

**Report of the Assistant Chief Executive (Customer Access and Performance)**

**Report to Executive Board**

**Date: 18 July 2012**

**Subject: Commission on the Future of Local Government – Progress Update**

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

**Summary of main issues**

1. The Commission was set up by Leeds City Council in November 2011 and has explored the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government. The Commission has now concluded and this paper provides a further update on the outcome of their work, giving councillors an opportunity to discuss the best way for Leeds to increasingly use the concept of Civic Enterprise as a way to help deliver the ambitions for the city and for the council.
2. The Commission has presented a significant and timely opportunity for local government to play an active role in contributing to the definition of its future role. It has already positively influenced key stakeholders at a national level who have actively engaged and agreed commit to leading on specific calls to action. Work is ongoing to engage and influence ministers in terms of the relationship between central and local government.

**Recommendations**

3. Executive Board is asked to:
  - Note the findings of the Commission in particular the five Propositions along with the Commitments and Calls to Action.
  - Support the work underway to enable Leeds to become an enterprising council.

## **1 Purpose of this report**

- 1.1 This report is to further update Executive Board with the work of the Commission on the Future of Local Government, which Leeds initiated. The Commission has explored the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government. The Commission has now concluded and this paper provides information on the outcome of their work, giving councillors an opportunity to discuss the best way for Leeds to increasingly use the concept of Civic Enterprise as a way to help deliver the ambitions for the city and for the council.

## **2 Background information**

- 2.1 The Commission began work in November 2011 and the findings were formally launched on 3 July 2012 in the House of Lords. The approach has been very engaging seeking input from a wide range of stakeholders and has prompted a great deal of interest and input.
- 2.2 The work of the Commission was based around the concept of civic enterprise: a new leadership style for local government where councils become more enterprising, businesses and other partners become more civic, and citizens become more engaged.
- 2.3 The detail of the approach and findings can be found in the Main Report of the Commission on the Future of Local Government – copy attached.
- 2.4 Executive Board have received previous updates and an opportunity to contribute to the work of the Commission as it has progressed, specifically on 14 December 2011 and 11 April 2012. In addition there was very constructive input from a range of stakeholders across Leeds during the two calls for evidence and also during a Member Seminar.

## **3 Main issues**

- 3.1 Leeds is an enterprising city. Whilst some of this has been driven by the council for example improving the skills and job opportunities for young people through apprenticeships and supporting social enterprise within social care, there is a growing number of civic entrepreneurs who are making a difference to the lives of local people and the prosperity of the city.
- 3.2 The work of the commission has stimulated great debate and has recognised the wealth of activity already taking place. This includes for example, Yvonne Crowther who set up the Cardigan Youth Centre to help young people in Beeston, Mike Chitty who is providing support and guidance to budding entrepreneurs with the Leeds Community Enterprise Accelerator and the Digital Lounge run by LS14 Trust that is providing free IT resources to people living in Seacroft. This is just a small sample of the civic entrepreneurs who have made a difference and are working across the city. There are many more and this talent, creativity and enthusiasm for Leeds needs to be harnessed and captured to help make Leeds the best city in the UK.

3.3 The Commission report clearly identifies five propositions each with allocated calls to actions, some of which have already secured commitments from significant organisations where they have agreed to sustain momentum with relevant other partners.

3.5 All five propositions can be directly and positively applied to Leeds. There are a number of initiatives underway across the city which are already taking us on the journey to become a more enterprising council, some of which are shared in this report. The challenge is for Leeds as a city to agree how best to accelerate the journey, led and supported by Executive Board.

### 3.6 **Proposition 1: Becoming civic entrepreneurs**

***Commission report extract:** Towns and cities can revitalise joint working by harnessing the power of civic entrepreneurs. Enterprising councils should lead citizens, businesses, the public and third sectors to set ambitious goals and values and galvanise sharply focussed action. Local councillors need to be enterprising community champions leading single issue campaigns to improve local communities.*

**Enterprising councils** will run themselves in a more business-like manner, creating the conditions for businesses to thrive and create jobs, focusing on results rather than processes, and with a more commercial outlook. Enterprising councils will harness the best of local enterprise in all its forms: companies, charities, schools, GPs, entrepreneurs and community or faith leaders.

