



SCRUTINY BOARD (ENVIRONMENT, HOUSING AND COMMUNITIES)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Thursday 5 January 2023 at 10.30 am

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

BOARD MEMBERSHIP

Cllr B Anderson (Chair)	-	Adel and Wharfedale
Cllr J Akhtar	-	Little London and Woodhouse
Cllr K Brooks	-	Little London and Woodhouse
Cllr E Carlisle	-	Hunslet and Riverside
Cllr L Cunningham	-	Armley
Cllr R Finnigan	-	Morley North
Cllr P Grahame	-	Crossgates and Whinmoor
Cllr A Khan	-	Burmantofts and Richmond Hill
Cllr S Lay	-	Otley and Yeadon
Cllr A Maloney	-	Beeston and Holbeck
Cllr T Smith	-	Pudsey
Cllr J Tudor	-	Killingbeck and Seacroft
Cllr P Wadsworth	-	Guiseley and Rawdon
Cllr N Walshaw	-	Headingley and Hyde Park

To Note: Please do not attend the meeting in person if you have symptoms of Covid-19 and please follow current public health advice to avoid passing the virus onto other people.

Note to observers of the meeting: We strive to ensure our public committee meetings are inclusive and accessible for all. If you are intending to observe a public meeting in-person, please advise us in advance of any specific access requirements that we need to take into account by email (FacilitiesManagement@leeds.gov.uk). Please state the name, date and start time of the committee meeting you will be observing and include your full name and contact details.

To remotely observe this meeting, please click on the 'To View Meeting' link which will feature on the meeting's webpage (linked below) ahead of the meeting. The webcast will become available at the commencement of the meeting.

[Scrutiny Board \(Environment, Housing & Communities\): 5 January 2023](#)

**Principal Scrutiny Adviser:
Rebecca Atherton
Tel: (0113) 37 88642**

A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <ol style="list-style-type: none"> 1. To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report. 2. To consider whether or not to accept the officers recommendation in respect of the above information. 3. If so, to formally pass the following resolution:- <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p>No exempt items have been identified.</p>	

3

LATE ITEMS

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

DECLARATION OF INTERESTS

To disclose or draw attention to any interests in accordance with Leeds City Council's 'Councillor Code of Conduct'.

5

APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

To receive any apologies for absence and notification of substitutes.

6

MINUTES

5 - 16

To approve as a correct record the minutes of the meeting held on 10 November 2022 and to consider the notes from the remote consultative meeting on 1 December 2022.

7

FINANCIAL HEALTH MONITORING

17 - 62

To consider the latest Financial Health Monitoring report in the context of the Scrutiny Board's wider discussions about the initial budget proposals.

8

INITIAL BUDGET PROPOSALS

63 - 242

To consider and comment upon the initial budget proposals so far as they pertain to the remit of the Scrutiny Board (Environment, Housing & Communities). The comments and recommendations of the Board will be reported to the Executive Board in February 2023 in line with the requirements of the Budget and Policy Framework.

9

PERFORMANCE MONITORING

243 -
274

To receive a summary of performance against strategic priorities and an update on other performance areas relevant to the Scrutiny Board (Environment, Housing & Communities).

10

WORK SCHEDULE

275 -
294

To consider the Scrutiny Board's work schedule for the 2022/23 municipal year.

11

DATE AND TIME OF NEXT MEETING

The next meeting of the Scrutiny Board at the Civic Hall will take place on **2 February 2023** at **10.30am**. There will be a pre-meeting for all members of the Scrutiny Board at **10am**.

A remote, consultative meeting of the Scrutiny Board will take place on **20 January 2023** at **10.30am**.

SCRUTINY BOARD (ENVIRONMENT, HOUSING AND COMMUNITIES)

THURSDAY, 10TH NOVEMBER, 2022

PRESENT: Councillor B Anderson in the Chair

Councillors J Akhtar, K Brooks, E Carlisle,
L Cunningham, P Grahame, A Khan,
A Maloney, T Smith, J Tudor, P Wadsworth
and D Jenkins

34 Appeals Against Refusal of Inspection of Documents

There were no appeals.

35 Exempt Information - Possible Exclusion of the Press and Public

There were no exempt items.

36 Late Items

There were no formal late items.

37 Declaration of Interests

Members did not raise any interests.

38 Apologies for Absence and Notification of Substitutes

Apologies were received from Councillors Walshaw and Lay. Councillor Jenkins attended as a substitute for Councillor Walshaw.

39 Minutes - 17 October 2022

RESOLVED – That the minutes of the meeting held Thursday, 17th October 2022 be approved as an accurate record.

Matters Arising

Minute No. 30 – Reducing Poverty and Improving Financial Inclusion. The Chair of the Infrastructure, Investment, and Inclusive Growth (IIIG) Scrutiny Board has been made aware of the Board's concerns regarding equal employment and skills opportunities for young people in the city, and persistent inequality of opportunity across the wards. This will be part of the IIIG Scrutiny Board's discussion in February 2023 when they will focus on inclusive growth.

40 Housing Activity Update

Draft minutes to be approved at the meeting
to be held on Thursday, 5th January, 2023

The report of the Chief Officer (Housing) provided the Scrutiny Board with an update on key areas of Housing Leeds activity during 2022/23. Updates in the submitted report included:

- Council housing tenancy management and rent collection
- Council housing repairs and maintenance
- Council housing voids and lettings
- Developments in response to the Building Safety Act
- The HRA Investment programme
- An update on the plans for high-rise residential blocks requiring significant investment
- Pressures on the Leeds Housing Register and homelessness
- Changes to the wider regulatory framework
- Housing Strategy

Appended to the report included the Housing Activity Report Quarter 1 2022/23.

The following were in attendance for this item:

- Councillor Rafique – Executive Member for Environment and Housing
- James Rogers – Director of Communities, Housing and Environment
- Gerard Tinsdale – Chief Officer, Housing
- Mandy Sawyer – Head of Housing and Homelessness
- Adam Crampton – Head of Property Management

The Chief Officer Housing introduced the report, and highlighted the following points:

- Rent collection – the collection performance rate stands at 94%, similar to other core cities. The cost of living has seen an impact on tenants struggling to pay rent, and the service is open to engaging and supporting tenants. Enforcement action will be taken where efforts to cooperate are not successful.
- Voids performance – the target for the service is no more than 1% of stock being void by the end of the financial year. There has been a reduction in the number of voids across the city. However, challenges in terms of a delay in buying materials and operatives being available remain an issue.
- Repairs – demand remains high, with emergency repairs taking longer to complete and there still being a backlog. The service is focusing on engagement with tenants.
- Investment strategy – the capital investment programme sets to deliver renewable heating and energy efficiency projects over the five-year period 2020-2025
- High-rise blocks – options to remove 5 high-rise residential blocks for new modern housing to be developed. Residents will be rehoused from November 2022.
- Homelessness – there is a supply and demand issue with social housing across Leeds, and less properties are becoming empty.

Approximately 600 properties are lost per year through Right to Buy, and the waiting list remains high regarding the housing register. The average wait time to re-house people stands at 2 years.

The Board were provided with an overview on two key legislative changes – 2022 Building Safety Act and Social Housing (Regulation) Bill will place new responsibilities on Housing Leeds as landlord to meet new building safety and regulation requirements.

In response to Board Member's questions, the following information was provided:

- All tenants are contacted once every 3 years, with 44% of those receiving a face-to-face visit. Tenants who receive a face-to-face visit are prioritised based on vulnerability. There has been feedback from residents that home visits can be intrusive, and they are also resource intensive.
- Officers acknowledge that there is a revenue cost associated with empty properties, and the service have a target to get voids under 1%. It was confirmed that there are approximately 934 void properties in Leeds and timescales are to turn around empty properties within 30 days. Due to the backlog in the system, timescales have been longer than this and it is hoped that the service can get back to the 30-day target by next year. Board members commented that properties not receiving on-going maintenance, will increase the time a property is void for and concerns were raised regarding tenants moving in and repairs having been completed.
- Concern was raised about a small minority of properties being reported by members of the public as having been empty for 'years.' Officers noted that it would be unlikely that such properties would be Council stock and that it can be difficult for people to identify ownership in mixed estates.
- The service will explore ways in which to strengthen the current approach to anti-social behaviour by some tenants in partnership with the Leeds Anti-Social Behaviour Team (LASBT).
- Members were asked to provide any details of 'ghost' tenants. It was confirmed that there is a small tenancy fraud team, that can take legal action to recover properties if tenants are not living there or sub-letting properties. A member suggested that those residents are incentivised to move out of properties, however, this was considered unlikely.
- Members concerns were acknowledged regarding a lack of coordination between services and contractors regarding repairs, causing delays, which impact on the tenant. It was confirmed that the service has short term contracts with operators to deal with repair backlogs, and it was confirmed that existing arrangements can meet the demand. The good work of Leeds Building Services (LBS) and MEARS were highlighted, as well as the importance of 'a right first time' approach to repairs. An overview of the MEARS contract in the

western part of the city was also explained, and it was noted that when the MEARS contract for the western part of the city is concluded, it is believed that LBS will then be able to meet demand in the future.

- Feedback will be fed back to the relevant team regarding the importance of keeping tenants up to date with new and existing capital programmes.
- Concerns regarding fuel poverty, and properties coming into disrepair due to damp issues over the coming winter. It was noted that there is a small housing officer support team for tenants, and preventative work is important to mitigate health implications associated with such issues. Officers also highlighted a damp focused report released by the housing ombudsmen that sets out some objectives for the sector to improve on damp and mould; the service are looking to implement the objectives as contained in the report. It was also noted that visits to tenants can reiterate the most effective way of using heating.
- Issues associated with choice-based lettings were discussed. It was confirmed that local lettings policies will be reviewed to identify which aspect of the policy are fit for purpose, and how they can be adapted to better reflect current situations.
- Selective Licensing is going well in the two areas it is implemented, and whilst other areas are being looked at in the future, nothing has been agreed yet.

Members requested statistics on the following:

- The number of cases referred to debt collection agencies and the number of people having enforcement action against them.
- A breakdown on the number of rough sleepers in Leeds.
- The number of Right to Buy properties sold, and the number that have been bought back by the authority.
- Anti-social behaviour related sanctions and repossession cases.
- Clarity on the longest period a property has been void for.
- Average waiting times for people on the housing register across wards in Leeds.
- Comparative performance data for MEARS and LBS.

The Executive Member summarised by explaining all tenants will be contacted, with 44% of those receiving an annual visit. The service work with partners and do their utmost to tackle anti-social behaviour related issues and urge all to report any issues so that it can be dealt with. Members were also asked to let the service know of anybody sub-letting properties, so that the service can act against it. Finally, it was acknowledged that there are not enough properties to meet the demand of those on the housing register, and the challenges around repairs.

The Chair thanked those in attendance, acknowledged the issues as highlighted above and for the good work carried out by the service and as evidenced by tenant satisfaction rates.

RESOLVED – To:

- a) Note the contents of the report on housing activity during 2022/23.
- b) Request additional information as outlined above.

Councillor Khan joined the meeting at 10:55 a.m.

Councillors Maloney and Brooks vacated the meeting at 12:00 p.m.

41 Work Schedule

The report of the Head of Democratic Services presented the Scrutiny Board's work schedule for municipal year and therefore the latest iteration of the Board's work schedule for the remainder of the municipal year appended to the submitted report, as well as the Executive Board minutes from the meeting held on Wednesday, 19th October 22.

