

EXECUTIVE BOARD

WEDNESDAY, 24TH JANUARY, 2007

PRESENT: Councillor A Carter in the Chair

Councillors D Blackburn, R Brett,
J L Carter, R Harker, P Harrand, M Harris,
J Procter, S Smith, K Wakefield and
J Blake

Councillor Blake – Non-voting Advisory Member

143 Exclusion of Public

RESOLVED – That the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt 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 the exempt information so designated as follows:

- (a) Appendix 2 to both of the reports referred to in minutes 147 and 148 under the terms of Access to Information Procedure Rule 10.4(1) and (2) and on the grounds that the public interest in maintaining the exemption outweighs the public interest in disclosing the information because Education Leeds has a duty to secure improvement and increased confidence in the schools concerned and this would be adversely affected by disclosure of the information.
- (b) Appendix 1 to the report referred to in minute 153 under the terms of Access to Information Procedure Rule 10.4(3) on the grounds that the public interest in maintaining the exemption outweighs the public interest in disclosing the information because publication could prejudice the Council's commercial interests, as, both the appendix and the Final Business Case include matters where final negotiations in the contract are not yet complete, these negotiations being confidential between the Council and the Preferred Bidder and contain sensitive commercial information supplied to the Council by the preferred bidder.
- (c) The appendix to the report referred to in minute 160 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that 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 was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time as this could lead to random competing bids which would undermine this method of negotiation and affect the integrity of disposing of property/land by this process. 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 could access 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.

- (d) Appendices 1, 2 and 4 to the report referred to in minute 166 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the public interest in maintaining the exemption outweighs the public interest in disclosing the information by reason of the fact that disclosure of appendices 1 and 2 could potentially prejudice the success of the scheme by speculative investors acquiring properties in advance of the Council's action and that appendix 4 contains costs attributed to the purchase of private properties which are estimates at this stage and disclosure could prejudice the Council's ability to reach agreement on the purchase price with owners.
- (e) Appendix 1 to the report referred to in minute 168 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains costs and details about the relationships between the parties where disclosure could prejudice the Council's position in dealing with potential claims and future negotiations.

144 Declaration of Interests

Councillor Wakefield declared personal interests in the items relating to the Annual Reports on standards in schools (minutes 147 and 148) as a schools' governor and in the item relating to Review of 14 to 19 Provision in Leeds (minute 151) as a member of the Learning and Skills Council.

Councillor Brett declared a personal interest in the item relating to Deputation to Council – Animal Welfare Charities (minute 162) as a member of Leeds South East Homes.

Councillor Blackburn indicated his intention to leave the room during the discussion on the item relating to Land at Portland Gate, Leeds 1 (minute 160) in order to avoid any perception of predetermination at such time as the matter may be considered by the Plans Panel (City Centre) of which he was a member.

Further declarations of interest made during the meeting are referred to in minute 152 (Councillor A Carter) and minute 165 (Councillors J L Carter and Smith).

- 145 Minutes**
RESOLVED – That the minutes of the meeting held on 13th December 2006 be approved.

CHILDREN'S SERVICES

146 Performance Targets for Education Leeds: 2006

The Director of Children's Services submitted a report on the final performance assessment of Education Leeds under the 2001-2006 contract arrangements when measured against the Strategic Incentive Performance Targets for 2006 set under the contract.

The report circulated with the agenda had indicated that national comparator data which might alter the incentive points score was awaited and the Support Executive Member (Children's Services) reported that this data had subsequently been received and did not affect the result.

RESOLVED –

- (a) That the very good performance of Education Leeds against the 2006 targets contained in the original contract be noted.
- (b) That an incentive payment of £322,000 be authorised.
- (c) That the staff of Education Leeds be thanked for their contribution to the raising of educational standards in the city during the term of the contract.

147 Annual Report on Standards in Leeds Primary Schools

The Chief Executive of Education Leeds submitted a report on the performance of primary schools during 2005-06 and the action taken by Education Leeds to fulfil its responsibilities.

Following consideration of Appendix 2 to the report designated as exempt under Access to Information Procedure Rule 10.4(1) and (2), which was considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That the report be noted together with the strategies for improvement that have been developed to support further increases in achievement for all pupils, groups and schools.
- (b) That the Chief Executive of Education Leeds be requested to arrange for work to be undertaken to further analyse trends in achievement in the primary sector.

148 Annual Report on Standards in Leeds High Schools

The Chief Executive of Education Leeds submitted a report on achievement in high schools over the last five years and on the strategies for improvement which have been employed.