Leeds already does much to work in this way, but an assessment against the Ten Characteristics of an Enterprising Council found in Appendix 1 would inevitably identify some gaps and areas of improvement. Some examples where good progress is already being made are:

**More Leaders for Leeds:** Across the city leaders are grappling with an uncertain world, trying to create certainty for businesses, workforces and citizens. No sector is untouched by the current financial climate and a fast changing society. Achieving our best city ambitions in this context will require harnessing our collective potential in the city and moving it forward. It may require different forms of leadership and different leadership behaviours. Leeds has taken a lead role nationally in developing a concept of civic enterprise to better deliver outcomes for people in our cities. This concept is based on the premise that services built on the strengths of the public, private and third sector will produce better outcomes for local people. Civic enterprise prompts fresh thinking about our approach to leadership in the city and to help this develop we have established 'More leaders for Leeds' which has the following key objectives:

- To develop leadership behaviours that will deliver 'best city' outcomes
- To 'test' a civic enterprise approach to leadership in Leeds
- To co-develop new forms of leadership development for the city

**Review of Area Management and Locality Working:** The Area Committees, Area Leadership teams, Community Forums and Children's Services Clusters have all done much to drive forward the locality agenda and ensure services are

tailored to meet the needs of their local communities. In recognition of the successes already achieved and the remaining challenges, for example on inequalities, a review of the existing arrangements has begun to identify what can be done to facilitate and enable even greater delivery and empowerment at a local level. The review will involve Members and other stakeholders to ensure relevant views are taken into account.

**Passion for Fashion:** Passion for Fashion, which started in 2011, was the result of partners from several Housing Associations, Arms Length Management Organisations (ALMOs), advice agencies, JobCentre Plus, Barclays Bank, Yorkshire Bank, Leeds City Credit Union (LCCU) and Leeds City Council collaborating to develop a high profile financial inclusion project based on fashion that would appeal to 16-30 year olds living in social housing and areas of deprivation in Leeds. By promoting 'fashion' as the hook to entice and interest young people and embedding financial capability into activities that are both fun and educational, this project engages young, vulnerable members of the community who may otherwise remain financially excluded. Through this innovative delivery model, participants also gained an insight into future training courses and employment options with the support of dedicated workers, further increasing their future financial stability through raising aspiration, confidence and increased knowledge of career and employability skills.

### 3.7 **Proposition 2: Stimulating jobs, homes and 'good growth'**

***Commission report extract:*** *Local government should promote and sustain local economic growth with a focus on 'good growth', job creation, inclusion and homes. To play its part, central government should provide local authorities with greater financial freedoms by devolving necessary powers and resources from Whitehall and Brussels.*

The Council is already playing a very active role in stimulating and promoting inward investment to the city that is, and will continue to, promote good growth in terms of jobs and economic output as well as sustainable employment opportunities for our young people through apprenticeships.

**Top 25 Priorities – The Magnificent Seven:** There are seven significant infrastructure developments underway across the city that are being very actively promoted and supported by the council, notably the Arena, John Lewis, Trinity Quarter, Kirkgate Market, Sovereign Street, West End and South Bank which includes Clarence Dock, City Centre Park and Alf Cook (Hunslet) Print Works. All of these represent major opportunities that will provide economic growth and employment prospects for local people.

**Core Strategy:** Leeds has undertaken a significant amount of consultation and engagement work to develop its Core Strategy which sets out the vision for the future development of the city over the next 20 years. It addresses a wide range of environmental, social and economic considerations to enable us to meet the challenges and opportunities which Leeds faces. These include housing and business growth, transport, green issues and climate change as well as protecting our local heritage. This strategy will ensure the city has the capacity

and capability to support the necessary growth and developments we need to continue to thrive.

### **Social Business Brokers CIC**

In 2010 Gill Coupland and Rob Greenland set up Social Business Brokers CIC, a Community Interest Company. Social Business Brokers aims to encourage enterprising approaches to dealing with social issues. At the heart of what they do is the idea that solutions - where they exist - will be collaborative solutions. No one business model, no one organisation, no one sector can solve big, complex social issues on their own. In May 2012 they held the Leeds Empties Call to Action which brought together 100 people for a day, including local businesses, private sector landlords and the council, to explore how to bring back into use some of the 5000 long-term empty homes in Leeds.

### **Leeds Ahead / Ahead Partnership**

The Leeds Ahead Partnership (now also a national not-for-profit organisation called the Ahead Partnership) is a 15 person strong team, which has operated in Leeds since 2004. Their work, focusing on bringing the different sectors together in order to unlock both social and economic potential, has catalysed the creation of hundreds of new jobs and improved the economic prospects of over 250,000 people (many of whom live in the most disadvantaged areas).

