

**DRAFT**

**Review Consultation  
Processes**

**Scrutiny Inquiry Report**

# Introduction and Scope



## Introduction

We agreed in considering our work programme to undertake an inquiry to review the consultation processes in the City Development Department to ensure that they were fit for purpose.

We received terms of reference for this inquiry at our Board meeting on the 20<sup>th</sup> November 2007.

At the same meeting we considered two requests for scrutiny from Councillor Jane Dowson and Councillor David Morton concerning the lack of consultation in respect to the former school sites at Miles Hill and Royal Park respectively.

We also recognised that the City Development Department each year undertakes hundreds of statutory and voluntary consultations on a wide range of topics.

We acknowledged that in order for us to undertake effective scrutiny we needed to determine and restrict our investigation.

We decided to amend our terms of reference and widen our inquiry beyond the City Development department by looking at two specific case studies:-

### ◇ Case Study 1

To review the consultation processes applied by Education Leeds, the City Development department and relevant service departments when school

buildings and land are declared surplus to requirements using Miles Hill and Royal Park as case studies.

### ◇ Case Study 2

To review the consultation processes applied by the City Development department on the development of the Aire Valley Leeds Area Action Plan.

We established a Working Group comprising of Councillors Pryke, Ewens, Driver, Selby and R Procter to look specifically at the consultation processes involving the former Miles Hill and Royal Park Schools.

The choice of this topic accords with priorities in the Council's Vision for Leeds namely to have an effective communications system connecting people, goods and ideas under the theme Enterprise and the Economy.

We are very grateful to everyone who gave their time to participate in this inquiry and for their commitment in helping us to understand and review these specific areas of consultation.

## Scope of the inquiry

We agreed to focus our inquiry on making an assessment of and, where appropriate, recommendations on the effectiveness of specific consultation processes and determine if they were fit for purpose.

We agreed that the case studies should focus on the following areas:

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- Had the reason for the consultation been explained adequately to the client and or service user?
- Had the process of consultation been applied fairly and effectively?
- Had the consultation followed either national or local processes?
- Had the consultation resulted in the City Development Department, Education Leeds or sponsoring department incorporating a change to a policy, procedure or process?
- Had the timescale allowed for consultation been sufficient?
- Had adequate resources been made available to ensure progress following consultation?
- Had the consultation not only been effective but proportionate?

Our inquiry commenced in December 2007 with Case Study 1 and evidence submitted by, and meetings held with representatives from Education Leeds and the City Development, and the Environment and Neighbourhoods Departments.

In Case Study 2 we wanted to hear from companies that the City Development department had consulted with in developing the Aire Valley Leeds Area Action Plan. We received evidence from and meetings with the City Development department and the Managing Director of Keyland

Developments Ltd and Chair of the Investors Forum, and the Planning and Development Co-ordinator Caddick Developments Ltd and the Chair of the Marketing Group.

After the Board meeting in February 2008 we received further written evidence from the Managing Director of Keylands Development Ltd which was circulated to Board Members. This was extremely helpful to us.

# Conclusions and Recommendations



## Case Study 1 Consultation Former Schools at Miles Hill and Royal Park

- We received a report from the Director of City Development setting out an overview of the process for the disposal of surplus school buildings by the Council, including considerations for retention of alternative uses.
- We were advised by Education Leeds of the statutory school closure proposal process and their view that only once a school building was declared surplus to requirements, could discussions commence on alternative uses.
- The City Development department suggested to us that this was too late in the process and that there was a need to determine the service requirements of an area at a strategic level much earlier in the process.
- We accepted all the practical reasons put forward by Education Leeds for not announcing publicly the possible closure of a particular school before it was declared surplus to requirements. However, we took the view that Education Leeds had a responsibility to spend more time with the City Development and Environment and Neighbourhoods departments earlier in the process by developing and communicating a strategy that offered practical and realistic solutions with regard to school sites that are likely to be declared surplus to requirements.
- We were of the opinion that identification and communication earlier in the process by Education Leeds of schools which may become redundant would be beneficial. This would not only benefit the Council but also its partners and voluntary organisations who would be able to undertake a more strategic approach in meeting their future service requirements and where appropriate put the necessary funding in place.
- This longer term strategic approach which is used for non school buildings and land would provide a more comprehensive overview of likely available properties in an area and give more time to consider the 'pros and cons' of utilising a former school building in a community set against existing provision.
- We took the view from the evidence presented that the lack of a strategy severely restricted other Council departments, partner organisations and voluntary groups from developing their own long term strategies about their accommodation and service requirements. The present process allows a very short timescale for an organisation to develop a proposal and put forward properly costed and budgeted viable alternative uses in respect to former school buildings.
- We also felt that the pressure to save both former school buildings became an overriding factor, with the suitability and location of existing community facilities within