Members were informed of upcoming meetings and workshops scheduled to take place in December 22.

RESOLVED – To note the contents of the report and work schedule.

42 Date and Time of Next Meeting

The date and time of the next meeting is scheduled to take place Thursday, 1st December 22 at 10.30 a.m. and will be a remote consultative meeting. The next formal meeting is scheduled to take place Thursday, 5th January 2022 at 10.30 a.m.

The meeting concluded at 12:15 p.m.

This page is intentionally left blank

SCRUTINY BOARD (ENVIRONMENT, HOUSING AND COMMUNITIES) - CONSULTATIVE MEETING

THURSDAY, 1ST DECEMBER, 2022

PRESENT: Councillor B Anderson in the Chair

Councillors E Carlisle, L Cunningham,
P Grahame, S Lay, A Maloney, T Smith,
E Thomson, J Tudor and N Walshaw

1 **Declarations of Interests**

Although members did not raise any interests, Councillor L Cunningham made the Board aware that in relation to Agenda Item 4: Tackling Inequality and Disadvantage in Communities – Locality Working, she is part of the volunteer front for the Armley Action Group and other associated organisations. Minute No. 21 refers.

2 **Introductions and Apologies**

Apologies were received on behalf of Councillors Akhtar, Brooks, Khan and Finnigan. Councillor E Thomson attended on behalf of Councillor K Brooks.

3 **Ensuring the Resilience of the Third Sector**

The report of the Director of Communities, Housing & Environment outlined the new challenges faced by the third sector due to the current Cost-of-Living crisis, and the work taking place to establish shared principles which have emerged over the years in the developing relationships between the third sector and statutory partners to navigate the current financial challenge presented by pressures on statutory funding and the Cost-of-Living crisis. It also outlined the collaborative approaches taken forward by the public and third sector which enabled a city response to local communities during the Covid-19 pandemic.

Appended to the report included:

- Appendix 1: Ensuring Resilience of the Third Sector
- Appendix 2: Leeds Third Sector Ambition Statement
- Appendix 3: Response to the cost of living Crisis: Third Sector Leeds September 2022
- Appendix 4: Third Sector Leeds position statement: cost of living and third sector resilience

The following were in attendance for this item:

Leeds City Council

- Councillor Harland, Executive Member for Communities
- Paul Money, Chief Officer, Safer Stronger Communities
- Nadeem Saddique, Head of Community Relations, and Cohesion
- Samantha Powell, Third Sector & Migration Partner Manager

External Guests

- Hannah Bailey, Chief Officer, Voluntary Action Leeds
- Chris Hollins, Chair of Third Sector Leeds
- Francesca Wood, Forum Central

The Executive Member for Communities introduced the item by highlighting the importance of Third Sector partnerships in Leeds and their valued work during the Covid-19 pandemic, and ultimately the cost-of-living crisis.

The Chief Officer (Safer Stronger Communities) explained that for Leeds to be a thriving city, we require a thriving Third Sector. There are exciting opportunities to work with individuals and facilities, particularly around communications in the city and working more closely with Third Sector organisations in the city through established links. The report details how the service intend to move forward in increasing their collaboration with the Third Sector, public & private sector.

The Chief Officer (VAL) commended the city's response to the Covid-19 pandemic and the role VAL had in supporting arrangements for communities, due to already established partnerships in Leeds. It was noted that the cost-of-living crisis highlights a period of uncertainty for VAL, due to rising levels of demand on communities and the impact of organisations less resilient from the pandemic. Recent third sector workshops have established valuable principles to build upon and there is a recognition that longer-term work will be required to secure the on-going resilience of VAL. Moving forward, a Third Sector Strategy is being established to articulate the value of the Third Sector and how it contributes to the city.

The Chair of the Third Sector Leeds reiterated the importance of growing relationships between Local Authorities and the Third Sector and acknowledged the difficult times ahead in terms of the cost-of-living crisis.

The representative from Forum Central explained that established partnerships in the city will enable a collective response to the difficult times ahead. The need to minimise duplication between statutory partners was highlighted and the need to make best use of the Third Sector. Forum Central are involved in the city's health partnership and are undertaking work to improve health outcomes for the most vulnerable people across communities.

Further to questions from Board members, the following information was confirmed:

- It was noted that there are approximately 3,500 groups across Leeds, ranging from large organisations to volunteer groups. The Covid-19 pandemic has increased collaboration across Third Sector organisations. The Leeds Community Anchor Network was established as a result of the pandemic with an aim of avoiding duplication of work and to bring together partners.
- Third Sector Leeds has also organised locality meetings to bring together interested groups to discuss issues they're facing in the locality. It was identified that often a barrier for smaller organisations is

knowing which meetings to attend and with whom to make connections.

- The Third Sector Strategy aims to articulate the value of the sector and identify where work different work needs to take place. Part of the strategy looks at further where resources should be directed to deliver most value. The strategy will seek to set out an investment strategy for the Third Sector.
- Forum Central led on work to produce the 'State of the Sector' report and there are plans to refresh this over the coming months.
- Further to a question regarding geographical boundaries, Forum Central (in liaison with the council) have established a community interest network to ensure that vulnerable people such as those who are homeless do not see a disruption in support on the basis of geographical boundaries.
- A number of funding fairs and training sessions have been set up for organisations to attend.
- In terms of help from the council to help assist Third Sector organisations, it was noted that funding from grant aid is more beneficial than contracts, particularly for smaller organisations. It was agreed it is important to consider longer term funding in order to enable organisations to leverage further investment.
- Silos will be attempted to be mitigated by continuation of collaboration between organisations and the public sector. It was noted that the Third Sector Partnership group that the Executive Member for Communities Chairs, is an important forum for established partnerships and a means of communication. Concern was raised regarding the West Yorkshire Combined Authority not utilising already existing partnerships.
- The Third Sector support opportunities for the council to be 'bolder' and 'braver' as Third Sector capacity provides an opportunity to mitigate some of the risks associated with taking risks.

The Chief Officer (Safer Stronger Communities) and Executive Member for Communities summarised by recognising the significant challenge for the Local Authority and Third Sector due to the cost-of-living crisis. The importance of supporting communities and families across the city was reiterated, and all parties acknowledged the vital work of the Third Sector, particularly in engaging harder to reach groups in the community.

The Chair thanked those in attendance and highlighted the importance of discussions.

RESOLVED – To:

- a) Note the contents of the report and updates providing during the meeting.
- b) Support the series of actions detailed under 4 headings in appendix 4 (**from page 20**), which emerged from a Third Sector Leeds Leadership Group workshop on 31 October.

4 Tackling Inequality and Disadvantage in Communities: Locality Working

The report of the Director of Environment, Housing and Communities provided the Scrutiny Board with an update on the work that has taken place so far on expanding the city's Locality Working model and the next stage of its implementation.

Appended to the report included:

- Appendix 1 – Locality Working – Priority Ward Activation and Prevailing Issues
- Appendix 2 – Development of Community Committees
- Appendix 3 – Examples of Locality Working Activity

The following were in attendance for this item:

- Councillor Harland, Executive Member for Communities
 - Paul Money, Chief Officer, Safer Stronger Communities
 - Liz Jarmin, Head of Locality Partnerships
- Localities Programme Managers
- Andrew Birkbeck
 - Taj Virdee
 - Rachel Marshall
 - Jane Pattison

The Head of Locality Partnerships introduced the annual update report and provided the Board with a PowerPoint presentation on the following key issues:

- An overview of progress (since 2017) in terms of the most disadvantaged neighbourhoods in Leeds (1%); the number has decreased from 16 areas in 1% to 12 areas.
- The development of a more focused approach across the 6 most disadvantaged wards where these neighbourhoods reside, to tackle inequality and poverty and build more thriving and resilient communities.
- LGA Corporate Peer Review Feedback which highlights the councils Locality Working as a model of good practice but highlighted the need to accelerate progress.
- An overview of the three strands of the Locality Working Framework: Citywide, Seasonal and Responsive and Priority Neighbourhood and Ward.
- There is a particular focus on several priorities for Locality Working including the cost of living, life expectancy, crime & anti-social behaviour, skills & employment, and housing & environment.
- Development of Community Committees and reviewing the role of Community Committee Champions that better outlines what the role and its responsibilities entail.
- Locality Working governance and accountability structure were discussed.
- Timetable of implementation in terms of team structure and finalising the Local Area Plans.

- The establishment of a Locality Working Development Group involving anchor organisations and the Third Sector.

Prior to discussion of this item, Councillor L Cunningham made the Board aware that she supports work undertaken by Armley Action Team and associated working groups on a volunteer front.

Board members raised the following points:

- The Board would welcome more information about volunteers. It was noted a number of issues with volunteer groups have been identified with regards to funding received.
- Opportunities identified for closer working collaboration between members in each ward to provide better outcomes.
- It was acknowledged that there are pockets of deprivation across all wards, and clarity was sought on scope to expand on priority neighbourhoods. Officers confirmed that the current scope is to focus on the 1% areas assigned in the city and where issues are identified in other parts of the city, officers will examine those to identify a suitable response. The approach to Locality Working is reviewed on a regular basis.
- Local issues in terms of community centre funding. Officers will work with members outside of the meeting to discuss local issues.
- Acknowledgement that social media isn't often the best way to reach various groups in the community and sometimes leaflet dropping is a better way of engaging. Officers provided an example in the Holbeck ward of work undertaken on leaflet dropping and it was noted that colleagues will confirm how engagement will be moved forward more broadly.

The Localities Managers in attendance provided an overview of the positive work that has been undertaken in their areas, and examples of positive long-term partnerships that have been established in various wards.

The Head of Locality Partnerships and Executive Member summarised by highlighting the positive relationship and support received from the Scrutiny Board, as well as requesting that the Scrutiny Board establish a working group on the review of Community Committees.

The Chair thanked those in attendance.

RESOLVED – To:

- a) Note the contents of the report and presentation provided during the meeting.
- b) Note the progress and comment on the delivery of the new locality ways of working.
- c) Note and comment on the development of the new Local Area Plans.
- d) Consider the request to establish a working group on the review of Community Committees and in particular, the Champion Roles.

5 Work Schedule

The report of the Head of Democratic Services provided the Board with the work schedule for the 2022/23 municipal year.

The Board were informed of dates for upcoming remote working groups relating to:

- Initial Budget Proposals – Monday, 12th December 2022 at 3.15 p.m.
- Social Progress Index as part of the Best City Ambition update and performance monitoring – Wednesday, 14th December 2022 at 11:30 a.m.
- Air Quality Action Plan – Monday, 27th February 2023 at 2 p.m.

RESOLVED – To note the appended work schedule for the 2022/23 municipal year.

6 Date and Time of the Next Meeting

To note the date and time of the next formal meeting as Thursday, 5th January 2023 at 10.30 am (pre-meeting for Board members at 10:00 am)

Financial Health Monitoring 2022/23 – October (Month 7)

Date: 11 January 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Environment, Housing & Communities)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The Scrutiny Board (Environment, Housing & Communities) is asked to consider the Financial Health Monitoring report in the context of wider discussions about the initial budget proposals and performance against strategic priorities that fall within the remit of the Board.

In December 2022 the Executive Board received an update from the Chief Officer Financial Services about the financial health of the Authority both in respect of the General Fund revenue budget and the Housing Revenue Account.

The appended Executive Board report provides an update on financial performance against the 2022/23 budget, which targeted resources towards priorities set out in the Best City Ambition.

