6m, £6m less than at April 2018.

6.1.6 <u>Table 6 Forecast Level of General Reserve</u>

General Reserve	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Brought Forward 1st April	20.1	25.6	26.6	23.6	20.6
Release to Children Looked After Budget	(1.4)				
Contribution in Year (including Sport VAT reimbursement)	7.0				
Budgeted Contribution In Year		1.0			
Budgeted Use in Year (Use of Sport VAT in Strategy)			(3.0)	(3.0)	
Carried Forward 31st March	**25.6**	**26.6**	**23.6**	**20.6**	**20.6**

6.1.7 Whilst the Council maintains a robust approach towards its management of risk and especially in the determination of the level of reserves that it maintains, it is recognised that our reserves are lower than those of many other local authorities of a similar size. In addition whilst the continued reductions in funding and the pressures faced by the Authority make the current financial climate challenging, we will continue to keep the level of the Council's reserves under review to ensure that they are adequate to meet identified risks.

7. Housing Revenue Account

7.1 The Housing Revenue Account (HRA) includes all expenditure and income incurred in managing the Council's housing stock and, in accordance with Government legislation, operates as a ring fenced account.

7.2 The 2016 Welfare Reform and Work Act introduced the requirement for all registered social housing providers to reduce social housing rents by 1% for the 4 years from 2016/17 to 2019/20. 2019/20 is therefore the final year of the policy requiring this reduction. The government has confirmed that there will be a return to CPI+1% for 5 years from 2020/2021, therefore the 2020/21 and 2021/22 rental figures are based on this assumed increase. Whilst the 2016 Act requires that social rents have to reduce by 1% per annum until 2019/20, properties funded through PFI can be exempt from this requirement. An increase in accordance with the government's rent formula of CPI + 1% is therefore assumed over the medium term for PFI dwellings.

7.3 Service priorities, pay and price pressures along with commitments within the PFI funding model will be met through a combination of efficiencies, targeted contract savings and improved targeting of resources together with the use of reserves and RTB receipts.

7.4 The costs associated with servicing the HRA's borrowing have increased due to a combination of discounts that had previously been applied to the overall level of debt

falling out and the planned increase in borrowing to support the Council's new build programme.

7.5   The rollout of universal credit in Leeds commenced in 2016 and once fully implemented it will require the Council to collect rent directly from around 24,000 tenants who are in receipt of full or partial housing benefit. Although the financial impact of this is still difficult to quantify it is likely to have implications for the level of rental income receivable since the level of arrears is anticipated to increase. However, work focusing on tenant arrears means the current provision for bad debt is sufficient to meet the forecast calls on it, hence savings against the original planned budget to top up the provision may be made.

7.6   Since 2012 a reduction in the qualifying period after which tenants are able to submit an application to purchase a council house through the Government's Right to Buy legislation continues to sustain increases in the number of sales with a subsequent reduction in the amount of rent receivable.

7.7   Further consideration will be given to increasing service charges to reflect more closely the costs associated with providing services.

7.8   Since all housing priorities are funded through the HRA, any variations in the rental income stream will impact upon the level of resources that are available for the delivery of housing priorities. Resources will be directed towards key priority areas which include fulfilling the plan to improve the homes people live in, expanding and improving older person's housing and improving estates to ensure that they are safe and clean places to live.

7.9   The Council remains committed to prioritising resources to meet the capital investment strategy and to replace homes lost through Right to Buy by the planned investment in new homes and the buying up of empty homes. The Council aims to maintain a consistent level of capital expenditure with a view to improving the condition of the stock.

7.10   <u>Table 7 Housing Revenue Account</u>

Income and Expenditure Pressures	2019/20 £000s	2020/21 £000s	2021/22 £000s
Income			
Reduction in rental income due to stock reduction and 1% rent reduction	2,569	(4,187)	(4,423)
End of Rent Reduction period			
Increase Service Charges	(813)	(37)	(26)
Increase in Other Income	215	(175)	(178)
Total	**1,971**	**(4,398)**	**(4,627)**
Expenditure			
Pay and Price pressures	1,619	1,618	1,691
Supplies and Services	(380)	(380)	(380)
Premises	(56)	(56)	(56)
Review of provisions	(411)	(442)	(71)
Private Finance Initiative adjustment as per model	620	821	1,272
Use of additional Right to Buy Receipts to fund capital	(1,944)	1,941	732
Concierge Service	400	408	416
Disrepair	(700)	0	0
Repairs to Dwellings	0	435	880
Other (Including accounting/recharge adjustments)	(1,119)	53	143
Total	**(1,971)**	**4,398**	**4,627**
Overall Balance	**0**	**(0)**	**(0)**

8.   **Corporate Considerations**

8.1   **Consultation and Engagement**

8.1.1   The Authority's financial strategy is driven by its ambitions and priorities as set out in the Best Council Plan 2018-21 that was approved by Council in February 2018. The Best Council Plan was subject to consultation with members and officers throughout its development with additional extensive stakeholder consultation carried out on the range of supporting plans and strategies.

8.1.2   The proposed Medium Term Financial Strategy has also been informed by the public consultation exercise carried out between December 2017 and January 2018 on the Council's 2018/19 budget proposals. Whilst the consultation covered the key 2018/19 proposals, it also incorporated questions around the ongoing principles that underlie both the Best Council plan and the Authority's financial plans. Therefore the results of that consultation are therefore relevant to the Medium Term Financial Strategy. The full results of the consultation are publicly available in the '2018/19 Revenue Budget and Council Tax' report considered by Council on 21st February 2018 with a summary of the key points below:

- The consultation received nearly 2,000 responses across a range of respondents from different age groups, ethnicities and genders, broadly representing the demographic breakdown of the population of Leeds.

- In response to questions on the challenges that the council faces from reducing funding and increasing demand on services, respondents were asked how much they agree or disagree with certain statements:
  a) Over 3 quarters of respondents (77%) agreed the council should raise money through increasing council tax and charges.
  b) Around half (48%) of all respondents agreed that this should be balanced with cuts and reduction of services.

- With regards to additional funding:
  c) In total, 60% of all responses said this should be raised through introducing new charges for some services.
  d) Over half of respondents agreed with increasing the rate of council tax (56%).
  e) 50% favoured increasing existing charges.

- Almost a quarter of respondents (23%) said the council should not raise council tax or charges, even if this has a large impact on services provided.

- Thinking about how the council can deliver services more efficiently, respondents were asked how much they agree or disagree with certain statements:

  f) Most agreed the council should deliver more services in partnership with other public organisations (96%).
  g) Slightly fewer agreed the council should work with local community and voluntary groups to deliver more of its services (88%).
  h) Three quarters agreed that the council should encourage local people to voluntarily provide certain services within their communities (74%).
  i) Almost half agreed that services should mostly be delivered by the council, on its own (48%).
  j) Less than a third agreed that more services should be delivered by the private sector (31%).

8.1.3 When considering any workforce change the trade unions should be meaningfully engaged at the earliest opportunity. In August 2017 the Council re-issued the Section 188 notice and this triggered the consultation process around the mitigation of redundancies and there have been regular meetings with trade union colleagues about how we can work together to meet our financial challenges. Further consultation will need to take place once the proposals regarding workforce changes become clearer and more defined. The Council's Early Leaver Initiative, effective vacancy controls and other measures to save employment costs have significantly reduced the requirement to reduce FTEs still further.

8.1.4 Over the past few years we have successfully driven culture change across the organisation through a combination of clear top level asks, strong buy in and team based local activity and working collaboratively across services and partnerships.

8.1.5 Engaging all teams, staff and partners is a key part of our Medium Term Financial Strategy. We will do this through a Team Leeds Can Do Challenge, a collective team effort during Autumn 2018 in the following areas:

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- Working smarter and saving money
- Constantly improving customer service, experience and outcomes
- Making the most of digital
- Making Leeds a great place to work.

8.1.6 From September to November, the Corporate Leadership Team will lead a series of locally driven activities, with the prime purposes of:

- Hearing and sharing ideas
- Joint problem solving
- Sharing and celebrating the good things we do
- Taking successful approaches in one part of the organisation and embedding them as widely as possible
- Learning lessons – about what works and what doesn't
- Encouraging everyone to make a change – big and small – to make improvements.

8.1.7 The annual Leeds City Council Leadership Conference in October, will be used as a focal point and showcase for the Team Leeds Can Do Challenge.

8.2 Equality and Diversity / Cohesion and Integration

8.2.1 The Equality Act 2010 requires the Council to have 'due regard' to the need to eliminate unlawful discrimination and promote equality of opportunity. The law required that the duty to pay 'due regard' be demonstrated in the decision making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show 'due regard'.

8.2.2 The Council is fully committed to ensuring that equality and diversity are given proper consideration when we develop policies and make decisions. In order to achieve this the Council has an agreed process in place and has particularly promoted the importance of the process when taking forward key policy or budgetary changes. Equality impact assessments also ensure that we make well informed decisions based on robust evidence.

8.2.3 Equality impact assessments will continue to be carried out on specific proposals in relation to implementing the Best Council Plan and the annual budgets for each of the years covered by this Medium Term Financial Strategy. Therefore as a part of this the proposed revenue budget for 2019/20 will be subject to Equality Impact Assessments where appropriate with details included in the 2019/20 budget proposal reports to Scrutiny, to this Board and subsequently Full Council.

8.3 Council Policies and Best Council Plan

8.3.1 The refreshed Best Council Plan 2018/19 – 2020/21 sets out the Council's priorities aligned with the Medium Term Financial Strategy and the annual budgets. Developing and then implementing the Best Council Plan will continue to inform, and be informed by the Council's funding envelope, staffing and other resources.

8.4   Resources and Value for Money

8.4.1   All financial and workforce implications are considered in the main body of the report.

8.5   Legal Implications, Access to Information and Call In

8.5.1   There are no legal implications arising from this report. The report recommends the approval of the Financial Strategy itself and any proposals resulting from ongoing service / policy reviews will be subject to specific decision-making processes in which the legal implications, access to information and call-in will be considered in accordance with the Council's decision-making framework. This includes compliance with the legal requirements around managing staffing reductions.

8.6   Risk Management

8.6.1   Making changes to council services carries a number of significant risks that will need to be carefully managed in line with the Council's Risk Management Policy. However, failure to address these issues will ultimately require the Council to consider even more difficult decisions that will have a far greater impact on front-line services, including those that support the most vulnerable, and thus on our Best Council Plan ambition to tackle poverty and reduce inequalities.

8.6.2   A full risk assessment will be undertaken of the Council's financial plans as part of the normal budget process and an analysis of budget risks will continue to be maintained, subject to monthly review as part of the in-year monitoring and management of the budget. Any significant and new risks/budget variations will continue to be included in the in-year financial reports brought to Executive Board.

8.6.3   In addition, risks identified in relation to specific proposals and their management will be reported to relevant members and officers as required. Specific risks relating to some of the assumptions contained within this Medium Term Financial Strategy are identified below.

8.7   Risks to Funding

8.7.1   The level of resources available to the Council is estimated to increase from £510.9m to £519.5m in 2019/20, an £8.6m increase. Over the period to 2021/22 the total increase is estimated to be £25.3m. The key assumptions and risks underpinning this increase in resources are discussed below.

8.7.2   The £28.3m reduction in the Settlement Funding Assessment between 2019/20 and 2021/22 assumes that beyond 2019/20, the final year of the Government's 4 year funding settlement, the pace of austerity will ease with a 3.6% reduction in Settlement Funding Assessment assumed in these years compared with 6.6% in 2018/19 and 7.7% in 2019/20. Whilst Government has indicated possible easing, this is unlikely to become clearer until the next Spending Review in 2019, and this assumption remains a risk.

8.7.3   Business Rates figures to 2021/22 are based on the 100% Business Rates Retention scheme currently in place recurring in 2019/20. Whilst the Government have signaled their intention to introduce 75% Business Rate Retention from 2020/21, and this Medium Term Financial Strategy assumes this, the position around the continuation of the 100% Business Rates Retention Pilot in 2019/20 remains

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uncertain. To date the Council has been notified that the Pilot is for 2018/19 only. Further information is awaited in respect of the arrangements for 2019/20 and whether a further bid from the Leeds City Region Business Rates Pool is required. If a further bid is required then the Council may not be notified whether it has been successful in its application until December 2018 when the draft Local Government Finance Settlement is published. Therefore to manage the risk of the 100% Business Rate Retention Pilot not continuing in 2019/20 consideration will be given to the identification of additional budget savings options.

8.7.4   Annual increases in Business Rates Baseline funding and business rates growth are currently indexed to the Retail Price Index. Government plans to switch the indexation of Business Rates to the lower Consumer Price Index in 2020/21. Changes to forecast inflation rates can impact on levels of funding.

8.7.5   The level of business rates appeals continues to be a risk. Whilst there is very limited scope for new appeals against the 2010 list and the Council has an appropriate provision for these, there is very little information available on which to assess appeals against the new 2017 list. Therefore income from business rates could be adversely affected which in turn would reduce the overall level of resource available to fund the services that the Council provides.

8.7.6   The outcome of the Government's Fair Funding Review of Local Government Finance, which is a thorough review of the needs and resources assessment formula used to allocate government funding to Local Authorities, won't be known until the autumn of 2019 which is around the time this Authority will be preparing its Initial Budget proposals for 2020/21. Whilst the Strategy assumes that any such changes will be revenue neutral at the point of introduction as transitional arrangements are expected, there remains a risk of reductions in government funding to the sector as a whole. The level of resources available to Local Government will be communicated through the 2019 Spending Review proposals.

8.8   **Key Risks to Cost Assumptions**

8.8.1   The Council will be applying a 2 year NJC pay offer, which will move staff onto a new pay spine in 2019. The implementation of this will need to be considered in terms of how the Authority's existing pay structure operates as some lower paid grades will be affected by transferring onto a new and shorter pay spine. In assessing this we need to be sure we have a sustainable structure that is equal pay compliant. This Medium Term Financial Strategy does not reflect any implications of this ongoing assessment although it is recognised that it may be necessary to make further provision.

8.8.2   There is a risk that the amount specifically set aside in this plan for demand and demography is not sufficient, particularly in regard to the numbers of Children Looked After and the impact of the ageing population.

8.8.3   The Medium Term Financial Strategy makes a number of assumptions about the costs associated with managing its debt. Currently the Council benefits from low interest rates which are payable on debt. However if there is an upward movement on interest rates over the period of the Strategy this will be an additional cost that the Council will be required to manage.

8.8.4   The Council and City's economic and fiscal position is clearly impacted upon by the wider national economic context. The UK's decision to exit the EU has undoubtedly fueled economic and political uncertainty and the outcome of the negotiations

between the UK and the EU potentially, in the short term, weaken the pound, increase inflation, reduce domestic and foreign direct investment and impact on borrowing costs. All of these have the potential to impact upon not only the level of resources available to the Council but also the level of demand for the services that it provides. Parliamentary time focused on the legislative changes needed to deliver the EU exit also impact on the time available to Parliament to consider key issues of interest to local government, for example the recent delay in the publication of the anticipated Adult Social Care green paper.

9. **Conclusions**

9.1 The Medium-Term Financial Strategy reflects Government's planned reductions in public sector funding as set out in the Comprehensive Spending Review, assumptions around the level of resources available through Council Tax and Business Rates and also takes account of increasing costs from rising demands for services, inflation and other cost pressures.

9.2 This strategy needs to be seen in the context of a challenging economic outlook combined with a number of significant risks and uncertainties that have the potential to significantly impact upon both the Council's resources and levels of demand for its services. Where it is possible to determine the financial implications of these then they have been accommodated within the strategy. It is acknowledged that the assumptions contained in the strategy are under constant review to reflect any changes in circumstances or if further information emerges in respect of known risks.

9.3 In response, a planned and iterative approach continues to be taken to review a range of service and policy areas to identify additional potential savings and income generation opportunities. However, at this stage it has not been possible to identify sufficient savings or income generation opportunities with which to entirely close the gap in the Council's finances over the next three years. The extent of savings identified to date at £24.3m represents around a fifth of those required to meet the forecast funding gap of £121.1m. In order to reduce the estimated budget gaps detailed in 5.3.2, further work will be required to both review the cost and income assumptions contained in this position and progress the identification of savings resulting from the 7 key budget workstreams identified in 5.8.3. Additionally consideration will be given as to what options are available to smooth the known increases in MRP over a longer period.

9.4 The Council is required to present a balanced budget to Council for approval in advance of the financial year. Before final proposals being considered for approval in February 2019, the Council's Initial Budget proposals are considered at Executive Board in December prior to a period of consultation. Further work is required to close the budget gap, and officers will continue working on proposals for members' consideration.

10. **Recommendations**

10.1 Executive Board is recommended to:

i) Approve the 2019/20 – 2021/22 Medium-Term Financial Strategy for both General Fund services and the Housing Revenue Account;

ii) Note that further proposals will be brought forward to address the current identified shortfall as part of the Council's budget process;

iii) Note that the Chief Officer – Financial Services will be responsible for implementing these recommendations.

11. Background Documents[1]

11.1 There are no background documents relating to this report.

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[1] 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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Leeds
CITY COUNCIL

| Report author: Angela Brogden |
| Tel: (0113) 37 88661 |

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date 10ᵗʰ September 2018

Subject: Annual Corporate Risk Management Report

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

1.0 Purpose of this report.

1.1 At its meeting on 25ᵗʰ July 2018, the Executive Board received the Council's Annual Corporate Risk Management Report. This report sets out the most significant risks currently on the corporate risk register: what they are, assessment of their level of risk, the accountable director and portfolio member risk owners and current and planned arrangements to proactively manage them. The following risks are included:

- Safeguarding children
- Safeguarding adults
- Health and safety
- City resilience
- Council resilience
- Financial management (both the risk to the in-year budget and longer-term financial sustainability)
- Information management and governance
- School places.

1.2 A copy of this annual report is now attached for the Scrutiny Board's consideration. However, in relation to City and Council resilience matters, Members are reminded that the Scrutiny Board has already agreed to undertake further work in November around emergency planning arrangements.

1.3 Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.

2.0 Recommendations

2.1 That the Scrutiny Board considers the attached Executive Board report and agrees any specific scrutiny actions that may be appropriate.

3.0 Background documents[1]

3.1 None.

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[1] 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 authors: Coral Main & Tim Rollett

Tel: 37 89232 / 37 89235

Report of the Director of Resources and Housing

Report to the Executive Board

Date: 25th July 2018

Subject: Annual Corporate Risk Management Report

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Is the decision eligible for Call-In?	☒ Yes	☐ No
Does the report contain confidential or exempt information?	☐ Yes	☒ No

Summary of main issues

1. Our vision as set out in the Best Council Plan is for Leeds to be the best city with the best council in the UK: a city that is compassionate with a strong economy, tackling poverty and inequalities; a council that is efficient and enterprising. A corporate risk is something that, if it occurred, could impact on this vision and our Best City/Best Council ambitions. It is essential that we understand, manage and communicate the range of risks that could threaten the city and the vital services provided by the council, so that we're better placed to prevent them from happening and to reduce the impact on communities, individuals, services, organisations and infrastructure.

2. This annual report updates the Executive Board on the most significant risks currently on the corporate risk register: what they are, assessment of their level of risk, the accountable director and portfolio member risk owners and current and planned arrangements to proactively manage them. The following risks are included:

- Safeguarding children
- Safeguarding adults
- Health and safety
- City resilience
- Council resilience
- Financial management (both the risk to the in-year budget and longer-term financial sustainability)
- Information management and governance
- School places

Recommendations

Executive Board is asked to note the annual risk management report and the assurances given on the council's most significant corporate risks in line with the authority's Risk Management Policy and the Board's overarching responsibility for their management.

1 Purpose of this report

1.1 This annual report updates the Executive Board on the council's most significant corporate risks and the arrangements both in place and further activity planned during 2018/19 to manage them.

1.2 The assurances provided are an important source of evidence for the council's Annual Governance Statement: a statutory requirement for all local authorities to conduct a review at least once in each financial year of the effectiveness of the system of internal control and to include a statement reporting on the review with its Statement of Accounts. Leeds' 2017/18 Annual Governance Statement was approved by the Corporate Governance and Audit Committee on 26th June 2018.

2 Background information

2.1 The previous annual corporate risk management report was provided to Executive Board on 17 July 2017. Since then, the corporate risk register has continued to be reviewed and updated in accordance with the council's Risk Management Policy and in line with the Best Council Plan outcomes and priorities. The remainder of this report focuses on the management of the most significant risks currently on the corporate risk register.

2.2 It is supplemented by the annual assurance report on the authority's risk management arrangements considered on 26 June 2018 by the council's Corporate Governance and Audit Committee. This report is publicly available and focuses on the policies, procedures, systems and processes in place to manage risks at corporate, directorate, service and project levels. No issues were identified by the Committee.

3 Main issues

3.1 The council's risks stem from a variety of sources, many of which are out of our direct control: for example, global events such as an economic downturn, major conflicts or significant environmental events. Closer to home, more localised incidents can impact on communities, individuals, services, organisations and infrastructure. We also often have to respond quickly to changes in government policy and funding and must recognise and meet the evolving needs of our communities, particularly those of vulnerable people. Such changes, and the uncertainties they may bring, can pose threats that we need to address but also bring opportunities to exploit. Both aspects of risk management rely on the council working effectively with partners across the public, private and third sectors and with communities and individuals.

3.2 All council risks are managed via a continuous process of identification, assessment, evaluation, action planning and review, embedded at strategic and operational levels and for programmes and projects. All staff and elected members have responsibility for managing risks relevant to their areas, including Scrutiny Boards, Community Committees and partnership boards.

3.3 This annual report considers the strategic level: the arrangements in place to manage the council's corporate risks. Corporate risks are those of significant, cross-cutting importance that require the attention of the council's most senior managers and elected members. Each of the corporate risks has one or more named 'risk owner(s)': a member of the Corporate Leadership Team and a lead portfolio member who are accountable for their management. The Executive Board as a whole retains ultimate responsibility.

3.4   The nature of risks is that they come and go as the environment changes. However, there are a set of 'standing' corporate risks that will always face the council:

- Safeguarding children
- Safeguarding adults
- Health and Safety
- City resilience (external emergency / incident management)
- Council resilience (internal business continuity management)
- Financial management (both the risk to the in-year budget and longer-term financial sustainability[1])
- Information management and governance

3.5   The annual report at Appendix 1 provides detailed assurances on each of these seven risk areas, covering an overview, description of the risks, the latest risk assessment, current arrangements in place to manage them and additional activity planned. There is a further assurance explaining how the authority manages its statutory requirement to provide sufficient school places to the children and young people of Leeds, one of only five 'red' risks (based on a combination of its probability and impact scores) currently on the corporate risk register. Of the remaining four 'red' risks, three are 'standing' risks and thus have their own detailed assurances. The final 'red' risk relates to a major cyber incident: information on how this risk is managed is contained within the two 'standing' risk assurances on 'Council resilience' and 'Information management and governance'.

3.6   Appendix 1 also contains:

- An introduction that explains the council's risk management framework and how corporate risks are assessed and managed;

- The latest corporate risk map approved by the council's Corporate Leadership Team (Chief Executive and directors) on 26th June 2018; and

- An annexe explaining how all council risks are evaluated in terms of probability and impact.

3.7   Additional, more operational assurances for a number of these risk areas are considered each year by a number of committees and boards. These include:

- The council's corporate Governance and Audit Committee which receives assurance reports on the council's business continuity management arrangements, procurement, information governance, and financial planning and management (all most recently reported to the Audit Committee on 16th March 2018) as well as the annual assurance report on the council's overarching risk management arrangements;

- Safeguarding reports considered by the Leeds Safeguarding Children Partnership, Leeds Safeguarding Adults Board and Safer Leeds;

- Reports on specific risk areas as requested by Scrutiny Boards – for example, Scrutiny Board Strategy & Resources considered a report on the council's contractual arrangements with Carillion at its February 2018 meeting, incorporating the authority's procurement risk management processes;

- The Executive Board considered the 'Health, Safety and Wellbeing Performance Assurance report' at its April 2018 meeting.

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[1] Please also refer to the report on today's Executive Board agenda updating the Medium-Term Financial Strategy for the period 2018/19 – 2020/21.

3.8   In addition, the council's report template includes a section on 'Risk management', requiring the report authors to detail any key risks and their management – this information then helps inform decisions made, including investment decisions; this applies to all reports to this Board.

4   Corporate Considerations

4.1   Consultation and Engagement

4.1.1   The corporate risk assurances at Appendix 1 have been subject to consultation with key officers, the Corporate Leadership Team and portfolio members.

4.1.2   The arrangements in place to manage the council's risks are embedded and therefore subject to consultation and engagement on an ongoing basis.

4.2   Equality and Diversity / Cohesion and Integration

4.2.1   This is an assurance report with no decision required. Due regard is therefore not directly relevant.

4.3   Council policies and the Best Council Plan

4.3.1   The risk management arrangements in place support compliance with the council's Risk Management Policy and Code of Corporate Governance, through which, under Principle 4, the authority should take 'informed and transparent decisions which are subject to effective scrutiny and risk management'.

4.3.2   Effective management of the range of risks that could impact upon the city and the council supports the delivery of all Best Council Plan outcomes and priorities.

4.4   Resources and value for money

4.4.1   All council risks are managed proportionately, factoring in the value for money use of resources.

4.5   Legal Implications, Access to Information and Call In

4.5.1   The council's risk management arrangements support the authority's compliance with the statutory requirement under the Accounts & Audit Regulations 2011 to have 'a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.'

4.5.2   The corporate risk map is made publicly available via the leeds.gov website and is also published on the council's Intranet risk management webpage, available to elected members and staff. The annual assurance report considered by the Corporate Governance and Audit Committee on the council's risk management arrangements is publicly available on the leeds.gov website.

4.5.3   This report is subject to call in.

4.6   Risk Management

4.6.1   This report supports the council's Risk Management Policy in providing assurances on the management of the authority's most significant risks.

5   Conclusions

5.1   The corporate risk register describes the council's most significant risks that could impact upon our Best Council Plan ambitions, outcomes and priorities. Robust and

proportionate arrangements are in place to mitigate the risks, considering both the probability of each risk materialising and the consequences if it did.

5.2   Assurances on the council's most significant 'standing' risks are given through this annual corporate risk management report and provide an open, comprehensive and important source of evidence for the authority's Annual Governance Statement.

6   Recommendations

6.1   Executive Board is asked to note the annual risk management report and the assurances given on the council's most significant corporate risks in line with the authority's Risk Management Policy and the Board's overarching responsibility for their management.

7   **Background documents**2

7.1   None.

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2 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.

Annual Corporate Risk Management Assurance Report

July 2018

Leeds City Council's 2018 Corporate Risk Assurance Report

To achieve the ambitions, outcome and priorities set out in our Best Council Plan, it is essential that we understand, manage and communicate the range of risks that could threaten the organisation and vital council services. This annual report provides assurance on how the council manages its most significant strategic risks.

Contents

For more information on the council's risk management arrangements please contact Coral Main coral.main@leeds.gov.uk or Tim Rollett timothy.rollett@leeds.gov.uk.

Introduction

The council's risks stem from a variety of sources, many of which are out of our direct control: for example, global events such as an economic downturn, major conflicts or significant environmental events. Closer to home, more localised incidents can impact on communities, individuals, services, organisations and infrastructure. We also often have to respond quickly to changes in government policy and funding and must recognise and meet the evolving needs of our communities, particularly those of vulnerable people. Such changes, and the uncertainties they may bring, can pose threats that we need to address but also bring opportunities to exploit. Both aspects of risk management rely on the council working effectively with partners across the public, private and third sectors and with communities and individuals.