Following consideration of Appendix 2 to the report designated as exempt under Access to Information Procedure 10.4(1) and (2), which was considered in private at the conclusion of the meeting, it was

RESOLVED – That the report be noted together with the strategies for improvement that have been developed to support further increases in achievement for all pupils groups and schools.

149 Great Preston Primary School

The Chief Executive of Education Leeds submitted a report on the proposed scheme to provide Phase 2 of works at Great Preston Primary School to amalgamate the school onto one site.

RESOLVED –

- (a) That the design proposals in respect of Phase 2 of works to amalgamate Great Preston C of E Primary School onto one site be approved.
- (b) That authority be given to incur expenditure of £900,000 in respect of the above scheme from capital scheme number 13053/000/000.

150 The Education and Inspections Act 2006

The Chief Executive of Education Leeds submitted a report outlining the main provisions of the Education and Inspections Act 2006 which was passed in November 2006.

RESOLVED – That the report be noted and that a more detailed report be brought to the March 2007 meeting of this Board outlining Education Leeds' current and planned responses to the Act.

151 Review of 14-19 Provision in Leeds

The Chief Executive of Education Leeds submitted a report on the findings of the review of 14-19 provision in Leeds undertaken by Cambridge Education on behalf of the Learning and Skills Council and on the proposed next stage of development. In presenting the report the Chief Executive of Education Leeds indicated that the primary purpose of the report was to consider the findings and proposals in the light of the new duty of the authority to take the strategic leadership role for this initiative.

RESOLVED –

- (a) That further work on the development of an options paper to be presented to this Board in May 2007 be approved.
- (b) That the Leeds 14-19 Review produced by Cambridge Education be endorsed.

152 Vacation and Occupation of the Chair

Councillor A Carter declared a personal and prejudicial interest in the following minute as a director of a company which may tender for works under the scheme, vacated the chair and left the room.

Councillor Harris assumed the chair.

153 Leeds Building Schools for the Future - Submission of Final Business Case

The Deputy Chief Executive submitted a report on progress of the Building Schools for the Future project.

Following consideration of Appendix 1 to the report designated as exempt under Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) To note the information in the report and its appendices providing details of the process and negotiations undertaken and work carried out to date in relation to the Leeds BSF Project (“Project”) and to support and confirm the decision of the PPP/PFI Coordination Board, under section 3.1 of the powers delegated to it by Executive Board on 13 October 2005 to submit the Final Business Case for the Project in advance of this meeting of this Executive Board.
- (b) To note the powers of the Council as referred to in paragraph 5.3 of the report to enter into the Project Documents and that confirmation of the Council’s powers will be contained in the report from the Council’s legal advisers referred to in paragraph 5.4 of the report.
- (c) That approval be given to the financial implications for the Council of entering into the Project Documents as detailed in Appendix 1, and to the maximum affordability threshold for the City Council in relation to the Phase 1 PFI contract of £12.952m, as set out in Appendix 1.
- (d) To note the comments set out in Appendix 1, that the PFI element of Phase 1 remains good value for money for the Public Sector.
- (e) To note that based on the information provided in Appendix 1, the Project is affordable by the Council, and to agree a further injection into the Capital Programme for the two Design and Build Schools, as recommended in Appendix 1.
- (f) To note that work is currently underway and is expected to lead to the provisional assessment of the Director of Corporate Services that, on the information and advice provided, and in accordance with proper practices, no liabilities will arise which will result in the City Council being required to recognise a fixed asset in any balance sheet required to be prepared by the City Council in accordance with such proper practices, for the financial year in which the agreement will be entered, for the purposes of Regulation 3 of the Local Authorities (Capital Financing and Accounting) (England) Regulations 2003.
- (g) To note that the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) will apply to transfer staff currently employed by the City Council and Education Leeds from the respective service commencement dates for each PFI school and that ongoing communication and consultation is taking place on this.
- (h) To note that an admission agreement will be entered into in connection with this project to enable those transferring employees of PFI schools who are currently members of the West Yorkshire Pension Fund to retain active membership of that scheme and to permit new employees to have similar benefits.