It also sets out some of the specific risks facing the Council as a result of the current financial climate.

At the end of month 7 it is anticipated the Housing Revenue Account will be a balanced budget.

Recommendations

- a) Members are asked to consider the relevant information within the attached Executive Board report and provides comment in relation to those service areas that fall within its remit.

What is this report about?

- 1 The Chief Officer Financial Services provides a regular budget report to the Executive Board throughout the year. The latest paper set out the position at the end of October (month 7) and was considered by Executive Board on 14 December 2022.
- 2 Twice a year – in June and January – the five scrutiny boards are also asked to consider the latest information on financial health monitoring alongside a report that provides detail of service performance in relation to strategic priorities that fall within the respective remits of the Boards.
- 3 At this meeting the Scrutiny Board is also asked to consider the Financial Health Monitoring report in the context of its wider discussions about the initial budget proposals, which appear elsewhere on the agenda.

What impact will this proposal have?

- 4 This report is for information and members are asked to provide comment in the context of the wider discussions about performance and the initial budget proposals.

How does this proposal impact the three pillars of the Best City Ambition?

- Health and Wellbeing Inclusive Growth Zero Carbon

- 5 Delivery of the priorities identified in the Best City Ambition relies upon the organisation's long-term financial sustainability, with decision makers required to effectively balance the resource implications of the Council's policies against financial constraints. This is the primary purpose of the Medium-Term Financial Strategy, which provides the framework for the determination of the Council's annual revenue budget.
- 6 The appended report is a factual report, which needs to be seen in context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23 so that resources can continue to be targeted at the Council's priorities.

What consultation and engagement has taken place?

- 7 Public consultation on the 2022/23 Revenue Budget was carried out between December 2021 and January 2022.
- 8 Relevant Executive Members and senior officers have been invited to attend today's meeting to discuss the appended report and to address any questions raised by the Scrutiny Board.

What are the resource implications?

- 9 The appended revenue report details all resource implications.

What are the key risks and how are they being managed?

- 10 The reported budget position is considered in the context of risk to both the in-year financial position and the potential impact on the Council's Medium Term Financial Strategy. These risks are included on the Council's corporate risk register. Further information surrounding other associated risks is set out in the appended report.
- 11 The appended report is a factual report which needs to be seen in context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23.

What are the legal implications?

- 12 There are no legal implications arising from the attached Executive Board report

Appendices

- Appendix A – Report of the Chief Officer Financial Services to Executive Board (14 December 2022) on Financial Health Monitoring 2022/23 – October (Month 7).

Background papers

- None

Financial Health Monitoring 2022/23 – Month 7 (October)

Date: 14th of December 2022

Report of: Chief Officer Financial Services

Report to: Executive Board

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

- The purpose of this report is to inform the Executive Board of the financial health of the Authority in respect of both the General Fund revenue budget and the Housing Revenue Account. At Month 7 (October) an overspend of £15.4m is projected for the Authority's General Fund services.
- Where Directorates are projecting an overspend, proposals to mitigate these pressures are included in this report to December's Executive Board at Appendix 4. If these savings action plans are achieved, the overspend would be reduced to £14.6m.
- In 2021/22 the Council received Government funding towards the costs of COVID-19. This was fully utilised in 2021/22 with no balance of funding available for 2022/23.
- Any Collection Fund income shortfall arising in 2022/23 will impact on the Revenue Budget in 2023/24.
- This report comments on financial performance against the 2022/23 budget, which has targeted resources towards the Council's policies and priorities as set out in the Council's Best City Ambition.
- The current and future financial climate for local government represents a significant risk to the Council's priorities and ambitions. The position remains challenging and the budget for 2022/23 requires delivery of £16.5m of savings. At Month 7 it is anticipated that the majority of budgeted savings will largely be delivered or mitigating actions found.
- Where known, increased inflation and the rising cost of living, including the 2022/23 agreed pay award, have been incorporated into this reported financial position. These pressures will continue to be assessed, with the latest position being incorporated into future reports to be received by this Board.
- This report provides the Board with information on the monitoring of the decision to freeze non-essential spend as one of the measures to balance the 2022/23 budget. Month 7 expenditure on a range of financial codes in scope shows that spend is 7.5% lower than over the same period in 2021/22. This reduction in expenditure has been included in the forecasts for the year being reported by Directorates.
- The report provides a quarterly update on the use of capital receipt flexibilities, the COVID-19 backlog reserve and the Invest to Save/Innovation Fund.
- At Month 7 the Housing Revenue Account is forecasting a balanced position.

Recommendations

Executive Board are asked to:

- a) Note that at Month 7 (October) the Authority's General Fund services are forecasting an overspend of £15.4m and that the Housing Revenue Account is forecasting a balanced position. The General Fund position reduces to £14.6m when account is taken of additional budget actions plans received to date.
- b) Note that where an overspend is projected Directorates, including the Housing Revenue Account, are required to present action plans to mitigate their reported pressures, in line with the Revenue Principles agreed by Executive Board in 2019. Proposals received to date are included in this report at Appendix 4 and further action plans will be received at the February meeting of this Board.
- c) Note that known increased inflation and known impacts of the rising cost of living, including the agreed 2022/23 pay award, have been incorporated into this reported financial position. These pressures will continue to be assessed, with the latest position being incorporated into future reports to be received by this Board.

What is this report about?

- 1 This report updates the Board on financial performance against the Council's 2022/23 General Fund and Housing Revenue Account budgets for the first seven months of the financial year. At Month 7 (October) an overspend of £15.4m is projected for the Authority's General Fund and the Housing Revenue Account is forecasting a balanced position.

What impact will this proposal have?

- 2 The budget proposals contained in the 2022/23 Budget have, where appropriate, been the subject of the Council's Equality Impact Assessment process and mitigating measures put in place or planned where appropriate. As such, an Equality Impact Assessment was provided at Appendix 6 to the 2022/23 Revenue Budget and Council Tax Report.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 3 The Best City Ambition is the Council's strategic plan which sets out its ambitions, outcomes and priorities for the City of Leeds and for the Local Authority. The Three Pillars of health and wellbeing, inclusive growth and achieving zero carbon, underpin this vision and these can only be delivered through a sound understanding of the organisation's longer-term financial sustainability which enables decisions to be made that balance the resource implications of the Council's policies against financial constraints. This is the primary purpose of the Medium Term Financial Strategy which provides the framework for the determination of the Council's annual revenue budget.
- 4 This report needs to be seen in the context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23 so that resources can continue to be targeted at the Council's priorities.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 5 This is a factual report and is not subject to consultation. Public consultation on the 2022/23 Revenue Budget was carried out between December 2021 and January 2022 and is detailed in the 2022/23 Revenue Budget and Council Tax report presented to this Board in February 2022.

What are the resource implications?

- 6 This is a revenue financial report and as such all resource implications are detailed in the report and appendices.

What are the key risks and how are they being managed?

- 7 The reported budget position is considered in the context of risk to both the in year financial position and the potential impact on the Council's Medium Term Financial Strategy. These risks are included on the Council's corporate risk register.
- 8 Budget management and monitoring is undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget judged to be at risk such as the implementation of budget action plans, those budgets which are subject to fluctuating demand and key income budgets. To reinforce this approach, specific project management based support and reporting around the achievement of key budget actions plans is in place for 2022/23.
- 9 Pay negotiations for 2022/23 have now concluded with the Employer Offer having been accepted, a pay increase of £1,925 to all employees. The additional cost associated with this was incorporated into the Council's reported financial position at Month 4.
- 10 This reported position reflects the latest projections with regard to known inflationary pressures in respect of the increased cost of electricity, gas, fuel and the impact of the cost of living pressures on our residents or businesses which is likely to affect the cost of goods and services the Council procures, demand for support and welfare services the Council provides, and it also impacts upon activity levels that support a wide range of income streams. These financial projections will continue to be closely monitored and any variations to the current assumptions will be required to be managed within the 2022/23 approved budget.

What are the legal implications?

- 11 There are no legal implications arising from this report.

Options, timescales and measuring success

What other options were considered?

- 12 None

How will success be measured?

- 13 Not applicable

What is the timetable and who will be responsible for implementation?

14 Not applicable.

Appendices

15 The following appendices are attached to this report:

- **Appendix 1** – background information, detailed narrative regarding the projected financial positions for directorates, Dedicated Schools Grant (DSG) and the Housing Revenue Account HRA, update on Council Tax and Business Rates including collection performance.
- **Appendix 2** – Individual financial dashboards for directorates, DSG and the HRA.
- **Appendix 3** – Directorate Budget Action Plans.
- **Appendix 4** – Directorate Savings Action Plans.

Background papers

16 None

Financial Health Monitoring 2022/23 – Month 7 (October)

1. Purpose of this report

- 1.1. This report sets out for the Executive Board the Council's projected financial health position for 2022/23 at Month 7 (October).
- 1.2. Budget monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations at Month 7.

2. Background information

- 2.1 Executive Board will recall that the net budget for the general fund for 2022/23 was set at £521.9m.
- 2.2 Following the closure of the 2021/22 accounts, the Council's general fund reserve stands at £33.2m. The 2022/23 budget assumes no contribution to this reserve during the current financial year.
- 2.3 The Medium Term Financial Strategy 2023/24 – 2027/28, presented to the Executive Board in September 2022, assumed a balanced budget position for 2022/23 after the application of Government funding, the delivery of savings and the utilisation of earmarked reserves. Any adverse variation to a balanced budget position at the year-end will require the identification of further savings in 2023/24.
- 2.4 Financial monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand and key income budgets. This is reinforced through specific project management based support and reporting around the achievement of the key budget actions plans.

3. Main Issues

- 3.1 At Month 7 (September) an overspend of £15.4m is projected across directorates (an improvement of £2.2m from the Month 6 position). As discussed in this report, this position encompasses the impact of the agreed national employers pay offer for 2022/23, increased energy costs and the impact of the Government's Energy Relief Bill, and, where known, other inflationary rises and the wider impact of rising cost of living pressures.
- 3.2 As requested at September's Executive Board, directorates have been required to identify action plans to both address the reported overspend and absorb the financial impact of the national employers pay offer for 2022/23. These actions will include, with a small number of exceptions, a freeze on recruitment (including on agency staff and overtime), and a freeze on non-essential spend. Exceptions to this may include expenditure needed for health and safety reasons, to meet a statutory service requirement, to prevent further costs, or that helps generate income that more than outweighs the cost of recruiting to these roles.

- 3.3 Further savings action plans are included at Appendix 4 to this report.
- 3.4 Any Collection Fund income shortfall arising in 2022/23 will impact on the Revenue Budget in 2023/24.
- 3.5 Directorate positions are summarised in **Table 1**.