## **3.8 Proposition 3: Establishing 21<sup>st</sup> Century infrastructure**

***Commission report extract:*** *Local government, with central Government support, should play a decisive role in co-ordinating the delivery of the new infrastructure and different utilities that will be required for the 21<sup>st</sup> Century.*

The council has, for many years, acknowledged the importance of creating a modern infrastructure that meets both the current and future needs of the city and its citizens. Recent notable successes are:

**Super-fast Broadband:** Leeds and Bradford have been successful in their joint bid to become Super-Connected Cities with ultrafast fixed broadband access, and large areas of public wireless connectivity. (Ultrafast broadband is defined as having a minimum download speed of at least 80Mbps.) The two cities will share £10 - £14.6 million to help deliver ambitious plans to use super-connected status to drive growth, attract new businesses and transform the way services are provided and accessed.

**Residual Waste Treatment:** The Residual Waste Treatment Facility currently being procured by the Council and to be operated by Veolia will be capable of processing up to 214,000 tonnes of waste per annum. Of this, around 164,000 tonnes will be processed through an Energy Recovery Facility in order to generate approximately 11MW of electricity for export to the National Grid. This is equivalent to the electricity required to power around 20,000 homes. The income generated by Veolia through the sale of this electricity will substantially reduce the cost to the Council of treating its waste. The Facility has also been designed to allow the potential supply of heat to new local residential developments or to local commercial and industrial users in the form of hot water or steam (up to a

potential estimated 25MW). The development of this major energy source in the Aire Valley regeneration area therefore represents a significant opportunity to create a sustainability exemplar within Leeds, to stimulate economic development and to insulate the City partially from the uncertainty of future energy price increases.

**Trolleybus System:** On 5 July 2012 it was announced that Leeds is to become the first UK city to get a modern trolleybus system. Plans for the city's £250m scheme, which were first discussed in 2007, have now been approved by the Transport Secretary. It is anticipated that the trolleybus system will generate approximately 4,000 jobs and boost West Yorkshire's economy. The Department for Transport will pay £173.5m towards the scheme, with the rest coming from local authorities. The new scheme, which has been called New Generation Transport (NGT), will link the city centre with park-and-ride sites in Holt Park, in the north, via the A660, and Stourton, in the south, via the A61. NGT will play an important role in speeding up recovery from recession, boosting the local economy and enhancing our ability to compete on the national and international stage.

### 3.9 **Proposition 4: Devising a new social contract**

***Commission report extract:*** *Local government and its partners should forge a new social contract between the citizen and the local state, in which services can be delivered 'with' rather than 'to' individuals and communities.*

Leeds has demonstrated its commitment to working with local citizens to ensure they can work together for the common good. There are many initiatives, often based within very defined localities and supported by the council, that are evidence of this, but the ethos is also seen in our strategic approach to major changes affecting services:

**Integration of Health and Social Care:** A very ambitious and collaborative approach is being taken in Leeds to maximise the opportunities presented by the Health and Social Care Act, co-locating and integrating teams to gain efficiencies and improve services by building new pathways around the needs of the customers.

**Neighbourhood Networks:** The Neighbourhood Network Schemes provide a range of services and activities for older people across Leeds. The schemes are supported by Leeds Social Services and other funding. They are managed by local people who decide what they want from their scheme.

**Locality working:** The work already underway and detailed in paragraph 3.1 is also a demonstration of how Leeds is seeking to build a new social contract between its citizens and other key players in the city. Each area and locality has many examples of improved working relationships and service delivery as a result of true collaborative working with partners and communities.

**Yvonne Crowther – Community Campaigner:** Yvonne Crowther has spent over 10 years helping turn teenagers lives around and reduce anti social behaviour by 70 per cent after opening the Cardinal Youth Centre in Beeston in

2001. In recognition of all her work, Yvonne won the ITV Local Hero award at the Pride of Britain Awards 2011 and was recently one of the Leeds Olympic Torch bearers. The Cardinal Youth Centre provides a safe place for young people to go diverting them from crime and drugs. The Centre is also heavily involved in work within the local community by involving many of the young people in gardening projects for the elderly & disabled and by improving wasteland. Yvonne, who helps run the White Rose Residents Association, is also looking to launch two new social enterprises – the Me 'n' U community cafe on Cardinal Road which will offer training, qualifications and part-time jobs to local youngsters as well as a decent meal for a decent price for the local community, and a hairdressing salon at the youth club later in the summer.

### **Emma Bearman - Playful Leeds**

Emma Bearman is currently working on a new project to help deliver some of our city ambitions by creating non conventional play space in the city. This could really energise and unlock talent in the city's young people, provide a physical representation of our commitment to support families and be a huge step on the way to being a child friendly city. It could also contribute to the economic potential of the city and so is a very worthwhile venture. The approach being used by Playful Leeds development is just right in trying to bring some of the aspects of the Commission report to life.