(i) That approval be given to the award of contracts for the implementation of the Project to the Environments for Learning consortium (E4L) to include (but not by way of limitation) the award/entry into of the following contracts:

- in relation to the Phase 1 PFI schools of a PFI Project Agreement to a special purpose company to be established by E4L as a subsidiary of the Local Education Partnership (LEP);
- subject to approval by Executive Board Members to investment in and governance arrangements relating to the LEP (the subject of the separate report to this Board), the award of a Strategic Partnering Agreement to the LEP to be established by E4L (including exclusivity in relation to Major Capital Projects as detailed in the separate report);

and

- in relation to the Phase 1 design and build schools the award of design and build contract(s) to the LEP or a special purpose company established by E4L as a subsidiary of the LEP

and, in connection therewith, the Deputy Chief Executive be granted delegated powers (or in his absence the Director of Corporate Services) to give final approval to the completion of the Project, including (but not by way of limitation) the terms of the following:

- (i) Strategic Partnering Agreement
- (ii) The Shareholders Agreement
- (iii) The Project Agreement (phase 1 schools)
- (iv) The Funders Direct Agreement
- (v) The Pensions Admission Agreement
- (vi) The Design and Build contract(s) (phase 1 schools)
- (vii) Arrangements to appoint independent certifiers to assess the quality of the PFI and Design and Build contractors' work
- (viii) Appropriate collateral warranties and
- (ix) Governing body agreements with schools as appropriate

Together with any other documentation ancillary or additional to the above necessary for the completion of the Project ('Project Documents')

subject to

- (A) DFES approval of the Final Business Case
- (B) the Deputy Chief Executive (or in his absence the Director of Corporate Services) being satisfied that the Project remains within the affordability constraints set out in Appendix 1

- (C) Receipt of a report satisfactory to the Deputy Chief Executive (or in his absence the Director of Corporate Services) from the Council's external legal advisers, as described in Appendix 2 of this report and
 - (D) The Director of Corporate Services (or in his absence the Chief Officer – Financial Management) assessment on the balance sheet treatment in relation to the PFI contract as set out in paragraph 4 of Appendix 2 of this report.
- (j) That the Director of Corporate Services, as the statutory officer under section 151 of the Local Government Act 1972, or in his absence the Chief Officer - Financial Management, be authorised to sign any necessary certificates under the Local Government (Contracts) Act 1997 in relation to the Project.
 - (k) Approve that, in respect of certification under 7.10, and subject to the advice of the Director of Legal and Democratic Services, a contractual indemnity be provided to the Director of Corporate Services in respect of any personal liabilities arising from the certification.
 - (l) That approval be given to the execution of the Project Documents, by affixing the Council's common seal and/or signature (in accordance with Articles 14.4 and 14.5 of Part 2 of the City Council's Constitution) and to approve that the Director of Legal and Democratic Services (or any other officer of the Council authorised by her) take any necessary further action to complete the Project including any final amendments to the Project Documents and give effect to members' resolutions and delegated decisions referred to in these recommendations.
 - (m) That the Director of Children's Services be authorised to implement any post completion arrangements necessary to monitor and administer the contract documentation (subject to the approval of the PPP/PFI Co-ordination Board under the Council's Governance arrangements for PPP/PFI contracts.
 - (n) That approval be given to the submission of this report, the minutes of this meeting of the Executive Board, and such other information, and including any necessary amendments as the Deputy Chief Executive may approve to the Final Business Case, to the Department for Education and Skills and Partnerships for Schools.
 - (o) That delegated powers be granted to the chair of the Education PFI/BSF Project Board (in consultation with the Director of Corporate Services and the Director of Legal and Democratic Services) to:
 - (i) authorise preparation, mobilisation, and enabling works to be carried out in advance of 1 March on appropriate terms;
 - (ii) subject to being satisfied that the risks of such an approach are appropriate, authorise terms to enable early works on site to be commenced in advance of financial close if such close is anticipated to be delayed beyond 28 February.
 - (p) That the intention to offer briefings to political groups, and to arrange a seminar for members, on this decision and the one referred to in minute 155 be noted.

(This decision was exempt from Call In by reason of urgency as detailed in paragraphs 2.8 and 2.9 of the report).

154 Re-occupation of the Chair

Councillor A Carter re-entered the meeting and resumed the Chair.

155 Building Schools for the Future - Leeds Local Education Partnership

The Deputy Chief Executive submitted a report on proposed governance arrangements for a proposed Leeds Local Education Partnership and on the extent of the proposed financial investment by the Council.

RESOLVED –

- (a) That the arrangements for the establishment of and Council participation in the Leeds LEP as proposed by the report be approved;
- (b) That the arrangements for the discharge of the Council's functions in relation to the Leeds Local Education Partnership as set out in the report and the delegations in Annex 1 to the report be approved;
- (c) The Council participate as a shareholder in the Leeds LEP, and invest:
 - (i) 10% of the pure equity in the LEP, which at the date of this Board meeting is anticipated to be £528;
 - (ii) 10% of the proposed shareholder loans to the LEP in order to fund the LEP's working capital, amounting to £26,000 on the basis of the E4L model;
 - (iii) If additional shareholder loans are required by the LEP in order to fund the working capital of the LEP, 10% of such loans, subject to the entire Council investment by way of equity and shareholder loans not exceeding £50,000.
- (d) That the Deputy Chief Executive (or in his absence the Director of Corporate Services) may authorise any further action necessary to implement the arrangements set out in the report, including any amendments to the proposals in the report which do not affect the substance of those proposals.

