

EXECUTIVE BOARD

WEDNESDAY, 14TH NOVEMBER, 2007

PRESENT: Councillor M Harris in the Chair

Councillors A Carter, R Brett, J L Carter,
R Finnigan, R Harker, P Harrand, J Procter,
S Smith, K Wakefield and J Blake

Councillor J Blake – Non-voting Advisory Member

103 Late Items

There were no late items but additional information had been provided since the despatch of the agenda with regard to the Review of 14-19 Provision in Leeds.

104 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 ground that it is likely, in the view of the nature of the business to be transacted or the nature of proceedings, that if members of the public were present there would be a disclosure to them of exempt information so designated as follows:

- (a) The annex to the report referred to in minute 115 under the terms of Access to Information Procedure Rule 10.4 (3) and on the grounds that the information contained in the annexe relates to the financial or business affairs of the Council. It is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to the disposal of this property or other similar transactions about the nature and level of offers 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.
- (b) Appendices 1, 2 and 4 to the report referred to in minute 121 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the public interest in maintaining the exemption in relation to appendices 1,2 and 4 attached to the report outweighs the public interest in disclosing the information by reason of the fact that in relation to Appendix 1 and 2, the success of the scheme could potentially be prejudiced by speculative investors acquiring properties in advance of the Council's action, and in respect of Appendix 4, the costs attributed to the purchase of private properties are purely estimates at this stage and their disclosure could prejudice the

Council's ability to reach an agreement on the purchase price with owners.

- (c) Appendix 1 to the report referred to in minute 123 under the terms of Access to Information Procedure Rule 10.4(3) and because publication could prejudice the City Council's commercial interests as, both this Appendix and the Outline Business Case include matters where negotiations of a confidential nature will ensue with bidders. In these circumstances it is considered that the public interest in not disclosing this commercial information outweighs the interests of public disclosure.

105 Declaration of Interests

Councillor Wakefield declared a personal interest in the item relating to the Review of 14-19 Provision in Leeds (minute 108) as a member of the Learning and Skills Council.

Councillor Smith declared a personal interest in the item relating to a Waste Solution for Leeds (minute 119) as a member of Greenpeace.

Councillor Harris declared a personal and prejudicial interest in the item relating to The Trinity Quarter and Leeds Shopping Plaza (minute 117) having been significantly involved in a fringe meeting sponsored by the principal developer for the scheme.

A further declaration made during the meeting (Councillor Harris) is referred to at minute 123.

106 Minutes

RESOLVED – That the minutes of the meeting held on 17th October 2007 be approved and that with reference to minute 102(b) the considerations of the Scrutiny Board (Children's Services) and their decision not to further scrutinise the matter referred to be noted.

LEISURE

107 Tinshill Recreation Ground

Further to minute 87(d) of the meeting held on 17th October 2007 the Chief Recreation Officer submitted a report on the arrangements for access to two pitches which are to be fenced and which are part of Tinshill Recreation Ground.

RESOLVED –

- (a) That the report be noted and the following arrangements approved:
- The substantial improvements to the pitches at Tinshill Recreation Ground
 - The letting of the pitches at Tinshill Recreation Ground through the Parks and Countryside annual allocation process
 - The allocation of an on site gardener to Tinshill Recreation Ground

- The development of the pilot project for allocations to the changing facilities and car parking at Ralph Thoresby School and the pitches at Tinshill Recreation Ground
- (b) That reports be brought back to this Board on an annual basis with regard to the operation of these arrangements, including information with regard to frequency and patterns of usage under former arrangements and these arrangements.

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he voted against these decisions)

CHILDREN'S SERVICES

108 Review of 14-19 Provision in Leeds

A report of the Chief Executive of Education Leeds on the consultation arrangements of the Learning and Skills Council in relation to proposals for the reorganisation of FE colleges in Leeds had been circulated with the agenda. Consultation had commenced on 8th November 2007 and was scheduled to end on 5th December 2007.

Following publication of the Learning and Skills Council proposals a report of the Director of Children's Services and Chief Executive of Education Leeds offering views on the proposals had been circulated to the Board. A report on the observations of the Scrutiny Board (Children's Services) had also been circulated.