Risk Management Framework

The council's risks are identified, assessed and managed using six steps:

Establish outcomes / objectives	Identify risks	Analyse & evaluate risks	Manage risks (action plans)	Record & report	Monitor & update
Step 1	Step 2	Step 3	Step 4	Step 5	Step 6

Continuous review
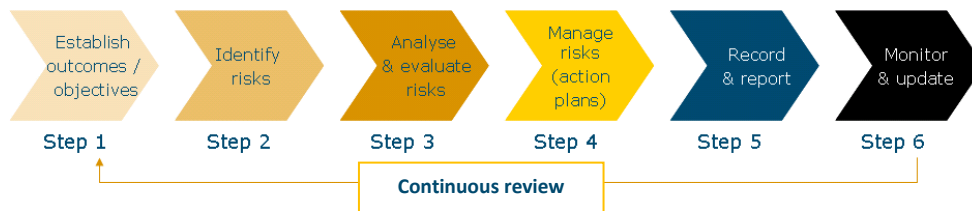
These iterative steps enable us to:

- Understand the nature and scale of the risks we face.
- Identify the level of risk that we are willing to accept.
- Recognise our ability to control and reduce risk.
- Recognise where we cannot control the risk.
- Take action where we can and when it would be the best use of resources. This helps us make better decisions and deliver better outcomes for our staff and the people of Leeds.

The steps are applied across the organisation through the Leeds Risk Management Framework: at strategic and operational levels and for programmes and projects. The adoption of the framework and compliance with it has helped embedded a risk management culture within the organisation. This report considers the strategic level: the arrangements in place to manage the council's corporate risks.

Corporate Risks

Defining a corporate risk

Corporate risks are those of significant, cross-cutting strategic importance that require the attention of the council's most senior managers and elected members. While all members of staff have responsibility for managing risks in their services, each of the corporate risks has one or more named 'risk owner(s)': members of the Corporate Leadership Team and a lead portfolio member who, together, are accountable for their management. The Executive Board as a whole retains ultimate responsibility.

Corporate risks can be roughly split into two types: those that could principally affect the city and people of
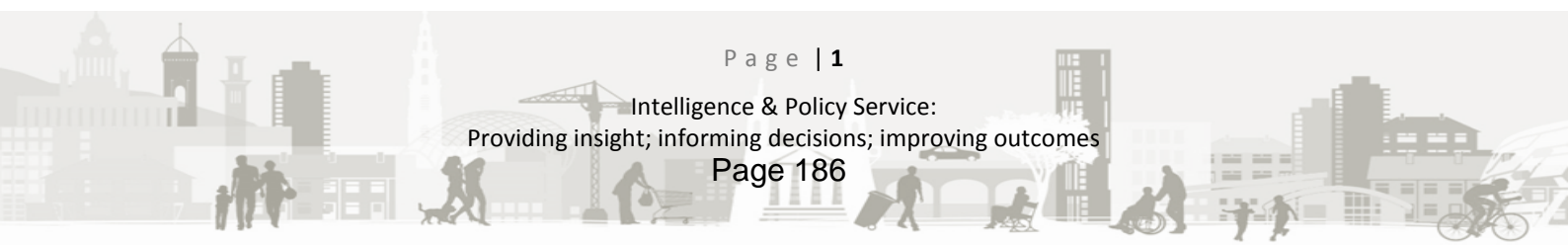
Leeds and others that relate more to the way we run our organisation internally. An example of a 'city' risk includes a major disruptive incident in Leeds or breach in the safeguarding arrangements that help protect vulnerable people; these are often managed in partnership with a range of other organisations. An example of a more internal 'council' risk is a major, prolonged failure of the ICT network.

How corporate risks are assessed and managed

Each corporate risk has a current rating based on a combined assessment of how likely the risk is to occur – its probability - and its potential impact after considering the controls already put in place. When evaluating the impact of a risk we consider the range of consequences that could result: effects on the local community, staff, the services we provide, any cost implications and whether the risk could prevent us meeting our statutory and legal requirements.

A consistent '5x5' scoring mechanism – included here at Annexe 1 - is used to carry out this assessment of probability and impact which ensures that the risks are rated in the same way. Target ratings are also applied for each risk based on the lowest probability and impact scores deemed viable to manage the risk to an acceptable level given the amount of resources available to deal with it. These are used to compare the gap between 'where the risk is now' to 'how low do we aim for the risk to go' and so help determine whether additional actions are needed to manage the risk down to the target level.

The greater the risk, the more we try to do to manage it if it is in our control and if that would be the best use of resources. The council recognises that the cost and time involved in managing the risk down to nothing may not always be the best use of public money and we factor this in when establishing the target rating and developing our risk management action plans.

Risks are reviewed and updated regularly through horizon scanning, benchmarking and in response to findings from inspections and audits, government policy changes and engagement with staff and the public.

Current corporate risks

The risk map overleaf at Figure 1 summarises the risks on the corporate risk register as at 26 June 2018 and also their ratings based on probability and impact scores.

The majority of the risks shown on the risk map will come and go as the environment changes, eliminating the risk or reducing it to a very low level. However, there are a set of 'standing' corporate risks that will always face the council and which are the focus of this report:

- Safeguarding Children
- Safeguarding Adults
- Health and Safety
- City Resilience

- Council Resilience
- Financial Management (in-year and the medium-term)
- Information Management

The remainder of this document discusses these 'standing' corporate risks in more detail, plus an additional risk increasingly of high significance – school places, providing assurance on how the council, often in partnership, is managing them.

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Intelligence & Policy Service:
Providing insight; informing decisions; improving outcomes
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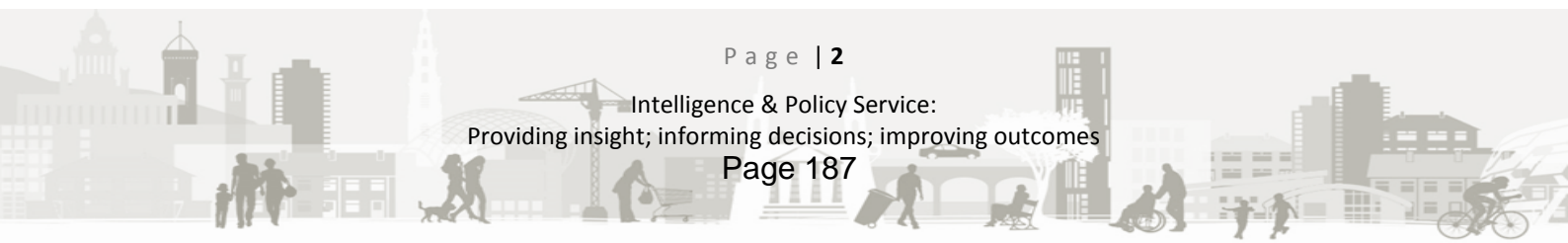
Figure 1: Corporate Risk Map at 26 June 2018

Supporting our Best City / Best Council ambitions

Key

- Very high risk
- High risk
- Medium risk
- Low risk

'Standing' corporate risks
Risks that will always face the council and therefore require ongoing effective management. Indicated in **bold** and with an asterisk *.

Council programmes and projects
A number of the council's most significant risks relate to its programmes and projects. As there are too many to show on the corporate risk map, these are recorded separately through a 'RAG' rating on each programme and major project.

IMPACT (vertical axis):
5 – Highly Significant
4 – Major
3 – Moderate
2 – Minor
1 – Insignificant

PROBABILITY (horizontal axis):
1 – Rare
2 – Unlikely
3 – Possible
4 – Probable
5 – Almost Certain

Risks plotted:
- Inspection failure: Children and Families
- **Safeguarding children failure***
- **Major incident in Leeds***
- **Major disruption to council services***
- Insufficient school places
- **Safeguarding adults failure***
- Air quality targets missed
- Major flooding
- **Health & Safety failure***
- Economic growth lag, increasing inequalities
- Community cohesion
- Major cyber incident
- **Information management and governance***
- Care market sustainability / viability
- Keeping the city moving: transport issues and infrastructure
- **Medium-term financial position***
- Major ICT failure
- In-year budget deficit*
- Devolution
- Employee pay litigation
- Housing growth

Safeguarding Children Corporate Risk Assurance

Overview

Leeds City Council has a legal duty to safeguard and promote the welfare of children. The potential consequence of a significant failure in safeguarding is that a child or young person could be seriously harmed, be abused, or die. Secondary effects of this include reputational damage, legal and financial costs, and management and staffing time. The council is strongly committed to improving the safeguarding of children and young people, contributing directly to our Best Council Plan outcomes, specifically for everyone in Leeds to be safe and feel safe.

Corporate risk: Safeguarding children				
Risk description	**Risk of harm, accident or death to a child linked to failure of the council to act appropriately according to safeguarding arrangements**			
Accountability (Risk owners)	*Officer*	Director of Children and Families		
	Member	Councillor Mulherin - Executive Member for Children and Families		
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	5 (highly significant)	Very high (red)
	Target	3 (possible)	5 (highly significant)	Very high (red)

The current and target risk ratings reflect that the council is doing all it can to manage the risk with the resources available, but the impact is '5' because even a single safeguarding incident could be highly significant.

Introduction

What are the risks?

The consequences of a significant failure in safeguarding are that a child or young person could be seriously harmed, be abused, or die. This tragic outcome poses significant risks to the authority, including: a very high reputational cost; possible financial costs in compensation; management and staff costs in time and possible restructures; and, depending on the seriousness of failure, possible intervention by Ofsted and/or government.

The causes of safeguarding failures are well-established both locally and nationally. High profile cases such as Victoria Climbié, Peter Connelly, and Khyra Ishaq all re-emphasise similar lessons, and identify the same risks for children and young people. Key risks include:

• Poor quality practice or lapses in professional standards by front line workers
• Failure to identify and manage safeguarding risks
• A failure to listen properly to the views of the child or young person
• Failures in communication and information sharing between professionals, both within the council and across partner agencies
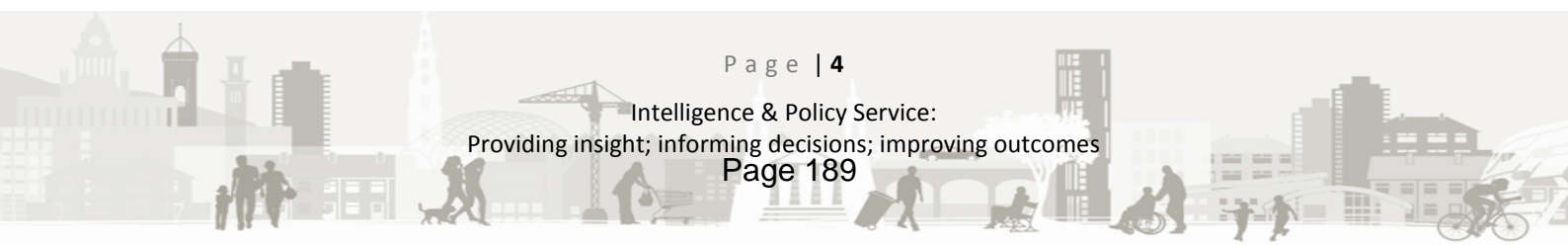
- Delay and drift within and between professionals and services
- Lack of clarity of roles and responsibilities

Risk management

How the council is managing the risks

The council is strongly committed to improving the safeguarding of children and young people. Safeguarding is a clear priority in corporate and partnership strategic plans and the authority has backed this up with a high level of investment in children's safeguarding, even in the challenging budget context.

The most thorough assurance for this risk is external inspection by Ofsted. Ofsted implemented a new inspection framework in January 2018. On 30 and 31 January 2018, Leeds became one of the first local authorities in the country to receive a two-day focused visit, which is one of the elements of the new framework.

Inspectors looked at "the local authority's arrangements for the quality of matching, placement and decision-making for children in care, including the quality of planning and the identification and management of risk and vulnerability". Unlike a full inspection, a focused visit does not result in a 'grade', although a letter is provided detailing any strengths and areas for improvement identified by inspectors. Leeds' letter states that "senior leaders have created an environment in which social work is flourishing. Children, young people and their carers are benefiting from an increasingly stable workforce. The local authority's commitment to continuous improvement is tangible".

The LSCB (Leeds Safeguarding Children Board) has for many years been a statutory body established under the Children Act 2004. It is independently chaired and consists of senior representatives of all the principal agencies and organisations working together to safeguard and promote the welfare of children and young people in the city. Following a national review of all safeguarding boards, and a resulting change in legislation, the board has been renamed the Leeds Safeguarding Children Partnership (LSCP).

The statutory responsibilities for safeguarding in Leeds will now be collectively held by Leeds City Council (through the Children and Families directorate), the local NHS clinical commissioning group and West Yorkshire Police, through the LSCP. The LSCP is an independent intermediary body, and will continue the approach of the LSCB, working with all agencies to safeguard and promote the welfare of children and young people in Leeds.

Section 11 of the Children Act 2004 places duties on a range of organisations and individuals to ensure their functions, and any services that they contract out to others, have due regard to the need to safeguard and promote the welfare of children. Contracted providers are required to complete the online Section 11 audit toolkit for the LSCP. Providers are monitored in terms of safeguarding practice through contract monitoring arrangements.

The Integrated Safeguarding Unit provides an independent oversight from case management teams, offering challenge to those cases where children are most vulnerable, for example children subject to a child protection plan.

Regular practice improvement meetings, which are attended by senior managers and officers, focus on
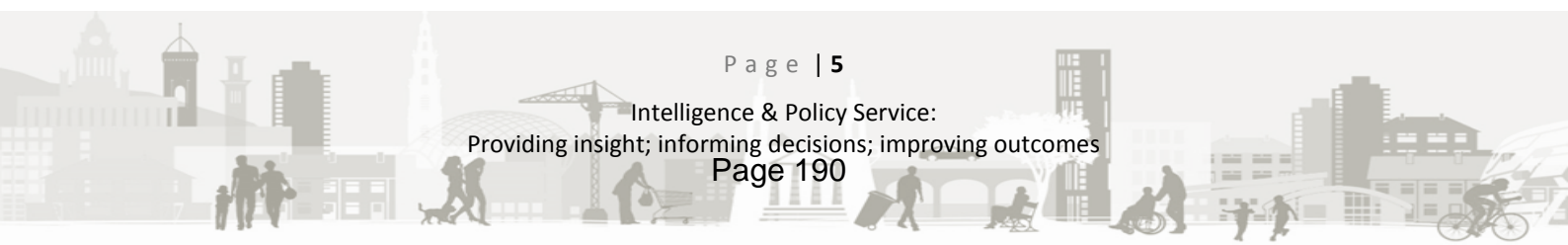
social care practice. These meetings identify and share good practice within social work teams, and identify and remedy any poor practice that may have a negative impact on safeguarding activities.

The weekly referral review meeting is a multi-agency partnership meeting that focuses on decision making and practice issues. As with the practice improvement meeting, good practice is identified and shared across teams; incorrect and/or unclear decision-making is promptly challenged. Team managers and service delivery managers are tasked with addressing these challenges, with the response reported to the next weekly referral review meeting. This data- and evidence-focused approach ensures that decision-making 'at the front door' (the name for our Front Door Safeguarding Hub). The 'front door' has two clear functions: the first is to provide a 'Duty and Advice' (guidance) function to directly receive contacts from practitioners and to identify an appropriate response where there are concerns about the welfare or the safety of a child or young person; the second is to provide a daily, co-ordinated and consistent response to domestic violence cases.

Whilst there are specific responsibilities for the safeguarding of children and young people under the Children Act 2004, all council staff have a moral and legal obligation to protect children and young people (and adults). The cross-council safeguarding policy helps employees to understand, recognise, and report a safeguarding concern. The cross-council safeguarding group contains representatives from all directorates, who discharge the activities required to ensure a cross-council approach to safeguarding is achieved and sustained. The cross-council safeguarding people policy and procedure states that, "It is essential everyone recognises that safeguarding is best addressed in partnership with all the appropriate agencies…the cross-council group will promote this".

The council's work within the Safer Leeds partnership involves helping co-ordinate a response to reducing anti-social behaviour and offending amongst young people, as well as sharing vital intelligence on young people at risk of child sexual exploitation (CSE). Some children are particularly vulnerable to CSE, such as disabled children, children looked after, care leavers, migrant children and unaccompanied asylum-seeking children.

The Children's Social Work Service's case management system is called Mosaic. This system offers a transparent view of the child through social care processes, which further strengthens safeguarding for the most vulnerable children. Since the system went live in November 2013 (originally called Frameworki, before a major software upgrade in 2017) front line workers have a clearer view of decision making; practitioners have to follow a defined workflow centred on best practice principles; and it is easier and quicker to locate appropriate information. More information on vulnerable children and young people is available in one central location, from which reporting and monitoring is readily available. This in turn allows oversight and challenge from senior managers through the use of regular performance reports, and the ability to 'self-serve' by running child-level reports directly from Mosaic.

Leeds is part of the CP-IS (Child Protection - Information Sharing) project. CP-IS, a secure system with clear rules governing access, connects local authority children's social care systems with those used by NHS unscheduled care settings, such as Accident and Emergency, walk-in centres and maternity units. Medical staff are alerted if a child who is receiving treatment is subject to a child protection plan, or is a child looked after, with the system automatically providing contact details for the social care team responsible for them.
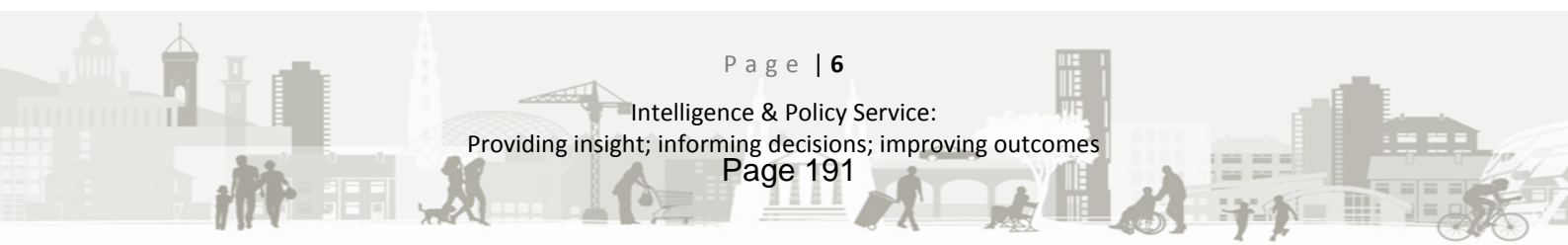
Social care teams are alerted when a child they are working with attends an unscheduled care setting, and Mosaic updates the child's record to indicate that the process has been triggered.

In 2015, Leeds successfully bid for funding from the Department for Education's Innovation Fund, resulting in £4.6 million coming in to underpin the Family Valued programme. The Innovation funding is being used to embed wide-scale culture and practice change, creating a much more family support oriented model. This is being done by enabling practitioners to use restorative techniques that work with children, young people and families to help them safely and appropriately find their own solutions to the difficulties they face before the need for more significant social care intervention. With the fund, the aim is that across the city we can realise the following entitlement for children, young people and families in Leeds:

- The default behaviour of children's services in all its dealings with local citizens/partners and organisations is restorative - high support with high challenge
- Children's Services in Leeds ensure that families, whose children might otherwise be removed from their homes, are supported to meet and develop an alternative plan before such action is taken
- In all other cases where there are concerns about the safeguarding or welfare of a child or children, we work safely and appropriately with the family to support them in helping to decide what needs to happen

This commitment to working with people is called restorative practice and we've been using it more and more in Leeds with positive results and great feedback from families.

A further bid to the fund was made in 2016/17 and has resulted in £9.6 million being allocated to Leeds over the next three years. Using this funding, restorative early support (RES) teams have been established in eight high need clusters, with plans being developed to all neighbourhoods of the city. RES teams bring additional capacity and a common practice model into high-need areas to ensure closer working between practitioners in Children and Families, schools, and partner agencies.

Where young people will remain supported by the council as they move into adulthood (for example, young people with disabilities), an action plan is developed with their current and future social worker. This will cover support, vulnerabilities, and any safeguarding issues that will need to be covered after the young person turns 18.

What more do we need to do?

The council maintains an ongoing commitment to practice improvement, to ensure that staff have the right tools and support to deliver exceptional service to children and young people to improve their outcomes. Staff are encouraged to do "the simple things well", and are supported to deliver outstanding social work practice.

The Children and Families directorate uses national experts to provide an external view and oversight of processes; benefits from peer working through the Association of Directors of Children's Services (ADCS) and other arrangements; has a comprehensive workforce development programme, supported by the LSCP; works restoratively with families; and has introduced more evidenced-based and integrated work with partners to both intervene early in the life of problems and to effectively identify and prioritise where there are high risk cases. The centre of excellence, established with Innovation Fund monies, will allow
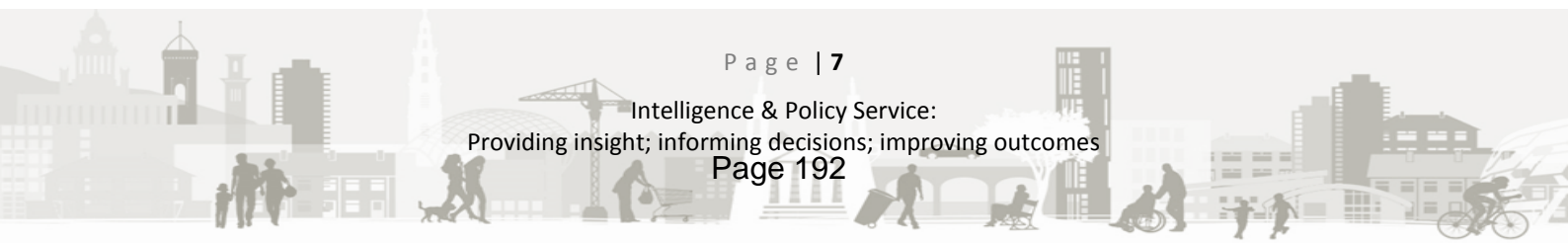
greater sharing of best practice with local authorities across the country, helping them reform and improve the work they do with children and families. It will also run a range of initiatives and events across the country. The centre will focus on areas where Leeds is leading the way nationally: on leadership, restorative practice, and developments such as the 'Front Door'.

The improvement journey ('from good to great') to improve the outcomes for all children and young people in Leeds continues, particularly those who are in vulnerable situations. The increasing budget pressures due to government cuts place this strategy at risk, although recent successful bids for external monies have allowed Leeds to sustain and secure improvements, and to build on the successful strategy to hasten the pace of systemic change within the city.

Further information

Further information is available through these web links:

- [Ofsted Focused visit to Leeds City Council children's services 22 February 2018](#)

- [Leeds Safeguarding Children Partnership](#)

- [Section 11 auditing](#) (via the LSCP)

- [One minutes guides](#) on a range of topics relevant to Children's and Families

- [Safer Leeds](#)
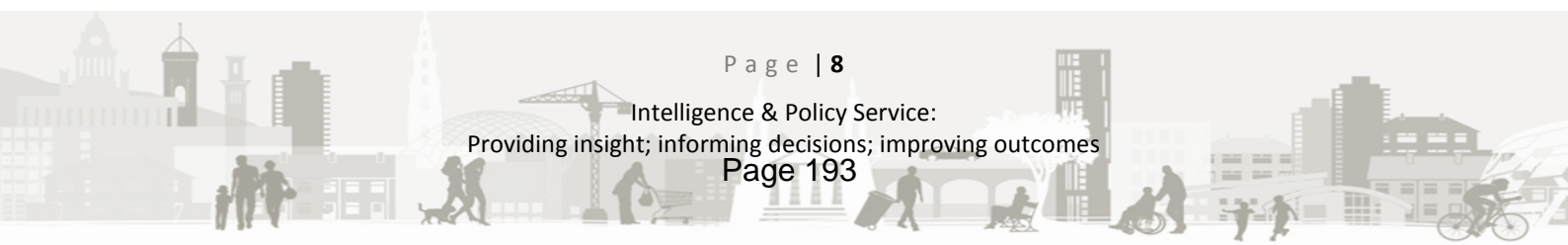
Safeguarding Adults Corporate Risk Assurance

Overview

The council is committed to ensuring that adults whose circumstances make them vulnerable to the risk of abuse or neglect are given the safeguarding and support they need. Safeguarding is a clear priority in corporate and partnership strategic plans. The potential consequences of a significant failure in safeguarding are that an adult at risk could be seriously harmed, abused or die. Knock-on effects of this include significant reputational damage, loss of public confidence in the council, legal and financial costs and also management and staffing resources.

The council works closely with partner organisations, including the NHS and the Police, to manage this risk through the Safeguarding Adults Board, directly contributing to our Best Council Plan outcomes for everyone in Leeds to be safe and feel safe; around people enjoying happy, healthy, active lives and living with dignity and staying independent for as long as possible; also our Best Council Plan ambition for the council to continue being an efficient and enterprising organisation.

Corporate risk: Safeguarding adults				
Risk description	**Failure of (a) staff in any council directorate to recognise and report a risk of abuse or neglect facing an adult with care and support needs in Leeds; (b) staff in adult social care to respond appropriately, in line with national legislation and safeguarding adults procedures**			
Accountability (Risk owners)	*Officer*	Director of Adults and Health		
	Member	Councillor Charlwood, Executive Member for Health, Wellbeing & Adults		
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	2 (unlikely)	4 (major)	High (amber)
	Target	2 (unlikely)	4 (major)	High (amber)

Introduction

 The Care Act 2014 and the Care and Support Statutory Guidance (revised March 2016) require each local authority to establish a Safeguarding Adults Board (SAB) with three core statutory partners: the local authority, the NHS Clinical Commissioning Groups (CCGs) and the Police. The Care Act 2014 states that the role of the Safeguarding Adults Board is as follows: '*The main objective of a SAB is to assure itself that local safeguarding arrangements and partners act to help and protect adults in its area who have care and support needs and are at risk of abuse and neglect*'.

The Care Act 2014 also states that the local authority must make enquiries (or cause others to do so) if an adult in its area is at risk of abuse or neglect, has care and support needs, and because of those needs, cannot protect themselves from the risk of abuse or neglect they face. The purpose of such enquiries is to establish whether any action is needed to safeguard the adult, and if so, by whom.

The safeguarding duty that the local authority has for adults in its area includes both safeguarding adults at risk and making enquiries about allegations of abuse and neglect. Both these duties are carried out in
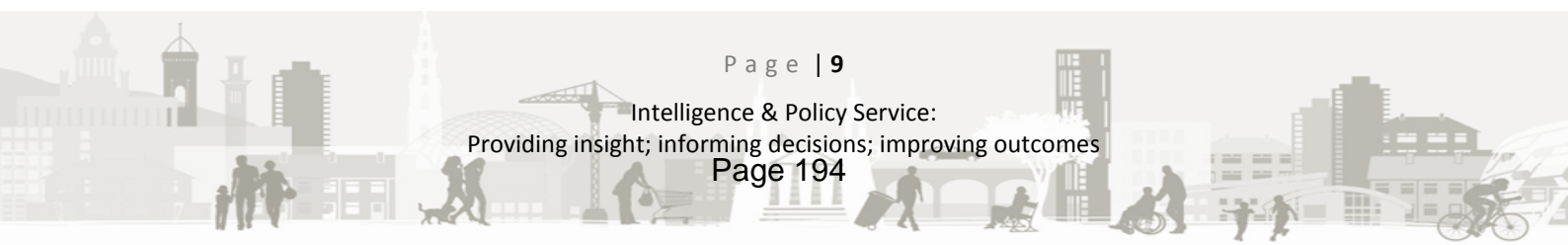
partnership with other statutory Leeds SAB members, including the Police (in the case of criminal abuse or neglect) and the NHS, Housing and Safer Leeds colleagues.

In each local authority area the Director of Adult Social Services (DASS) has a statutory role to lead partnership arrangements for safeguarding adults.

What are the risks?

The main consequence of a significant safeguarding failure is that an adult at risk suffers violent abuse, serious harm and/or ultimately death. Such a tragic outcome would be a failure in the local authority's legal and ethical duty in safeguarding its citizens. The consequences that could impact on the council and/or the city if safeguarding processes are not followed include reputational damage, loss of public confidence in the council, legal and financial costs (such as the payment of compensation) and also management and staffing time.

Reputational damage could materialise when individuals at risk or their families are not identified as being so and suffer harm or are dissatisfied with either the protection or the thoroughness of the enquiries undertaken. At the other end of the spectrum, people or organisations alleged to have caused harm can challenge the fairness and the thoroughness of the process.