## 3.10 **Proposition 5: Solving the English Question**

***Commission report extract:** Central Government should consider the challenge of central-local relationships across the UK and address the unfinished issue of English devolution.*

Given this specific call for action is outside our direct control, it is suggested that it is progressed and encouraged as best we can through our on-going work and relationships with our local MPs. However, the recent announcement of the City Deal does enable a greater independence for the city region.

**City Deal:** On 5 July 2012 it was announced that Leeds City Region had successfully secured a city deal, meaning the transfer of central government powers and funding to boost jobs and growth in the city region. The deal gives Leeds and its partner councils in the city region control over spending and decision-making to help businesses grow and ensure future investment is in line with the city region's needs. To help with the delivery of short and longer term growth initiatives, a £1bn fund will be available for investment in public transport and the highways network, with the potential to create 20,000 jobs in the medium term. A further £400m fund will be available to modernise infrastructure across the city region.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Through out the work of the Commission, significant emphasis has been placed on consultation and engagement, as evidenced in the final report.

- 4.1.2 An early consideration for Members is to think about how to consult and engage on the propositions and calls for action within the Commission report to ensure a tailored response for Leeds. As more detailed proposals emerge there will be additional local consultation and engagement but this will need to be done on an issue by issue basis.

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

- 4.2.3 The Commission ensured that evidence came from all sectors, with particular emphasis being placed on hard to reach groups, and that it covered how equality and diversity issues are tackled. An equality impact assessment will be completed as and when there are specific proposals available for Leeds.

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

- 4.3.1 The Commission offers the opportunity to find new ways to deliver the ambitions of the city and the council.

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

- 4.4.1 The Commission has been managed from within existing resources and against the financial backdrop has limited spend wherever possible. The Commission was supported across its membership, particularly through Glasgow and Cardiff City Councils, DCLG and the LGC, and the private sector in terms of IBM and PwC, as a way of sharing work and resources.

- 4.4.2 In recognition of the sustained financial challenges facing local government, Leeds is introducing a 'Budget Plus' process to establish a 4-year budget plan. This will recognise the funding envelope available, ensure we focus strongly on our priority outcomes and encourage consideration of different models of service provision. An integral part of the process will be to identify opportunities for greater discretion at a local level. Budget Plus will enable us to achieve better outcomes and efficiencies by working with partners in the city, and in the region. The process will be delivered in a way that ensures appropriate consultation and engagement with Members, officers, partners and citizens.

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

- 4.5.1 At this stage there are no specific implications.

## **4.6 Risk Management**

- 4.6.1 There are risks associated with delivering the work of the Commission, such as lack of engagement both nationally and locally, lack of buy in from stakeholders and the complexity of the scope. As local plans for delivery in Leeds are formed these will need to be more fully documented and plans put in place to mitigate the impacts of these risks.

## **5 Conclusions**

- 5.1 The work of the Commission on the Future of Local Government provides a practical blueprint for change for our city. It is now time to discuss and decide how

best to implement the propositions and calls for action at a local and city wide level.

## **6 Recommendations**

- 6.1 Note the findings of the Commission in particular the five Propositions along with the Commitments and Calls to Action.
- 6.2 Support the work underway to enable Leeds to become an enterprising council.

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

- 7.1 Executive Board paper – December 2011 – Commission on the Future of Local Government
- 7.2 Executive Board paper – April 2012 – Commission on the Future of Local Government

---

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

## Appendix 1

### Ten Characteristics of an Enterprising Council

1. A clear, distinctive and ambitious city or town vision with associated priority outcomes and allocated lead responsibility.
2. A transparent commissioning and procurement policy accessible and open to local small businesses and social enterprises.
3. A clear menu of ways that citizens and businesses can engage in civic life, such as a creative use of social media and face to face meetings to communicate and engage more directly with local citizens.
4. Proactive relationships with the largest local private sector employers, for example, through Local Enterprise Partnerships, Combined Authority Structures, or other arrangements.
5. Clear evidence of direct empowerment of local ward members and citizens on specific policy issues or outcome areas, supported by strong local relationships.
6. A broad set of strong relationships with all sectors and trades unions to encourage everyone to play their part in delivering the ambitions, linked to a strong, enabling culture change programme.
7. A clear asset management plan to maximise the economic and social impact of council owned land, buildings and public space.
8. An agreed and well-functioning Core Strategy with sufficient new homes for all local people.
9. International engagement and links with other cities to generate economic benefits.
10. Transparent and fair information sharing with third sector groups on the impact of reduced budgets.

**Note** – These characteristics to be further developed with the LGA.