RESOLVED –

- (a) That the views expressed in the report of the Director of Children's Services and Chief Executive of Education Leeds be approved for use in formulating the Council's official response to the consultation on the proposal for the changes to Further Education Colleges in Leeds.
- (b) That the Chief Executive of Education Leeds be authorised to draft a detailed response in consultation with the Executive Member (Learning) for approval and signature by the Leader of Council.
- (c) That the Chief Executive of Education Leeds be requested to have due regard to the observations of the Scrutiny Board (Children's Services).

ADULT HEALTH AND SOCIAL CARE

109 The Outcome of Consultation and the Proposed Procurement Methods for the Future Provision of the Service at Terry Yorath House

The Director of Adult Social Services submitted a report on the outcome of consultation with disabled adults in Leeds and the detailed assessed needs of the current residents of Terry Yorath House.

RESOLVED – That the outcome of the consultation process be noted, that the commitments given to those residents who wish to remain in residential care at Terry Yorath House be endorsed and that the "twin-track" approach to the future development and the procurement of accommodation services for disabled people in Leeds be approved.

CENTRAL AND CORPORATE

110 Capital Programme - 2007/08 Mid Year Financial Update

The Director of Resources submitted a report on the latest financial position in respect of the 2007/08 Capital Programme highlighting some capital expenditure and funding changes that have arisen since the Programme was approved in February 2007 and since the subsequent update report to the Executive Board on 22nd August 2007.

RESOLVED –

- (a) That the latest position of the Capital Programme 2007/08 and the projections for 2008/09 to 2010/11 be noted.
- (b) That approval be given to the injection in 2007/08 of £2,177,000 of Leeds resources for the additional site related costs associated with the Combined Secondary Schools PFI project and that authority be given to spend such amount.
- (c) That approval be given to the injection in 2007/08 of £622,000 of Leeds resources for the additional accommodation works at 225 York Road for the Taxi and Private Hire Licensing Section.
- (d) That the Board notes that any additional capital resources required to support the Roundhay Mansion scheme will be considered as part of the February 2008 capital programme update.
- (e) That approval be given to the transfer of £6,350,000 from the East Leeds Family Learning Centre scheme to the capital contingency scheme to be released at a later date when requirements for the East Leeds site are known.

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he abstained from voting in relation to (e) above)

111 Revenue Expenditure - Mid Year Update

The Director of Resources submitted a report setting out the Council's financial health for 2007/08 after six months of the financial year. The report covered revenue expenditure and income to date compared to the approved budget, the projected year end position and proposed actions to ensure a balanced budget by the year end.

RESOLVED –

- (a) That the projected financial position of the authority after six months of the new financial year be noted.
- (b) That Council be recommended to approve the appropriate budget adjustments as described in paragraph 3.9 of the report.
- (c) That the decision of the Leader, Chief Executive and Director of Resources to approve the Annual efficiency statement – mid year update 2007 for submission to the Department for Communities and Local Government by 15th November 2007 be noted.

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

112 Treasury Management Strategy Update 2007/08

The Director of Resources submitted a report providing a review and update of the treasury management strategy for 2007/08.

RESOLVED – That the report be noted.

113 Pre Budget Report and Comprehensive Spending Review 2007

The Director of Resources submitted a report outlining the announcements made by the Chancellor of the Exchequer in the Pre-Budget Report and the Comprehensive Spending Review that directly relate to local government.

RESOLVED – That the report be noted.

114 The Statement of Licensing Policy for Leeds 2007-2010

The Assistant Chief Executive (Corporate Governance) submitted a report on consultation that has been undertaken under the Licensing Act 2003 and the resulting draft Statement of Licensing Policy for Leeds 2007-2010.

RESOLVED –

- (a) That having considered the proposed responses to matters raised in consultation, as set out in Appendix 1 to the report, this Board recommends to Council that it be approved as the response of Leeds City Council to the matters raised in consultation.
- (b) That having considered the evidence set out in Appendix 2 to the report and the consultation responses on the proposals on cumulative impact, this Board recommends to full Council that the Statement of Licensing Policy includes cumulative impact policies in respect of the city centre, Headingley, Hyde Park and Woodhouse, Chapel Allerton and Horsforth.
- (c) That the contents of the revised draft Statement of Licensing Policy at Appendix 3 to the report be noted and that Council be recommended to adopt this policy, including the cumulative impact policies referred to at (b) above, as the Statement of Licensing Policy for Leeds 2007/2010.
- (d) That the Assistant Chief Executive (Corporate Governance) provide advice to Council members as to how reviews of the Statement can be triggered and give consideration as to how full Council could be given the opportunity to debate such Policies in detail at the early stage of proposals being formulated.