Parties in both situations can make complaints, which can result in associated press coverage, ombudsman enquiries and even judicial review. Where a council employee is the person alleged to have caused harm, the way its services are run and the implementation of internal HR policies can be questioned. The potential consequences of the risk include the use of resources to support the council through legal action, and the cost of compensation to individuals who have been unfairly dealt with.

Safeguarding Adults Reviews

The Care Act 2014 requires SABs to undertake Safeguarding Adults Reviews when:

'An adult in its area with needs for care and support (whether or not the local authority has been meeting any of those needs) if:–

> *a.) There is reasonable cause for concern about how the SAB, members of it or persons with relevant functions worked together to safeguard the adult; and*

> *b.) The adult has died, and the SAB knows or suspects that the death resulted from abuse or neglect (whether or not it knew about or suspected the abuse or neglect before the adult died); or*

> *c.) The adult is still alive, and the SAB knows or suspects that the adult has experienced serious abuse or neglect'.*

The main risk associated with Safeguarding Adults Reviews is failing to highlight areas of practice that could be improved, and this could result in both legal claims and/or reputational damage to the council.

In summary, the main sources of the safeguarding adult risk for the council are:

- Failure of front line staff to correctly identify and deal with an actual or potential safeguarding episode under the terms of the Multi-Agency safeguarding procedures and statutory requirements of the Care Act 2014.
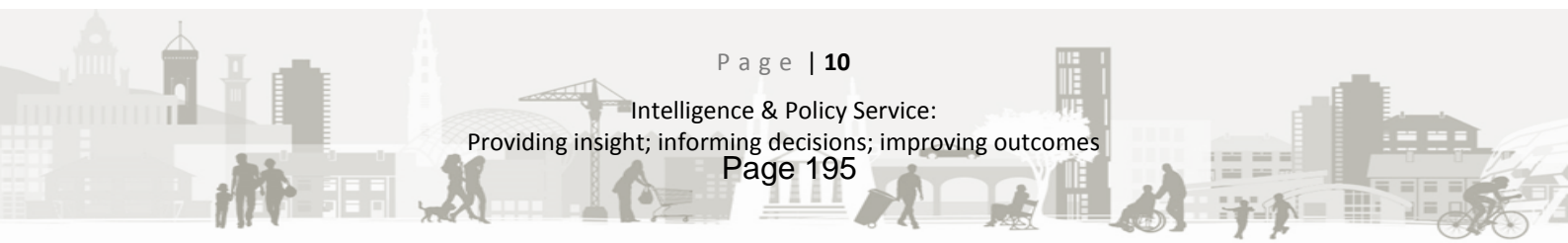
- Staff in any agency fail to follow their own safeguarding procedures in managing actual or potential safeguarding episodes, resulting in the local authority failing in its own statutory duty under S42 of the Care Act 2014.
- Poor quality practice or lapses in professional standards by frontline workers.
- Failures in communication and information sharing between professionals both within the council and across partner agencies.
- Failure to identify and manage safeguarding risks.
- Delay and drift within and between professionals and services.
- Lack of clarity of roles and responsibilities.
- A failure to listen properly to the views of the child, young person or adult.

Risk management

How the council is managing the risks

Cross-council safeguarding

Whilst there are specific responsibilities for the safeguarding of children and young people under the Children Act 2004, all council staff have a moral and legal obligation to protect children, young people and adults. The cross-council safeguarding policy helps employees to understand, recognise, and report a safeguarding concern. The cross-council safeguarding group contains representatives from all council directorates who discharge the activities required to ensure a cross-council approach to safeguarding.

The Leeds Safeguarding Adults Board (SAB)

The Leeds SAB was constituted in in 2009 and has an independent chair. The current incumbent, Richard Jones CBE, was appointed in September 2015. The chair is accountable to the council's Chief Executive and their contract is reviewed by the DASS annually.

The SAB is required to have an annual strategic plan, describing how each member will contribute to its strategy, and to produce an annual report of the activity of the Board and its members which is presented annually to the council's Executive members.

The DASS is actively involved in the running of the Board, with scheduled meetings with the Independent Board Chair and these meetings also extend to regular meetings between the DASS, the Independent Board Chair and the Executive Member for Health, Wellbeing and Adults. The Independent Chair also meets periodically with the Leader of the council and attends Scrutiny Board and Executive Board annually. This arrangement ensures that senior officers in the council and elected members are aware of and able to influence the work of the Leeds SAB.

When safeguarding adults reviews are undertaken by the Leeds SAB, the DASS has a personal involvement in signing off the review report, along with the independent chair of the Board and the chair of the Safeguarding Adults Review sub-group. These reviews are completed prior to the report being presented to the Leeds SAB for approval.
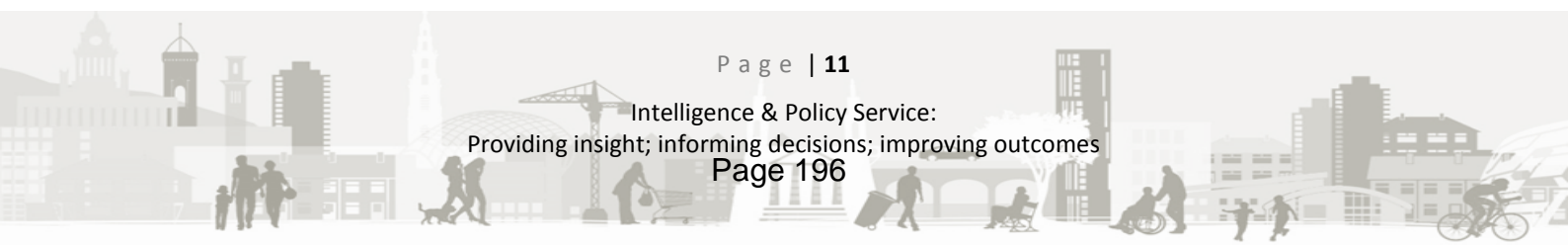
Management of Risk for Individuals

Services in the council's Adults and Health Directorate work within a Quality Assurance Framework that enables the directorate to audit compliance with those procedures and support individuals to manage risk. Staff oversee an independent quality and risk audit process which provides independent assurance. Management audits also take place against the quality assurance framework in place for in-house provision. A further check is made of information required by the Care Quality Commission (CQC), the independent regulator of health and social care in England. To ensure robust high quality risk management in protection plans, risk is central to the safeguarding process, with promotion of a positive approach, rather than one of risk avoidance.

The Safer Leeds Executive is the city's statutory Community Safety Partnership involving the council and relevant key partners such as the Police. Safer Leeds has responsibility for tackling crime, disorder and substance misuse and undertaking Domestic Homicide Reviews (DHRs). Safeguarding runs through all the work and priorities of the partnership including:

- Anti-social behaviour
- Domestic violence and abuse
- Youth crime and on-street violence
- Organised offending
- Local drug markets
- Hate Crime (Community Cohesion, Prevent/Radicalisation)

Safer Leeds provides additional focussed support to other partnership boards and delivery groups on the following cross-cutting issues:

- Safeguarding (Sexual Exploitation, Modern Slavery, Human Trafficking, Honour-Based Abuse)
- Complex needs (Mental Health, Alcohol and Drugs)
- Road Safety and Safer Travel

The SAB has done extensive work around learning lessons from DHRs that apply to adults with care and support needs. Lesson learned are disseminated widely and in a number of ways, including via the Leeds Safeguarding Children's Partnership and also integrated into areas such as domestic violence training to relevant council staff.

A Performance and Quality Group meets every three months with a focus on monitoring and promoting quality. The meetings are chaired by the Head of Service for Safeguarding, with the Police, NHS and relevant stakeholders attending. Actions have included developing strong links between council staff and the Hospital Safeguarding Staff to improve quality in referrals improve outcomes.

In addition to the above risk management aspects, the safeguarding adults risk is regularly reviewed, updated and reported to the Director of Adults and Health.

What more do we need to do?

The cross-council safeguarding group is currently auditing its approach to safeguarding adults and children. The findings are to be used to inform the approach to learning and development and also to update the content of guidance documents. The group is also seeking to strengthen its links with the statutory
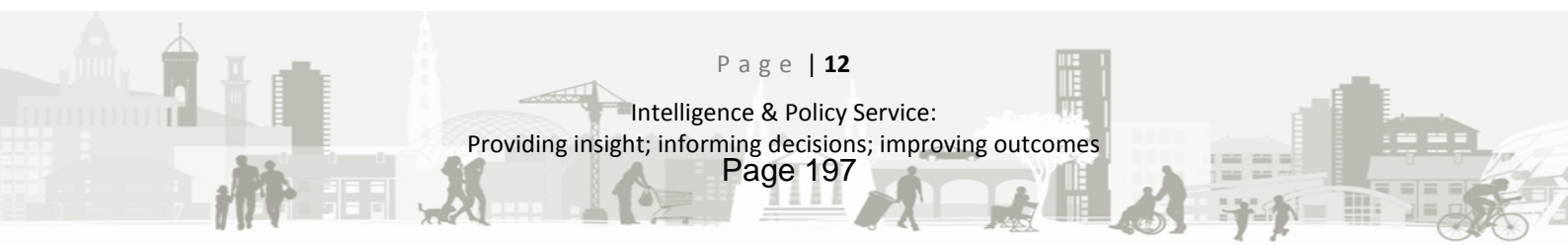
Safeguarding Adults Board, Community Safety Partnership and Safeguarding Children's Board. This will aim to improve the city's strategic approach to safeguarding.

The council plans to:

- Continue joint work with CCGs and the Care Quality Commission, to ensure that quality concerns in regulated care services are picked up early and prevented from developing into safeguarding concerns;

- Incorporate Strength-Based Social Work within Safeguarding Policy and Practice;

- Ensure training is fit for purpose and quality assured;

- Ensure that the priorities of the Leeds Safeguarding Adults Board are met;

- Establish a Street Intervention initiative to address issues in the city centre in relation to rough sleeping, homelessness, substance misuse, anti-social behaviour and mental health; and

- Implement a pilot for working with individuals who are abusive in relationships to ensure greater competence in this arena and to explore evidence-based practices in relation to working with abusers within a legal framework.

In addition, there are a number of shared priorities with the Safer Leeds Executive including anti-social behaviour and criminal exploitation, domestic violence and abuse, hate crimes and community tensions, the impact of drugs, alcohol and mental health and serious and organised crime.

Further information

Further information, including all procedures and forms, is available on the Leeds SAB website: www.leedssafeguardingadults.org.uk

Please also refer to the Safer Leeds website
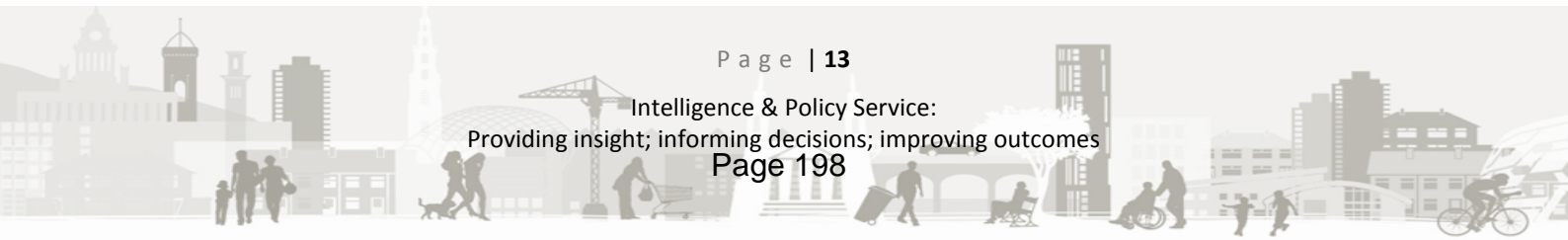
Health and Safety Corporate Risk Assurance

Overview

Health and safety is about saving lives, not stopping people living. The council continues to support the Health and Safety Executive's (HSE) campaign for sensible risk management, one that is based on practical steps to protect people from harm and suffering – not bureaucracy. This is important as the council is responsible for delivering a wide range of services and activities across the city.

Taking a risk-averse approach to health and safety could be damaging to the council's reputation. Instead, a sensible approach allows the council to focus on the real risks to its own staff and members of the public and set an example to others. As a large, diverse organisation that delivers most services in-house, council employees face a variety of hazards which must be managed to prevent the risk of injury, death, chronic health conditions, legal challenge and reputational damage.

Health and safety priorities are agreed by the council's corporate leadership team and these are underpinned by policies, procedures, training and audit reviews.   A positive culture of safe and healthy working is encouraged and developed jointly with workforce trade union representatives.

A positive approach to the management of health, safety and wellbeing contributes to the ambitions of the council to encourage a city which is compassionate, safe, efficient and enterprising and which has a positive influence on the wider public health and wellbeing in the city and beyond.

Corporate risk: Health and safety				
Risk description	Risk of an health and safety failure resulting in death, injury, damage or legal challenge (either criminal or civil)			
Accountability (Risk owners)	*Officers*	Chief Executive and Director of Resources and Housing		
	Member	Councillor J Lewis, Deputy Leader and Executive Member for Resources and Sustainability		
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	4 (major)	High (amber)
	Target	2 (unlikely)	4 (major)	High (amber)

The ratings are 'high' because even with strong controls in place to mitigate against a health and safety incident, the scope of the risk is very broad and covers a wide variety of hazards across all council services. Even a single health and safety failure could have a major impact.

Introduction

The council has a number of roles, responsibilities and duties with regards to health and safety at work. These include:

- As a duty holder with large numbers of employees.
- As a service provider with large numbers of clients, visitors, pupils etc.
- As a landlord with a large portfolio of buildings and land.
- As a regulator through Environmental Health.

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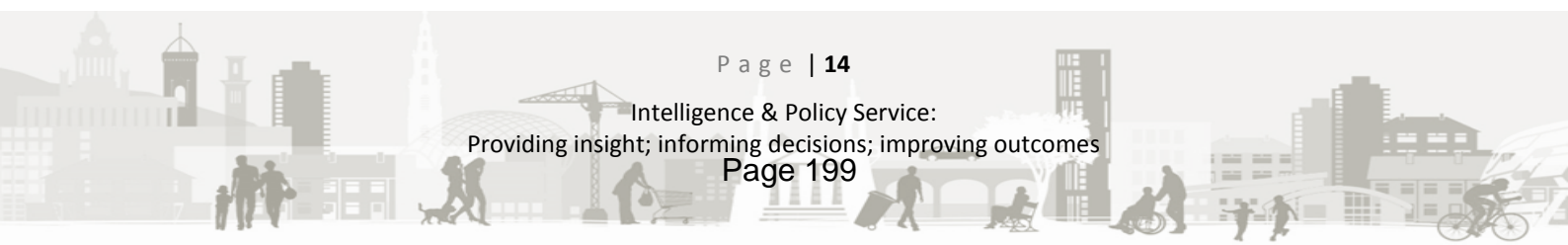
- As a large-scale procurer of goods and services which can influence safety and health through the supply chain.

The council believes that it can only achieve its Best City and Best Council ambitions by ensuring these roles are fully integrated in its plans. This is not just about legal compliance, but is also a moral and ethical duty of care. It also encourages organisational performance by influencing a positive culture, reducing sickness absence and driving down costs associated with lost time and damage to equipment. The link between health and safety, wellbeing and inclusion is also strong and helps to provide an inclusive and supportive workplace.

What are the risks?

- That a serious incident occurs, causing death, injury or chronic ill-health to employees, clients or service users (including pupils) arising from the many services that the council provides or commissions. Nationally this has been brought into focus during the past year by the tragedy at Grenfell Tower in London where 72 people lost their lives in a fire at a tower block of flats. Should serious incidents occur, the council is committed to identifying any lessons learning and taking forwards recommended actions.

- Enforcing authorities such as the Police, West Yorkshire Fire and Rescue Service or the Health and Safety Executive (HSE), can undertake lengthy investigations if things go wrong and these may require suspension of services or closure of buildings. HSE inspectors can enforce health and safety standards through enforcement notices requiring improvements to be made: these can either prohibit an activity or allow time to comply, enabling satisfactory remedial action to be taken. During the past 12 months, and for the fourth consecutive year, the council received no formal Improvement or Prohibition Notices from the HSE or Fire Service. 'Notification of Contraventions' were received from the HSE, however, in relation to refurbishment activities and some forestry work being undertaken by a private contractor on the council's behalf. These were subsequently resolved to the satisfaction of all parties.

- Prosecutions can also be brought against the council following serious breaches of health and safety law. This can result in unlimited fines, adverse publicity, public enquiry or possible negligence manslaughter charges. The changes to the sentencing guidelines for health and safety offences two years ago have resulted in large fines for local authorities: for example, a £1 million fine for Nottingham County Council for an accident involving a tractor where a member of the public was seriously injured and others endangered.

- Civil claims for compensation can also be brought against the council by employees or members of the public injured due to the council's work activities.

- A poor health and safety record also affects: staff morale and engagement, productivity and increased costs due to lost working time as a result of accidents, sickness absence and agency/overtime payments. It may also negatively impact on the council's ability to tender for work.
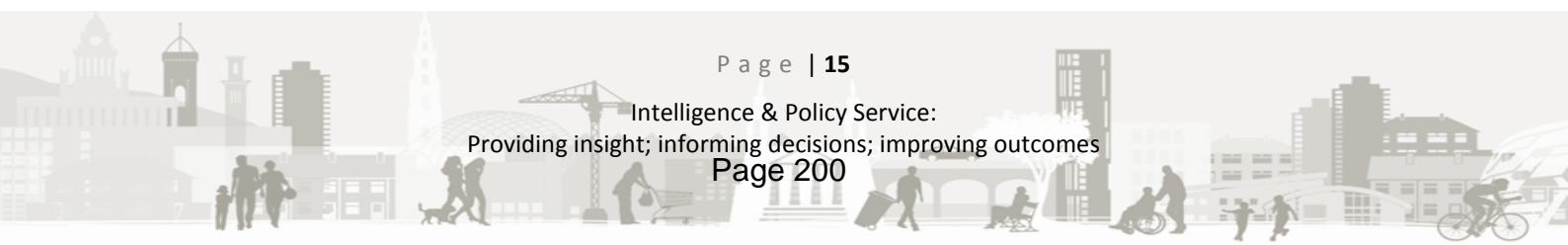
The consequences of a health and safety risk arising include:

- HSE investigations and/or a public enquiry.
- Adverse publicity resulting in significant reputational damage and a loss of public confidence in the council.
- Legal action being taken against the council.
- Council services and facilities unable to function or even closed down.
- Unlimited fines.
- The council becoming totally risk averse (rather than being risk aware). This could have an adverse impact on undertaking activities such as school trips or our willingness to host major city events.

Risk management

How the council is managing the risks

Priorities

Eight key priorities for health, safety and wellbeing for a three-year period were agreed by the council's senior leadership team and endorsed by Executive Board on the 14th December 2016, after consultation with key stakeholders, including services and Trade Unions. These are: stress and mental health; building/staff security; risk management; managing safety in the council's vehicle fleet; fire safety (especially in council-owned housing stock); musculo-skeletal disorders; violence and aggression; and health-related matters.

Compliance

Health and safety management in the council is based on an approach advocated by the HSE. This is realised through our own Health and Safety Policy which sets out the roles and responsibilities of staff, and a series of Health and Safety Performance Standards (policies), jointly agreed with the trade unions. Compliance with the Policy is checked via internal and external audits and reviews by management teams across the council. Health and safety performance improved in most areas in 2017/18 compared with the previous year.

A wide range of guidance and information on health & safety matters is available to council staff on the internal Intranet system including:

- Contact details for competent health and safety advice
- Accidents and incidents in the workplace
- Fire Safety
- Personal protective equipment
- Risk assessments
- Mental Wellbeing

Accountability and performance

The Chief Executive is ultimately accountable for the health and safety of council employees and service users. To assist him to undertake this role he has nominated the Director of Resources and Housing with
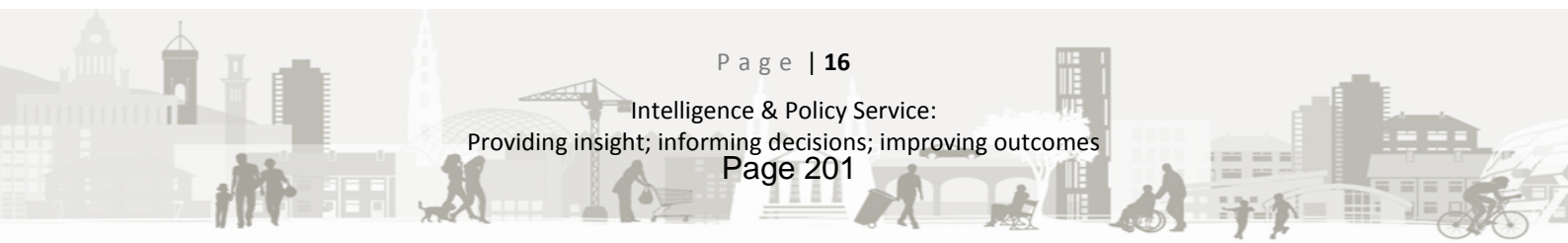
responsibility for apprising him of health and safety performance. In turn, the Director of Resources and Housing is supported by a team of professionally qualified Health and Safety Advisers and Occupational Health Practitioners, led by the Head of Health and Safety.

In addition to these specific roles, the council's Health and Safety Policy details individual accountabilities for every level of employee. The Leader of the council also has a responsibility to ensure that decisions taken by elected members do not compromise the health and safety of staff or service users.

The Head of Health and Safety meets monthly with the Director of Resources and Housing to provide health and safety assurance and performance and assurance reports are also submitted to the council's leadership team and Executive Board. A 'High Hazard Group' has also been established to share best practice across the council. This is chaired by the Director of Resources and Housing and attended by senior leaders from high hazard services and supported by Human Resources (including health and safety).

Co-operation and consultation (safety committees)

Co-operation and consultation with the workforce on health and safety matters is extremely positive. There are corporate, directorate and service level Health and Safety Committees in place. An elected member chairs the Corporate Health and Safety Committee: a method of employee consultation made up of managers and employee representatives who meet regularly to discuss issues of mutual concern. In addition, working groups for asbestos and construction/contractor management have continued to improve these areas across the authority and good progress is being made.

Insurance arrangements

The council's arrangements dealing with the Health and Safety risk include both public and employer's liability insurance. The adequacy of the liability insurance arrangements is tested by benchmarking with other local authorities and informed by advice from the council's insurance brokers. The council's Insurance Section supports the Health and Safety team to assist with achieving a safer working environment for all employees and visitors through ongoing discussions and learning from experience gained from handling compensation claims.

Risk management – *Specific work undertaken during 2017/18*

Estates Management

The council has a large property portfolio, including those we own and occupy, those we lease out and some we lease in. These premises represent a significant asset, but can also pose a significant health and safety hazard if not managed effectively. For this to happen all council services must work closely together to ensure that properties are: inclusive, surveyed, inspected, maintained pro-actively and repaired promptly.

Essential pro-active maintenance includes: fire risk assessments, management of asbestos, Legionella control, inspections of lifts and other equipment and security. The work undertaken on fire safety, for example, and the agreement the council has in place with the Fire Service, was extremely important when reviewing housing stock and other large buildings in the wake of the Grenfell Tower tragedy.
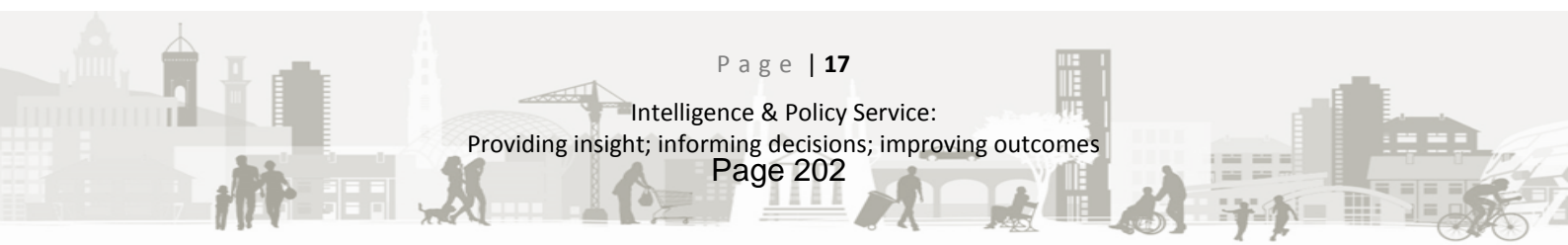
Schools

Schools must always be safe environments for children, young people and staff. Much work was undertaken in 2017/18 to support this, including: regional workshops on school security, work to address the issue of weapons in schools and helping staff to address increasing levels of violence and aggression.

Employee Wellbeing

The Employee Wellbeing Strategy has continued to promote mental wellbeing, physical health, healthy lifestyles and a culture of wellbeing with many specific initiatives.

Access and Inclusion

Work continued on the 'Changing the Workplace' programme to modernise council offices making them better places to work in, and to improve the experience of disabled colleagues. This included applying Inclusive Design Principles to Merrion House which re-opened in early 2018 following an extensive refurbishment.

Security

Work was undertaken to improve the physical security of buildings and to address aggression directed at members of staff in front-facing services. This has also included training for elected members and provision of lone working safety devices.

Staff Health

The council continues to provide access to an Occupational Health Service and Counselling and other support for members of staff.

What more do we need to do?

To instil and maintain a positive health and safety culture the council needs to continually seek to improve. With this in mind the current challenges are:

- Violence, Aggression and Abuse – this is an issue both in some public-facing council premises and with staff carrying out their duties in the community. A council-wide lone working solution is to be procured in addition to revised policy, guidance and training.
- Projects, Contracting and Commissioning – we are looking to improve the management of projects and contractors, including clarity around legal roles and responsibilities.
- Mental Wellbeing – we must continue to work with Trade Unions colleagues and other partners to prevent, identify and support people with mental health problems. To assist this we are procuring a new Employee Assistance Programme and working on a Supporting Staff at Work Policy and guidance, which will include the need for managers to hold a Wellbeing Conversation with staff.
- Guidance and Information – we must look to standardise, simplify and share all health and safety information to ensure that it is clear what people need to do to keep safe and compliant without the need for too much bureaucracy.
- Work-Related Ill-Health – continuing to look for innovative ways to prevent workers from exposure
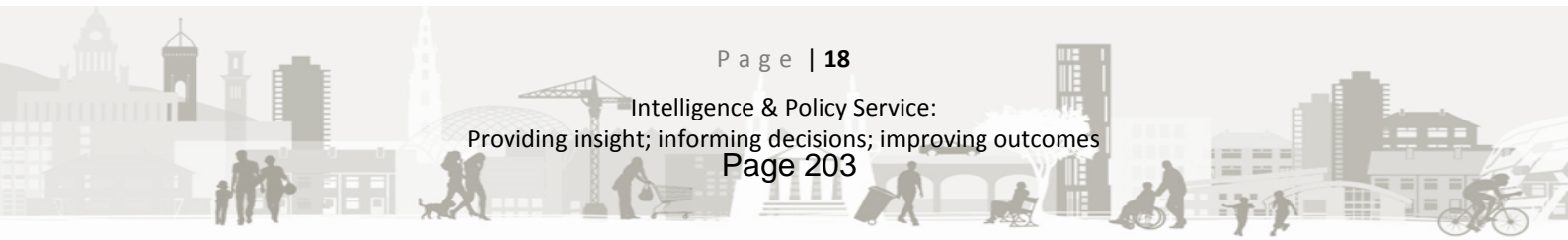
to hazardous substances like silica dust or wood dust through better tools, on tool extraction, dust reduction, personal monitoring and health surveillance.

- Performance Management – the procurement exercise for the development of an electronic health and safety management system is imminent and will be used to monitor and report on health and safety incidents as well providing useful management information to drive future best practice.

- Access to Competent Health and Safety Support – the Health and Safety Team in HR will design a new service delivery model to enable resources to be directed at the areas posing the highest risk. This will involve, for example, a new way of providing more self-service information for those working in office locations.

- Wellbeing, Inclusion and Diversity – the workplace setting will continue to be used to promote health and wellbeing. A 'social model of disability' approach will also be embedded to help remove barriers that prevent disabled colleagues being the best they can be at work.