Table 1: Summary Position Financial Year 2022/23 Month 7 (October)

Directorate	Director	(Under) / Over spend for the current period				Previous Reported Position
		Staffing	Total Expenditure	Income	Total (under) /overspend	
		£000	£000	£000	£000	£000
Adults & Health	Cath Roff	1,221	12,168	(12,168)	0	0
Children and Families	Julie Longworth	109	9,688	3,592	13,281	9,996
City Development	Martin Farrington	35	1,271	(1,272)	0	0
Communities, Housing & Environmen	James Rogers	3,218	435	(639)	(203)	(211)
Resources	Neil Evans	4,162	3,402	(460)	2,943	2,771
Strategic	Victoria Bradshaw	(176)	1,844	(2,441)	(598)	4,076
Total Current Month		8,570	28,808	(13,384)	15,424	16,632

Previous reported (under)/over spend	8,407	29,990	(13,360)	16,632
---	--------------	---------------	-----------------	---------------

- 3.5.1 **Managing the Overspend** – As noted in **Table 1**, at Month 7 the Council is projecting an overspend of £15.4m for the financial year 2022/23. Cross-directorate task and finish working groups will work with services projecting an overspend to support them to reduce cost pressures.
- 3.5.2 In order to monitor and identify progress on these working groups, savings action plans have been developed to record pressures and monitor improvement. For Directorates where an overspend is projected, Savings Action Plans are appended to this report (**Appendix 4**) where available.
- 3.5.3 Savings Action Plans show a potential saving of £0.8m. Adjusting for this would result in a revised Month 7 (October) position of £14.6m. Proposals will continue to be developed to support directorates to deliver a balanced position and further proposals will be incorporated into future Financial Health reports to be received at Executive Board. The incidence of additional savings proposals are as follows and as detailed in Appendix 4:
- Children and Families directorate present savings action plans of £0.8m identified to date.
- 3.6 The major Directorate variations in Table 1 are outlined below, with additional detail provided on the Directorate dashboards at Appendix 2 of this report.

3.6.1 Adults & Health - At Month 7 Adults & Health Directorate is projected to deliver a balanced budget, although there are significant risks around demand and income targets outlined below. The Net Managed Budget (NMB) for 2022-23 is £197.497m, comprised of £384.26m Gross Expenditure offset by £186.76m income; a reduction of £0.081m is due to the centralisation of IDS budgets. Reflected in the 2022-23 budget are Budget Action Plans (BAP) totalling £6.994m.

Two Provisions have been identified that are no longer required and have been written back into A&H 22-23 revenue budget; £1.15m for Ordinary Residence provision for out of hours pay claim and £0.492m for COVID grant funding to cover any repayment to the Department for Health & Social Care for ineligible expenditure. Offsetting this is a contribution from A&H into the Strategic Contingency Reserve for £1.642m.

The 2022/23 Budget assumes the use of £7.082m of Adult & Health reserves. As a result of the 2021-22 financial outturn position for Adults & Health, £11.1m of Health funding has been carried forward into 2022-23 financial year via reserves, taking the currently identified use of reserves up to £18.188m. There are clear spending plans committed against this £11.1m, principally the £5m NHS additional income target for 2022-23, £2m for uplifting the basic pay hourly rate for Homecare providers to £10.50 per hour, £2m in respect of the Community Health and Wellbeing Project (new delivery model for Homecare provision) and £0.8m for Leeds Older People's Forum (LOPF) community provision.

Budget Action Plans

At Month 7 there are concerns around the delivery of 3 Budget Action Plans with a forecast impact of £1.714m: -

- £1.024m relating to the strategic review for Social Work due to slippage in recruiting staff;
- £0.190m relating to slippage in the budget action plan for the refurbishment of the 3 LCC run residential homes, with a revised opening date of early March 2023 for 2 of the 3 homes;
- £0.500m income shortfall against the £1m additional Client income BAP. This is additional to the 2021-22 BAP for £1.24m also for additional Client income, primarily around 2:1 Homecare visits and removing the Maximum Assessed Charge (MAC) cap. This assumes client income collection increases significantly in the second half of the year from the phased roll out of implementing the above changes on a 25%, 50% and 75% phased basis (Exec Board report 15th December 2021 [Review of Non Residential ASC Charging Cover Report 061221.pdf \(leeds.gov.uk\)](#)). An updated progress report was on the October 2022 Executive Board agenda. Additionally new service charges for the in-house Telecare service are actioned.

Mitigating actions have already been identified to ensure the service is projected to deliver a balanced budget and no additional impact on the Medium-Term Financial Strategy; principally £0.97m of additional grant funding announced under the iBCF Social Care Grant funding stream and savings from implementing corporate in-year savings initiatives.

Demand

The 2022-23 demand related budgets reflect £17.774m additional funding for price, inflationary and demand & demography growth, taking the overall size of the demand led budgets up to £251.6m before reducing to £247.5m after netting off a £4.1m savings target reflected in the delivery of the 2022-23 Budget Action Plans; principally the Strategic Review for Adult Social Work. Overall, the Month 7 projection is for an overspend of £5.433m on the 2022-23 demand related budget which is an improvement of £0.86m from Month 6, primarily due to Learning Disability and Homecare demand budgets. Mitigating actions have been identified to balance the budget.

- Increased demand in all residential settings, £4.44m, which is an increase of £0.204m from the reported position at Month 6; £2.0m Residential, £1.613m Nursing Dementia, £0.785m Residential Dementia and £0.04m Nursing. This is offset by additional income of £3.38m giving a net pressure £1.06m.
- Learning Disability (LD) demand budgets are £0.8m over budget, offset by additional client income of £1.37m; Net saving £0.57m.
- Homecare and Community Support placements, £1.043m above budget, which is a decrease of £0.449m from the reported position at Month 6. The Council is seeing reduced demand from the reported Month 6 position and this projection is modelled on current activity levels being paid via the Council's Client Information Service (CIS) system; Net pressure £1.043m.
- Offset by savings on demand budgets in Supported Living £0.28m, Direct Payments, £0.568m, additional £0.435m BCF Grant monies and £0.25m additional non-BCF charges agreed with Leeds-ICB.

Pay

This projection reflects the agreed Employers 2022-23 pay offer of £1,925 per employee. The impact of this is an additional £2.4m pay related pressure, over and above the 2% budgeted position. This includes £0.3m for Passenger Transport pay costs (reflected in Internal Charges above). £0.6m will be recovered from higher charges to **Partnerships** and grant funding. At Month 7 there is a pay pressure of £1.22m, which is £0.88m lower than the budgeted pay impact due to recruitment difficulties in social work and social care. The balance will be funded from £0.62m use of BCF grant monies.

Partnerships and Grant funding

On 22nd September 2022 the DHSC set out the Government's new 'Our plan for patients' to improve care for patients this winter and next announcing a £500m Adult Social Care Discharge fund to help the flow of people out of hospital settings and into the social care pathway. Funding will be allocated 40% to Local Authorities and 60% to Health Integrated Care Boards. The funding directly to LCC is £2,758,941. Payment will be made in 2 tranche's, December and January.

Included in the 2022/23 budget is £2.235m of grant funding for Market Sustainability and Fair Cost of Care. This is new funding linked to the White paper, 'People at the Heart of Care – ASC Reform', that was announced earlier in the year. This is upfront funding in preparation for the new Care Act reforms, initially intended to go live in October 2023. At the recent 2022 Autumn Statement, the Chancellor has announced a delay of at least 2 years for full implementation. A minimum of 75% of this 2022/23 funding must be allocated directly to support the market and 25% for resources to implement the requirements of the Care Act. Additionally, the Council has received a further £0.01m for ASC charging reform: implementation support

funding grant determination for 2022/23 to support capacity for assessments and IT requirements for the Care Act.

Public Health (PH) Grant funding for 2022/23 is £47.126m, an increase of £1.288m from 2021/22 (2.7%). Since the 2022/23 budget was approved, new PH grant of £2.785m for 'Substance misuse funding for drug and alcohol treatment' has been awarded. This is a three-year announcement for which Leeds will receive 2022/23 £2.785m, 2023/24 £4.445m and 2024/25 £8.445m. PH funding is a ring-fenced grant.

Hospital Discharge related cost pressures for continuing the service at Elmet House of £0.447m have been identified, however these costs are funded 50:50 with the West Yorkshire Integrated Care Board (WY ICB), therefore the net impact for Leeds City Council is £0.223m. These pressures are offset by additional income under the iBCF Social Care Grant funding stream. This is a joint funded partnership with the WY ICB with the operational timeline extended from 1st April 2022 to 30th September 2022. From 1st October 2022 a new joint funded operational delivery model will be introduced to establish sufficient reablement staffing resources to enable the discharge of people directly home, replacing the 15 beds at Elmet House.

COVID grant (£0.7m) funding relating to Clinically Extremely Vulnerable (CEV) has been carried forward against which we are currently assuming associated expenditure.

3.6.2 Children and Families – The current year-end forecast for the Children and Families directorate is an overspend of £13.281m. This represents an increase of £3.286m since the last reported position at Month 6. The main movements from Month 6 are:

- In House Carers £0.386m
- Semi Independent Living £0.321m
- Transport costs £0.497m
- Health Contribution from ICB £1.900m
- Additional CLA staffing costs £0.439m

Overall the main variations included within the Month 7 position are:

	£m
Semi-Independent Living	2.863
CLA: In House Carers	0.839
CLA: External Residential Placement	0.820
Independent Support Work	0.500
Little Owls Nurseries	1.378
Transport	3.037
IFA Placements	0.323
Secure Welfare	0.512
Projected Net Staff pressures	0.358
Foster Carer Fee Uplift	2.055
Contribution from Housing Support Fund	(1.000)
ICB Contribution	1.900
Other Variances	(0.304)
Total	13.281

Task And Finish Group

A Task and Finish group has been established and is working closely with the service to identify and progress mitigating action plans to reduce these pressures. A number of key actions have been identified and progress has been made against these as detailed within the narrative below.

The Month 7 position includes assumed savings of £0.990m which have been directly attributed to the actions identified and progressed within the Task and Finish group.

Savings action plans developed by Childrens and Families and the Task and Finish Group are presented at **Appendix 4** to this report.

Semi-Independent Living:

The budget for Semi-Independent Placements is £5.8m. Currently there are 276 placements, including 100 placements for 16 and 17 year olds, which is an increase from previous years. This increase has been driven by a number of factors including an increase in 16 year olds exiting foster care, a bulge cohort of CLA in 15-17 year olds including the majority of UASC, and a continued flow of young people being remanded to our care by the courts or released from custody. Within these groups there are some who have high support needs which result in higher average placement costs.

The Our Way Leeds (OWL) contract is now delivering the capacity of provision originally anticipated, following some early challenges. However, in terms of transitioning out of OWL there is significant competition for suitable council tenancies, as well as an oversaturated private rental market which is not easy to access for universal credit claimants.

A number of key actions have been identified within the Task and Finish Group and progress has been made against these challenges including:

- A review of young people ready to move out of OWL provision and into independent living within a short timescale has been undertaken, working closely to match these to suitable one-bed council tenancies.
- As a result of this work capacity across 61 OWL units has been created, or is in the pipeline of being created, resulting in
 - 17 young people moved into OWL provision from external placements
 - 18 matches have been made, awaiting viewings and/or repair works
 - A further 26 units identified as vacant, or soon to be, with matching currently taking place
- Work continues to support moves both out of and into OWL, as well as designing/embedding a process to ensure continued flow, as and when young people are ready to move onto independent living.

The Semi-Independent position at Month 7 includes £500k projected savings as a result of the task and finish actions highlighted above.

CLA In House Carers:

The overall placement numbers for (Fostering, Family Placement, Placed for Adoption) cohorts are slightly higher than the budgeted numbers leading to a

pressure on fees and allowances of £163k. However, the main pressure is on Placement support with a number of home adaptations being approved for carers, resulting in a pressure of £366k within placement support.

External Residential Placements:

The External Residential budgets for 2022/23 is £18.043m, which supports 74 External Residential placements. As of 23rd October there were 77 placements. Assuming these placements stay in their current provision (same weekly £ rate) to year-end and those turning 18 in-year fall out, an overspend of £0.820m is forecast.