DEVELOPMENT AND REGENERATION

115 Former Headingley Primary School

Further to minute 68 of the meeting of the Board held on 11th September 2007 the Directors of City Development and Environment and Neighbourhoods submitted a report on the request made by the Headingley Development Trust to transfer the former Headingley Primary School site to the Trust at nil consideration so that it can be developed as an enterprise and arts centre.

Following consideration of the appendix 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 Headingley Development Trust be given an in-principle agreement that the Council will grant a long-leasehold interest at nil premium and at a peppercorn rent subject to the Trust demonstrating by 30 June 2008 that it has made substantial progress towards achieving all of its funding arrangements and to the Trust agreeing to take on all financial and other responsibility for delivering the services provided from the Headingley Community Centre for a period of 25 years.
- (b) That should the Trust not have made that substantial progress by 30 June 2008 the Director of City Development proceed with the open marketing of the former primary school as part of the Capital Receipts programme.
- (c) That the Trust's application to the Community Asset Transfer Fund be supported and, the Partnership Agreement as set out in Appendix 1 be approved and the Chief Executive be authorised to sign the relevant part of that application on behalf of the Council to allow its submission by the deadline date of 15 November 2007.
- (d) That in view of the deadline date specified in (c) above this decision be exempted from the provisions of Call In.
- (e) That, subject to the Trust being able to complete its funding arrangements and open the proposed HEART centre, the Director of City Development be instructed to make arrangements for the disposal of the Headingley Community Centre, at open market value, once it becomes vacant.

116 Horsefair, Wetherby - Pedestrian Improvements Scheme

The Directors of Environment and Neighbourhoods and City Development submitted a report on a proposal to spend £606,000 of Town and District Centre Regeneration Fund monies to deliver a pedestrian improvement scheme on Horsefair, Wetherby.

RESOLVED - That the report and the detailed design of the scheme be noted and authority be given to spend £606,000 of Town and District Centres Regeneration Fund monies on the scheme.

117 The Trinity Quarter and Leeds Shopping Plaza

Referring to minutes 74 to 80 of the meeting of the Board held on 29th September 2004 the Director of City Development submitted a report on the proposed transfer of the existing development agreement and compulsory purchase indemnity agreement from the Universities Superannuation Scheme Limited to Trinity Quarter Developments Limited.

RESOLVED –

- (a) That approval be given to the transfer of the development agreement and CPO indemnity agreement from USS to TQD and that approval be given to the form of the guarantee of TQD's obligations by LandSec and Caddick on the terms outlined in the report, subject to Land Securities Trinity Limited (a wholly owned subsidiary of Land Securities Property Holdings Ltd) completing their shareholders agreement such that 75% of the shares in TQD are owned by Land Securities Trinity Limited and 25% by Caddick Group PLC.
- (b) That the "transfer" be approved on the following basis:
 - (i) The entering into of a new development agreement (and ultimately a lease) with TQD on substantially the same terms as the original agreement with USS subject to the amendments outlined in the report.
 - (ii) Approve and enter into the novation (transfer) of the existing CPO indemnity agreement from USS to TQD with the Caddick Group PLC and Land Securities Property Holdings Ltd entering into a guarantee with the Council relating to the Development Agreement, Lease and CPO Indemnity Agreement as outlined in the report.
 - (iii) That following the novation of the CPO indemnity agreement from USS to TQD, USS will no longer have any financial liability to the Council and will be released from all liabilities under the existing development agreement.

(Having declared a personal and prejudicial interest Councillor Harris left the meeting during consideration of this matter and vacated the Chair in favour of Councillor A Carter)

118 Kirkgate Market - Development Strategy Update

Further to minute 27 of the meeting of the Board held on 18th May 2005 the Director of City Development submitted a report on progress made in formulating the Kirkgate Market Asset Management Plan and on a proposal to move onto the next stage of public consultation.