Further information

A copy of the council's Health and Safety Policy can be accessed by staff and members on the council's Intranet Site under the 'Policies and procedures' section. Other Performance Standards and Guidance can be accessed through the Health, Safety and Wellbeing Toolkit on the council's Intranet Site.

Members of the public can obtain a copy by contacting Chris Ingham (Head of Health and Safety) at chris.ingham@leeds.gov.uk or by calling (0113) 3789304.

General information on health and safety can be found on the Health and Safety Executive website www.hse.gov.uk

As noted above, we are regularly updating our webpage 'Fire safety in high rise buildings' (available here)
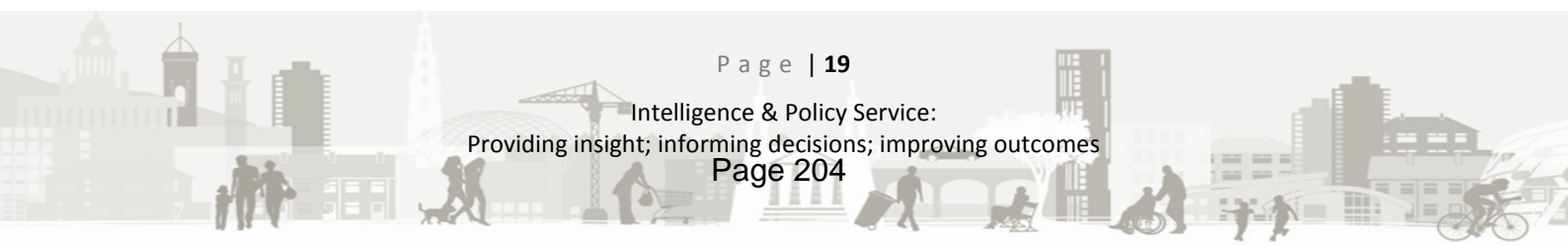
City Resilience Corporate Risk Assurance

Overview

Incidents in any city will have significant ramifications for businesses, retail sectors, visitors and residents – the recent chemical attack in Salisbury prevented business as usual activity for several weeks whilst investigative work remained ongoing, with many of the businesses in the locality unable to open. The severe weather 'snow' event in March 2018 also had an impact regionally and more locally, with many businesses suffering from a struggling transport infrastructure and the additional challenges that mass school closures presented for pupils, employees and parents. Incidents both national and international, whether hazard- or threat-based, are driving collaboration amongst responders to work closer together, developing plans and sharing resources and assets to build an effective multi-agency response capability.

For major incidents and those that cut across borders, the West Yorkshire Resilience Forum is equipped to co-ordinate a joint response to emergencies that could significantly disrupt the city and impact upon communities and individuals.

As Leeds makes progress to become an economic powerhouse for the region, raising interest on a world-wide stage as a leading retail, cultural and visitor destination, resilience needs to be a key factor. Making Leeds a safe place for our residents and visitors, and protecting our businesses and key infrastructure is essential to the success of the city. This corporate risk assurance report sets out some of the ongoing and recent initiatives and developments to enhance City Resilience.

Corporate risk: City resilience				
Risk description	**Risk of significant disruption in Leeds**			
Accountability (Risk owners)	*Officer*	Director of Resources & Housing		
	Member	Councillor J Lewis, Deputy Leader and Executive Member for Resources & Sustainability		
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	5 (highly significant)	Very high (red)
	Target	2 (unlikely)	4 (major)	High (amber)

Introduction

Under the Civil Contingencies Act 2004 the council has both a statutory duty and a community leadership role to ensure that the city collectively does all it can to enhance its resilience and manage its vulnerabilities. This involves partnership working to identify, assess, prevent, prepare, respond to and recover from emergencies and disruptions captured within this corporate risk.

Part 1 of the Act and supporting Regulations and statutory guidance 'Emergency preparedness' establish a clear set of roles and responsibilities for those involved in emergency preparation and response at the local level. The Act divides local responders into 2 categories, imposing a different set of duties on each.

Those in Category 1 are organisations at the core of the response to most emergencies (the emergency
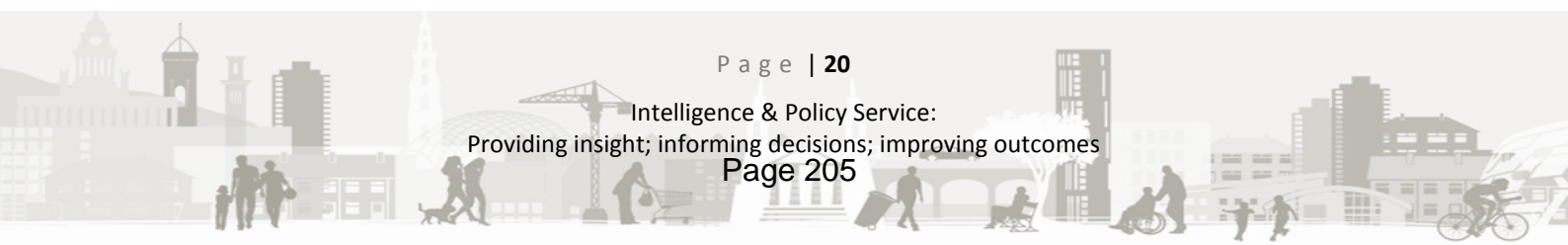
services, local authorities, NHS bodies). Category 1 responders such as Leeds City Council are subject to the full set of civil protection duties. They are required to:

- assess the risk of emergencies occurring and use this to inform contingency planning
- put in place emergency plans
- put in place business continuity management arrangements
- put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency
- share information with other local responders to enhance co-ordination
- co-operate with other local responders to enhance co-ordination and efficiency
- provide advice and assistance to businesses and voluntary organisations about business continuity management (local authorities only)

Category 2 organisations (the Health and Safety Executive, transport and utility companies) are 'co-operating bodies'. They are less likely to be involved in the heart of planning work, but will be heavily involved in incidents that affect their own sector. Category 2 responders have a lesser set of duties - co-operating and sharing relevant information with other Category 1 and 2 responders.

Category 1 and 2 organisations come together to form 'local resilience forums' (based on police areas) to help co-ordination and co-operation between responders at the local level.

The West Yorkshire Resilience Forum (WYRF) is the council's key partner organisation for city resilience. The aim of the WYRF is to co-ordinate the actions and arrangements between responding services in the area to provide the most effective and efficient response to civil emergencies when they occur.

The assurance report focuses on the adequacy of the council's arrangements to deal with the impact of the risk including supporting a multi-agency response to play an effective contribution in the overall city response to a disruptive event.

What are the risks?

The risk of significant disruption in Leeds is a combination of two factors: the causative event and the way in which Leeds as a city responds to the event. Disruptive events include suspicious packages, severe weather and problems with keeping transport networks operational. Examples in Leeds over the last 12 months include:

- Several unrelated incidences of suspicious packages across the city, one leading to evacuation of Chapel Allerton Hospital and another of Leeds Market, the former requiring activation of a Rest Centre and the latter requiring road closures.
- Several severe weather events have occurred including snow & ice and high winds, the former impacting transport infrastructure and the latter requiring road closures due to danger from flying debris.
- There have been two instances of high rise flat fires, a gas explosion damaging three flats requiring a 200 metre cordon and several buildings identified with suspect aluminium composite material (ACM) one of which required the activation of a Rest Centre.

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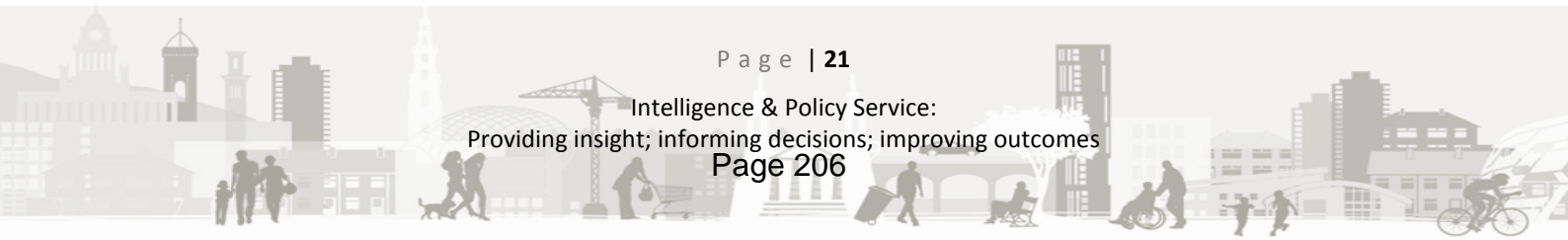
- Disruption has also been caused by planned events: for example traffic congestion resulting from industrial action taken by private hire taxi drivers, several major sporting events such as the Tour de Yorkshire, Leeds Half Marathon and the World Triathlon Series and major cultural and music events such as Leeds West Indian Carnival and Leeds Festival all having an impact on communities and the road network.
- There has also been a measles outbreak (35 confirmed cases in total) which was the first time such an outbreak had occurred since 2015.

As Leeds continues to attract major events, both sporting and cultural, the city and its crowded places become a potential target for terrorists and other extremist activities. Major events are equally susceptible to disruption from severe weather and the associated chaos due to impact on the road network caused by flooding etc. The council and partner organisations through the WYRF work closely together to make the city safe for all; both in planning for such events as well as developing a multi-agency capability and response to incidents should they occur.

Other major cities have faced bigger challenges and we learn from others as well as our own incidents, debriefs and exercises.

Risk management

How the council is managing the risks

Management of this risk seeks to ensure a secure and resilient Leeds, protecting our people, economy, environment, infrastructure and way of life from all major risks that could affect us directly.

It is important to learn from incidents such as the Manchester Arena attack and Grenfell Tower fire as well as more local incidents so that planning and the capabilities of both the council and partner organisations can provide the best response to an incident as possible. Learning from the rise of the national threat level – indicating the likelihood of a terrorist attack in the UK -to critical (twice in the previous 12 months) and the 'Independent Peer Challenge: London Local Governments Collective Resilience Arrangements'[1] offer up further opportunities for enhancing city resilience.

West Yorkshire Level

The council manages the city resilience risk taking into account both national and regional considerations. The revised National Risk Assessment (NRA) was launched in 2017 triggering a review of the West Yorkshire Community Risk Register.

The West Yorkshire Community Risk Register is key to identifying (resilience) risks that may impact the city. This register forms the basis of multi-agency emergency planning and is used by the WYRF and its partner organisations to review the risks to ensure that they are being appropriately managed. Identified and assessed risks are channelled into work programmes undertaken by the WYRF and its partner agencies (including the council) to determine the most effective means of managing the risk. The risk register is used to inform this corporate risk on City Resilience.

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[1] This report details findings from the independent peer challenge commissioned by the London Councils in autumn 2017 following the Grenfell tragedy, focusing on the extent to which the boroughs' collaborative resilience arrangements continued to provide assurance and to identify ways in which the collective arrangements could be further strengthened.
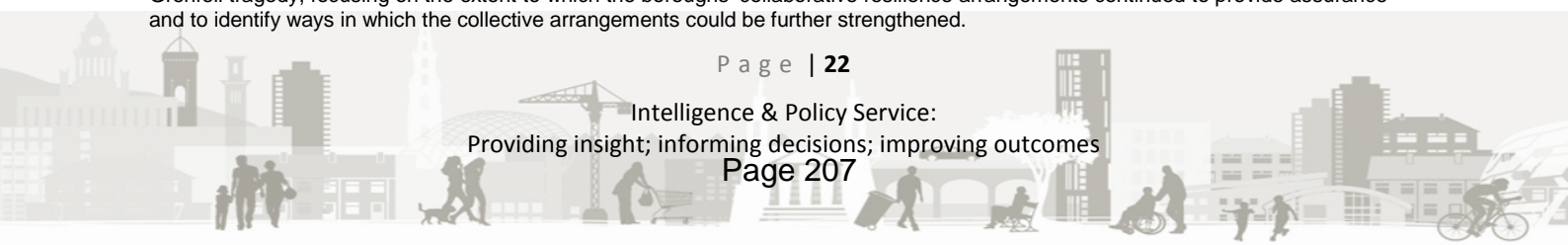
Leeds Resilience Group

The Leeds Resilience Group (LRG) is a forum for operational level practitioners from partner organisations in the Leeds area and includes Category 1 and 2 responder organisations. This includes utility partners and representation from key transport hubs including Leeds Bradford International Airport. The aim of the LRG is to develop closer working relationships on a more local basis and sharing of experience and knowledge.

Emergencies and Incidents

The council maintains a core set of plans in readiness to respond to a range of incidents. These include the Emergency Management Plan, Leeds Recovery Plan, City Centre Evacuation Plan, Leeds Flood Plan, Severe Weather Plan, Reception Centre Plan, Unexpected Deaths Plan (Excess Deaths and Mass Fatalities), Leeds Outbreak Plan, Leeds Pandemic Influenza Response Plan, Chemical, Biological, Radiological and Nuclear (CBRN) Plan and Leeds Animal Health Plan.

The Emergency Management Plan (EMP) (derived from the previous Emergencies Handbook) was completely reviewed and revised with the learning from Storm Eva (December 2015) and other more recent incidents. The EMP now includes how the council supports a multi-agency response to incidents. A foldable EMP 'Quick Guide' has been produced containing key guidance that can be carried easily on the person, in a wallet or handbag etc. so those responding to an incident can quickly access key information in support of a council and multi-agency response.

Learning from incidents such as Grenfell Tower and the Manchester Arena attack (Kerslake Report) inform further development of plans and arrangements. The recommendations from the Independent 'Peer Challenge: London Local Government's Collective Resilience Arrangements' are also being used to map the council's current position and areas for improvement into a 'Leeds City Council Organisational Resilience & Emergencies Improvement Plan'.

Planned Events

For planned events in Leeds (local galas, sporting or music events), arrangements to mitigate any issues are considered through the Strategic/Safety Advisory Group (S/SAG).

The S/SAG is now into its third year since inception and, as demonstrated through an annual review process, continues to maintain excellent levels of engagement and support from partner agencies and event organisers. The critique and challenge of event documentation and arrangements by the S/SAG helps to support event organisers to deliver safe and successful events. This is complemented by a suite of information and templates accessible by event organisers via the leeds.gov.uk website pages.

The S/SAG is hosting an event in June 2018 entitled 'Counter Terrorism Awareness for Event Organisers' at which event organisers will receive advice from guest speakers from the North East Counter Terrorism Unit on protecting events and reducing the terrorist threat.

Protecting the City Centre

A major initiative in the city centre is the implementation of the City Centre Vehicle Access Scheme (CCVAS). Phase 1 of the scheme will enforce the existing Traffic Regulation Order and provide protection from a hostile vehicle attack in the pedestrianised core. Whilst Phase 1 is delivered (completion early 2019),
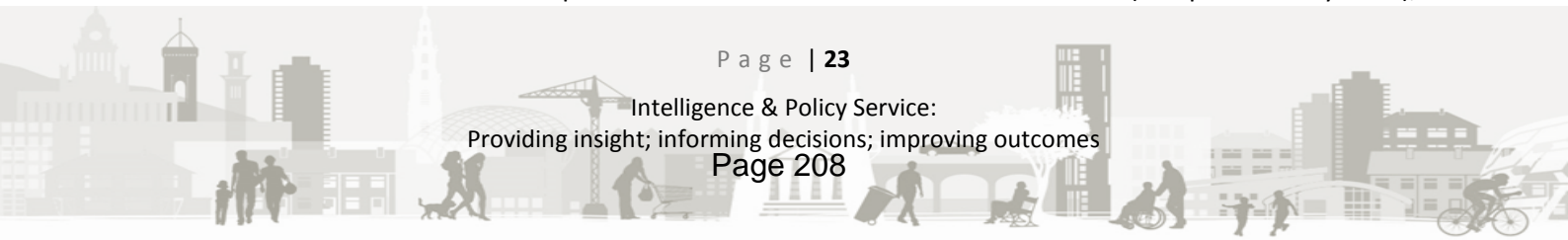
temporary measures have been put in place using a series of gates. Phase 2 of the scheme will look at protection for other public spaces and consider use of portable Hostile Vehicle Mitigation (HVM) products that can be temporarily located as required.

Protection for the city from river flooding has been completed with the implementation of the Flood Alleviation Scheme (FAS). The procedures supporting the scheme have recently been tested through Exercise Titan, though the rise and fall weirs have yet to be used in a live situation.

Exercising and Testing

Exercising and testing is key to ensuring that plans and arrangements are robust and will function as expected. This applies to plans for responding to emergencies and incidents as well as planned events. Recent multi-agency exercises include Exercise Quartermain to test the response to a high rise tower fire including evacuation, Exercise Titan to test the procedures relating to the Flood Alleviation Scheme and Rise to Critical, planning for a rise to the national threat level. Future exercises include Exercise Brisbane ('flu pandemic) and Exercise White Dove (to test off-site COMAH – Control of Major Accident Hazards Regulations - plans). We also play an active role in testing/exercising through the WYRF. For planned events, there are exercises scheduled for the Leeds Tri-Athlon and Bramham Festival and recommended for Leeds West Indian Carnival with additional training and exercising planned for senior colleagues.

After recent liaison with Leeds BID (the local Business Improvement District, in Leeds representing over 1,000 businesses and organisations), consideration is being given to exercising the various zones within the City Centre Evacuation Plan. The aim is to encourage retailers/businesses located together to work closer in formulating their own plans and evacuation arrangements.

Communication/Warning & Informing

Good communication is key to achieving an effective response to emergencies. Communication is always noted in lessons to be learned from emergencies and incidents and a multi-agency response requires responding agencies to be able to share information. Use of Resilience Direct - a free to use tool accessible to the UK's emergency response community - provides a fully accredited and secure information sharing platform to facilitate this.

Although take-up of Resilience Direct across partner organisations in West Yorkshire has been fragmented, the council is moving ahead and rolling out access and training to staff and gradually increasing our ability to respond collaboratively to a multi-agency response to emergencies.

Leeds Alert, the joint Leeds City Council / West Yorkshire Police warning and informing system to which businesses and organisations can register, currently has over 1,600 registrations. Messages can be issued via SMS text and/or e-mail and provide advance warning of planned events or emergency incidents in the Leeds area which have the potential to cause disruption. The Leeds Alert Twitter account @leedsemergency has over 7,800 followers and is used to communicate more public facing warning and informing messages.

The Leeds Alert/Business Continuity Network Events continue to attract quality presenters delivering input on a range of resilience related subjects. Held twice yearly, invitations are issued to all registered with Leeds Alert and attracts 150 to 180 organisations. The aim of the events is to provide those attending with
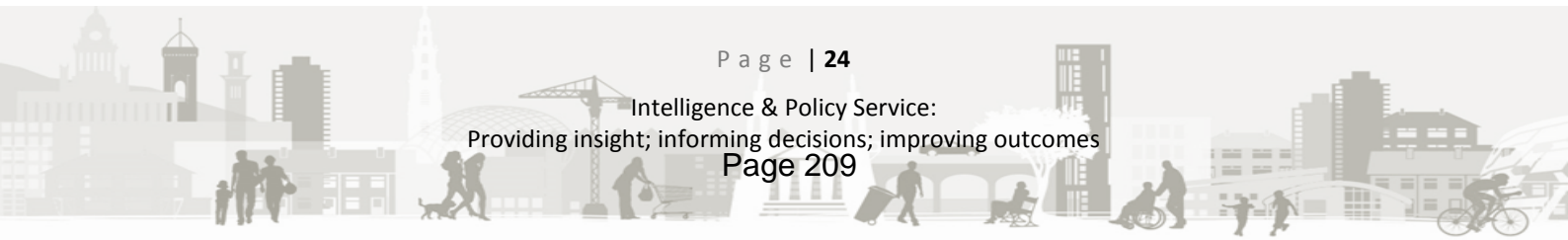
information and guidance to enhance their own organisational resilience. The next event in June 2018 is themed on city centre resilience with key input from the North East Counter Terrorism Unit and colleagues from Police, Fire and Ambulance Services. The invitation has been extended to the Leeds BID.

The council has signed up to receive Cross-Sector Safety & Security Communications (CSSC). The CSSC is a partnership between law enforcement agencies, private sector businesses and local/national government organisations, working together to distribute news and security messages and promote national counter terrorism campaigns to businesses around the UK. The CSSC messages will be forwarded via Leeds Alert to all organisations registered.

What more do we need to do?

There will always be opportunities to enhance city resilience. Whether through closer working with partner agencies and building valuable networks or learning from events and incidents, all help to ensure that plans and arrangements are in readiness to support a multi-agency response. Exercising and testing of plans and arrangements continues and there are opportunities for multi-agency training and development through the West Yorkshire Resilience Forum.

Ongoing developments and initiatives to enhance city resilience include:

- Further exercising to support greater understanding and familiarity with the principles of a multi-agency response through Strategic, Tactical and Operational Coordination Groups.
- Promotion of the Emergency Management Plan 'Quick Guide' to facilitate easy access to key information required during a multi-agency response.
- Access to multi-agency exercising and training opportunities including the annual WYRF 'Gold' exercise.
- Provision of briefings and training to elected members and the wider workforce.
- Broaden the usage of Resilience Direct across Leeds City Council responder staff in support of wider partnership integration and collaboration.
- Raise awareness of risks (threats and hazards) using the revised West Yorkshire Community Risk Register and developing mitigating actions in readiness should any of the risks be realised.
- Promotion of the Leeds Alert 'warning & informing' system to increase the number of businesses registered.
- Review SSAG processes and procedures.
- Progress with Phase 2 of the City Centre Vehicle Access Scheme to protect other public spaces and events.
- Inform the review and revision of emergency plans and arrangements using learning from incidents and emergencies.
- Progress with the improvements captured in the 'Leeds City Council Organisational Resilience & Emergencies Improvement Plan'.
- Continue to support national campaigns and initiatives such as 'Action Counters Terrorism' (ACT), 'Run, Hide, Tell' (a warning used for public safety in the UK in the event of a terrorist attack) and 'Remove, Remove, Remove' (supporting front line emergency services personnel on early action for suspected exposure to a hazardous substance, such as an acid attack).
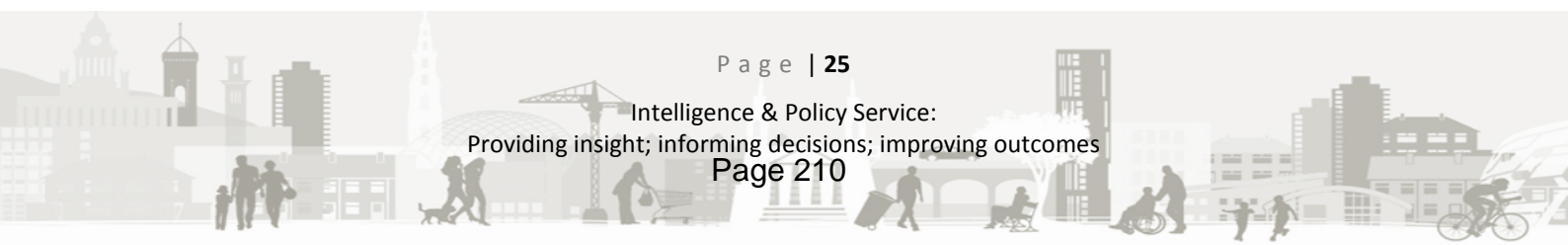
Developing greater city resilience needs to be a continuous process through experience of dealing with incidents and events, closer working (exercising and training) and sharing of resources and assets with partner organisations. It is important that plans and arrangements are reviewed and revised and lessons continue to be learned so that citizens and businesses in Leeds can be assured of an effective council and partner response in the event of a significant incident occurring.

Further information

Please click here to view the range of city resilience information for businesses and the public available on the council's website.

The West Yorkshire Police website contains details of the West Yorkshire Resilience Forum and also the West Yorkshire Community Risk Register
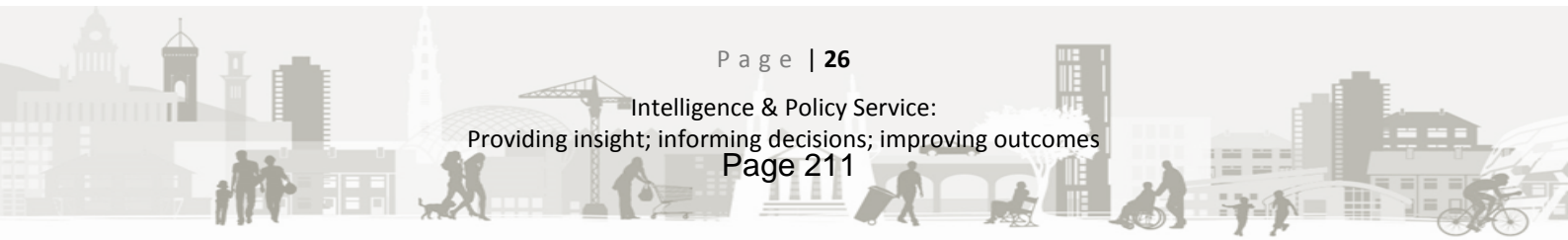
Council Resilience Corporate Risk Assurance

Overview

Leeds City Council has a statutory duty under the Civil Contingencies Act 2004 to have arrangements in place to maintain critical services in the event of an emergency, particularly those functions that are important to the health, welfare and security of the community.   The council does this through the implementation of Business Continuity Plans.

Incidents impacting on council services and functions could be of short duration: for example, a minor ICT outage or a temporary breakdown of plant or equipment which can be quickly dealt with by the service or function impacted. A more wide spread incident could impact on several services, such as a major ICT outage (cyber-attack) affecting most of the council's services, a 'flu pandemic, severe weather or industrial action resulting in a significant loss of staff. Some incidents may be limited to an internal service impact, but where front line services are impacted then communities and potentially vulnerable people can be affected. Widespread incidents may require the activation of a council 'Gold' and the convening of the Emergency Management Team as per the Emergency Management Plan, to provide strategic direction to the response and recovery. 'Gold' incidents require the involvement of a council director. They will not get involved in the tactical or operational activities of the response, but instead maintain strategic overview and identify and implement appropriate management measures for longer term issues which may arise from the emergency.

Corporate risk: Council resilience				
Risk description	**Risk of significant disruption to council services**			
Accountability (Risk owners)	*Officer*	Director of Resources & Housing		
	Member	Councillor J Lewis, Deputy Leader and Executive Member for Resources and Sustainability		
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	5 (highly significant)	Very high (red)
	Target	2 (unlikely)	4 (major)	High (amber)

The Civil Contingencies Act 2004 made it a statutory duty for all councils to have in place arrangements to be able to:

- Continue to deliver critical aspects of their day-to-day functions in the event of an emergency if the impact on the community is to be kept to a minimum;
- Continue to perform ordinary functions that are important to the human welfare and security of the community and its environment; and
- Assess the resilience of organisations that the council relies on, or delivers services through.

To help the council protect its prioritised or critical services and meet its statutory duties, a refreshed Business Continuity Programme was initiated in 2012. The programme reviewed services and functions considered critical and, through close working with managers and staff responsible for the services, a series
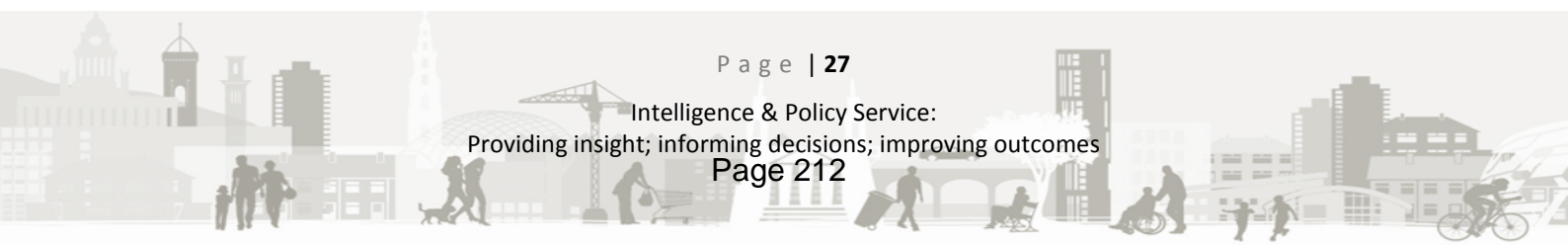
of updated Business Continuity Plans were developed and implemented. The Business Continuity Programme was successfully delivered in September 2015. Since then, business continuity (including the annual review process) continues to be centrally co-ordinated by the council's Resilience & Emergencies Team.