The projection at Month 7 includes anticipated savings of £200k as a result of the pending completion of and recruitment to the refurbished childrens homes, permitting 6 placements to be moved out of External residential provision before the end of 2022/23.

Foster Carers Fee Uplift:

The Month 7 projections include the impact of the proposed uplift of the weekly fees and maintenance allowances paid to Leeds Foster Carers, which if backdated to April 2022 will equate to an additional £2.055m.

This pressure has been mitigated with a contribution of £1.000m from the Household Support Fund.

Little Owls Nurseries:

The Little Owls nursery settings are projecting a net pressure of £1,378k, a projected income pressure of £1,898k offset by projected staff savings of £520k. Whilst the Little Owls nurseries did experience some recovery in 2021/22, income levels are still not back to pre-pandemic levels due to the change in working patterns, and a continued reduction in nursery capacity / opening hours due to ongoing staff shortages and recruitment difficulties.

To recognise increased costs, fees for Little Owls has increased by 5% from October to £51.70 per day, an increase of £2.50 per day. For comparison, the average market rate in Leeds is between £45 and £58 per day. The Little Owls fee increase with effect from October should generate projected additional income of £70k in 2022/23 with a full year impact of £135k. In addition to the increase in fees there is a more comprehensive review of the Little Owls provision ongoing. An initial business review was undertaken earlier this year by the Council's Procurement and Commercial Services function, and a brief for the next stage of the work is currently being agreed.

Transport:

The overall transport budget is showing a projected overspend of £3.037m. This position includes additional charges of £412k from WYCA due to increased drivers pay and fuel costs, with a further £2.615m pressure due to increased charges from Passenger Transport within CEL as a result of increased pupil numbers and increased costs.

Independent Support Work:

There is a projected pressure of £500k against the Independent Support Work budget which reflects the projected costs of supporting the needs of one child. The complexity and level of support provided in this case is currently under review. A

new provider has been approved, which should significantly reduce the weekly cost of provision and reduce this projected pressure.

ICB Health Contribution:

The Month 7 position assumes that an additional budgeted health contribution of £1.900m will not be received. Children and Families are committed to further discussion with the ICB to consider alternative funding or budget savings.

Budget Action Plans

Of the £1.661m of budget action plans included within the base budget 2022/23 the Month 7 position assumes that £575k will not be achieved as below:

- Diversifying Childrens Residential Provision £295k
- Passenger Transport £280k

Dedicated Schools Grants

The approved DSG budget 2022/23 assumed that there would be a carry forward surplus of £0.119m as at the end of the year. The position at Month 7 projects an in year underspend of £1,610k and a surplus balance to carry forward into 2023/24 of £1,730k.

The underspend is largely due to unallocated high needs supplementary funding of £947k which, following discussions at Schools Forum, will be retained as a high needs contingency fund. In addition there is a projected underspend of £321k on services provided by Children & Families due to vacancies and difficult market conditions causing difficulties in recruiting to the sensory services.

3.6.3 City Development – at Month 7, City Development is forecasting a balanced position overall. Although inflationary pressures in respect of energy are shown centrally within Strategic accounts, the reported position includes the impact of the agreed local government pay award, estimated at £1.7m for pay (net of amounts that will be charged on to capital schemes and grants).

There are some areas of risk within this position as described below but it is anticipated that these can be mitigated through the development and implementation of robust action plans to achieve the reported position at the year end.

The implementation of restrictions on spending across the Council, including tighter vacancy controls and restrictions on spending will contribute towards achieving these action plans and achieving a balanced budget by the year end.

- **Active Leeds** – based on income achieved during the first six months of the year and a review of fees and charges to be implemented from November, a shortfall to budget of £0.45m is anticipated, primarily on swimming and membership income, although this remains subject to variation and will continue to be carefully monitored as the year progresses. In addition, the impact of the pay award is forecast at £0.75m for the service. These pressures are partially offset by anticipated staffing and running cost savings of £0.6m and assumptions around further plans to mitigate of £0.4m, which includes income growth and further staffing savings, leaving a forecast year end overspend of £0.2m.

- **Arts & Heritage** – the service is projecting an overspend of £0.2m which includes the impact of the pay award (£0.4m) and income shortfalls in respect of admission charges at Kirkstall Abbey (£0.1m), offset by other staffing and running cost savings.
- **Asset Management & Regeneration** – an overspend of £0.1m is projected which reflects an anticipated shortfall in respect of the Strategic Investment Fund and Estate Rationalisation savings targets, partially offset by other one-off sources of income and other mitigating savings plans including a review of commercial rental income.
- **Planning & Sustainable Development** - high volumes of caseloads and applications mean it is necessary to recruit to all vacant posts and it is anticipated that this will impact on the service's ability to achieve its budgeted vacancy factor. A projected staffing overspend of £0.4m is therefore currently projected, which includes the impact of the pay award. However, additional planning fee and CIL administration income is forecast to the year end and an overall balanced position is anticipated for the service.
- **Highways and Transportation** – the overall projected overspend of £0.2m reflects the net impact of the pay award after taking into account additional income from charge out rates; an anticipated increase in the cost of fuel; contract savings in respect of Street Lighting; and savings from vacant posts, offset by additional agency and partner costs required to assist with delivery of the work programs.
- **Markets and City Centre** – a shortfall of £0.7m in respect of Markets income is estimated which reflects vacant units mainly within the Kirkgate and Outdoor markets. Whilst this position represents a variance from budget, the budget is based upon a surplus position, therefore the service is currently forecasting a relatively small deficit. In addition, income shortfalls of £0.4m are projected within City Centre in respect of city centre advertising income, income from street café licences and from hiring of event spaces in the city centre. Although the services will look to identify savings where possible to offset the income shortfalls, there is limited scope within these service areas.
- **Resources & Strategy** – staffing and running cost savings of £0.3m have been identified within Resources & Strategy to partially offset the pressures identified in other service areas. In addition, to further help mitigate pressures across the directorate, it is proposed to utilise £1.5m of commuted sum balances received from developers to meet the future maintenance cost of adopted Highways, leading to an overall underspend of £1.8m within Resources & Strategy.
- **Staffing** – within the overall reported position described above there is a projected staffing overspend of £0.1m across the directorate including the estimated net impact of the pay award.

Budget Action Plans

The 2022/23 budget contained £3.2m of new savings plans and it is anticipated that most have been delivered or are on track to be delivered, with only minor shortfalls forecast within the overall directorate position, the most significant being a shortfall in income in respect of Kirkstall Abbey admissions (£0.1m).

In addition, as referred to above, there are projected shortfalls on the existing Strategic Investment Fund and Estate Rationalisation budget savings plans. Although these may not be achieved within the current financial year as originally envisaged, mitigating savings are expected to be identified to offset these pressures.

3.6.4 Communities, Housing & Environment – At Month 7, the Directorate continues to project a small underspend of £0.2m, this is after accounting for the impact of the pay award offer, £4.3m, and fuel related pressures of £1.1m.

- **Staffing (Directorate wide)** - Total pressures are £3.2m, reflecting the pay award impact partially offset by additional charges to capital and grants, where it is appropriate to do so, and vacant posts.
- **Fuel (Directorate wide)** - The projections reflect an estimated pressure of £1.1m in these budgets mainly in Environmental Services and Parks and Countryside.
- **Car Parking Income** - Income continues a recovery trajectory; however, based on 6 months of data in 2022/23 the projection suggests that receipts are projected to fall £1.25m below the budget (compared to £2.7m in 2021/22 and £7.7m in 2020/21). As full provision for this has been made within corporate contingencies, a nil variance has been reported within the Directorate's budget.
- **Waste Management** (excluding staffing and fuel) - Exclusive of staffing/fuel energy issues a £4.0m underspend is projected. Historically there is a net cost associated with the disposal of green bin recyclable materials, however currently the Council is receiving a net income for this material, with prices expected to remain high for the remainder of 2022/23. It is forecast that this could generate additional gain of £1.8m in 2022/23.

Kerbside 'black bin' waste volumes are now reducing from the peak of lockdown period levels and are assumed to continue at 6% below the budgeted level for the remainder of 2022/23 which would generate a saving of £1.7m on disposal costs.

A PFI rebate and additional trade waste income totalling £0.6m are also anticipated.

- **Parks** (£0.2m saving excluding staffing and fuel) - Cancellation of bonfires has improved the projection by £0.2m and £0.3m of prudential borrowing savings

have been identified. Inflationary pressures associated with the events programme are also expected to be £0.1m in 2022/23.

Delays to construction of the new Parks attractions are expected to reduce net income by £0.2m in 2022/23 and bereavement services income is projected to fall £0.2m below budget. However, staffing underspends are expected to cover these pressures and bring the service back into a breakeven position for the year.

- **Customer Access and Welfare** (£0.4m pressure excluding staffing) - £0.2m of income pressures are expected in Community Hubs with a further £0.1m in the Library and Information Service.

A £1m pressure on Housing Benefit Rent Allowances is anticipated where the Council cannot reclaim a 100% subsidy from the government.

However, £1.3m of additional funding for New Burdens Funding and other grant income is expected to cover staffing and other pressures within the services and £0.2m of net savings from reducing non-essential spend have been projected.

- **Other variations** – minor variations across the Directorate total less than (£0.5m)

3.6.5 Resources - Based on an examination of key risk budgets, the Resources Directorate is forecasting a pressure of £2,943k at this reporting period. This is an increase from the previous period of £172k. This increase is due to:

- Strategy and Improvement, increase in costs of £20k.
- Human Resources, improvement of £81k.
- Leeds Building Services £229k.

This is summarised into the following areas across the Directorate's services:

- **Procurement £309k** - A target of £4m Procurement savings across the authority formed part of the 2022/23 approved budget. Whilst a proportion of these savings were set against specific contract areas, £2.3m had yet to be identified. Additional unbudgeted income from the Revolving Investment Fund is expected to mitigate some of this pressure and has therefore been included in the projection. In addition, the Procurement service has been successful in identify further savings of £0.25m across two large contracts. In year mitigations amounting to £1.6m have also been identified to reduce the savings target. The PACS service will continue to identify opportunities to increase income and reduce costs across the Directorate. The inflationary pressures experienced across a range of contracts since the setting of the budget mean that a pressure is likely in this area.
- **Leeds Building Services (LBS) £490k** - Following an examination of the pipeline of work for LBS for the remainder of the year from client departments, the turnover position for 2022-23 is expected to be in the region of £68.75m,

which is a reduction of £4m over this year's original identified turnover. This has a consequential impact on the LBS rate of recovery. In short, slippage, cancellations, or delays in programmes of work in client departments impact the revenue position of LBS.

The reported position includes mitigations as a result of; staff savings, further improvement in sickness levels, use of contingency and anticipated overhead savings. Without these mitigations the reported position would be considerably worse.

LBS will work with client services to identify potential additional income and to discuss further levels of slippage within the current pipeline of work with a view to further mitigating this projection.