RESOLVED – That the public consultation leaflet and questionnaire be approved and authority given for commencement of the public consultation exercise as soon as practicable.

ENVIRONMENTAL SERVICES

119 Waste Solution For Leeds

The Director of Environment and Neighbourhoods submitted a report on the proposed submission of an Outline Business Case to DEFRA for PFI credits to support the proposed Residual Waste Treatment project.

RESOLVED –

- (a) That the report be noted;
- (b) That the submission of the Outline Business Case for the Residual Waste Treatment project to DEFRA be approved;

- (c) That the proposed recycling strategy approved by this Board on 11 September 2007 be further noted with particular reference to the proposals to retain a weekly kerbside collection, and to the fact that it is not the Council's intention to introduce new charging schemes for waste collection;
- (d) That the Board notes that the submission of the bid will be based upon a reference site and technology, with no implication that Leeds City Council land or Energy from Waste constitute preferred options;
- (e) That the procurement shall proceed on a neutral technology and site basis in accordance with government advice;
- (f) That the Board accepts the affordability implications of the Outline Business Case and of entering into a PFI contract for the treatment of residual waste from April 2014 to March 2038 as set out in Table 2 of the report;
- (g) That approval be given to the submission of the Outline Business Case in the knowledge that both the procurement process and prevailing macro-economic conditions may affect the Unitary Charge at Financial Close in April 2011, as illustrated at paragraph 8.6 of the report and in Table 4;
- (h) That approval be given to the project governance arrangements outlined in section 11 of the report, including the establishment of the Residual Waste Treatment Project Board (with delegated powers), and that delegated authority be given to the Deputy Chief Executive, in consultation with the Director of Environment and Neighbourhoods, to extend the responsibilities of the Residual Waste Treatment Project Board and to establish one or more new Project Boards (with delegated powers) in order to support the Director of Environment and Neighbourhoods in the delivery of the wider Waste Solution;
- (i) That the intention to bring further reports to this Board prior to the commencement of the procurement regarding the project evaluation model be noted;
- (j) That decisions on the sale and purchase of LATS be delegated to the Director of Environment and Neighbourhoods, in consultation with the Director of Resources, at what is considered to be the best achievable price.

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

NEIGHBOURHOODS AND HOUSING

120 Beeston Group Repair

The Director of Environment and Neighbourhoods submitted a report on a proposal to inject £2,099,000 of Regional Housing Board money and £233,300 from owner occupiers into the Capital Programme to extend the life of approximately 60 properties in the Beeston area by 30 years.

RESOLVED –

- (a) That approval be given to the injection into the Capital Programme of £2,099,600 of Regional Housing Board money and of £233,300 from

owner occupiers and that scheme expenditure of £2,333,000 be authorised.

- (b) That a report be brought back to this Board on progress of the scheme.

121 Regeneration of Holbeck, Phase 3

The Director of Environment and Neighbourhoods submitted a report on the options for the regeneration of the Holbeck area and the proposed acquisition and clearance of 34 properties within Holbeck by utilising £2,000,000 of 'Single Regional Housing Pot' funding during 2007/09.

The report presented the options of:

- A Doing the minimum to meet legal conformity
- B Group repair and internal modelling
- C Acquisition, clearance and redevelopment of the site for housing

Following consideration of appendices 1, 2 and 4 designated as exempt under Access to Information Procedure Rule 10.4(3), which were circulated and considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That approval be given to the injection into the capital programme of £2,000,000 of Regional Housing Board funding to enable Phase 3 of the Holbeck scheme to be brought forward.
- (b) That scheme expenditure to the amount of £2,000,000 be authorised.
- (c) That the Director of Environment and Neighbourhoods proceed in accordance with option C and be authorised, in consultation as necessary, to promote Compulsory Purchase Orders should they become necessary.

122 Area Management Review

The Director of Environment and Neighbourhoods submitted a report on a number of strands of work undertaken by officers as part of a review of area management, proposing a number of key recommendations with indicative timescales aimed at strengthening the roles and responsibilities of Area Committees.