What are the risks?

The corporate risk relates to significant disruption to council services and failure to effectively manage emergency incidents. The risks, hazards or threats to council services come from a wide range of sources. However, regardless of the source, the impact will generally be on the council's people, premises, ICT and suppliers and providers of goods and services – all with the potential to impact citizens and communities. By focussing on the impact, the consequences of the disruption on critical services can be assessed and business continuity plans developed to document what needs to be done to protect the service should a disruptive or emergency incident occur.

Risk management

How the council is managing the risks

The corporate risk focuses on the following four key areas:

1. The first relates to business continuity and the risk that our arrangements for council resilience prove inadequate.
2. The second specifically relates to industrial action because of its potential to cause wide-spread disruption to council services and the city.
3. The third specifically relates to Digital and Information Services (DIS – formerly ICT Services) due to the high dependency of all council services on the DIS infrastructure.
4. The fourth relates to the risk that emergency/contingency planning arrangements across the authority are inadequate.

Underpinning the four risk areas is senior management level support and directorate engagement. The council's Corporate Governance & Audit Committee and the Corporate Leadership Team (the council's senior management team, comprising its directors and Chief Executive) provide support from the top by promoting and progressing emergency and business continuity planning across the council. Directorate Resilience Groups (DRGs) lead on co-ordinating directorate specific work such as ensuring that response and recovery capabilities are in place and that Business Continuity Plans are implemented for their prioritised or critical services.

Specific arrangements to manage each of the four risk areas are set out below.

1. Business Continuity Management (BCM)

Business Continuity Plans are implemented for all the council's prioritised or critical services and functions. There are currently 79 services identified as most critical and are identified as such by the DRGs or at management request.

Business Continuity Plans contain arrangements to maintain or recover council services to 'business as
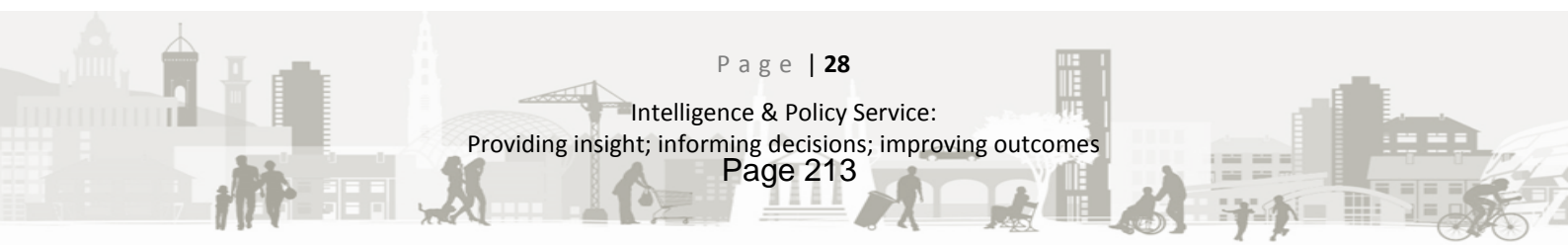
usual' level following a disruptive event. Business Continuity Plans include arrangements in the event of loss of people (staff), premises, ICT and suppliers and providers of goods and services. Some plans might include loss of plant and machinery.

As a minimum, Business Continuity Plans are subject to an annual management review which ensures that the content remains up to date.

Other triggers to prompt a review include: where a reorganisation of the service may have changed the nature or scope of the work carried out; where services relocate their operations; where there are lessons to be learned from recent incidents; activations and exercising of the plan and where there are frequent movers and leavers requiring contact lists to be revised.

DRGs have a key role in overseeing and contributing to the implementation of business continuity and emergency planning arrangements and have an important role to play in ensuring that Business Continuity Plans are maintained through the annual review process and exercised.

Exercising is key to testing business continuity and emergency plans. Business Continuity Plans can be exercised locally or several plans can be exercised together through scenario-driven exercises. Examples of individual service area exercises during 2017 include Legal Services and Digital & Information Services, both exercises identifying areas for improvement. An exercise was recently completed for the City Development DRG based on a city centre terrorist attack.

Opportunities continue for council services to test local plans and arrangements by participation in multi-agency 'themed' testing. Multi-agency exercises are arranged through the West Yorkshire Local Resilience Forum, or by individual partner agencies.

Some council services have a key dependency on external suppliers or commissioned service providers to deliver front line services. It is important to obtain assurance that the commissioned service providers are sufficiently resilient. The Resilience & Emergencies Team support the council's Adults & Health directorate by completing assessments of commissioned service provider plans. This includes documented feedback and a 'level of confidence' rating (Red, Amber or Green). A series of briefings have been completed for Adults & Health commissioning staff to provide them with a basic knowledge of what a Business Continuity Plan should include so that they can offer advice directly to their commissioned service providers. Presentations have also been delivered to Commissioned Service Provider Forums with the aim of informing the provider organisations attending about business continuity best practice.

Under the requirements of the Civil Contingencies Act 2004, local authorities are required to provide Business Continuity Management advice and guidance to business and voluntary organisations. This continues to be achieved by the hosting of the Leeds Alert[2]/Business Continuity Network Events. The events, held twice a year, invite representatives from businesses and organisations registered with Leeds Alert to attend and hear presentations from a range of guest speakers. The aim is for organisations attending to be able to take away learning to improve their own organisational resilience. The next event (June 2018) has a theme of resilience in the city centre.

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[2] Leeds Alert is the joint Leeds City Council / West Yorkshire Police warning and informing system to which businesses and organisations can register. It currently has over 1,600 registrations.
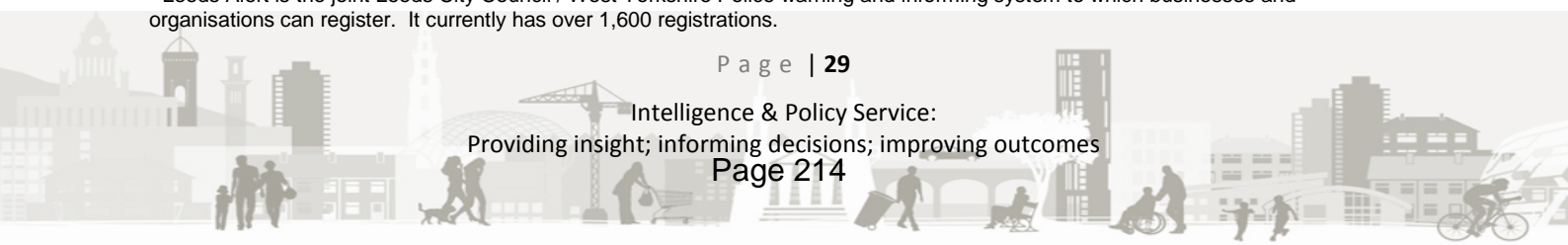
2. Industrial Action

The council's HR service manages a documented procedure for a council-wide multi-discipline response to industrial action. The procedure provides a joined-up approach for all council services involved in managing the impact of industrial action and has been developed using documentation and learning captured from previous industrial action events.

Industrial action nationally and regionally is notified to the council by receipt of regular bulletins from RED (Resilience & Emergencies Division, part of the Government's Ministry of Housing, Communities and Local Government (MHCLG)).

The managers of the council's critical services and senior managers are informed to ensure all potential implications are considered and to cascade information to staff making them aware of the situation. Manager guidance is issued by HR to ensure that a consistent approach is taken.

Where industrial action is planned by external organisations, the impact on the council's services and functions is assessed and the council's most critical services are notified, advising them to plan for any disruption that might occur. Examples include the current ongoing industrial action impacting some train services affecting council staff travel arrangements to and from their place of work and the recent taxi and private hire driver 'slow-drive' through the city causing disruption to some council services due to the resulting traffic congestion.

3. Digital & Information Service (formerly ICT Services)

DIS has Business Continuity Plans implemented for key service areas which as a minimum address:

- Invocation of the required response/recovery and deployment of resource;
- Accessing back-up data;
- Restoration of data, information services, communications and support; and
- Recovery of the council's ICT infrastructure, for example in the event of a major cyber-attack.

Liaison between council services developing business continuity arrangements and the Digital & Information Service is encouraged to ensure that DIS recovery timescales meet the needs of the service. When developing Business Continuity Plans, council services are always advised to consider how they would maintain a service without access to any ICT over a prolonged period.

The Digital & Information Service maintains a schedule for regular testing of key council applications and systems. The schedule is managed via a calendar of testing and includes the outcomes of the test completed.

The Digital & Information Service has a Cyber Assurance & Compliance Manager in post providing expert knowledge and an awareness of current cyber-attack threats, helping to manage the corporate risk, 'Major Cyber Incident'.

4. Inadequate Emergency/Contingency Planning Arrangements

The council has a strong commitment to developing and implementing emergency and business continuity planning arrangements. This council commitment is demonstrated in the following ways:
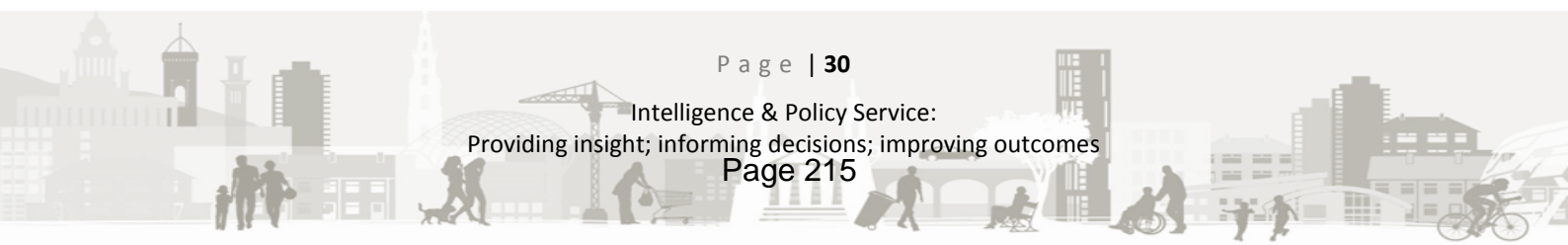
- A corporately agreed Emergencies and Business Continuity Policy and accountability structure;
- A ready supply of response-based equipment and ability to use council assets to respond to an incident;
- Strong governance arrangements across all identified capabilities;
- Work programmes at national, sub-regional, local and internal level;
- A range of emergency and business continuity plans maintained and validated through annual review and/or exercising; and
- Mechanisms in place to meet statutory duties and demonstrate compliance.
- Learning from incidents both international and nationally to inform development of the council's emergency and business continuity plans. For example, since the Salisbury chemical attack, consideration needs to be given to whether current plans include mitigation or protection from chemical based attacks. Since the Grenfell Tower fire, analysis has been completed on the safety of council high rise flats and identification of further work to enhance resident safety.
- Other opportunities to strengthen council resilience include reviewing the revised West Yorkshire Community Risk Register for any new risks and the recommendations from the 'Peer Challenge: London Local Governments Collective Resilience Arrangements' report[3].

What more do we need to do?

Strengthening council resilience, whether emergency planning or business continuity, is progressed through the continuing work of the DRGs. The DRG's are best placed to understand the directorates' response capabilities and how best to deploy resources in the event of an emergency or major disruption.

Lessons to be learned from recent incidents and exercises continue to inform development of council preparedness and resilience whilst sharing of experiences and knowledge through working closely with partner organisations provides important learning. Ongoing developments to enhance council resilience include:

- DRGs continuing to lead on development, maintenance and ownership of council emergency planning and business continuity arrangements. This includes the development of DRG work plans and the implementation of lessons to be learned from incidents and exercises.
- DRGs continuing to identify new threats and hazards and to prepare and plan directorate capabilities to be able to respond and recover in the event that such threats and hazards are realised.
- DRGs continuing to review and identify contacts (including out of hours) for inclusion in the Emergency Management Plan.
- DRGs promoting awareness of and familiarity with the Emergency Management Plan and 'Quick Guide' to staff named as contacts with a role to play in responding to an incident.
- Considering resilience in terms of workforce planning and development, implementing a 'resilience is everyone's responsibility' culture.

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[3] This report details findings from the independent peer challenge commissioned by the London Councils in autumn 2017 following the Grenfell tragedy, focusing on the extent to which the boroughs' collaborative resilience arrangements continued to provide assurance and to identify ways in which the collective arrangements could be further strengthened.
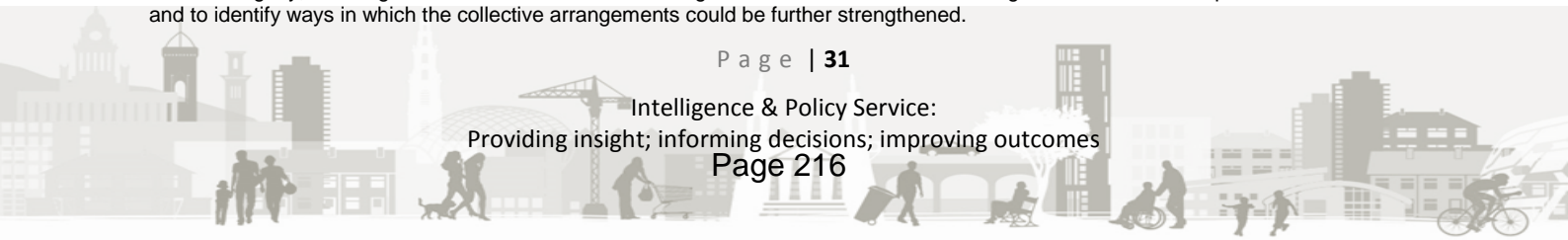
- Upskilling of staff through volunteering/training to be able to provide support for key roles when responding to incidents, particularly incidents of a prolonged nature.
- Reviewing the role of elected members in emergencies;
- Reviewing out of hours/on-call cover across the council and ensuring that such cover is robust and not based on goodwill or simply on staff being available and able/willing to respond.
- Continuing to develop and participate in exercises (both in-house/council and multi-agency) to support learning. Exercises provide a safe opportunity to develop competencies and awareness and identify areas for improvement.
- Continuing to deliver counter terrorism 'Stay Safe' briefings, helping to keep staff alert, aware of and knowing how to report suspicious activity as well as being able to react in the event of a terrorist attack. This includes continuing support for campaigns and initiatives such as 'Action Counters Terrorism' (ACT) and 'Remove, Remove, Remove' (supporting front line emergency services personnel on early action for suspected exposure to a hazardous substance, such as an acid attack) and providing a flow of up to date information is available to staff on the 'Stay Safe' pages on InSite.
- Developing and progressing the actions included in the 'Leeds City Council Organisational Resilience & Emergencies Improvement Plan' including the findings from the London 'Peer Challenge' and Manchester Arena Kerslake Report which help to strengthen council resilience.

Further information

The Business Continuity Management Toolkit developed for use by council services can be accessed by staff and elected members on the council's Intranet site here under Toolkits – Managing a service.

The Business Continuity Institute's website provides further details and can be accessed here
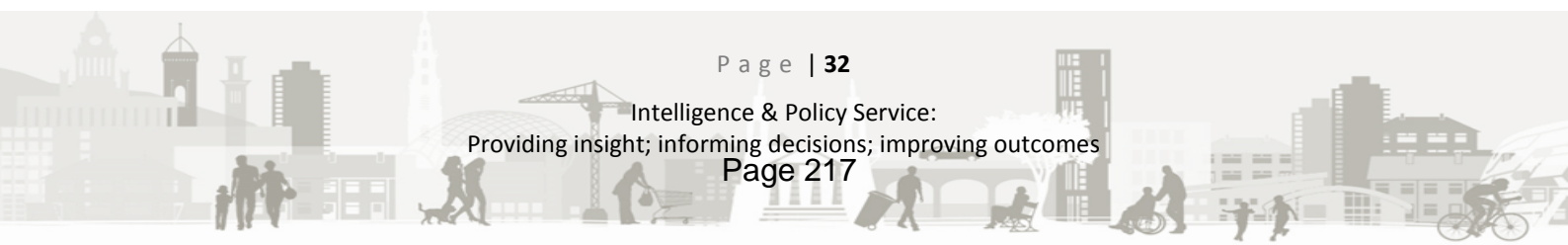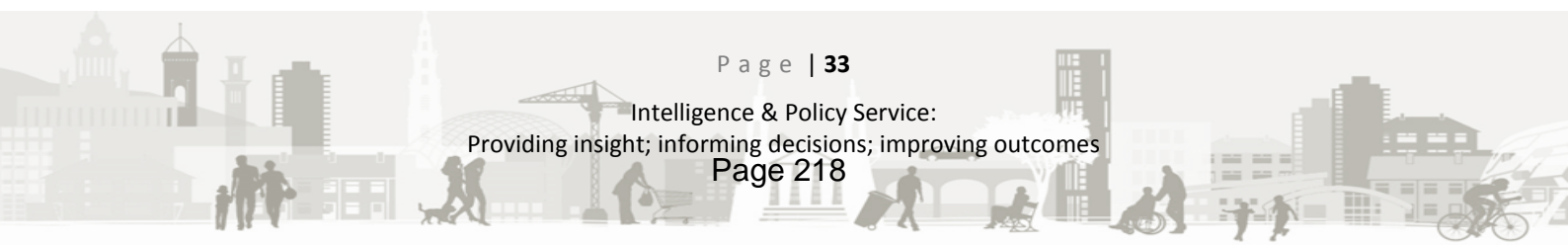
Financial Management Corporate Risk Assurance

Overview

The ongoing challenge of reshaping and delivering council services within significantly reduced funding levels remains a significant risk in both the short and medium-term and so we have two corporate risks on the budget: one that considers the in-year risk, and another around the medium term-budget. A key priority for the authority is to deliver our financial strategy, without which, delivery of all the Best Council Plan outcomes and priorities could be threatened.

Over the past five years the government has made major changes to the funding arrangements for local authorities, moving from a needs-based system that recognised demands and resources, to a primarily incentive-based system where funding has become increasingly dependent upon the capacity to achieve housing and business rates growth. At the same time, the national council tax benefit scheme has been replaced by a system which gives greater local discretion but for which funding from government has been reduced.

Corporate risks: financial management				
Accountability (Risk owners)	*Officer*	Director of Resources and Housing		
	Member	Councillor J Lewis, Deputy Leader and Executive Member for Resources and Sustainability		
Corporate risk: in-year budget				
Risk description	**Council's financial position goes into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the council's risk-based reserves policy**			
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	1 (rare)	2 (minor)	Low (green)
	Target	1 (rare)	2 (minor)	Low (green)
Corporate risk: Medium-term budget				
Risk description	**Failure to address medium term financial pressures in a sustainable way**			
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	2 (unlikely)	3 (moderate)	Medium (yellow)
	Target	2 (unlikely)	3 (moderate)	Medium (yellow)

Introduction

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 but the budget for 2018/19 requires the council to deliver a further £34m of savings.

The council continues to make every effort possible to protect the front line delivery of services, and whilst we have been able to successfully respond to the financial challenge so far, it is clear that the position is becoming more difficult to manage and it will be increasingly difficult over the coming years to maintain current levels of service provision without significant changes in the way the council operates.

The report to Council in February 2018, 'Best Council Plan 2018/19 to 2020/21', explains how this will be done: that, while continuing its programme of efficiencies, the council must continue to change what it does and how it does it, reducing costs, generating income, considering different service provision models and targeting its resources to where they are most needed and will have the most impact.

Although councils have a legal duty to set a balanced budget (taking account of any use of reserves; they cannot budget for a deficit position), there are clearly strong organisational reasons for ensuring that we have in place sound arrangements for financial planning and management. The budget, as well as a means of controlling spending within the available resources, is also a financial expression of the council's policies and priorities. Whilst this can simply be seen as an annual exercise, there is a recognition that this needs to be set within a context of a medium-term financial strategy. This is all the more critical given the financial challenges that we are facing.

What are the risks?

Failure to adequately plan, both longer term and annually and to manage the budget in-year carries a number of specific risks:

- Not able to set a legal budget by the due date;
- That the budget does not reflect council priorities and objectives;
- That the budget does not adequately resource pressures and increases in demand;
- That the budget includes savings which are not deliverable;
- That unplanned or reactive measures would be needed in-year to deliver savings;
- That the council falls into negative reserves or that reserves are used impacting upon the medium-term financial strategy;
- That the Section 151 officer[4] exercises statutory powers and restricts or stops all spending;
- Should the audit of the council's Statement of Accounts contain damaging comments, this could potentially result in increased audit and government inspections;
- That there may be an adverse impact on staff morale if working in a challenging budget climate; and
- That the council's reputation may be damaged.

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[4] The Local Government Act 1972 (Section 151) requires that an employee of the council is recognised as the responsible financial officer. In Leeds City Council that officer is the Chief Officer Financial Services.
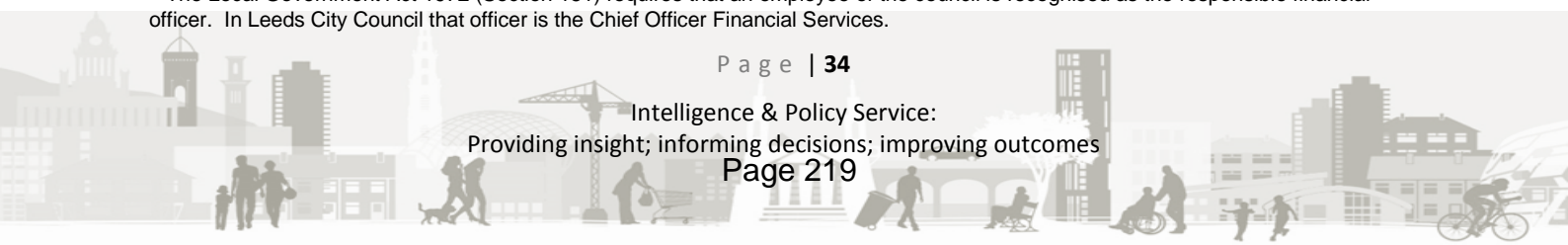
As a result of the UK's 2016 European Union referendum, the country faces a period of political, fiscal and economic uncertainty. There are likely to be implications for the national and local economy with consequent impact on the council's financial risks. Whilst it is too early to assess potentially wide-ranging implications, the following risks need to be considered:

- The potential for increased cuts in core government funding alongside possible increase in demand for council services.
- Rising inflation could lead to increased costs.
- Economic uncertainty impact on business rates and housing growth, with knock-ons to council tax, new homes bonus and business rate income.
- The general uncertainty affecting the financial markets could lead to another recession.
- An uncertain economic outlook potentially impacting on levels of trade and investment.
- Uncertainties around the cost of financing the council's debt, for example, due to interest rate volatility.

The ongoing management of the council's financial risks will need to take these – and possible impacts on partner organisations' funding - into account. Our service and financial strategies will be continually kept under review to keep track of developments with these risks.

Risk management

How the council is managing the risks

The duties of the council's Section 151 officer are crucial in how we manage these risks. These duties include:
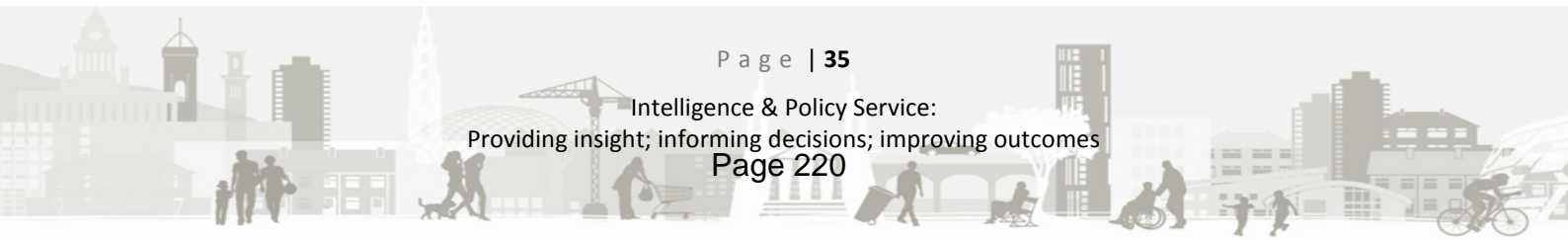
- To report to Council on the robustness of the estimates and the adequacy of financial reserves;
- Certifying that the accounts are a true and fair view of the council's financial position; and
- Ensuring that the council's financial systems accurately record the financial transactions; enable the prevention and detection of inaccuracies and fraud and ensure that financial risk is appropriately managed.

Financial management within the council, both corporately and within directorates, is delivered by colleagues who are professionally and managerially responsible to the Chief Officer Financial Services (the Section 151 Officer).

Financial risks are managed through key duties including strategic financial planning, budget preparation and setting, in-year budget monitoring, closure of accounts and audit inspections. A summary of each is provided below.

1. Strategic Financial Planning

As part of the 2016/17 financial settlement, government set out an offer of a four-year funding settlement for the period 2016/17 to 2019/20 to any council that wished to take it up. Government stated that as part of the move to a more self-sufficient local government, these multi-year settlements could provide the funding certainty and stability to enable more proactive planning of service delivery and to support

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strategic collaboration with local partners; local authorities should also use their multi-year settlements to strengthen financial management and efficiency. Government committed to provide central funding allocations for each year of the Spending Review period should councils choose to accept the offer and on the proviso that councils had published an efficiency plan. In September 2016 a report recommending acceptance of the government's offer of a four-year settlement was agreed at Executive Board.

This, in turn, informed the 2018/19 budget agreed at full Council in February 2018 and will also be important in the determination of the Medium-Term Financial Strategy 2019/20 – 2021/22, which is due to be reported to Executive Board (the principal decision-making body of the council) in July 2018.

The current four-year settlement ends in 2019/20, leading to significant uncertainties with regard to the level and allocation of future funding. We are actively engaging with government and local government representative bodies in developing these future funding arrangements and in understanding and, where possible, mitigating any inherent risks. Executive Board and Corporate Leadership Team (CLT – the council's senior management team) are kept abreast of these developments: for example, key risks will be highlighted to Executive Board in July's Medium-Term Financial Strategy report.

2. Budget Preparation and Setting

Revenue

The process of compiling the revenue (day-to-day) budget starts soon after the budget-setting of the previous year and runs through to the approval of the budget by Council. There are numerous tasks, checks and approvals involved in setting the budget, including reviews of budget proposals by finance staff, CLT and Executive Board and agreement of initial budget proposals by Executive Board and submission to Scrutiny Boards for further review and challenge.

With limited resources, it is inevitable that elements of the budget will depend upon actions which have yet to happen, or upon assumptions that in reality may vary from those assumed at budget setting. As such, an important element of the budget process is an assessment of the adequacy of general reserves which takes into account an assessment of the risks related to the budget estimates.

Capital

In terms of the capital (spending on assets) budget a five-year programme is prepared. The programme is constrained by the same funding reductions as the revenue (day-to-day spending) programme as ultimately where capital schemes are funded from borrowing, this needs to be repaid from revenue. The level and type of borrowing is determined before the start of the year and a limit set in accordance with CIPFA's (Chartered Institute of Public Finance & Accountancy) Prudential Code. The objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. Any in-year revisions to the council's programme need to be approved by Council.