- **Legal Services £205k** - The overspend is due to a shortfall in income, which is partly offset by staff savings. This projection also includes a pay award figure of £220k.
- **Sustainable Energy and Air Quality -£226k** - Premises savings as a result of the decision in the Spring Statement to exempt District Heating networks from Business rates have resulted in a saving of £226k.
- **Shared Services £1,092k** - Staffing overspends of £2,066k including Pay Award of £1,728k and Salary Sacrifice pressure of £290k are being offset by supplies and services savings of £612k and additional income of £652k.
- **Integrated Digital Services £Balanced** - Staffing underspends of £102k including £1,094k Pay Award are assisting to offset overspends of £568k, the remaining overspend is being offset by increased income of £466k. The additional income includes £700k flexible use of Capital Receipts.
- **Facilities Management -£242k** - £50k of savings related to building running costs, and £300k procurement savings along with a pay award pressure of £100k.
- **Corporate Property Management £25k** - A pay award pressure of £42k and security overspend of £95k are being offset by staffing savings of £110k.
- **Catering £558k** - Staffing overspends of £342k, inflation increases on food and other costs of £423k offset by additional income of £207k.
- **Strategy and Improvement £Balanced** - Staffing overspends of £164k are being offset by £164k additional income.
- **Finance £251k** - Staffing overspends of £771k offset by additional Court Fee income of £304k, release of reserve £100k and other savings of £116k.
- **Democratic Services £79k** - Pay award pressure of £129k offset by savings of £50k.
- **Human Resources £181k** - Staffing overspends of £1,225k and other expenditure overspends of £53k offset by use of reserves and government income to pay for interns and Kickstart posts of £1,097k.

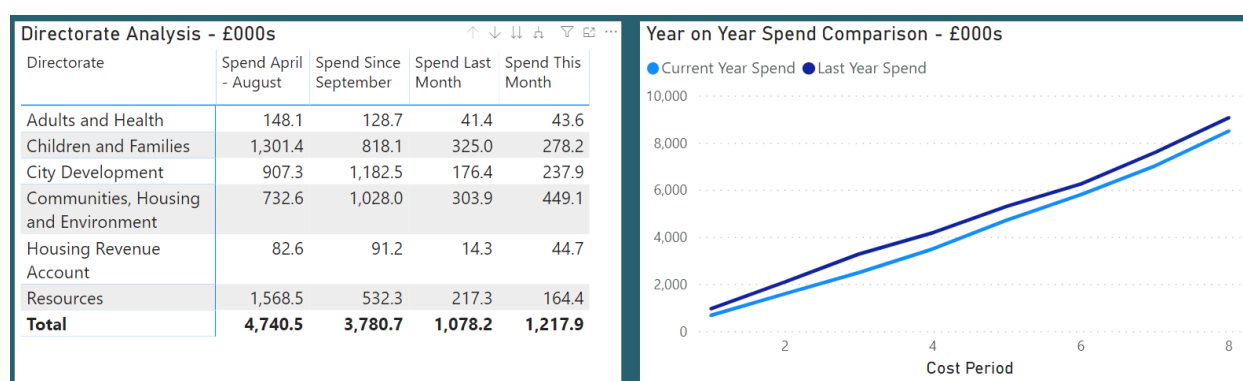
- **CEL Cleaning, Fleet, Presto, School Crossing Patrol, Security £221k** - A pay award pressure of approximately £1m is being partially offset by a budget action plan to review income opportunities of £750k.

3.6.6 Strategic & Central Accounts - At Month 7, the Strategic & Central accounts projection is for an underspend of £0.6m. This position includes a forecast £2.3m pressure for increased energy costs across the council for which funding has not yet been identified. A one-off use of earmarked reserves of £1.7m is also included in the Strategic position. This net pressure is offset by projected savings of £0.5m in the debt budget, an additional recharge of £0.5m to the public health budget for its pension costs, and £0.2m of minor underspends across the Miscellaneous and the Joint Committees budgets.

3.7 Monitoring Non-essential spend

3.7.1 As referenced at paragraph 3.2, one of the agreed actions to address the overspend position in 2022/23 is a freeze on non-essential spend. A process to monitor a range of financial codes where spend on non-essential supplies and services is likely to occur has been established and Executive Board will be updated each month on the outcome of this monitoring. It is not expected that no spend will be incurred on these codes as a variety of supplies and services will be included and spend on similar items may be essential in one service but non-essential in another, so the purpose of this analysis is to ensure a downward trend and to challenge directorates in areas where spend does not fall as expected.

Table 2: Non-essential Spend Month 7 (October)



3.7.2 The table on the left shows the spend incurred between April and August 2022 and spend incurred after August 2022 following implementation of the freeze. At Month 7, spend in scope between April and August 2022 totalled £4.74m, spend in September 2022 totalled £1.08m and spend in October £1.22m, an increase of £0.14m (13%) on September's spend. Whilst this may reasonably reflect the profile of the different types of expenditure in scope it will need to be monitored and challenged where appropriate.

3.7.3 The graph on the right compares 2021/22 and 2022/23 spend on these financial codes. At Month 7 2021/22, £7.6m of expenditure had been incurred, compared with £7.0m in the current year, a £0.6m (7.5%) reduction in spend to date against these codes.

3.8 Budget Action Plans

3.8.1 The budget for 2022/23 requires the delivery of £16.5m of savings. Detailed budget action plans have been developed to identify how these savings will be achieved and progress against these action plans will be monitored and reported throughout the year. Further detail is provided at Appendix 3.

At Month 7 it is anticipated that the majority of savings will be delivered in full through the identified saving plans or through mitigating actions identified by each Directorate, the exceptions being:

- Children & Families – £0.575m shortfall expected savings on Passenger Transport and Diversifying Childrens Residential Provision.
- Resources - £2.046m shortfall in the anticipated level of procurement savings within PACS.

3.8.2 Although other directorates have indicated shortfalls in regard to fully meeting their targeted budget action plans by £1.954m, they have identified other mitigating measures to offset these shortfalls, see section 3.6.

3.9 Inflationary Pressures

3.9.1 At the end of Month 7 (October) an overspend of £15.4m is projected against the Council's 2022/23 revenue budget. This reported position reflects the national employers' pay offer and known inflationary rises and cost of living pressures.

3.9.2 Pay Award – The 2022/23 budget allows £9.5m for an assumed 2022/23 pay award incorporating a Real Living Wage of £9.90 at pay scale points 1 and 2 and a 2% pay award for all other staff. Pay negotiations for 2022/23 have now concluded with the Employer Offer having been accepted, a pay increase of £1,925 to all employees. The additional cost associated with this was incorporated into the Council's reported financial position at Month 4. In September the Real Living Wage was announced at £10.90 per hour and this increased rate will be required to be incorporated into future Council's budgets.

3.9.3 Energy – In September, the then Chancellor of the Exchequer delivered the Growth Plan 2022 to the House of Commons and reiterated recent steps taken by Government to tackle high energy bills. The Government committed to a six month Energy Bill Relief Scheme for businesses and other non-domestic energy users, including charities and public sector organisations, providing them with a discount on energy prices. As Leeds City Council has forward purchased over 80% of its energy for winter, the majority of its energy has been purchased at prices that are lower than the cap – although it should be noted that the prices secured are still significantly higher than we have ever paid before. However, the cap still provides the Council with protection against the extreme day ahead prices that we have seen for the balance of our energy and if these were to continue, the cap could save the Council up to £2m.

The 2022/23 budget allows for a 5% increase in energy costs for gas and electricity. In addition, the Council has set aside £3.9m of energy contingency funding. The reported position at Month 7 (October) assumes projected General Fund expenditure on energy of £22.6m against a budget of £14.36m. Applying energy

contingency funding of £3.9m and further reserves of £2m reduces the projected General Fund overspend to £2.3m, which is reflected in the Strategic Directorate reported position. The reported position takes account of the Government's energy cap announcement. Actions being taken to review energy usage across the Authority's estate are anticipated to reduce this projected overspend.

3.9.4 Fuel – The average UK pump prices for diesel and unleaded petrol saw increases of 28.5% and 18.2% respectively between October 2021 and October 2022. The 2022/23 budget did not allow for any increases in fuel prices. Any increase above the total 2022/23 budgeted amount of £7.7m will require an action plan to be developed for how this increase will be mitigated in year.

3.9.5 Cost of Living Pressures – Further to the inflationary pressures detailed here, there is likely to be a wider inflationary impact to the Council due to the impact of the increased cost of living on our residents and businesses. We would expect to see the impact of this in increased costs to the Council for the goods and services that we procure, increased demand for support and welfare services, and reduced income across a range of services as Leeds residents and visitors choose to spend differently as a consequence of rising inflation. The position will continue to be closely monitored.

3.10 Reserves

3.10.1 Following the closure of the 2021/22 accounts, the Council's general fund reserve stands at £33.2m. The 2022/23 budget assumes no contribution to this reserve during the current financial year.

3.10.2 The 2022/23 budget includes use of reserves to support the Council's General Fund; this includes the Strategic Contingency Reserve which was established in 2020/21 to fund future unforeseen budget pressures and to ensure the Council becomes more financially resilient.

3.10.3 A sum of £2m from this reserve is also being used to fund the backlog recovery of affected services following the COVID pandemic, including targeting the backlogs of work which have built up in some services.

3.10.4 The closing balance on the Strategic Contingency Reserve for 2021/22 was £37.5m. The 2022/23 budget provided a further net contribution of £8.4m to this reserve, but also proposed use of (£15.0m) to support the General Fund position, leaving a projected balance of £30.9m at the 31st March 2023. At Month 7, £2.0m of this balance has been committed to fund backlog recovery from COVID, as detailed at paragraph 3.11.3.

3.10.5 In addition, a specific COVID Reserve was created in the 2021/22 Budget to be applied to any pressures arising which exceed the initial estimate of the COVID impact. A balance of £3.5m was carried forward into 2022/23 with the 2022/23 budget identifying additional resources of £1.4m. £4.9m in total will be available to address the ongoing impact of COVID in the 2022/23 financial year.

3.11 Funding from other resources

3.11.1 Flexible Use of Capital Receipts

Under guidance issued in March 2016 and updated on the 2nd August 2022, Local Authorities are allowed to use capital receipts for funding “expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners”. The original revenue budget in 2022/23 assumes that £16.72m would be spent utilising these flexibilities and the key projects to be funded this way includes £4.9m on digital transformation, £5.9m on the Core Business Transformation Programme and £1.9m for service transformation in the Adults & Health directorate. At Period 7 the projected level of spend is £15.35m and this is summarised by Directorate in Table 2 below.

The budgeted level of savings to be realised through the flexible use of Capital Receipts in 2022/23 is £10.51m. This is now projected to be £8.52m at the year end, as summarised in Table 2. These projected levels of savings have also been incorporated into Directorate projected outturn positions at paragraph 3.6.

Table 2: Expenditure funded through flexible use of capital receipts Quarter 2

2022/23 - EXPENDITURE FUNDED THROUGH FLEXIBLE USE OF CAPITAL RECEIPTS						
Directorate	2022/23 Budgeted Spend £m	Year End Projected Spend £m	Variation to Budget £m	2022/23 Budgeted Savings £m	Year End Projected Savings £m	Variation to Budget £m
Adults & Health	2.04	2.04	0.00	(4.00)	(4.00)	0.00
Communities, Housing & Environment	0.12	0.00	(0.12)	0.00	0.00	0.00
Resources	6.15	6.15	0.00	(5.52)	(3.52)	2.00
Strategic/ Corporate	6.83	5.85	(0.99)	(1.00)	(1.00)	0.00
	15.14	14.04	(1.11)	(10.51)	(8.52)	2.00

3.11.2 Invest to Save/Innovation Fund – The Invest to Save and Innovation Funds are designed to strengthen the Council’s longer term financial resilience. The Invest to Save fund is used for service improvements or transformational projects where a proof of concept has already been delivered and an initial revenue investment would directly generate cost reductions or income for the Council. Allocations from the fund will be repaid from the savings generated and it is therefore self-financing. The Innovation Fund is designed to provide pump-priming investment for those more conceptual schemes which need to be developed further. It is acknowledged that not all of these schemes will be successful, but for those that are, the fund would be repaid with the aim of it becoming self-financing.