(This decision was exempt from Call In by reason of urgency as detailed in paragraphs 1.2 and 1.3 of the report).

ADULT HEALTH AND SOCIAL CARE

156 Commissioning Plan for Day Services for Disabled People Update

Further to Minute 89 of the meeting held on 18th October 2006 the Director of Adult Social Services submitted a report on consultations undertaken with service users at the Clifford Brooke Resource Centre on alternative provision for the service users and plans for the Resource Centre to vacate the Roundhay Road site by the end of March 2007.

RESOLVED – That the outcome of the consultation with service users and the plan for Clifford Brooke Resource Centre to vacate the Roundhay Road site by the end of March 2007 be noted.

CENTRAL AND CORPORATE

157 Narrowing the Gap - Engaging the Private Sector

The Chief Officer (Executive Support) submitted a report on a proposed project to generate additional private sector resources to support the 'narrowing the gap' corporate priority.

RESOLVED -

- (a) That the proposal be funded to the sum of £100,000, with an initial £25,000 in 2006/07 and the remainder to be drawn from the 2007/08 budget;
- (b) That the Chief Officer (Executive Support) be authorised to enter into a contract with Leeds Ahead and Leeds Community Foundation to deliver this service.

158 Leeds City Region Leaders' Board Agreement

The Chief Executive submitted a report on a proposed agreement to establish a joint committee to be known as the Leeds City Region Leaders' Board.

RESOLVED – That the terms of the Agreement be approved and that the Director of Legal and Democratic Services be authorised to seal the Agreement document on behalf of the Council.

DEVELOPMENT

159 Inspector's report on the Statement of Community Involvement for Leeds

The Director of Development submitted a report on the recommendations of the Inspector in relation to the Statement of Community Involvement and proposing that the Statement be amended in accordance with the recommendations.

RESOLVED –

- (a) That the Inspector's recommendations and reasons contained in his binding report on the Council's statement of Community Involvement be noted and agreed.
- (b) That Council be recommended to adopt the SCI as amended in accordance with the Inspector's Report pursuant to Section 23 of the Planning and Compulsory Purchase Act 2004.

160 Land at Portland Gate, Leeds 1

The Director of Development submitted a report on the proposed disposal of C Car Park and the former Civic Hall Annex site to Leeds Metropolitan University following detailed negotiations between the university and the Development Department on a one to one basis. The report presented the options of retaining the site in its existing use for car parking purposes, of disposing of the site on the open market and of the disposal to Leeds Metropolitan University. Following consideration of the appendix to the report designated as exempt under Access to Information Procedure Rule 10.4(3)

which was circulated at the meeting and considered in private at the conclusion of the meeting it was

RESOLVED – That approval be given to the disposal of C Car Park and the former Civic Hall Annex site to Leeds Metropolitan University on the main terms and conditions outlined within the Confidential Appendix to the report and any other appropriate terms which may arise in the future, to be approved by the Director of Development.

161 Otley Civic Centre

The Director of Development submitted a report on the alternative courses of action available with regard to the future of Otley Civic Centre.

RESOLVED – That consideration of this matter be deferred pending further discussions with Otley Town Council.

NEIGHBOURHOODS AND HOUSING

162 Deputation to Council - Animal Welfare Charities

The Director of Neighbourhoods and Housing submitted a report in response to the deputation to the Council meeting on 1st November 2006 with regarding to animal welfare problems, particularly in Council homes.

RESOLVED – That approval be given to the actions as identified in paragraphs 3.5 and 3.6 of the report.

163 Chapeltown Community Services Review

The Director of Neighbourhoods and Housing submitted a report on the findings of a community facilities review in the Chapeltown area following the attendance of a deputation on behalf of the Chapeltown Community Centre Action Group at the Council meeting on 28th February 2006.

RESOLVED – That this Board supports the recommendations of the North East Inner Area Committee as follows:

- (a) That the facilities review demonstrates there is no case for the Council to consider the release of land as requested by CCCAG for the purposes of a new build community centre. This does not preclude CCCAG pursuing options for a new development site in the area at market value.
- (b) That the way forward, as outlined in paragraphs 25 – 31 of the report is supported.