3. In-Year Budget Monitoring

Revenue

Revenue budget monitoring is a continuous process which operates at all levels throughout the council. Although council directors are ultimately responsible for the delivery of their directorate budget,
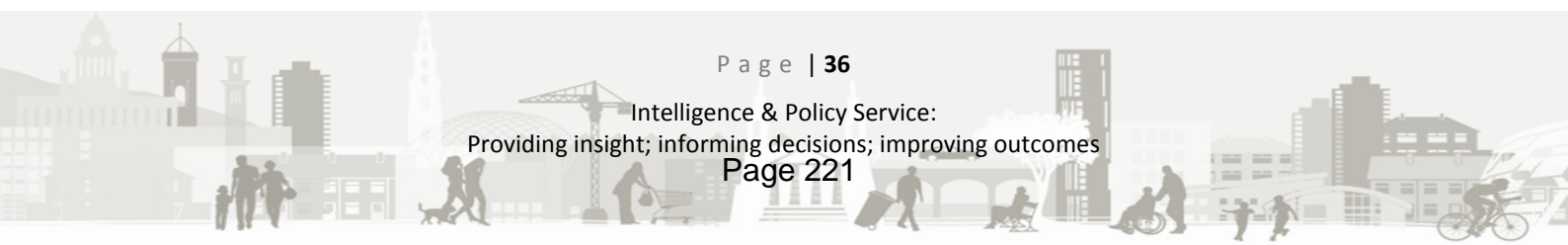
operationally these responsibilities are devolved to budget holders across the various services. A Budget Management Accountability Framework was launched in 2015 to bring together budget information in a central source, with clear articulation of roles and responsibilities.

Financial monitoring, facilitated by the council's Financial Management System (FMS), 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. Financial monitoring operates on a hierarchical basis, whereby the monthly projections are aggregated upwards to be reviewed by Chief Officers and Directors. The projections for the strategic accounts and for each directorate are submitted to the Chief Officer Financial Services and CLT. Further review and challenge of the projections takes place by the corporate Finance Performance Group (a monthly meeting of the Heads of Finance, representing each council directorate), prior to monthly reporting of projections to the Executive Board and quarterly to relevant Scrutiny Boards.

Capital

The Capital Programme is closely monitored and quarterly updates are presented to Executive Board. In order to ensure that schemes meet council priorities and are value for money the following are in place:

- New schemes will only take place following approval of a full business case and identification of required resources;
- Promotion of best practice in capital planning and estimates to ensure that they are realistic; and
- The use of unsupported borrowing is based on individual business cases and the source of revenue resources to meet the borrowing costs is clearly set out.

One of the main risks in developing and managing the capital programme is that there are insufficient resources available to fund the programme. A number of measures are in place to ensure that this risk can be managed effectively:

- Monthly updates of capital receipt forecasts are prepared, using a risk-based approach, by the Director of City Development;
- Monthly monitoring of overall capital expenditure and resources forecasts alongside actual contractual commitments;
- Quarterly monitoring of the council's VAT partial exemption position to ensure that full eligibility to VAT reclaimed can be maintained[5]; and
- Provision of a contingency within the capital programme to deal with unforeseen circumstances.

Budget risks are reviewed each month, with key risks included within the Financial Health Monitoring reports to Executive Board and overarching strategic risks included in the corporate risk register.

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[5] Councils make a number of supplies of goods and services where VAT is charged at zero, lower and standard rate; in addition there are non-business and exempt supplies on which no VAT is charged. The VAT we charge to customers on our supplies is known as 'output tax'; the VAT we incur on purchases we make is known as 'input tax'. Output tax is paid to HM Revenue and Customs (HMRC) and input tax is claimed back from HMRC provided certain rules are observed. The general input tax rule is that the VAT a business incurs on purchases it makes in order to make a taxable supply can be reclaimed in full – 'recovered' - from HMRC, whereas the VAT incurred in making exempt or non-business supplies can't be reclaimed. However as a local authority, there are special rules that allow the council to reclaim the VAT incurred on purchases that are used in making non-business supplies. HMRC requires local authorities to complete an annual partial exemption calculation to show how much of the input tax they have claimed back in the year relates to the exempt supplies they have made. There is a de minimis limit set, whereby if the amount of input tax that relates to making exempt supplies is below that limit, you are entitled to retain the input tax attributable to exempt supplies (which has already been reclaimed during the year). However, if you exceed that limit, all input tax that has been reclaimed during the financial year in relation to exempt supplies would have to be repaid to HMRC. The de minimis limit is 5% of the total input tax that was reclaimed during the year.

4. *Closure of Accounts*

Getting our accounts produced on time and without audit qualification is important to ensure that we can properly account for the resources we have used during the year and that we understand the council's financial standing. The Chief Officer Financial Services is responsible for the closedown process, reviewing both the accounts themselves and the processes used to compile them, before certifying them as a true and fair view.   Alongside the budget monitoring process, significant accounting decisions are referred to the external auditors for review by their technical accounting team to ensure compliance with applicable accounting standards. For the closure of accounts 2017/18 the authority's auditor is KPMG; Grant Thornton have been appointed as our external auditor from 2018/19.

5. *Audit and Inspection*

The council's external auditors provide members with independent assurance that, in their opinion, the accounts reflect a true and fair view of the council's financial position, that they comply with proper accounting practice and that the council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Internal audit also undertakes a number of reviews of our financial planning and monitoring arrangements.

At their meeting of the 20th June 2017, the council's Corporate Governance and Audit Committee received the Internal Audit Annual Report and Opinion for 2016/17 which is of relevance to the financial risks. The report provided an overall conclusion that, on the basis of the audit work undertaken during the 2016/17 financial year the internal control environment (including the key financial systems, risk and governance) is well established and operating effectively in practice. There were no outstanding significant issues arising from the work undertaken by internal audit. At the time of writing, the Internal Audit Annual Report and Opinion for 2017/18 is due to be considered by the Corporate Governance and Audit Committee on 30 July 2018.

What more do we need to do?

The scale of the financial challenge for 2018/19 and 2020/21 was detailed in the Medium-Term Financial Strategy that was received at Executive Board in July 2017. This strategy is currently being refreshed to encompass the financial year 2021/22, going two years beyond the government's four-year settlement, and, as noted above, will be considered by the Executive Board in July 2018.

Key risks the refreshed strategy will have to take account of include economic uncertainty and interest rate volatility, demography and demand changes, and the ability to generate capital receipts. There are also a number of policy changes that will impact upon local authority financing:

- The outcomes of government's Fair Funding Review of Local Government finance which will introduce a new methodology for allocating funding to local authorities, considering their relative needs and resources;
- The implications of government's green paper on social care due to be published this summer, setting out its proposals on improving care and support for older people and tackling the challenge of an ageing population;
- Government's aim to implement greater business rates retention (most likely 75%) at a national
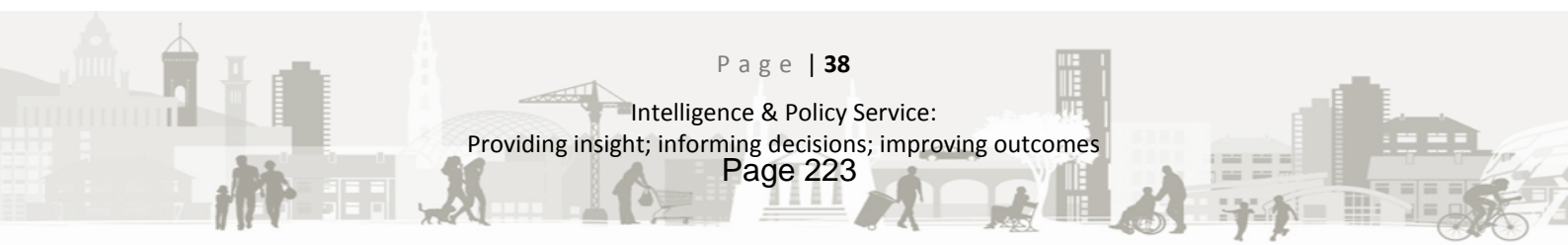
level in 2020/21. Leeds is currently piloting 100% business rates retention for 2018/19 and awaits final details in respect of arrangements for 2019/20.

- The Budget this autumn will set out the total public spending envelope for the years beyond 2020 with a full department Spending Review to follow in 2019, setting out departmental allocations across government.

The issuing of a Section 114 notice by Northamptonshire County Council in February 2018 - imposing financial controls and banning expenditure on all services except for its statutory obligations to safeguard vulnerable people - and the subsequently commissioned Best Value Inspection, has increased the focus on local authorities' financial resilience and sustainability. At the time of writing, CIPFA is due to release a consultation on its plans for a financial resilience index, aiming to provide assurance to councils and their stakeholders on their financial stability. CIPFA is proposing to use a range of indicators based on published data to come to its conclusions, including an authority's level of resources, its borrowing and taking into account local demographic pressures. Pending the consultation period over the summer – which Leeds will take part in - CIPFA plans to produce its first ratings in autumn 2018 and thereafter published annually.

The current and future financial climate represents a significant risk to the council's priorities and ambitions, and whilst we have been able to successfully respond to the challenge to date, it is recognised that we need to continue to develop our approach to medium-term financial planning beyond just identifying likely budget gaps to encompass a greater recognition of priorities and areas for disinvestment. This work is already underway through our medium-term financial planning, but given the scale of the challenge, it is clear that it will need to be subject to regular review as to progress, and to ensure that it remains dynamic whilst aligned to our Best Council Plan priorities. In the determination of both the in-year budget and the Medium Term Financial Strategy we will continue to ensure that our processes and assumptions are sufficiently robust, building on the effective controls we have in place to mitigate the risks.

Further information

Additional information is available on the council's website through the following pages:

- Our financial plans
- Our financial performance
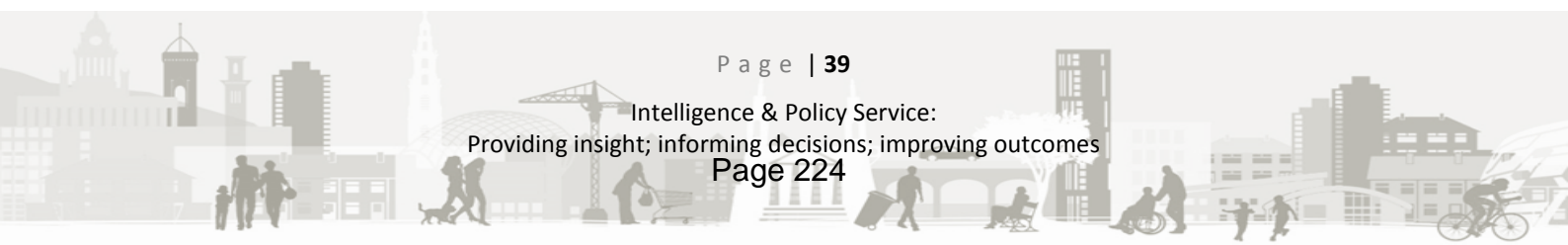
Information Management and Governance Corporate Risk Assurance

Overview

Information is an asset like any other; we need it to do business and without it, business would stop. We need to manage information just as we do other assets, including our people, buildings, infrastructure and relationships with partners: managing the risks whilst also maximising opportunity and value. The most significant risk associated with a failure in information management and governance is death or serious harm that could have been prevented if information and data had been properly managed or disclosed.

All our services depend upon the effective management of information and data, so managing the risks in this area underpins the delivery of all our Best Council Plan outcomes and priorities.

Corporate risk: Information management and governance			
Risk description	Risk of harm to individuals, partners, organisations, third parties and the council as a result of non-compliance with information governance legislation and industry standards.		
Accountability (Risk owners)	*Officer*	Director of Resources and Housing	
	Member	Councillor J Lewis, Deputy Leader and Executive Member for Resources and Sustainability	
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	3 (moderate)	High (amber)
	Target	2 (unlikely)	2 (minor)	Low (green)

The gap between the current and target ratings is due to ongoing work to ensure the council complies with the requirements of the General Data Protection Regulations introduced in May 2018.

Introduction

The main characteristics of information held by the council are summarised below:

- Personal information relating to identified or identifiable individuals – name, address, identification number etc.
- Special categories of personal information relating to individuals – racial or ethnic origins, physical or mental health etc.
- Commercially sensitive information such as legal and financial details.
- Personal and special categories of personal information on council employees.
- External information relating to the citizens and business users of Leeds.

The format of information held by the council covers both electronic and hard copy files, including social care files, legal and contractual documents, invoices, council tax and business rates records and correspondence.

The council, in line with recommended practice for public authorities in the UK, has to demonstrate that the information it has responsibility for is properly managed.
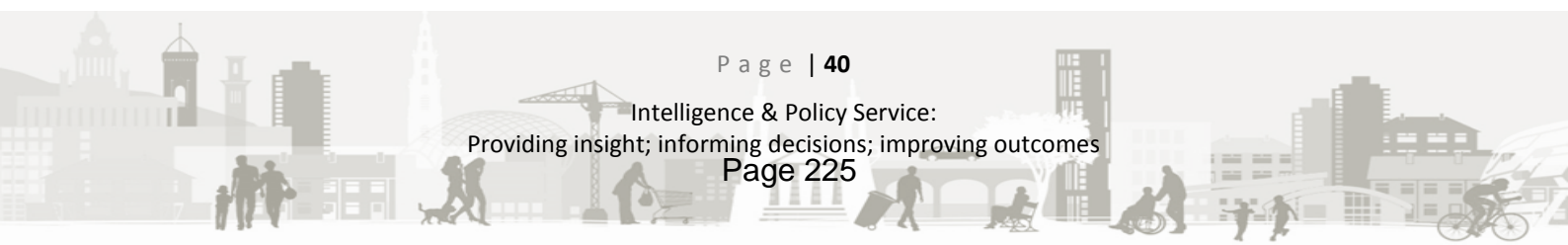
What are the risks?

Failure to manage personal information properly could ultimately cause death, harm or significant distress to individuals. Along with not managing commercially sensitive information properly, the implications for the council could include loss of public confidence, a significant fine and reputational damage. Should a major information breach occur, enforcement action from the Regulator - the Information Commissioners Office (ICO) - is likely.

On the 25th May 2018, a new data protection framework came into force, consisting of the GDPR and the Data Protection Act 2018. This new data protection framework builds on the principles contained within the original Data Protection Act 1998, but with a greater emphasis on fairness, transparency and accountability.

With the advent of the GDPR, the risk of a significant fine for the council increases if the authority is found responsible for a major breach of the regulations. Failing to manage information properly can also be a root cause of non-compliance with the council's legal duties, including human rights law, confidentiality, service specific legislation (adoptions law, children's law, council tax law, etc.) and access to information. The council could be subject to legal action and claims from stakeholders whose information was not handled properly.

Due to the wide ranging nature of the information management and governance risk, it is closely linked to other corporate risks managed by the council including Council Resilience, Major ICT failure and a Major Cyber incident.

## Risk management

How the council is managing the risks

Existing arrangements in place for the information management and governance risk include:

- Policies and procedures for council staff including the Information Governance Policy.
- A wide range of guidance about managing information available to council staff on the internal Intranet site.
- Mandatory training for council staff on information management and governance.
- Staffing roles and responsibilities reflecting information management.
- Reporting to internal boards and committees such as the Corporate Leadership Team, Information Management Board, Corporate Governance and Audit Committee and directorate management teams.
- Reviews and inspections, both internal and external.

Roles and responsibilities

Ultimate responsibility for information management and governance within the council lies with the Director of Resources and Housing, the organisation's designated Senior Information Risk Owner (SIRO), supported by the Chief Digital and Information Officer and Head of Information Management and Governance.

All NHS organisations and local authorities which provide social services must have a 'Caldicott Guardian', a
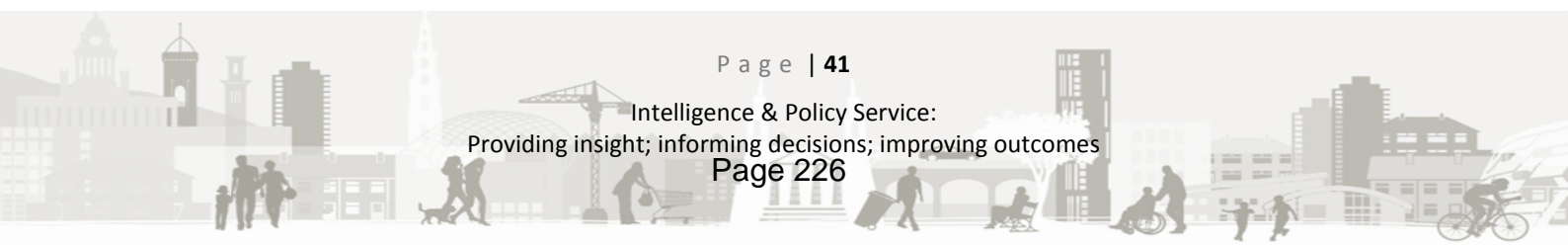
senior person responsible for protecting the confidentiality of people's health and care information and making sure it is used properly: in Leeds, the Caldicott Guardian is the Director for Adults and Health.

The Head of Information Management and Governance is the council's Data Protection Officer (DPO), a position required under the GDPR. The GDPR establishes some basic guarantees to help ensure that DPOs are able to perform their tasks with a sufficient degree of autonomy within their organisation. The main tasks of the DPO are: to inform and advise the council of its obligations under GDPR when processing personal data; to monitor compliance with the GDPR; to provide advice on data protection matters, particularly with regards to data protection impact assessments and other high risk processing activities; and to act as the contact point with the ICO supervisory body.

In addition to being the DPO, the Head of Information Management and Governance role has responsibility for:

- Providing professional leadership on information management, information security, information risk management, Data Protection and Freedom of Information to support improved service outcomes, through a 'One council' approach to information.
- Ensuring there is a comprehensive set of Information-related policies, strategies and ambitions in order to effectively direct and shape the service and ensure awareness and understanding for all officers, elected members and citizens where applicable across the council.
- Leading on and supporting the council's Transparency and Open Data Strategy, ensuring that it is implemented across the whole organisation.
- Overseeing the council's operations in areas such as compliance and cyber assurance, information risk management, data quality, information access law and the arrangements for the lawful disclosure of nonpublic information.

Alongside these individual roles, the council's Information Management Board (chaired by the Chief Digital and Information Officer) aims to ensure that:

- A good standard of information management and governance practice is embedded into council business processes;
- The council's Information Standards Policy is kept up to date and is fit for purpose; and
- Decisions made about information management and governance are properly communicated to the right stakeholders across the organisation.

Information Access and Compliance

Information legislation provides rights for citizens to access information held by the council. In respect of the Data Protection Act (DPA) this provides a statutory right for citizens to access information (known as a Subject Access Request or 'SAR') held about them within forty calendar days of submitting a request. Under the Freedom of Information Act (FOIA) citizens have a right to request information held by a public organisation, such as the council, and unless an exemption applies, the council is generally under a duty to provide this information within twenty working days of receiving a request.

The need to be able to locate and retrieve information is essential, both to enable the council to operate effectively and efficiently and to respond to information requests within the statutory timescales
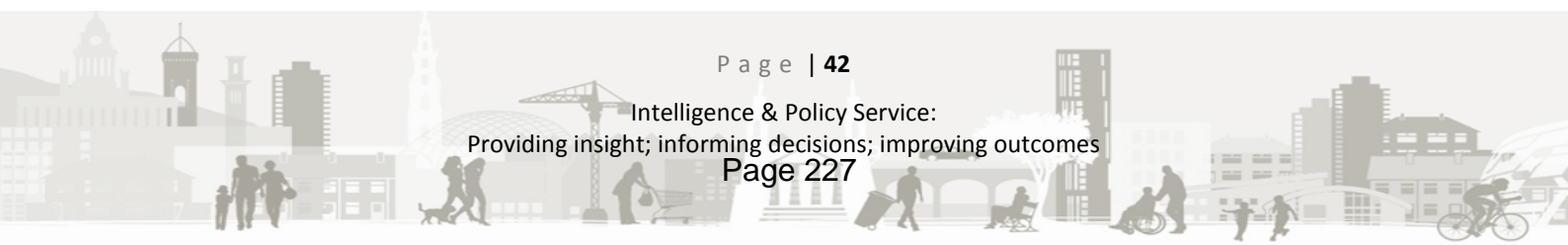
prescribed. The risk to the council of non-compliance would be enforcement action from the ICO.

A team of Information Practitioners ensure that all requests for information to the council are processed and dealt with according to respective legislation and within statutory timescales, and handle complaints from citizens and enquiries from the ICO. The ICO's monitoring requirement for FOI requests is that an organisation should be processing 85% of its requests within the statutory 20 working day time limit; and, the monitoring threshold for SARs is that an organisation should be processing 90% of its requests within the statutory 40 calendar day time limit. The council also has its own performance indicators in relation to statutory requests, and in 2017/18 these were 96% (FOI requests) and 88% (SARs). The council is currently meeting both of these thresholds.

General Data Protection Regulations (GDPR)

During 2017/18, the council undertook work towards implementing the requirements of the GDPR in readiness for May 2018. Although some aspects of this work are still in progress, completion should bring the current risk rating down to its target level.

To help address the size and complexity of the work required to achieve compliance, the council established a working group and GDPR Implementation Team, supported by Legal Services and the Digital Information Service.

Between November 2017 and January 2018, the GDPR Implementation Team delivered a series of well-received engagement sessions to 203 staff from across the council, including 173 senior managers (directors, chief officers and heads of service). The purpose of the events was to:

a) Provide an overview of GDPR and the Data Protection Bill, including key changes from prior legislation and regulation; and
b) Explain the council's plans for implementation, including highlighting the responsibilities of senior managers in relation to preparing their service areas for the changes required.

Critical to the success of the implementation programme is the role of the GDPR Service Leads whose key responsibilities are to:

- Support the GDPR Implementation Team by driving the GDPR agenda within service areas including the dissemination of key messages;
- Ensure that existing processing arrangements and systems are GDPR-compliant and, where required, make necessary changes – such as technical and organisational measures - proportionate to the risks involved;
- Assist with embedding new GDPR related policies and procedures across the council; and
- Report progress on implementation against key milestones to the GDPR Implementation Team including the reporting of risks and issues as they emerge.

Work took place to assess the requirements of the GDPR and Data Protection Bill and compare them against the council's current position, enabling the identification and scoping of work required to achieve compliance. From this initial assessment, nine 'work streams' were initiated to work towards compliance and also to ensure that appropriate policies, procedures and guidance were developed or updated. A summary of the nine work streams is as follows:
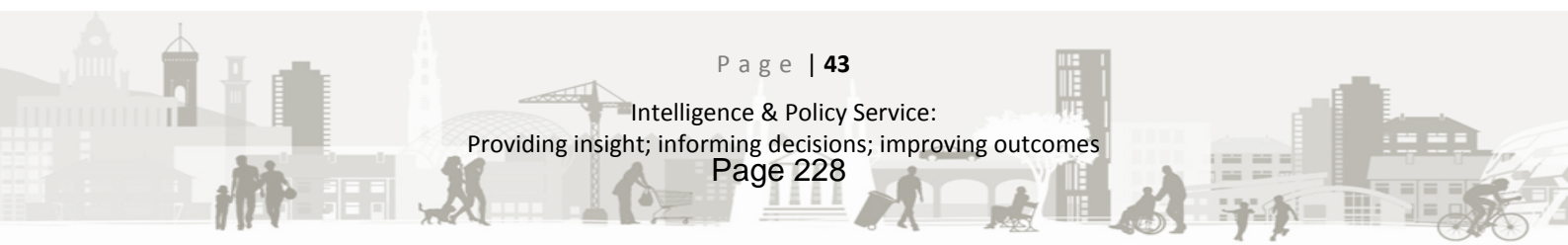
1. *Demonstrating compliance* - requirement for the council to be able to demonstrate how it meets the principles contained within the GDPR.
2. *Security of processing* – requirement to implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk.
3. *Security incident management* – requirement to notify the ICO of personal data breaches, without undue delay, and where feasible within 72 hours of becoming aware of it unless the breach is unlikely to result in risk to the data subject.
4. *Data Protection by design and default* – requirement to carry out data protection impact assessments (formerly known as privacy impact assessments) whenever the council is using new technologies, and the processing is likely to result in a high risk to individuals' rights and freedoms.
5. *Contractual arrangements with data controllers / processors* – direct obligations on data processors for the first time and new requirements to be followed when using data processors.
6. *Individuals' rights* - key rights include the right of access (similar to the rules for subject access requests); the right to restrict processing; the right to object; the right to rectification; and the right to erasure / be forgotten.
7. *Lawfulness, fairness and transparency* – requirement to have a legal basis for processing personal data with the threshold to utilise consent being higher than the previous DPA; and to provide further information within privacy notices than is currently stipulated.
8. *Storage limitation* – see section on Records Management below for details.
9. *Accuracy and data quality* – requirements around data minimisation and accuracy including ensuring that inaccurate data is erased or rectified without delay.

The nine work streams produced outcomes such as briefing notes, guidance tools, changes to contractual terms & conditions and new or revised policies and procedures. A GDPR Implementation Guide ("the Guide") was developed and is subject to periodic update to ensure it remains current. The purpose of the Guide is to keep council service areas informed about what they need to do to become GDPR compliant. At the time of writing (June 2018), 3 editions of the Guide have been released.

Elected members are required in their constituency role (in which they are Data Controllers in their own right) to implement the requirements of the GDPR and the UK's Data Protection Act. All Members were provided with a detailed guidance note regarding the new data protection laws and how it affects them. All relevant advice, policies, procedures and documentation in place for council staff will also be rolled out to Members over the 2018 summer months.

Staff awareness and training on information governance remains an important and integral part of the council's information strategy and is delivered through a series of training programmes. Some training elements are mandatory for all staff and is provided every two years. The latest version was launched on 16th April 2018, incorporating changes under the GDPR. An Information Governance training and awareness programme for elected members is also currently being delivered to ensure councillors understand basic information governance practice around information security and information sharing.

Records Management

The council is making good progress in implementing an Information Asset Register (IAR), a list of personal and non-personal information assets that it holds. A methodology for implementing the IAR and also the
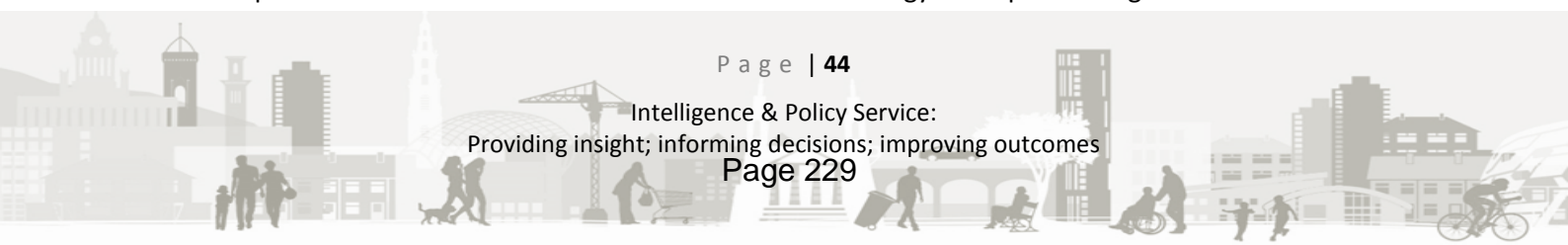
role of the Information Asset Owners (the employees responsible for ensuring that specific information assets are handled and managed appropriately) have been approved by the Information Management Board. Relevant training materials have been refreshed and reviewed to reflect these aspects.

The Records Management Team continues to implement and review records management approaches across the whole council, thereby maintaining compliance with the Data Protection Act and GDPR.

Other key priorities progressed during 2017/18 to manage information risk include:

- A series of Information Audits conducted for all council services that have moved location. The audits looked at future paper storage requirements and aimed to minimise the amount of storage needed for hard copy records.
- Applying consistency in the management of employee records across the council to ensure compliance with the DPA principles. A 'discovery project' was completed to identify inconsistencies in approach across the council with the management of employee records. The findings have been presented to relevant senior officers for consideration.
- Ensuring that all scanning and digitisation provision by the scanning framework is effectively monitored, justified and co-ordinated. The team have led on and co-ordinated a number of scanning and digitisation projects in 2017/18 to ensure compliance with the GDPR, enabling asset release and generating efficiency savings.
- Cleansing data and reducing the storage on our existing network drives, mitigating the risk of breaching DPA principles. A 'Discovery and Cleanse' tool to assist data cleansing has been developed and is nearing completion. Once this tool is available, the Records Management Team will be trained in its use and work with services to cleanse the data on their network drives.
- Improving paper records management by tracking the movement and destruction of paper records owned by the council, reducing unnecessary storage costs; and
- Developing the council's Information Retention Schedule with recommended retention periods for the different types of record created and maintained by the council. New retention schedules have now been launched, though review is on-going via the GDPR Service Leads.