The funding uncommitted and available for Invest to Save and Innovation Fund schemes at the start of 2022/23 was £1.621m. At the end of Quarter 2, £0.642m has been committed leaving an uncommitted and available balance of £0.979m. It is projected that £0.544m will be spent in year. This spend includes the production

of a feasibility study for a solar farm and the development of a cloud-based Adult Social Care referral system. This targeted expenditure will result in a saving of £0.130m in 2022/23 with further savings to be realised in future years, as summarised in Table 3.

Table 3: Invest to Save/Innovation Fund Quarter 2

	£k	£k	Year End Projected Spend	Year End Projected Savings
Funds uncommitted and available at start of 2022/23		(1,621)		
Less Funds Committed 2022/23 to Qtr 2:			£k	£k
City Development	100		100	(100)
Resources	542		444	(30)
		642	544	(130)
Therefore Funds uncommitted and available		(979)		

3.11.3 COVID-19 Backlog Recovery Fund – This fund has been established to meet costs related to clearing backlogs caused by the COVID-19 Pandemic. The funding uncommitted and available at the start of 2022/23 was £2m. At the end of Quarter 2, £1.954m has been committed leaving an uncommitted and available balance of £0.046m. It is projected that £1.441m of the £1.954m will be spent in 2022/23. This position is summarised in Table 4.

The most significant uses of this Fund are within the Contact Centre (£0.564m) and in Business Administration Support to the Children and Families directorate (£0.500m).

Table 4: COVID-19 Backlog Recovery Fund Quarter 2

	£k	£k	Year End Projected Spend
Funds uncommitted and available at start of 2022/23		(2,000)	
Less Funds Committed 2022/23 to Qtr 2*:			£k
City Development	146		48
Communities, Housing & Environment	258		218
Resources	1,550		1,175
		1,954	1,441
Therefore Funds uncommitted and available		(46)	

*To note, where schemes involve two directorates, they have been included under the lead directorate.

4. Other Financial Performance

4.1 Council Tax

The Council Tax in-year collection rate at the end of October 2022 was 60.90%. For comparison, in September 2021 the in-year collection rate was 62.12% and in September 2019, a 'normal' year, the in-year collection rate was 63.29%. With the collection rate continuing to slow in this challenging economic environment it has been decided that, to be prudent, the target collection rate in the fullness of time

should be reduced from 99% to 98.5%, at a cost to the Council's share of the Collection Fund deficit of £2.0m.

Leeds' share of the declared Council Tax deficit for 2021/22 (at 31st December 2021) has been incorporated into the 2022/23 budget. The declared deficit was £3.704m. This has been adjusted for the 3-year spreading legislated by Government in order that authorities can better manage deficits arising as a result of the economic impact of COVID-19. Consequently, the Leeds share of the deficit that is budgeted to be repaid in 2022/23 is £2.249m. This repayment is now a fixed amount and does not impact on the 2022/23 in year position.

The actual closing deficit on the 2021/22 Council Tax Collection Fund was £8.7m, including the Police and Fire Authority shares. In 2022/23 it is projected there will be an in-year surplus on Council Tax at declaration of £0.9m. Whilst in-year income from Council Tax is almost as expected at the time the 2022/23 Budget was approved by Full Council in February 2022 which sets the precepts taken from the Collection Fund, and income to the Collection Fund is additionally increased by repayment of the declared deficit from 2021/22 as noted above, the increased cost of the provisions required to account for the reduced collection rate has reduced this surplus by £2.3m including the Police and Fire Authority's share. The closing deficit will therefore be £7.8m. Included in the projected deficit is the final instalment of the declared unfunded deficit from 2020/21 which, including the Police and Fire Authorities' shares, will be £5.3m. This therefore means that an additional deficit of £2.5m will have to be funded by the Council, the Police and the Fire Authority in 2023/24, Leeds share of which will be £2.1m.

The collection rate for Council Tax remains an area of concern as Council Taxpayers continue to struggle with the cost of living crisis and collection will require close monitoring over the coming months.

4.2 Business Rates

The Business Rates collection rate at September 2022 is 61.47% which is 4.37% higher than in the same period in 2021/22 but 3.6% behind performance in 2019/20, the last 'normal' year. Collection rates will be closely monitored over the coming months. The budgeted collection rate for business rates is to achieve an in-year collection target of 97.7%, collecting £296.5m of business rates income.

The total rateable value of business properties in Leeds has increased from £923.8m at the time of the 2022/23 budget to £924.3m as at 31st October 2022, an increase of £0.5m. The 2022/23 budget includes an expected reduction in Rateable Value of £0.3m for the 2022/23 full year and the size of the Business Rates tax base in Leeds will also require close monitoring.

Leeds' share of the declared Business Rates deficit from 2021/22 (at 31st December 2021) has been incorporated into the 2022/23 budget. The total declared deficit on the Business Rates Collection Fund was £28.2m. Leeds' share of the unfunded declared deficit from 2020/21 was £36.7m, which has been spread over three years in accordance with Government legislation. The second of the three repayments of £12.2m will be paid in 2022/23 and is fixed and included in the £28.2m declared deficit.

Due to reassessing the level of the bad debt and appeals provisions, the actual closing deficit for 2021/22 is an improvement of £8.0m from the position declared and this improvement will be carried forward as a gain to the 2023/24 budget but will be required to offset future reduction in grant funding.

In 2022/23, a deficit of £5.4m has arisen due to an increased demand for the extended Retail Relief introduced by the Government to assist the High Street in the wake of the pandemic and the backdated award of further COVID Additional Relief Fund (CARF) reliefs against 2021/22 income. These reliefs are fully funded and this funding will be held in reserve to part meet the cost of the impact of the overall deficit to the 2023/24 General Fund.

Taking the £12.2m final repayment of the unfunded deficit from 2020/21, the £8.0m improvement from the end of 2021/22 and the £5.4m in-year deficit from 2022/23, the declared deficit for 2022/23 is projected to be £9.6m, which will impact the 2023/24 General Fund. Of this projected deficit, £8.0m is projected to be funded by grant received from Government for the extended Retail Relief and CARF relief.

The outlook for the in-year Business Rates deficit on the Collection Fund remains uncertain and will require close monitoring in the coming months.

4.3 Business Rates Appeals

The opening appeals provisions for 2022/23 is £24.2m, made up of £5.1m relating to appeals received against the 2010 ratings list and £19.1m estimated costs in relation to the 2017 ratings list. Under 50% Business Rates Retention, Leeds' budget is affected by 49% of any appeals provision made in this year.

On 31st October 2022, there were 88 appeals outstanding against the 2010 ratings list. In this financial year until 31st October 2022, 34 appeals have been settled, 10 of which have resulted in changes to rateable values. No new appeals have been received in 2022/23. Currently, 1.96% of the city's total rateable value on the 2010 list is subject to at least one appeal.

Before the COVID-19 public health crisis, the introduction of the new Check Challenge Appeal system on 1st April 2017 saw a significant reduction in the number of appeals submitted by ratepayers against their Rateable Value on the 2017 ratings list compared to the 2010 ratings list. Only eleven appeals have so far been submitted to the Valuation Tribunal, the final stage of the new process.

As at October 2022, the Council is providing for a net of 401 Checks and Challenges against the 2017 ratings list.

Additionally, Government has now passed primary legislation to ensure that 'appeals' based on a Material Change of Circumstance due to the restrictions to economic activity during the COVID 19 lockdowns will not be successful and will not lead to a reduction in Rateable Value. Any outstanding appeals which had been deemed in this category have therefore been excluded from the Council's calculations.

In addition, the Authority has made provisions for specific issues such as the removal of ATMs located in shops from the 2017 list, expected reductions to

hospitals, ambulance and fire stations and expected reductions to several GP surgeries.

4.4 Impact of Covid 19 and cost of living on the Collection Fund in 2022/23 and beyond

There is still some impact of COVID-19 on council tax and business rates income as recovery action is reintroduced and additional reliefs brought in to support businesses during the pandemic are phased out. Council Tax collection rates are showing the effects of the cost of living crisis and the level of voids is a current concern. The team are monitoring the situation and working on ways to mitigate by improving void levels and working through the backlog of recovery action. For Business Rates, the reductions in reliefs granted are impacting on collection rates. The pressures of the cost of living crisis have become more noticeable over the last couple of months and the long-term impact of this on collection rates and tax base will require continued close monitoring.

5. Housing Revenue Account (HRA)

5.1 At Month 7, the HRA is projecting a balanced position.

5.2 Dwellings Rent and service charges £2m – there is a forecast reduction in rental income which is mainly due to the number of void properties being higher than budgeted because of the ongoing impact of COVID-19. There is a recovery plan in place and it is projected that the void level will be back to pre-pandemic levels by the end of the current financial year.

5.3 Employees £0.3m (and related charges) – there is a forecast underspend against the employee budget of £0.568m due to vacant posts in the service; the forecast reflects the 2022/23 agreed employee pay award. However, the underspend is offset with a reduction in capitalised salaries of £0.9m.

5.4 Repairs to Dwellings £1.358m – the budget is projected to be overspent due to the price pressures in the construction industry, although this will be fully funded from the repairs reserve.

5.5 Disrepair provision £2m – the budget is projected to overspend due to the continuing trend of increasing case numbers and the average cost of the cases.

5.6 Premises £1.9m – comprised of: £1.3m pressure on the energy budget due to the rising cost of gas and electricity, costs which have not been passed on to tenants in year; £0.2m dilapidations costs claims at Navigation House; and a £0.4m pressure on the cleaning charge due to the pay award.

5.7 Provision for doubtful debt £0.5m – it is estimated that an additional amount will be added to the provision to cover potential increases in bad debt due to the cost of living crisis.

5.8 Contribution to the Capital Programme (£2.4m) – a one off reduction in the revenue contribution to the capital programme is offset by utilising RtB balances to fund the investment programme.

- 5.9 Debt Costs (£1.6m)** – a projected in year saving of £1.6m following a review of the forecast spend levels within the Council House Growth Programme
- 5.10 Supplies and services and Internal services £1.8m** – projected to underspend after a line by line review of the budgets.