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each area featuring less than perhaps they should have done in determining whether to save a particular building or not. Whilst it was recognised that deprivation in a community is an important factor in providing community facilities it was acknowledged that the facilities that tend to succeed are those located on main radial routes where the footfall is high. Those community facilities which are in the centre of communities away from main radial routes serve only small groups within a community and often fail as a result.

- We noted that communication starts much earlier in the process for non school sites.

## Recommendation 1:

**(i) That Education Leeds be asked to communicate with relevant service departments and identify much earlier in the process schools which may be declared surplus to requirements in order to improve long term strategic planning.**

**(ii) That Education Leeds, the City Development department and service departments (mainly Environment and Neighbourhoods) consider how this could be achieved in the new municipal year whilst recognising the sensitivity of the issues involved.**

- We acknowledged from Members who had requested scrutiny of this issue their general dissatisfaction concerning the consultation process

for the disposal of former school buildings and land, the timescales involved in moving proposals forward and their desire to retain such buildings for community use.

- As a consequence we requested and received a chronology of consultation, meetings and information in respect of the former schools at Miles Hill and Royal Park.
- Although completely different cases we identified a number of common issues running through both processes.

◇ The first was difficulty in defining consultation and community and who ought to be consulted. These were interpreted differently by almost everyone we spoke to.

◇ The second issue was that whilst there was no specific requirement to consult, all departments recognised that this was good practice. It was clear from the chronology we reviewed, that there had been substantial investment by Council departments in time and effort consulting with a wide range of householders, community and voluntary groups, other Council departments, partners and businesses on the viability of using the former school sites for various purposes. What was not clear was whether consultation was effective in identifying those groups, or individuals who had the vision, business acumen and planning ability and, especially in the case of

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community groups, the finances to undertake not only major capital building works but also meet the revenue implications of such schemes.

◇ Thirdly we noted in the case of Royal Park in particular, but also with Miles Hill, that the community's aspirations had been raised beyond what was achievable once the cost of the schemes became clear. In the case of Royal Park, private sector funding was necessary in order to move the scheme forward to provide some community use. A final viable scheme was only agreed earlier this year after four years and the community tensions and fatigue at how long this had taken was acknowledged.

◇ Fourthly we identified a clear pattern of misinformation and conjecture within the communities about what was practical and possible in the case of both former schools.

- In addition we were reminded that due to funding pressures on the Council's Capital Programme and current over programming of £43.6m the Executive Board in August 2007 had agreed that:-

1. no new injections to the capital programme will be made without identifying new resources or taking an existing scheme out.
2. existing schemes will be managed within current budgets, making no further call on Leeds resources.
3. capital receipts from sites on the

existing disposal programme cannot be diverted to other projects and initiatives.

4. the disposal programme is kept under review with a view to seeking to identify any additional disposal sites that can be included.

### Recommendation 2:

#### To the extent that

**(i) surplus sites have already been approved for disposal by the Executive Board, the proposals in the Executive Board report of August 2007 should apply.**

**(ii) aspirations for community use of those surplus sites / buildings arise after the Executive Board decision, then officers of the relevant service departments should communicate clearly with the community and explain the criteria which will apply if a case is to be made for community use.**

- From the evidence presented to us we were of the view that communities were often receiving very mixed messages from officers and Members of the Council concerning the practicality and viability of retaining former school buildings for alternative community uses. In addition we were not convinced that there was sufficient clarity of the issues under consideration when consulting with communities.