What more do we need to do?

During 2018/19 a number of initiatives are planned, aimed at mitigating the risk and bringing the council closer to full compliance with the GDPR and Data Protection requirements.

1. Led by the GDPR Implementation Team, key tasks aiming to be completed by the end of this summer include: updating information security incident procedures, the Data Protection Policy Statement, and Information Assurance and Data Quality Policies; producing a public document covering an individual's rights in relation to information; including a Corporate Privacy Notice and new Subject Access Request forms on leeds.gov.uk; and further briefings for elected members.

2. Following successful workshops covering information risks in relation to adults and children, further workshops are planned for key information areas within the council. The workshops will review the risks, identify any new risks to be considered, confirm the controls currently in place to treat the risks and identify any further action required. Undertaking risk workshops across the council will
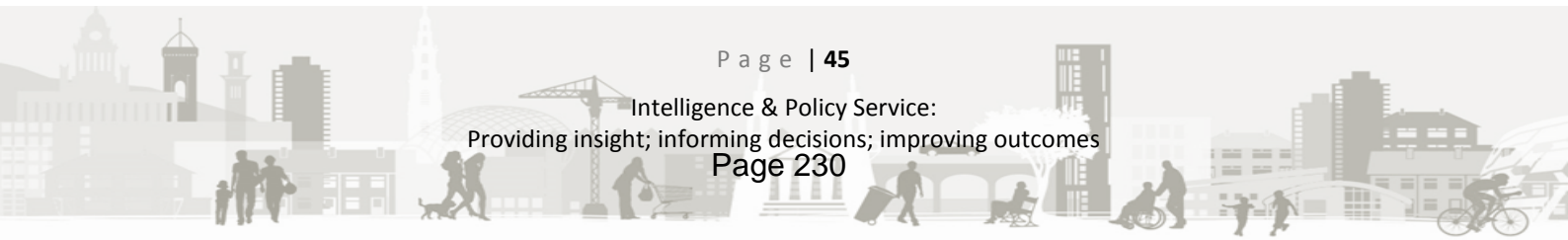
help ensure a consistent approach to managing information risk whilst also ensuring that any aspects specific to each area are managed.

3. The most recent version of the mandatory corporate Information Governance training for all council employees continues; at the time of writing, this is due to be completed in June 2018. A project is now underway to redesign the Information Governance (IG) Level 2 classroom-based training in line with GDPR. This higher level of training is mandatory for all staff in the council's Adults & Health and Children and Families directorates who access the Leeds Care Record[6] and is also available to all employees who access special categories of personal data. Level 2 training will be rolled out from September 2018.

Further information

- Additional information can be found on the [Information Commissioner's Officer (ICO)](#) website. The ICO is the UK's independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals.

- The council's Information Governance Policy can be accessed [here](#).

- Council staff and elected members can also find a range of information and guidance through the Managing Information Toolkit on Insite, our Intranet site, [here](#).

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[6] The Leeds Care Record is a joined-up digital care record which enables clinical and care staff to view real-time health and care information across care providers and between different systems. It is a secure computer system that brings together certain important information about patients who have used services provided by their GP, at a local hospital, community healthcare, social services or mental health teams.
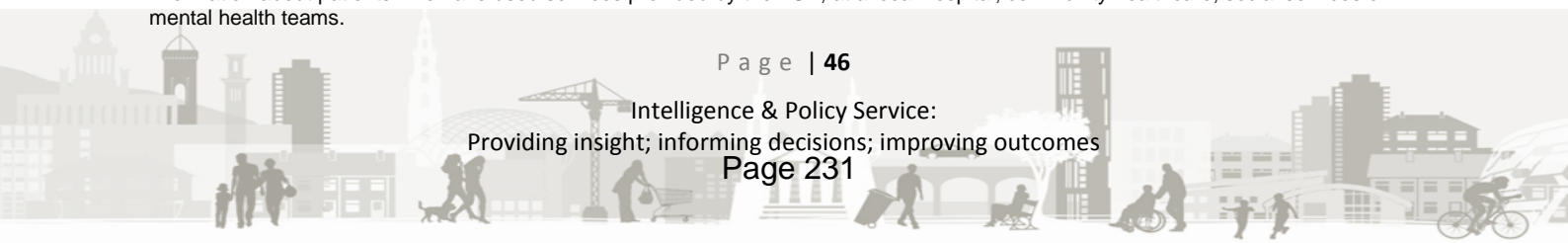
School Places Corporate Risk Assurance

Overview

Ensuring that the supply of school places meets demand is a statutory duty of local authorities. This duty also includes the promotion of parental choice, diversity and fair access. In terms of meeting demand, local authorities are subject to constraints under the Education Act 2011. The Act requires that, where a need for a new school is identified, the local authority invites proposals to establish an academy or free school, with the decision over whether to go ahead ultimately taken by the Department for Education (DfE).

For schools that are already open - local authority maintained, voluntary aided or academies - they can be expanded through a prescribed process of consultation. However, local authorities cannot require academies or free schools to expand. The inherent tension between the statutory requirement for a local authority to provide school places, and the diminishing influence of the local authority in the building/expansion of schools means that there is a greater risk of not meeting the duty to provide sufficient school places in good quality provision that meet the needs of local communities.

Leeds has experienced a rising birth rate since the turn of the century, with approximately a third more births per year recorded now than in 2000. The increasing child population has progressed through the primary phase and is now increasing pressure on the secondary phase. Additionally, the demographic make-up of the city has changed due to migration, meaning that houses (and, therefore, schools) are required in different parts of the city. The Core Strategy makes land available for 56,000 new houses in Leeds by 2030, which will further increase the pressure on school places.

Corporate risk: school places			
Risk description	**Failure to provide sufficient school places in good quality buildings that meet the needs of local communities**		
Accountability (Risk owners)	*Officer*	Director of Children and Families	
	Member	Councillor Pryor, Executive Member for Learning, Skills and Employment	
Evaluation		*Probability*	*Impact*	*Overall rating*
	Current	3 (possible)	5 (highly significant)	Very high (red)
	Target	2 (unlikely)	5 (highly significant)	High (amber)

What are the risks?

The risk is that the council is not able to secure sufficient school places for every child in the city that wants one, and so is in breach of its statutory duty. The factors that could cause this risk to materialise are:

- Inaccurate pupil projection calculations, underestimating the need for school places in different parts of the city.

- Proposals to create additional schools places not being approved. If proposed expansions to existing schools, changes to the age ranges of existing schools, or proposals to hold a competition to create a new school are not acceptable to local communities or to elected members, this could result in
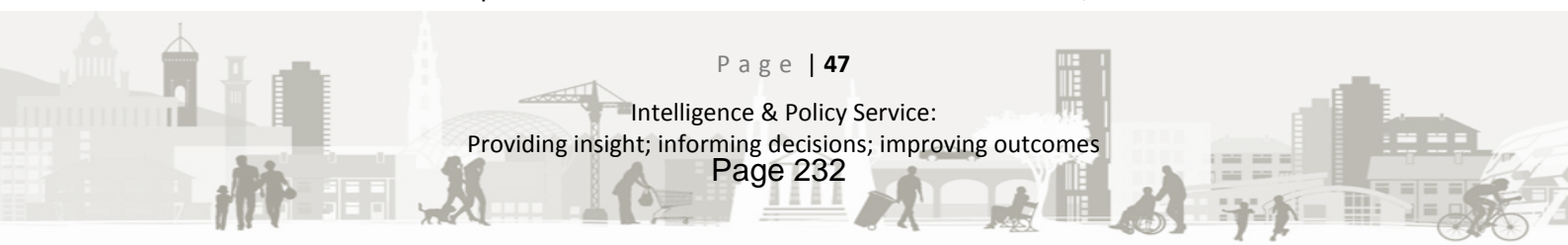
Executive Board declining proposals.

- A lack of physical options for expanding existing schools or identifying potential sites for new schools in areas of need.

- A lack of capital funding to be able to implement proposals for creating additional places. Basic need proposals have been funded through the basic need capital programme funding[1] from central government, in acknowledgement of the particular school place pressure in Leeds. However, schemes generally cost more than the funding provided by government, creating a financial pressure. Any capital budget deficit will affect not only our ability to meet the need for school places, but also on delivering other capital projects, such as the maintenance of the school estate.

- A conflict with developing national policy on changes to school governance. As increasing numbers of schools convert to become academies, or become sponsored academies, the maintained school estate is reduced, and correspondingly the council's scope for adapting this estate to population pressures is reduced. This does not prevent the local authority working with academies to commission school places, as local authorities still have overall responsibility for ensuring that there are sufficient spaces to meet demand locally, but the decision-maker over requests to expand pupil numbers at an academy is the Secretary of State, rather than the local authority.

- New housing developments adding additional pressure to both the primary and secondary phases. Where there is no existing capacity, housing developers are asked to contribute through section 106 agreements[2].

The consequences of the risk materialising would be:

- The council would be in breach of its statutory responsibility to secure sufficient school places.

- The council does not deliver cost effective solutions, which would bring close scrutiny on the council's ability to effectively manage its basic need capital budget through the publication of the national scorecards and, potentially, DfE intervention.

- Short-term solutions, such as temporary classrooms may be required. This could lead to poor quality teaching environments for some pupils, which could negatively affect educational outcomes, particularly for those pupils who are already at risk of poor outcomes. The additional costs also add to the pressure on the capital budget.

- Children may be expected to attend a non-local school where capacity exists. It is preferable to avoid this outcome since it means more of our youngest children travelling greater distances, impacting on attendance and attainment.

- The adverse impact on other potential capital spend priorities, such as children's centre maintenance and residential children's home improvements.

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[1] Basic need funding is the money given by government to local authorities each year to help them fulfil their duty to make sure there are enough school places for children in their local area.

[2] Planning obligations, also known as Section 106 agreements (based on that section of The 1990 Town & Country Planning Act) are private agreements made between local authorities and developers and can be attached to a planning permission to make acceptable development which would otherwise be unacceptable in planning.
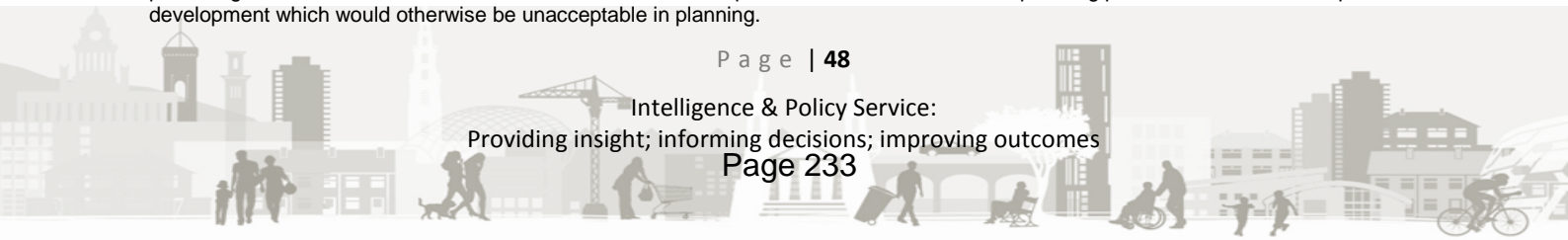
Risk management

How the council is managing the risks

The basic need programme represents the local authority's response to the demographic pressures in primary school provision. Since 2009, the local authority has created over 1,700 reception class places as part of the programme. This equates to an overall increase in school capacity of nearly 12,500 places. Projections suggest that approximately 1,500 year seven places will need to be created by 2023, based on the number of places available for the academic year 2017/18, to manage the increasing demand for secondary school places. Accurate and detailed data modelling processes help project need and provide forecasting of the Leeds school place requirement (pupil projections) to ensure that the maximum amount of funding is secured from central government. Increased stakeholder involvement in developing options and proposals helps to ensure that sufficient places can be provided in the right parts of the city.

Closer working across the local authority has raised the profile of this issue. A focused discussion at the council's Corporate Leadership Team (the council's senior management team, comprising its directors and Chief Executive) about the impact of demographic change on all council services led to a corporate working group being set up, of which basic need is a high profile strand. This closer working is reflected in the relationships built with housing agencies and the immigration service, to ensure a full picture of existing and projected provision is available.

Robust financial planning and continual budget forecasting supports continual cash flow monitoring, and realignment of contingencies balances as projects/programmes complete.

An additional 285 reception class places will be in place for the September 2018 cohort. A mixture of permanent expansions of existing schools, a new free school, and bulge classes ahead of permanent expansions will be delivered to meet need. 120, 220, and 30 additional reception classes places are planned for 2019, 2020, and 2021 respectively, as the need for additional primary school places diminishes with the stabilising of the birth rate.

380 additional secondary school places have been made available for the September 2018 cohort, predominantly through schools taking a number of students over the published admission number. The delivery of an additional 1,500 year 7 places by 2023 will be delivered through a combination of new schools, expansions of existing schools, and changes to post-16 provision. Some solutions have already received approval, some are in, or are about to commence public consultation, and other solutions will be developed in the near future through consultation with key community stakeholders, to meet the demand for additional secondary school places.

What more do we need to do?

As the birth rate stabilises around the 10,000 mark per year, the need for additional primary school places is starting to level out, with fewer permanent or temporary solutions required within the near future. The larger challenge is in secondary provision, particularly where a new school in a locality is required. The equivalent of five new secondary schools across the city are required by 2023 and so the council is working close with key community stakeholders to identify solutions to meet demand.
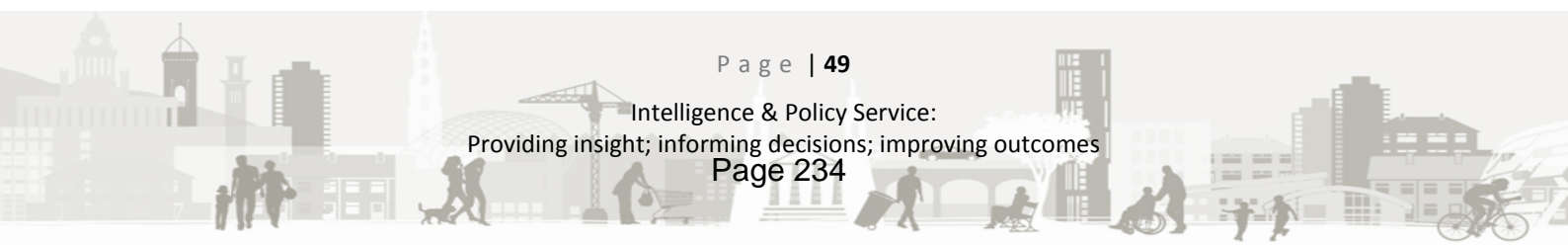
Large housing developments as part of the site allocations plan will inevitably change the need for school places over the next 15 years, adding to the demand and pressure in some parts of the city. Staff in the council's Children and Families directorate will work closely with other directorates both at the planning stage and during implementation to identify when and where additional provision is required due to increased housing. This will be the predominant source of additional demand for primary school places over the next four years.

Given the challenges above, particularly in relation to secondary school provision, delivering the required provision in a timely and cost-effective manner requires a whole council response and a continued focus.

Further information

All reports that seek permission to consult about the creation of new school places, reports on the subsequent outcomes of those consultations, and design and cost reports basic need projects are publicly available as Executive Board reports, available here.

The DfE produce statistical first releases on national pupil projections for all local authorities in England. The most recent release is here.

The Education and Skills Funding Agency provides data on the progress local authorities are making in delivering good quality school places. The most recent release is here.

Annexe 1: Leeds City Council's Risk Evaluation Matrices

The tables below give guidance on assessing risks on a scale of 1 to 5 in terms of their probability and impact, based on the current controls in place. Together, the two scores combine to give a risk rating. Additional notes to help make an assessment and the risk map used to determine the rating are on the next page.

Qualitative and quantitative descriptions are included to help evaluate a broad range of risks and give a level of consistency across the council's risk registers.   However, you may have additional criteria you want to consider when carrying out your risk assessment or it may be that you need to adjust the thresholds up or down in an impact area such as finance / cost so please treat the tables below as a starting point. Also please bear in mind that risks will change (e.g. new information becomes available; the environment changes) so you will need to review your risk assessments frequently and adjust them as necessary.

Probability

Probability score	1	2	3	4	5
Descriptor	**Rare**	**Unlikely**	**Possible**	**Probable**	**Almost certain**
Frequency *How often might it / does it happen*	This will probably never happen / recur	Not expected to happen / recur	Might happen or recur occasionally	Will probably happen / recur but it is not a persisting issue	Will undoubtedly happen / recur, possibly frequently
Likelihood *Will it happen or not over the risk timescale*	Less than 5% chance	Around 10% chance	Around 25% chance	Around 60% chance	Around 90% chance

Impact

Impact score	1	2	3	4	5
Descriptor	**Insignificant**	**Minor**	**Moderate**	**Major**	**Highly significant**
Health & Safety *Impact on the safety and wellbeing of the public and staff*	No ill effects.	Short-lived / minor injury or illness that may require First Aid or medication. Small number of work days lost.	Moderate injury / ill-effects requiring hospitalisation. Risk of prosecution from enforcement agencies.	Single fatality and/or long-term illness or multiple serious injuries.	Multiple fatalities and / or multiple incidences of permanent disability or ill-health.
Environment / community	No effect on local infrastructure, communities or the environment.	Superficial damage to local infrastructure (e.g. minor road) but little disruption caused.	Medium damage to local infrastructure (e.g. minor road) causing some disruption.	Key elements of local infrastructure (e.g. school, major road) damaged causing major disruption.	Extensive damage to critical elements of local infrastructure (e.g. school, hospital, trunk road) causing prolonged disruption.

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Corporate Risk Management Annual Report 2018

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Impact score	1	2	3	4	5
Descriptor	**Insignificant**	**Minor**	**Moderate**	**Major**	**Highly significant**
Service interruption[1]	Negligible. No impact on services.	Minor inconvenience for service users and staff. Services quickly restored.	Some client dissatisfaction but services restored before any major impacts.	Major disruption to service delivery. This could be through a single event or a series of outages.	Massive disruption to services. Recovery difficult or even impossible.
Staff	No impact on staff or service delivery.	Short-term low staffing level that temporarily reduces service quality. No impact on staff morale.	Medium-term low staffing level / insufficient experienced staff to deliver quality service. Some minor staff dissatisfaction.	Late delivery of key objective / service due to lack of experienced staff. Low staff morale.	Non-delivery of key objective / service due to lack of experienced staff. Very low staff morale.
Finance / cost [2] *Impact on relevant budget (e.g. service, project). Includes risk of claims/ fines.*	No or minimal financial cost. Budget risk register: £0 - £499k	Losses / costs incurred of 1-2% of budget. Budget risk register: £500 - £999k	Losses / costs incurred of 3-5% of budget. Budget risk register: £1000k - £1,499k	Losses / costs incurred of 6-10% of budget. Budget risk register: £1500k - £1999k	Losses / costs incurred of more than 10% of budget. Not covered by insurance. Budget risk register: Over £2m
Statutory duties / inspections	No or minimal impact or breach of guidance / statutory duty.	Minor breach of statutory legislation / regulation. Reduced performance rating if unresolved.	Single breach in statutory duty. Challenging external recommendations / improvement notice.	Several breaches in statutory duty. Enforcement action and improvement notices. Critical report. Low performance rating.	Multiple breaches in statutory duty. Prosecution. Complete systems / service change required. Severely critical report. Zero performance rating.
Projects / Programmes *(Time / Cost / Quality – for Cost impacts see 'Finance / cost' above)*	Little or no schedule slippage. No threat to anticipated benefits & outcomes.	Minor delays but can be brought back on schedule within this project stage. No threat to anticipated benefits & outcomes.	Slippage causes delay to delivery of key project milestone but no threat to anticipated benefits / outcomes.	Slippage causes significant delay to delivery of key project milestone(s). Major threat to achievement of benefits / outcomes.	Significant issues threaten entire project. Could lead to project being cancelled or put on hold.

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[1] No timescales for interruptions have been given as the impact will vary from service to service and across the year. For example, a service interruption or outage of 1 day might be inconvenient for some services but critical for others. Equally, an outage of 1 day during the Christmas holidays might have no impact on many services but if this came at a particularly important time of the business cycle, it could cause significant issues. Services, particularly those deemed as 'critical' Council services, should consider their business impact analyses and business continuity plans when making this assessment.

[2] The budget risk register impact scores are defined by the Council's Financial Management service.

Intelligence & Policy Service:
Providing insight; informing decisions; improving outcomes

Impact score	1	2	3	4	5
Descriptor	Insignificant	Minor	Moderate	Major	Highly significant
Reputation *Adverse publicity*	No adverse publicity. Rumours.	Single adverse article in local media or specific professional journal that is not recirculated (e.g. through social media). Leeds City Council one of a number of agencies referred to.	A number of adverse articles in regional / social media mentioning Leeds City Council. Some recirculation via social media. Single request for senior officer / member to be interviewed on local TV or radio. Adverse reaction by Leeds residents in YEP / social media / online forums. Short-term reduction in public confidence.	Series of adverse front page / news headlines in regional or national media. Wider recirculation via social media. Sustained adverse reaction by Leeds residents in YEP / social media etc. Repeated requests for senior officer / member to be interviewed on local TV or radio. Long-term reduction in public confidence.	Sustained adverse publicity in regional media and / or national media coverage. Extensive / prolonged recirculation via social media channels. Repeated requests for Council Leader / Chief Executive to be interviewed on national TV or radio. Possible resignation of senior officers and / or elected members. Total loss of public confidence, potential government intervention.

Additional notes

Probability

If you're not sure about the percentage chance of a risk happening over a given timescale and you don't have the data to assess its frequency, use the probability descriptors (i.e. 'Unlikely', 'Almost certain' etc.) to determine the most suitable score.

The risk timescale – i.e. the period of time during which the risk could materialise - will vary according to the type of risk it is. For example:

- For a budget risk, it might be expected to materialise over this financial year or over the period of the Medium Term Financial Plan.
- For a project risk, it could be either over the whole of the project lifecycle or for a particular phase within the project.
- With regard to an event, the timescale will be from now until the date of the event.
- For a number of the more cross-cutting strategic risks such as those on the corporate risk register, it is likely that the risk could materialise at any time. In these instances, it would be useful to consider the frequency: e.g. has this ever happened in the past in Leeds and, if so, how often and how recently? Has anything changed to make the risk more likely to occur?
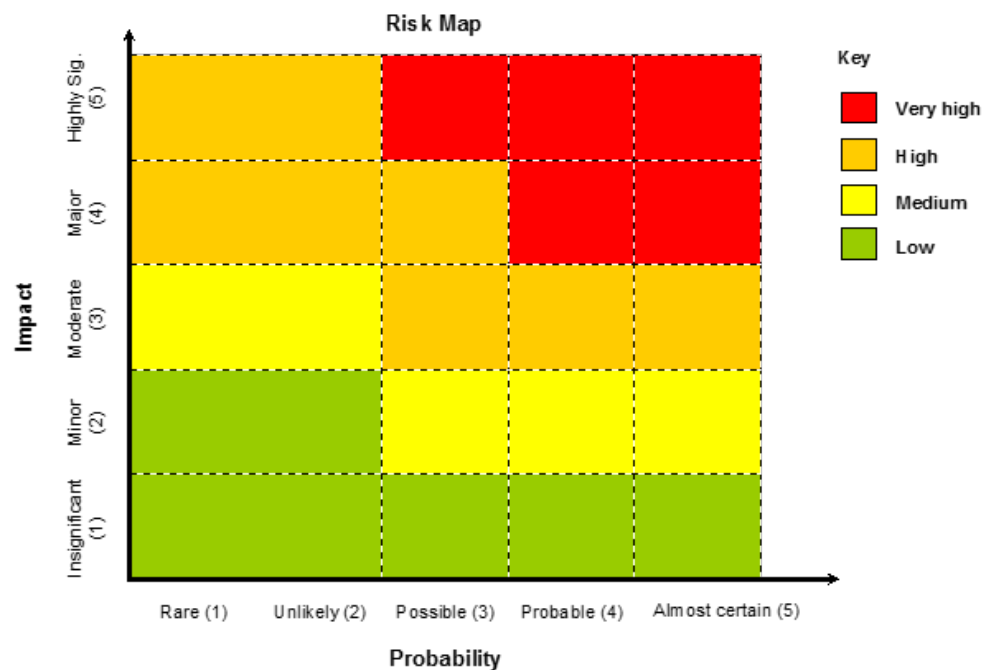
Impact

Many risks could have a range of consequences: for example, a Health & Safety breach could affect an individual as well as lead to reputational and financial damage for an organisation. It's therefore possible that you assess the risk as having an impact of '3' using the Health & Safety impact, '2' for Finance and '4' for reputation.

Although you could break the risk down into several different risks covering all these areas and then score each of them to address the varying impact scores, often this can crowd a risk register and take the focus away from the actual risk 'event': i.e. the Health & Safety incident. Where possible, it's better to have 1 risk and use your best judgement to give an overall single impact assessment score. In the example above, this might be a '3' if you were to average the 3 impact scores or '4' if you decided to go with a worst-case scenario.

Risk Rating

When you've assigned probability and impact scores to each of your risks, you can plot them on a risk map to give you the overall risk rating.

Intelligence & Policy Service:
Providing insight; informing decisions; improving outcomes

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Agenda Item 11

Leeds
CITY COUNCIL

Report author: Angela Brogden
Tel: 0113 3788661

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date: 10ᵗʰ September 2018

Subject: Scrutiny Inquiry – Embracing Digital Technology Solutions - draft terms of reference

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

1.   Purpose of this report

1.1   Linked to the Council's Medium Term Financial Strategy 2019/20 – 2021/22, the Strategy and Resources Scrutiny Board was informed of work being progressed around seven key budget workstreams which, when successfully implemented, are anticipated to contribute significantly in the achievement of a balanced budget position in each of the years covered by the Strategy.

1.2   Linked to this, it was recognised that the Strategy and Resources Scrutiny Board could add particular value to the 'Digital' budget workstream focusing on the further use of technology to help reduce costs and improve customer experience.

1.3   The Board therefore agreed to hold a working group meeting on 1ˢᵗ August 2018 to discuss the potential scope for this inquiry, with the intention of bringing the draft terms of reference to its September meeting for consideration and formal agreement.

1.4   The draft terms of reference for the Scrutiny Board's inquiry are therefore attached for the Board's consideration and agreement.

2.   Recommendation

2.1.   Members are requested to consider and agree the terms of reference for its forthcoming inquiry 'Embracing Digital Technology Solutions'.

3.0   Background documents[1]

3.1   None

SCRUTINY BOARD (STRATEGY AND RESOURCES)

EMBRACING DIGITAL TECHNOLOGY SOLUTIONS

TERMS OF REFERENCE

1.0   Introduction

1.1   The environment in which local government operates continues to be one which presents significant financial challenges to all local authorities, including some areas of significant uncertainty.

1.2   The scale of the funding gap between 2019/20 and 2021/22 is reflected in the Council's Medium-Term Financial Strategy and projected to be in the order of £13.8m, £52.0m and £31.0m respectively in each financial year. For the period covered by the Financial Strategy there is an estimated overall budget gap of £96.8m.

1.3   It is therefore more important than ever that the Council continues with its programme of becoming a more efficient and enterprising organisation and be driven by the ambitions and priorities set out in the Best Council Plan 2018-2021 that was approved by Council in February 2018.

1.4   However, work is also being progressed around seven key budget workstreams which, when successfully implemented, are anticipated to contribute significantly in the achievement of a balanced budget position in each of the years covered by the Council's Medium Term Financial Strategy.

1.5   Linked to this, particular reference was made to the 'Digital' budget workstream focusing on the further use of technology to help reduce costs and improve customer experience.

1.6   Whilst acknowledging that the former City Development Scrutiny Board had previously undertaken an inquiry during 2015/16 on powering up the Leeds economy through digital inclusion, it was recognised that the Strategy and Resources Scrutiny Board could add further value in reviewing the cultural readiness of the Council in terms of embracing digital technology solutions towards becoming a more efficient and enterprising organisation.