RESOLVED –

- (a) That the recommended changes to Area Committee responsibilities and working arrangements together with the proposed timetable for their introduction be approved.
- (b) That the proposals for local partnership working arrangements be approved.
- (c) That Councillor Chapman be thanked for her work, as Lead Member (Neighbourhoods and Housing), in producing a report on proposals to develop area management and area committees in Leeds.

123 Beeston Hill and Holbeck Housing PFI Scheme

The Director of Environment and Neighbourhoods submitted a report on the proposed Outline Business Case (OBC) for the Beeston Hill and Holbeck

Private Finance Initiative (PFI) scheme, including the scope of the scheme and the financial implications for the Council.

The report referred to the appraisal of four options of decency; regeneration via a PFI contract and complementary development agreements with the private sector; stock transfer; and joint venture partnership.

Following consideration of appendix 1, including minor amendments to figures as reported at the meeting, designated as exempt under Access to Information Procedure Rule 10.4(1), which was considered in private at the conclusion of the meeting, it was

RESOLVED –

- (a) That approval be given to the preferred option, as described in paragraph 3.3 of the report, to be procured via a PFI contract and associated Development Agreement alongside the Little London PFI scheme.
- (b) That the proposed Council contributions to the project as identified in section 3.6 and appendix 1 of the report be approved.
- (c) That the Outline Business Case for the Beeston Hill and Holbeck PFI scheme as described in paragraph 3 of the report be formally submitted to the Department for Communities and Local Government.
- (d) That approval be given to the inclusion of the following sites within the Beeston Hill and Holbeck PFI scheme and to the utilisation of capital receipts from the disposal of these sites to support the PFI scheme and regeneration proposals for the Beeston Hill and Hobeck area:
 - Holbeck Tower
 - Malvern Rise / Malvern Grove
 - St Luke's Green
 - Waverley Garth
 - Coupland Place
 - Malvern Road
 - Coupland Road
 - Bismarck Drive
 - Bismarck Street
 - Fairfaxes
 - Meynall Heights
 - Beverleys
 - Folly Lane
 - Cambrian Street
- (e) That the Matthew Murray site be disposed of prior to the commencement of the PFI scheme (as described in 5.10 of the report) with the balance of the capital receipt after BSF call to be used to support the regeneration programme for the area.
- (f) That Moor Road be excluded from the PFI scheme.
- (g) That affordable housing provision should be at up to 40% including new LCC new housing for most sites included in the PFI scheme.
- (h) That the City Council's base annual affordability contribution of £592,000 per annum in the first year of operation be approved.

- (i) That the joint affordability implications for the joint procurement of the Little London and Beeston Hill and Holbeck scheme as set out at paragraph 5.0 of appendix 1 of the report be approved.
- (j) That the costs of acquiring leaseholder interests in order to deliver the scheme, estimated up to £1,300,000 be met by the Council or Aire Valley Homes Limited.
- (k) That the following be noted:
 - (i) the estimated PFI cash flows summarised in Table 2 of paragraph 3 of Appendix 1 to the report and set out in detail in the Annexe to that Appendix;
 - (ii) that the Financial Close for this project is programmed for September 2009 and the macro-economic conditions and price submissions by bidders may vary between the date of this meeting of the Executive Board and Financial Close. Section 4 in the financial appendix to the report set out the range of price sensitivities that could affect the affordability of the project and the submission of the Outline Business Case is approved in the knowledge that both the procurement process and prevailing macro-economic conditions may affect the Unitary Charge at Financial Close in September 2009;
 - (iii) that at this stage the impact of the joint procurement on the affordability of the Little London project as agreed by Executive Board in November 2006 is neutral and that the Little London project is therefore still affordable.

(Councillor Harris declared a personal and prejudicial interest in this matter arising from his personal commercial activities, vacated the Chair in favour of Councillor A Carter and left the room for the duration of the discussion and voting thereon)

124 Councillor Harris

Noting that this was the last meeting of the Board which would be chaired by Councillor Harris the Board thanked him for his services in that capacity and offered him their best wishes.

DATE OF PUBLICATION: 16TH NOVEMBER 2007
LAST DATE FOR CALL IN: 23RD NOVEMBER 2007

(Scrutiny Support will notify Directors of any items called in by 12 noon on Monday 26th November)