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- We were concerned that this lack of clarity raised communities' expectations which the Council could then not meet. In the case of Royal Park, huge amounts of officers time and effort had been given, in addition to those in the community and partner organisations to produce a viable scheme over a period of four years that eventually incorporated some community use. This was despite other community facilities being available in the area. We felt that the Council had been drawn into this scheme much further than originally anticipated and which was extremely costly to the Council.
- We noted that many people within an organisation may express a view to Elected Members and officers that they would be interested in using a former school building but in reality managers at a strategic level know that the capital and revenue implications would be prohibitive and the proposal unrealistic.
- We thought it would be helpful if a statement of intent could be issued by the Council when going out for consultation in respect of former school buildings which sets down realistic rather than aspirational proposals that helps to manage community expectations within the Council's current funding position.
- Whilst we acknowledged that consultation processes had evolved and were more defined now than when proposals for Royal Park first arose over four years ago we were of the view that what was needed was for a basic set of principles to be developed for transparency and for understanding of the process by all concerned for developing possible alternative uses for former school buildings.
- At our March meeting we considered a report of the Head of Scrutiny and Member Development which outlined some consultation methods used by other local authorities concerning surplus school property.
- We considered that the approach used by Bristol Council was a good example. When land or buildings are going to be declared surplus, they are identifiable at least a year in advance through the Asset Management Plan. When finally a department has made a decision to release an asset, details of that asset are circulated corporately to see if any other department has a need for it. If a claim is not made for it, and there would have to be a case already identified in the department's Asset Management Plan, it is advertised on the open market

### Recommendation 3:

**That in view of the sensitive issues surrounding school buildings due to become surplus, the Chief Executive Education Leeds and the Directors of City Development and Environment and Neighbourhoods, develop a basic set of principles, that is supported by all Council Departments and Elected Members, and which are transparent and provide a consistent approach in determining the future of these Council assets.**

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- We noted that a number of members of the Board expressed their concern at the variations in approach to the disposal of former school buildings and the costs being incurred by the Council in keeping vacant schools secure and free from vandalism whilst protracted discussions took place on their future use. The general view of Members was that the timescales were often far too long from a school being declared surplus to requirements to either its sale or development and implementation of a scheme for its alternative use.
- We noted that because of the time the Royal Park scheme had taken to get off the ground that there had been changes to ward boundaries which had resulted in some tension between the six elected Members involved with this scheme.
- We acknowledged the great pressure placed on the Asset Management Group to obtain receipts quickly to fund the Council's capital programme.
- We considered therefore that there would be great merit in introducing some form of time restriction for bringing forward alternative uses for former school buildings particularly if recommendation 1 of our report is implemented.

### Recommendation 4:

**That the Directors of City Development and Environment and Neighbourhoods introduce a fixed time frame for bringing forward alternative uses for former school buildings and that it be incorporated into the basic set of principles.**

- Having been advised that the City Development department does not have the resources or the expertise to undertake consultation and that this was mainly undertaken by the Environment and Neighbourhoods department we thought that a review of the Council's approach to consultation and communication should be carried out. How much and at what level does the Council want to consult on the disposal of former school buildings and what resources does it require to achieve this?
- We thought this appropriate in view of the increased partnership working for Area Committees and the Local Area Agreement and the disbanding of the District Partnerships.
- We recognised that communication and consultation with communities needed to be of the highest professional standard which gave the facts and the reality of the situation. Consulting at the wrong level and then taking months to inform communities that their expectations could not be met resulted in bad publicity and unnecessary poor public relations for the Council.



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## Recommendation 5:

**That the Director of Environment and Neighbourhoods with other relevant service departments assess the level of consultation that can be applied in determining gaps in service provision in a community and how community groups might assist the Council in delivering the Council's objectives in that community.**

- Members and officers at all levels who meet community groups have a duty to explain the funding restrictions set down by the Executive Board in August 2007. They must encourage groups to be realistic about what might be achievable and what the strategic view is on a particular building in order that they put forward what may be possible and financially achievable and avoid raising communities' expectations too high.

## Recommendation 6:

**That the Head of Scrutiny and Member Development ensure that an appropriate annual seminar is held for Elected Members on the disposal of Council assets including former school buildings.**

**Case Study 2** Consultation on the development of the Aire Valley Leeds Area Action Plan

- We received a report from the Director of City Development which outlined the method and approach for consultation

on the Aire Valley Leeds Area Action Plan (AVLAAP).