2.0   Scope of the inquiry

2.1   The purpose of the Inquiry is to make an assessment of and, where appropriate, make recommendations on the following areas:

➢   Existing digital leadership skills within directorates to drive service improvements including the process/people changes which make effective use of existing digital technologies;

- The extent to which existing research and good practise digital approaches within other local authorities or private companies is gathered and disseminated;
- The extent to which Service User Design methodologies are being promoted and utilised across directorates to deliver customer centric services;
- The extent to which service areas across directorates are being encouraged and supported to re-use existing technology rather than procure bespoke solutions.

3.0 Desired Outcomes and Measures of Success

3.1 It is important to consider how the Scrutiny Board will deem if their inquiry has been successful in making a difference to local people. Some measures of success may be obvious and others may become apparent as the inquiry progresses and discussions take place.

3.2 The key outcomes sought from the inquiry are:

- That all leaders, managers and staff are being educated to understand 'Digital' and the opportunities it can bring;
- That more service areas across directorates are proactive in making the most of emerging digital automation, on-line service delivery and mobile working solutions.

4.0 Comments of the relevant Director and Executive Member

4.1 In line with Scrutiny Board Procedure Rule 12.1 where a Scrutiny Board undertakes an Inquiry the Scrutiny Board shall consult with any relevant Director and Executive Member on the terms of reference.

5.0 Timetable for the inquiry

5.1 The Inquiry will take place over two sessions involving working group meetings to provide flexibility for the Board to gather and consider evidence.

5.2 It is anticipated that the Scrutiny Board's report will be produced by February 2019.

6.0 Submission of evidence

6.1 **Session one – Working Group Meeting – October 2018**

To consider evidence in relation to the following:

- Existing digital leadership skills within directorates to drive service improvements including the process/people changes which make effective use of existing digital technologies;

➢ The extent to which existing research and good practise digital approaches within other local authorities or private companies is gathered and disseminated.

6.2 <u>**Session two – Working Group Meeting – December 2018**</u>

To consider evidence in relation to the following:

➢ The extent to which Service User Design methodologies are being promoted and utilised across directorates to deliver customer centric services;
➢ The extent to which service areas across directorates are being encouraged and supported to re-use existing technology rather than procure bespoke solutions.

6.3 <u>**Session three – Scrutiny Board Meeting – February 2019**</u>

To consider the Scrutiny Board's draft report for formal approval.

7.0 Witnesses

7.1 The following have been identified as possible contributors to the inquiry, however others may be identified during the course of the inquiry:

- Director of Resources and Housing
- Executive Member for Resources and Sustainability
- Chief Digital & Information Officer
- Chief Officer Customer Access and Welfare
- Deputy Chief Digital & Information Officer
- Head of Digital Efficiencies
- Digital Heads of Change
- Senior representation across all directorates

8.0 Equality and Diversity / Cohesion and Integration

8.1 The Equality Improvement Priorities have been developed to ensure our legal duties are met under the Equality Act 2010. The priorities will help the council to achieve it's 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.

8.2 Equality and diversity will be a consideration throughout the Scrutiny Inquiry and due regard will be given to equality through the use of evidence, written and verbal, outcomes from consultation and engagement activities.

8.3   The Scrutiny Board may engage and involve interested groups and individuals (both internal and external to the council) to inform recommendations.

8.4   Where an impact has been identified this will be reflected in the final inquiry report, post inquiry. Where a Scrutiny Board recommendation is agreed the individual, organisation or group responsible for implementation or delivery should give due regard to equality and diversity, conducting impact assessments where it is deemed appropriate.

9.0   Post inquiry report monitoring arrangements

9.1   Following the completion of the Scrutiny inquiry and the publication of the final inquiry report and recommendations, the implementation of the agreed recommendations will be monitored.

9.2   The final inquiry report will include information on the detailed arrangements for how the implementation of recommendations will be monitored.

Report author: Angela Brogden

Tel: 0113 378 8661

Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Strategy and Resources)

Date: 10th September 2018

Subject: Work Schedule

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	☐ Yes	☒ No	
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No	
Is the decision eligible for Call-In?	☐ Yes	☒ No	
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	☐ Yes	☒ 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. Linked to this, the Principal Scrutiny Adviser was requested to work with the Chair to incorporate the areas of work agreed by the Scrutiny Board into its work schedule for the forthcoming year.

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 25th July 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 At the time of agenda publication, there are no significant developments to report since the previous Scrutiny Board meeting.

3. Recommendations

3.1 Members are asked to consider the matters outlined in this report and 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[1]

4.1 None used

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[1] 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 (Strategy & Resources) Work Schedule for 2018/2019 Municipal Year

June	July	August
Meeting Agenda for 18th June 2018	**Meeting Agenda for 16th July 2018**	**No Scrutiny Board meeting scheduled.**
Scrutiny Board Terms of Reference and Sources of Work (DB) Performance Update (PM)	Financial Performance – 2017/18 Outturn (PM) Financial Health Monitoring 2018/19 (PM) Treasury Management – 2017/18 Outturn (PM)	
Working Group Meetings		
		Scrutiny Inquiry – Embracing Digital Technology Solutions - drafting terms of reference – 1st August 2018 at 10.30 am
Site Visits		

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 (Strategy & Resources) Work Schedule for 2018/2019 Municipal Year

September	October	November
Meeting Agenda for 10th September 2018	**No Scrutiny Board meeting scheduled**	**Meeting Agenda for 12th November 2018.**
Draft Gambling Act 2005 Statement of Licensing Policy (PDS) Civic Enterprise Leeds – performance update (PM) Medium Term Financial Strategy (PM) Annual Corporate Risk Management Report (PM) Scrutiny Inquiry – Embracing Digital Technology Solutions – Agreeing terms of reference (PSR)		Business Rates – position update (PSR) Commissioning Inquiry (RT) Effective Procurement – Update (PM) Devolution – Update (PSR)
Working Group Meetings		
The management and financial implications of council owned void properties (PSR) – *date tbc*	*Session 1 Inquiry Session – Embracing Digital Technology Solutions (PSR) – date tbc* Maximising the Apprenticeship Levy in terms of workforce development (PSR) - *date tbc*	Emergency Planning and the Council's position in light of recent national reviews (PSR) - *date tbc*
Site Visits		

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 (Strategy & Resources) Work Schedule for 2018/2019 Municipal Year

December	January	February
No Scrutiny Board meeting scheduled.	**Meeting Agenda for 14th January 2019**	**Meeting Agenda for 11th February 2019**
	Performance report (PM)	Electoral, Registrars and Licensing – Update (PM)
	Financial Health Monitoring (PSR)	HR - Employee Engagement Survey (PDS)
	2019/20 Initial Budget Proposals (PDS)	HR – Health and Wellbeing Update (PM)
	Best Council Plan Refresh – Initial Proposals (PDS)	Leeds Culture Strategy/Leeds 2023 Developments – Update position (PSR)
		Embracing Digital Technology Solutions – Draft Inquiry Report (PSR)
Working Group Meetings		
Session 2 Inquiry Session – Embracing Digital Technology Solutions (PSR) – date tbc		
Site Visits		

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 (Strategy & Resources) 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.**
Working Group Meetings		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

EXECUTIVE BOARD

WEDNESDAY, 25TH JULY, 2018

PRESENT: Councillor J Blake in the Chair

Councillors D Coupar, S Golton, J Lewis,
R Lewis, L Mulherin, J Pryor and M Rafique

SUBSTITUTE MEMBER: Councillor A Lamb

APOLOGIES: Councillors A Carter and R Charlwood

32   Substitute Member
Under the provisions of Executive and Decision Making Procedure Rule 3.1.6,
Councillor A Lamb was invited to attend the meeting on behalf of Councillor A
Carter, who had submitted his apologies for absence from the meeting.

33   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 Appendix 2 to the report entitled, 'Redevelopment of the former
Kirkstall District Centre', referred to in Minute No. 46 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 financial or business affairs of
a particular person, and of the Council. This information is not publicly
available from the statutory registers of information kept in respect of
certain companies and charities. It is considered that since this
information is subject to one to one discussions with Artisan, it is not in
the public interest to disclose this information at this point in time. Also
it is considered that the release of such information would or would be
likely to prejudice the Council's commercial interests in relation to other
similar transactions, in that prospective purchasers of other similar
properties would have access to information about the nature and level
of consideration which may prove acceptable to the Council. It is
considered that whilst there may be a public interest in disclosure,
much of this information will be publicly available from the Land
Registry following completion of this transaction and consequently, the
public interest in maintaining the exemption outweighs the public
interest in disclosing this information at this point in time.

34 Declaration of Disclosable Pecuniary Interests
No declarations of disclosable pecuniary interests were made at the meeting.

35 Minutes
RESOLVED – That the minutes of the previous meeting held on 27th June 2018 be approved as a correct record.

ECONOMY AND CULTURE

36 European Structural and Investment Funds (ESIF) Programme 2014-2020 Update
The Director of City Development submitted a report which presented an update on the European Structural and Investment Funds (ESIF) Programme for Leeds City Region, detailing the progress which had been made by the Council in developing and implementing the approved projects, and which highlighted the success and achievements to date.

Responding to a Member's enquiry regarding the actions being taken to access alternative funding streams once the programme had concluded, the Board was provided with further information on this, with it being noted that Councillor Blake, in her position as Chair of Core Cities UK, had been invited to attend future meetings regarding such matters, which were organised via the Local Government Association.

RESOLVED –
(a)   That the update on the progress made to date by the Council in developing projects funded by the ESIF Programme, as detailed within the submitted report, be noted;

(b)   That support be provided to the Leeds City Council applications in appraisal, in particular Phase 2 bids for Ad:Venture and Digital Enterprise, which are aligned to the delivery of the Inclusive Growth Strategy.

COMMUNITIES

37 Draft Safer Leeds Community Safety Strategy (2018-2021)
The Director of Communities and Environment submitted a report which presented the initial proposals for the Council's Safer Leeds Community Safety Strategy, in order to seek the Board's comment and agreement for the draft document to be released for the purposes of consultation.

In presenting the submitted report, the Executive Member for Communities welcomed Steve Cotter, newly appointed Chief Superintendent for Leeds, West Yorkshire Police, together with Paul Money, Chief Officer, Safer Leeds, to the meeting.

Acknowledging a Member's suggestion, officers undertook to include within the associated consultation exercise for the draft strategy, the issue of using vehicles for anti-social and criminal behaviour.

In response to a Member's comments, the Board received further information regarding the ongoing work being undertaken with local communities in respect of the managed area for prostitution, with assurance being provided that this was an area which was being continually monitored.

RESOLVED –

(a)   That the draft Safer Leeds Community Safety Strategy for 2018–21, as appended to the submitted report, be approved for the purposes of consultation with the relevant Scrutiny Board and other stakeholders;

(b)   That support be provided for the Community Safety Partnership in its further consultation on the Strategy, prior to its resubmission to Executive Board before the draft is submitted to Full Council for approval;

(c)   That the funding allocations from West Yorkshire Police and Crime Commissioner for 2018/19, as outlined within the submitted report, be noted;

(d)   That it be noted that the Chief Officer for Community Safety (Safer Leeds) will be responsible for the implementation of the Strategy through the Safer Leeds Executive, over the next three years.

(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)

38   A Strategic Approach to Migration in Leeds
Further to Minute No. 45, 17th July 2017, the Director of Communities and Environment submitted a report providing an overview and update of migration activities, together with the support to migrant communities being delivered in Leeds. The report also highlighted the related opportunities and challenges which were being addressed by the service.

Responding to a Member's enquiry, the Board was advised that the submitted report aimed to provide a succinct overview of the wide range of work being undertaken in this area, with Board Members being offered the opportunity to receive further briefing on such matters, if required.

Regarding a Member's comments on the issue of migrants' access to healthcare and the role of community pharmacists, the Board was advised that the Health and Wellbeing Board had established a Migrant Health Board (MHB) to consider such issues, and although it was highlighted that the MHB's initial priority was around regulation changes to the charging for health care services, the MHB would be considering other related issues in due course.

Responding to a Member's enquiry, the Board received an update regarding new asylum contracts for the Yorkshire and the Humber region, and the fact that to date, the Home Office had been unable to award such contracts. The Board noted that the Council had raised its concerns with the Home Office in respect of such matters, with a reassurance being provided by the Home Office that the issue would be addressed shortly.

In conclusion, Members highlighted the valuable work undertaken by Scrutiny with regard to migration, and emphasised the partnership approach which had been taken by the Executive, officers and Scrutiny.

RESOLVED –
(a)   That approval be given to the continuation of the strengthened arrangements, which were developed following the Scrutiny Board (Citizens and Communities) inquiry into migration, and which aims for a more strategic, co-ordinated and inclusive approach towards migration, with the Board also providing its endorsement of the current and future work that is planned;

(b)   That the responsibility of the Director of Communities and Environment and the Executive Member for Communities for leading this work through the Council's Stronger Communities Breakthrough Programme be noted, with it also being noted that the Chief Officer (Communities) is responsible for leading on the work of the Strategic Migration Board;

(c)   That a further update report regarding the progress made in respect of migration activities in Leeds be submitted to Executive Board in July 2019.

(During the consideration of this item, Cllr Blake vacated the Chair and left the meeting. In accordance with Executive and Decision Making Procedure Rule 3.1.5, in the absence of Councillor Blake, Councillor Coupar presided as Chair of the Board whilst Cllr Blake was absent from the meeting)

39   Update on the Delivery of the Leeds High Rise Strategy
Further to Minute No. 96, 19th October 2016, the Director of Resources and Housing submitted a report providing an update on the delivery of each of the High Rise Strategy priorities, and where available, outlined the impact that the actions have had on resident satisfaction and management issues. In addition, following the Board's consideration of a report entitled, 'Grenfell Tower Update' on 17th July 2017 (Minute No. 44 refers), the submitted report also provided information on the actions which had been taken in response to the Grenfell Tower fire.

Responding to a Member's enquiry, the Board received an update on the actions being taken to address any potential fire risk in respect of waste management and the use of refuse chutes within high rise blocks.

In addition, responding to a Member's comment, it was acknowledged that although resident wardens for older residents had been withdrawn, Support Officers were now in place to provide regular ongoing support to residents, with examples of such provisions being provided.

RESOLVED –

(a)   That the progress made in delivering the different areas of the High Rise Strategy, be noted;

(b)   That the Director of Resources and Housing be requested to continue to monitor the progress being made in delivering the High Rise Strategy and submit a further update report to the Board in 12 months' time;

(c)   That the Board's support for the proposal to continue the concierge service pilot during 2018/19, be confirmed;

(d)   That the Board's support for the proposal to continue 'Operation Leodis' during 2018/19, be confirmed.

RESOURCES AND SUSTAINABILITY

40   Additional Clean Air Measures
Further to Minute No. 15, 27th June 2018, the Director of Resources and Housing submitted a report which provided details of the citywide clean air strategy, separate to the clean air charging zone provisions. The report highlighted the proposed partnership between Highways England and the Council to deliver a centre of excellence for ultra-low emissions vans in the south of the city and provided information on the associated public engagement campaign.

A Member made reference to work place levy schemes and suggested an initiative involving the Council working in partnership with private firms to promote the use of electric vehicles as part of their respective company car schemes. In response, the Board noted the suggestions, highlighting that the Council was open to looking at new ways of encouraging greater use of electric vehicles.

In response to Members' comments, the Board considered the need to strike the correct balance between establishing short term goals in order to improve the city's air quality to achieve compliance in line with Government regulation, with a longer term vision to ensure that further improvements were made to air quality.

Emphasis was placed upon the role of scrutiny in this area and the value of the work which had been undertaken in respect of air quality. Also, as part of the discussion, the reasons and rationale for the proposed amendment to the CAZ boundary, as discussed at the previous meeting, were reiterated.

In conclusion, the Chair emphasised the importance of a continued cross-party approach when lobbying Government to provide the Local Authority with appropriate assistance in this area.

RESOLVED –

(a)   That the necessary authority be delegated to the Director of Resources and Housing, in order to:-

(i)   enter into the required legal agreement to support the partnership with Highways England; and

(ii)   approve the authority to procure for the low emissions vehicles, the business engagement partner and the associated electric charging infrastructure to support the regional ultra-low emissions vehicle centre.

(b)   That a campaign to focus on anti-idling outside schools, be endorsed;

(c)   That the Highways Service be requested to examine traffic restrictions on Heavy Goods Vehicles (HGVs), with particular focus on the areas that are now excluded from the CAZ (Clean Air Zone) in the modified boundary;

(d)   That support be provided for a publicity campaign which would provide advice on cleaner travel alternatives;

(e)   That the Government be requested to provide a targeted scrappage scheme which is aimed at the most polluting older vehicles.

(During the consideration of this item, Councillor Blake returned to the meeting and resumed her position as Chair of the Board, for the remainder of the meeting. At this point, Councillor Coupar left the meeting)

41   Annual Corporate Risk Management Report
The Director of Resources and Housing submitted a report presenting the annual update of the Council's most significant corporate risks and which detailed the arrangements in place, together with the further activity planned during 2018/19 to manage them.

RESOLVED – That the annual risk management report, as submitted, together with the assurances given on the Council's most significant corporate risks, be noted, in line with the authority's Risk Management Policy and the Board's overarching responsibility for their management.

42   Financial Health Monitoring 2018/19 - Quarter 1
The Chief Officer, Financial Services submitted a report which presented the Council's projected financial health position for 2018/19, as at the conclusion of the financial year's first quarter.

Responding to a Member's enquiry regarding the budget pressures in respect of Children Looked After (CLA), the Board received further details on the range of actions and resultant improvements that had been made by the

Council in this field, with it being highlighted how Leeds had bucked the national trend by reducing the number of CLA in the city in recent years.

Members noted that the planned efficiency in 2018/19 arising from the changes to Transport provision was still projected to be achieved from the 18/19 Children and Families directorate budget despite the current pause on SEND transport changes. Responding to a Member's enquiry regarding this, the Board was provided with further information and context on the rationale for introducing such measures for the longer term.

RESOLVED – That the projected financial position of the authority, as at Quarter 1 of 2018/19, be noted.

43   **Capital Programme 2018/19 - 2021/22 Quarter 1 Update**
The Chief Officer, Financial Services submitted a report providing an update on the Council's Capital Programme, as at Quarter 1 of the 2018/19 financial year, which included details of capital resources, progress on spend and a summary of the economic impact of the capital programme.

RESOLVED –
(a)   That the injection of £629.6k in relation to Capital Receipts to be utilised by Ward Councillors under the Capital Receipts Incentive Scheme (CRIS), as detailed within Appendix C of the submitted report, be approved;

(b)   That the latest position on the General Fund and Housing Revenue Account (HRA) capital programmes, as detailed within the submitted report, be noted;

(c)   That it be noted that the above resolution to inject funding of £629.6k, as detailed within the submitted report, will be implemented by the Chief Officer, Financial Services.

44   **Medium Term Financial Strategy 2019/20 to 2021/22**
The Chief Officer, Financial Services submitted a report which presented the Council's proposed Medium Term Financial Strategy (2019/20 – 2021/22) for the Board's consideration and approval.

Following a recent announcement by the Ministry of Housing, Communities and Local Government relating to the Local Government Finance Settlement for 2019/20, the Chief Officer, Financial Services provided the Board with details of the announcement. Specifically regarding the Business Rates Retention pilot for 2019/20, the Board noted that Government had confirmed that invitations for the pilot in 2019/20 would be sought, and that the Leeds City Region would not automatically be accepted onto the scheme and would need to submit a bid. It was also noted that the 2019/20 initiative would be for the retention of 75% of Business Rates and not 100%, as in previous years.

Responding to a Member's enquiry, the Board received further information regarding the projections within the report regarding the level of resource

allocation to the Minimum Revenue Provision (MRP), with details being provided on the approach which had been agreed by the Council on the MRP policy in the 4 year period leading up to 2020/21.

In response to an enquiry, the Board received further information on the provision in the Medium Term Financial Strategy for pay awards and the Leeds Living Wage. In addition, responding to the recent Government announcement regarding an increase in public sector pay, although it was noted that Local Government salaries were separate to Government negotiations, should there be any implications for the Council arising from the recent announcement, then the Board would be kept informed, as appropriate.

RESOLVED –
(a)   That the 2019/20 – 2021/22 Medium-Term Financial Strategy for both General Fund services and the Housing Revenue Account, as detailed within the submitted report, be approved;

(b)   That it be noted that further proposals will be brought forward to address the current identified shortfall as part of the Council's budget process;

(c)   That it be noted that the Chief Officer, Financial Services will be responsible for the implementation of the above resolutions.

REGENERATION, TRANSPORT AND PLANNING

45   Update on Progress and Implementation of the Leeds Public Transport Investment Programme (LPTIP)
Further to Minute No. 17, 21st June 2017, the Director of City Development submitted a report providing an update on the significant scheme and package development of the Leeds Public Transport Investment Programme (LPTIP) during 2017/18 and the first quarter of 2018/19, and which also set out the next steps for delivering the programme.

The Board welcomed Mr Nigel Foster, Chair of the associated independent Expert Advisory Panel, who was in attendance at the meeting in order to provide detail on the composition of, and role played by the Panel. Mr Foster also introduced the key points of the Panel's report.

The Board noted the significant level of consultation which had been undertaken when developing the proposals, with the valuable role of the Expert Panel being highlighted.

In response to a Member's enquiry, the Board received further details regarding the aims of the proposed bus priority improvement schemes, with increased reliability and resilience to services being highlighted. In addition, with regard to comments made on the provision of bus services in more rural communities, the Board noted that work continued to be undertaken with bus operators and West Yorkshire Combined Authority (WYCA) on this issue.

With regard to HS2, Members received further information on the actions being taken to ensure that the HS2 station in Leeds would be integrated with the rest of the local and regional public transport network, with the development of the Integration Masterplan being highlighted.

Responding to a Member's enquiry, the Board received further details on the contractual arrangements in place between the Council, WYCA and the bus operator regarding the provision to share profits earned from park and ride facilities at Elland Road and Temple Green, with it being noted that Board Members could be provided with details of the relevant patronage levels required for such arrangements to be activated. Members were also advised that the bus operator bore the financial risk, should either of those two sites not break even. Finally, it was noted that in terms of the proposed Stourton site, such issues would be discussed with the relevant parties as part of any contractual negotiations.

In conclusion, it was highlighted to the Board that should the recommendations within the submitted report be agreed, then the Board would be giving its approval to submit the planning applications for the expansion of the Elland Road Park and Ride site and a new Park and Ride site at Stourton.

RESOLVED –
(a)   That the progress made since April 2016 on developing proposals and the public consultations, be noted;

(b)   That the report of the independent Expert Advisory Panel, as appended to the submitted report, be noted;

(c)   That the development work undertaken on the popular Park and Ride sites be noted; and that support be given on the continued roll out of the park and ride programme including:-

   (i)   Progress on the feasibility work at Alwoodley Gates in the North of the city;
   (ii)   Approval of the submission of a planning application for the expansion of the Elland Road Park & Ride site, and subject to the granting of planning permission and the funding approval of the West Yorkshire Combined Authority, approval be given to the expenditure of £5.12m from the LPTIP Capital Programme to carry out detail design and construction of the site;
   (iii) Approval to the submission of a planning application for a new park & ride site at Stourton, and subject to the granting of planning permission and the funding approval of the West Yorkshire Combined Authority, approval be given to the expenditure of £23.74m from the LPTIP Capital Programme to carry out detail design and construction of the Park and Ride site;

(d)   That the expenditure of £11.98m from the LPTIP Capital Programme to carry out detail design and construction of the Bus Priority measures and cycling improvements on the route from the Stourton site into the city centre along Wakefield Road / Low Road / Hunslet Road, be approved;

(e)   That the expenditure of £5.19m to be funded from the LPTIP Capital Programme for the detail design and construction of the following initial schemes, be approved:-

   (a)   A647 – Bradford to Leeds: Armley Road bus gate and bus stop relocation;

   (b)   A61(N) – Alwoodley to Leeds –
         i Harrogate Road outbound bus lane/gate at Alwoodley Lane
         ii Harrogate Road inbound bus lane to Outer Ring Road
         iii Harrogate Road inbound bus lane to Street Lane;

   (c)   A58 – Oakwood & Roundhay to Leeds
         i Easterly Road verge hardening for off-carriageway parking provision
         ii York Street bus only;

   (d)   A660 – Adel to Leeds - Holt Lane signalisation.

(f)   That it be noted that the Chief Officer for Highways and Transportation is responsible for the implementation of the resolutions as outlined within the submitted report.

(During the consideration of this item, Councillor Coupar returned to the meeting)

46   Redevelopment of the former Kirkstall District Centre
The Director of City Development submitted a report providing an update on the development schemes emerging for the former Kirkstall District Centre site and which also sought approval for the draft terms of disposal of the Council's land interests which form part of that site.

Responding to a concern raised by a Member in respect of the proposals, the Board received further information and context regarding the location, ownership and composition of the site, which had led to the recommended approach, as detailed within the submitted report.

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

RESOLVED –

(a)   That the positive progress achieved in securing a redevelopment scheme for land in the heart of Kirkstall, be noted;

(b)   That all Council owned land within the site, as detailed within the red line boundary shown in Appendix 1 to the submitted report, including that leased to Tesco, be declared as operationally surplus;

(c)   That the disposal of the Council's freehold interest in land forming the site to Artisan Real Estate UK Limited on the draft terms, as set out in exempt appendix 2 to the submitted report, be approved;

(d)   That the necessary authority be delegated to the Director of City Development to enable the Director, with the concurrence of the Executive Member for 'Regeneration, Transport and Planning', to approve the final disposal boundary and terms.

(Under the provisions of Council Procedure Rule 16.5, Councillor Golton required it to be recorded that he abstained from voting on the decisions referred to within this minute)

CHILDREN AND FAMILIES

47   Leeds Children's Services Innovation Programme and Partners in Practice: Update Summer 2018
The Director of Children and Families submitted a report providing a summary of the progress made in respect of the Children and Families directorate's Innovation Programme. In addition, the report provided an update on Leeds' support for sector led improvement as a 'Partner in Practice'.

In presenting the report, the Executive Member for Children and Families provided examples of key areas where innovative work continued to be developed and undertaken.

Responding to a Member's enquiry, the Board received further information on the work that continued to be undertaken by Children and Families in its role in developing sector led improvement, but also on the continued work to support the children and young people of Leeds, with tangible outcomes from that work being provided to the Board. It was highlighted that the Council's service provision in this field had been the subject of external evaluation, and was scheduled to be in the future, with it being noted that when the results of such evaluation were known, they would be submitted to the Board for consideration.

In response to a Member's enquiry regarding Leeds' capacity at a senior management level to deliver its own services when also providing support to Kirklees, the Board received assurances that the Authority continued to have sufficient capacity in this area, with it being highlighted that since the Council's involvement with Kirklees, the Council had received a positive outcome from an unannounced Ofsted inspection into service provision for children in care.

It was also noted that agreement had now been reached with the Department for Education (DfE) for Kirklees Council to recruit its own Director of Children's Services, with it being highlighted that such recruitment was underway.

RESOLVED –That the progress made in Leeds' Children's Services Innovation and Sector Led Improvement work, as detailed within the submitted report, be noted.

LEARNING, SKILLS AND EMPLOYMENT

48   **Equality Improvement Priorities Progress Report 2017 - 2018 and Equality Improvement Priorities 2018- 2022**
The Director of Communities and Environment submitted a report presenting for the Board's consideration and approval the Council's Equality Improvement Priorities Annual Report for 2017 – 2018, together with the Council's revised Equality Improvement Priorities for the period: 2018 – 2022.

Members welcomed the comprehensive report which had been submitted.

RESOLVED –
(a)   That the Equality Improvement Priorities Annual Report 2017 – 2018, as appended to the submitted report, be approved;

(b)   That the revised Equality Improvement Priorities 2018 – 2022, as appended to the submitted report, be approved.

DATE OF PUBLICATION: FRIDAY, 27TH JULY 2018

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:**   5.00 P.M., FRIDAY 3RD AUGUST 2018

Draft minutes to be approved at the meeting
to be held on Wednesday, 19th September, 2018