164 Respect Areas and the Implications for Leeds City Council

The Director of Neighbourhoods and Housing submitted a report on this major government initiative to broaden the drive to address anti-social behaviour, on the implications of the City Council becoming a Respect Area and on activity planned and underway in Leeds that will contribute to this agenda.

RESOLVED –

- (a) That the commitment to the Council becoming a Respect Action Area be endorsed, that the activities developed and being developed in response to that commitment be supported and that approval be given to the establishment of the Family Intervention project.
- (b) That the offer of alternative tenancies under the Family Intervention Project be subject to Ward Member consultations.
- (c) That a report on progress of the initiative be brought to this Board after six months of operation.

165 Neighbourhood Renewal Fund

The Director of Neighbourhoods and Housing submitted a report on the Neighbourhood Renewal Fund grant allocation for Leeds, the process undertaken with partners to develop a forward programme and the recommended programme for 2007/08.

RESOLVED –

- (a) That the allocations to projects be approved subject to the submission of a satisfactory Delivery Plan.
- (b) That the Director of Neighbourhoods and Housing be authorised to approve commissioned activity against the specification and funding criteria.

Councillor J L Carter declared a personal interest in this matter as the Chair of Archway.

Councillor Smith declared a personal and prejudicial interest having clients who have applied for NRF funding and he left the room during consideration of the matter.

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he abstained from voting on this decision).

166 Regeneration of Beeston Hill and Holbeck

The Director of Neighbourhoods and Housing submitted a report on the proposed acquisition and clearance of 16 properties within Holbeck and on proposals for Beeston Group repair Phase 3 – an external enveloping Scheme to extend the life of approximately 50 properties by 30 years both to be funded from Regional Housing Board capital grant.

Following consideration of Appendices 1, 2 and 4 to the report designated as exempt under 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 injection into the Capital Programme of £1.37m of Regional Housing Board money (Acquisition and demolition – the Regeneration of Holbeck) be approved.

- (b) That Scheme Expenditure to the amount of £1.37m (the Regeneration of Holbeck) be authorised.
- (c) That the Director of Neighbourhoods and Housing be authorised to commence acquisition of the 16 properties in Holbeck detailed at Appendix 2 to the report by voluntary agreement with the owners and in the event that agreement cannot be reached with the owner of any property within the target area, the Director of Neighbourhoods and Housing seek authority to make and promote any necessary Compulsory Purchase Orders.
- (d) That the injection into the Capital Programme of £1.8m of Regional Housing Board money and £203k from owner occupiers (Beeston Group Repair, phase 3) be approved.
- (e) That Scheme Expenditure to the amount of £2.003m (Beeston Group Repair, phase 3) be authorised.
- (f) That in cases where reports are relevant to a particular, or limited number of electoral wards then Ward Members should be consulted and reference to such consultations be included in the report and that the Director of Legal and Democratic Services be requested to amend the report writing guidance and templates to reflect this decision.

167 Sale of Land at Argie Avenue/Eden Mount, Kirkstall

The Director of Neighbourhoods and Housing submitted a report on a proposed disposal of land at Argie Avenue/Eden Mount, Kirkstall to the Home Housing Association at less than best consideration to facilitate the building of 17 affordable family houses for shared ownership.

The Chief Executive reported that he had received a message from Councillor Illingworth objecting to the proposed disposal and requesting that consideration of the matter be deferred.

RESOLVED –

- (a) That approval be given to the disposal of land at Argie Avenue/Eden Mount as highlighted on the submitted plans at 'less than best consideration' to Home Housing Association on terms to be approved by the Director of Development for the purpose of developing 17 family houses for shared ownership.
- (b) That it be noted that the approval is subject to the provision that a mechanism is put in place to distribute any surpluses generated on the scheme as a result of staircasing and that 75% of any such surpluses will be paid to Leeds City Council and 25% retained by Home Housing Association.
- (c) That it be noted that further discussions will be held to achieve lowest possible building costs and the most favourable percentages of ownership for purchasers.

LEISURE

170 City Museum

The Director of Learning and Leisure submitted a report on the current and anticipated budget shortfall for the City Museum scheme and on proposals to meet the shortfall.

Following consideration of Appendix 1 to the report designated as exempt under Access to Information Procedure Rule 10.4(3) in private at the conclusion of the meeting it was

RESOLVED – That the funding to meet the anticipated budget shortfall on the City Museum project, as detailed in appendix 1 to the report, be approved.

DATE OF PUBLICATION: 26th January 2007
LAST DATE FOR CALL IN: 2nd February 2007 (5.00 pm)

(Scrutiny Support will notify relevant Directors of any items Call In by 12.00 noon on 5th February 2007).