- We were advised that the level of consultation undertaken for development of this plan exceeded guidance and minimum requirements for public consultation issued under the Planning and Compulsory Purchase Act 2004 for development of the Local Development Framework (LDF) for Leeds and the Statement of Community Involvement (SCI).
- In the past, we were reminded, consultation on plans followed a format whereby the City Council would initially prepare a draft for comment. Under the new planning system, the intention is for interested groups and organisations to be given the opportunity to influence the shape and form of plan documents as they are prepared right from the outset. This is known as "front loading".
- We noted that the Act sets out the need to consult on Issues and Options. The Council resolved to do this in two stages, firstly to identify Issues and then secondly to identify Alternative Options based on those identified Issues. This was then followed by identification of the Preferred Options. Consideration also had to be given to ensure that the objectives and options suggested in the AVLAAP could be identified & tested through the Sustainability Appraisal process.
- We learned that consultation on the Area Action Plan was carried out in the context that a regeneration programme had been in place in Aire Valley Leeds since 2000 and the City Council's Executive Board approved a Strategic

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Vision for the Aire Valley Leeds in April 2002. It identified broad objectives and development principles for the area and those included the opportunity for the area to become “the window” to Leeds, strengthening and delivering the City’s role as regional capital by diversifying its economic base and offering innovative opportunities for living, working and recreation, bringing maximum benefit to local people and the city as a whole. This meant that there was already a general awareness of Aire Valley Leeds and whilst continuing to raise awareness and invite comment the Council also had to avoid “consultation fatigue”.

- The report uses the Aire Valley Leeds Area Action Plan to provide an overview of the consultation processes that have been undertaken in developing this plan.
- We recognised that the Aire Valley is unique and that it has a range of complex issues that need to be addressed. It has few residential properties in the area covered by the plan. Clearly from the evidence presented to us wide ranging consultation had been undertaken to engage as many individuals, businesses and organisations in the Valley as possible.
- In respect to this case study we concentrated our investigations on the external witnesses who attended our Board meetings. In our discussions with the Managing Director of Keyland Developments Ltd in January 2008, we asked for his initial comments on the process as a whole. Whilst he was generally supportive, of the overall approach and methodology used by the City Council in developing a plan for this

area, in response to specific issues a number of areas for improvement were also identified.

- Central to these, was the extent to which issues raised at the commencement of the process were now being addressed. For example, the issue of odour was raised early on and Yorkshire Water and Keyland at that stage were unable to contribute to either the investigation of a solution or indeed the necessary works to remove the odour. At this time also, it was not possible for the City Council to resolve these complex issue alone (given the nature of land ownership and direct responsibility) and also until specific Preferred Options had been identified, it would have been premature to speculate on costs to seek their resolution. In the development of the Area Action Plan Preferred Options, a range of issues have been taken into account and details provided on the City Council’s consideration of consultation responses.
- Whilst these comments are useful in illustrating the dynamics and iterative nature of the consultation process, they should not be regarded as expressing a general dissatisfaction for the quality and extent of the consultation process as a whole. Also, in such circumstances it is likely that differences of opinion and interpretation may exist over time, this in turn however is within the wider positive dialogue of the ongoing regeneration of the (lower) Aire Valley. Consequently, it is crucial that engagement activity and ‘channels of communication’ are maintained, enhanced and where necessary – established, to keep the

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Development Plan process moving forward constructively at all times.

- Some Board Members were concerned at the soundness and value of consultation when some of the response rates were so low. They suggested that by setting a floor level for consultation response you would improve the outcomes and value of consultation. We recognised the difficulty in this approach and the fact that the quality of the response was probably more important than quantity. It was also accepted that you could not force people to respond if they did not want to and that many groups and individuals were suffering from consultation overload. It was, however, interesting to note that the more detailed the proposals when consultation occurred the better the response rates.
- Mr Peter Beaumont, the Managing Director of Keyland Developments Ltd, subsequently submitted some further comments in writing after the meeting which were circulated to all Members of the Board. These related to concerns he had about the overall remediation and environmental improvements and the uncertainty about the role and extent of public sector investment which had all been raised by different consultees.
- At our March meeting we heard from Mr Geoff Goodwill, Planning and Development Coordinator, Caddick Developments Ltd. He stated that the actual consultation processes undertaken by the City Development department for the AVLAAP were conducted in a very professional manner. It was well prepared, staffed and resourced. He raised similar

concerns to those of Mr Beaumont as to the extent to which issues raised at the commencement of the process were now being addressed.

- We also discussed with Mr Goodwill the problems of getting people involved in the consultation process, the pros and cons of identifying “Champions” for an area and the fact that community involvement increases if you identify what people are interested in doing or proposals are considered to be controversial.

### Recommendation 7:

**That the Director of City Development**

**(i) in developing future Area Action Plans (and the preparation of Development Plan Documents as a whole), continue to engage a wide range of stakeholders in the process and monitor the effectiveness of such activity, as a basis for continued improvement.**

**(ii) within the context of the Local Development Framework (LDF) Statement of Community Involvement and available resources, ensure that consultation activity is appropriately targeted and tailored, to ensure that the quality and quantity of engagement is fit for purpose.**

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### Monitoring arrangements

- Standard arrangements for monitoring the outcome of the Board's recommendations will apply.
- The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.
- Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

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## Reports and Publications Submitted

### *Case Study 1- Consultation re Disposal of Former Schools*

- Requests for Scrutiny from three Councillors re former Miles Hill and Royal Park schools.
- Minutes of Scrutiny Board meeting held on 20<sup>th</sup> November 2007.
- Report of the Director of City Development on the process for the disposal of surplus school buildings by the Council, including consideration for retention and alternative uses.
- Schedule of school buildings sold since 2003/4 and details of the values achieved.
- Note of a meeting of the Board's Working Group (Miles Hill & Royal Park former schools) held on 12<sup>th</sup> December 2007.
- Chronology of Consultation and information concerning the former Royal Park school
- Chronology of meetings and consultation concerning the former Miles Hill school
- Diagram highlighting the need to determine the service requirements of an area at a strategic level much earlier in the process

### *Case Study 2 – Aire Valley Area Action Plan*

- Report of the Director of City Development on the method and approach for consultation on the Aire Valley Leeds Area Action Plan including the following appendices:-
  - Appendix 1 SCI lists
  - Appendix 2 Consultation on early stages
  - Appendix 3 Regulation 25 “Issues and Alternative Options” Consultation report
  - Appendix 4 Schedule of comments made in response to the “Alternative Options” consultation
  - Appendix 5 City Council response to the comments made
  - Appendix 6 Regulation 26 Draft “Preferred Options” consultation report
- Minutes of Scrutiny Board meeting held on 19<sup>th</sup> February 2008
- Report outlining a range of consultation methods used by other local authorities in developing Area Action Plans and national guidance on best practice
- Minutes of Scrutiny Board meeting held on 18<sup>th</sup> March 2008
- Minutes of Scrutiny Board meeting held on 22nd April 2008

## Witnesses Heard

### *Case Study 1- Consultation re Disposal of Former Schools*

- Councillor Jane Dowson, Member for Chapel Allerton Ward
- Councillor David Morton, Member for Headingley Ward
- Councillor Kabeer Hussain, Member for Hyde Park and Woodhouse
- Mr Paul Brook, Chief Asset Management Officer, City Development department
- Mr Martin Farrington, Head of Asset Management, City Development department
- Mr George Turnbull, Team Leader, Education Leeds
- Mr Brian Lawless, Group Manager Projects, City Development department
- Mr Rory Barke, North East Area Manager, Environment & Neighbourhoods department
- Mr Jason Singh, Area Co-ordinator, North West Area Management, Environment & Neighbourhoods department

### *Case Study 2 – Aire Valley Area Action Plan*

- Mr Steve Speak, Chief Strategy & Policy Officer, City Development department
- Mr Richard Askham, Principal Planning Officer, City Development department
- Mr Richard Shaw, Planner, City Development department
- Mr Peter Beaumont, Managing Director of Keyland Developments Ltd
- Mr Geoff Goodwill, Planning and Development Coordinator, Caddick Developments Ltd

## Dates of Scrutiny

- |                                  |  |
|----------------------------------|--|
| • 20 <sup>th</sup> November 2007 | Scrutiny Board Meeting   |
| • 11 <sup>th</sup> December 2007 | Scrutiny Board Working Group with relevant officers and note of this meeting |
| • 22 <sup>nd</sup> January 2008  | Scrutiny Board Meeting   |
| • 19 <sup>th</sup> February 2008 | Scrutiny Board Meeting   |
| • 18 <sup>th</sup> March 2008    | Scrutiny Board Meeting   |
| • 22 <sup>nd</sup> April 2008    | Scrutiny Board Meeting   |