Overall Summary Sheet

Month 7 (October 2022)

Financial Dashboard 2022/23 Financial Year

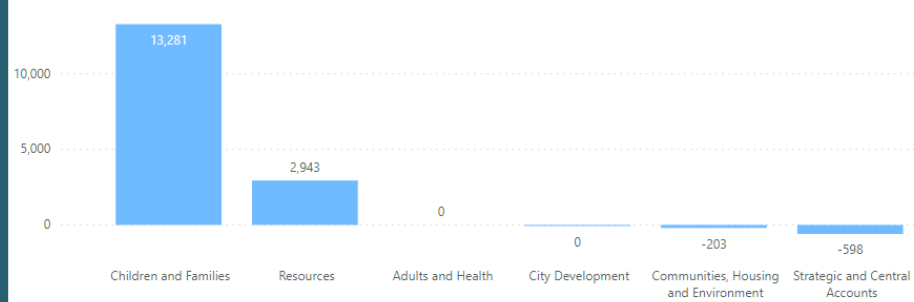


Budget Variation £000s

15,424

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	497,085	505,655	8,570
Premises	55,215	58,204	2,989
Supplies and Services	231,312	228,160	-3,152
Transport	47,996	51,111	3,115
Internal Charges	76,704	80,887	4,183
Third Party Payments	469,594	483,248	13,654
Transfer Payments	185,520	186,109	590
Capital	79,820	79,764	-56
Transfer to/from Reserves	-48,538	-49,622	-1,084
Internal Income	-315,752	-316,387	-635
External Income	-757,012	-769,761	-12,749
Total	521,943	537,367	15,424

Directorate	Change in Variance £000s
Adults and Health	0
Children and Families	3,286
City Development	-1
Communities, Housing and Environment	8
Resources	172
Strategic and Central Accounts	-4,673
Total	-1,208

Financial Dashboard 2022/23 Financial Year

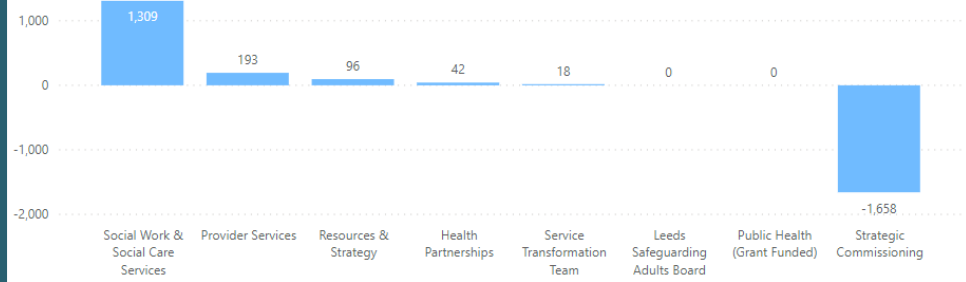


Budget Variation £000s

0

Overspend (+) / Underspend (-)


Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	62,109	63,330	1,221
Premises	1,029	1,211	183
Supplies and Services	5,696	7,354	1,658
Transport	906	928	22
Internal Charges	12,465	13,995	1,530
Third Party Payments	299,526	305,990	6,463
Transfer Payments	11,395	10,828	-567
Capital		0	0
Transfer to/from Reserves	-8,764	-7,106	1,658
Internal Income	-5,416	-5,620	-205
External Income	-181,450	-193,413	-11,963
Total	197,497	197,497	0

Directorate	Change in Variance £000s
Adults and Health	0
Total	0

Financial Dashboard 2022/23 Financial Year

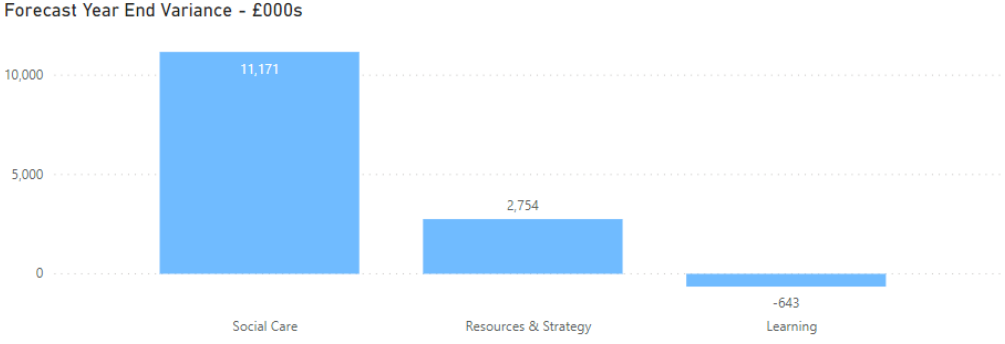


Budget Variation £000s

13,281

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s




Department	Variance (£000s)
Social Care	11,171
Resources & Strategy	2,754
Learning	-643

Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	104,736	104,845	109
Premises	3,338	3,344	6
Supplies and Services	64,246	64,501	255
Transport	10,767	11,769	1,002
Internal Charges	29,199	31,848	2,648
Third Party Payments	111,302	116,852	5,550
Transfer Payments	2,040	2,237	197
Transfer to/from Reserves	-266	-345	-79
Internal Income	-32,382	-32,149	233
External Income	-160,335	-156,975	3,359
Total	132,645	145,926	13,281

Directorate	Change in Variance £000s
Children and Families	3,286
Total	3,286

Financial Dashboard 2022/23 Financial Year

Back

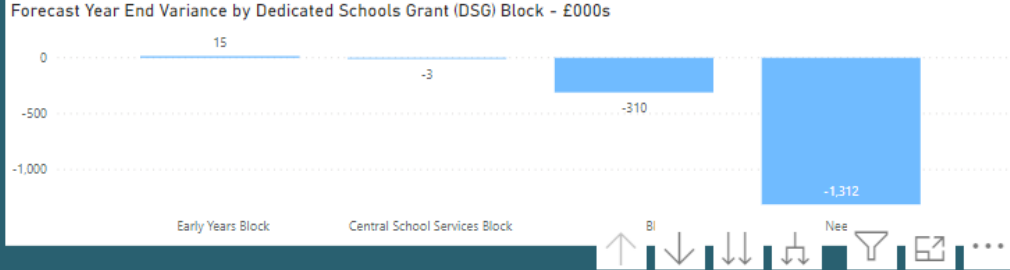


DSG Variation £000s

-1,610

Overspend (+) / Underspend (-)

Forecast Year End Variance by Dedicated Schools Grant (DSG) Block - £000s



Block	Variance (£000s)
Early Years Block	15
Central School Services Block	-3
Schools Block	-310
High Needs Block	-1,312

Net Variations against the Approved Budget

DSG Block	Income Budget	Income Projection	Income Variance	Expenditure Budget	Expenditure Projection	Expenditure Variance	DSG Budget (LE)	DSG Projection	DSG Variance
Schools Block	-325,189	-323,103	2,086	325,189	322,793	-2,396	0	-310	-310
High Needs Block	-103,981	-103,957	24	103,981	102,646	-1,335	0	-1,312	-1,312
Early Years Block	-58,187	-58,247	-59	58,187	58,262	74	0	15	15
Central School Services Block	-5,138	-5,138	0	5,138	5,135	-3	0	-3	-3
Total	-492,496	-490,445	2,051	492,496	488,835	-3,660	0	-1,610	-1,610

DSG Reserves

Reserve Type	Balance b/fwd	Net contribution to(-)/from (+) balances	Budgeted Deficit (+) / Surplus (-) c/fwd	Projected in year under(-)/over(+) spend	Planned use of reserves	Projected Deficit (+) / Surplus (-) c/fwd
General	979	229	1,208	-1,597	0	-618
De-delegated	-1,098	0	-1,098	-14	0	-1,112
Total	-119	229	110	-1,611	0	-1,730

For Reporting

Financial Dashboard 2022/23 Financial Year

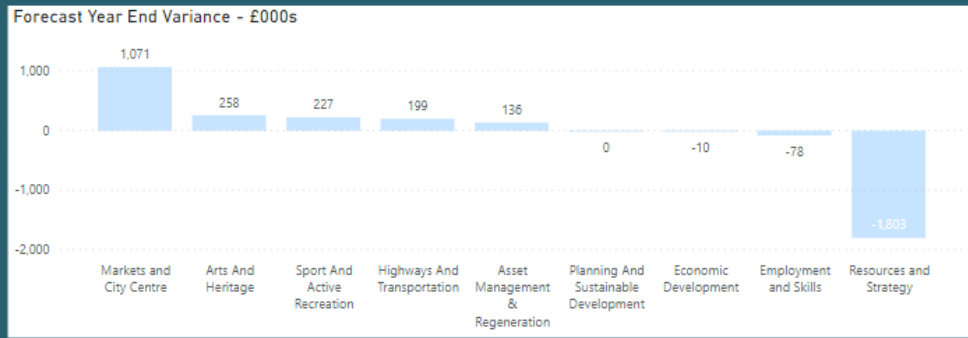
Back



Budget Variation £000s

0

Overspend (+) / Underspend (-)



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	68,856	68,891	35
Premises	25,661	26,162	501
Supplies and Services	43,962	43,381	-580
Transport	5,893	6,911	1,017
Internal Charges	10,077	10,295	218
Third Party Payments	192	192	0
Transfer Payments		0	0
Capital		0	0
Transfer to/from Reserves	-3,083	-3,003	80
Internal Income	-43,003	-43,628	-625
External Income	-76,177	-76,824	-647
Total	32,377	32,377	0

Directorate	Change in Variance £000s
City Development	-1
Total	-1

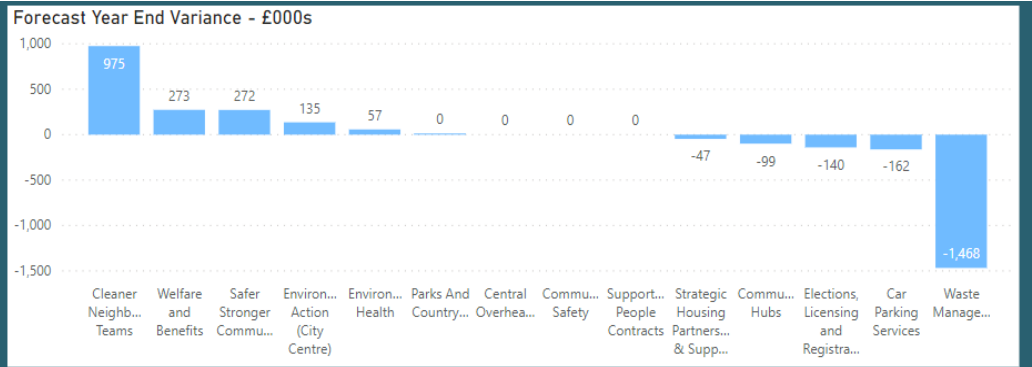
Financial Dashboard 2022/23 Financial Year



Budget Variation £000s

-203

Overspend (+) / Underspend (-)



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	96,737	99,955	3,218
Premises	9,712	9,899	188
Supplies and Services	56,186	50,885	-5,301
Transport	10,141	11,248	1,107
Internal Charges	16,323	16,156	-168
Third Party Payments	21,455	23,148	1,693
Transfer Payments	171,096	172,055	959
Capital		0	0
Transfer to/from Reserves	-1,536	-2,797	-1,261
Internal Income	-38,257	-40,158	-1,902
External Income	-258,175	-256,912	1,263
Total	83,682	83,479	-203

Directorate	Change in Variance £000s
Communities, Housing and Environment	8
Total	8

Financial Dashboard 2022/23 Financial Year



Surplus (-) / Deficit (+) £000s

0

Overspend (+) Underspend (-)

HRA Income	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲				
Dwelling Rents	-216,541	-214,523	2,018	0
Non Dwelling Rents	-3,306	-3,238	68	0
Service Charges	-9,335	-9,017	318	150
Internal Income	-10,359	-9,479	880	220
Grants	-21,644	-21,593	51	4
External Income	-1,598	-2,590	-992	-992
Total	-262,784	-260,441	2,342	-618

HRA Expenditure	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲				
Disrepair Provision	2,400	4,400	2,000	400
Repairs to Dwellings	46,795	48,183	1,388	30
Employees	31,448	30,883	-564	12
Premises	9,729	11,608	1,879	-20
Supplies and Services	3,744	3,620	-125	26
PFI Unitary Charge	10,953	10,953	0	0
Transport	298	298	0	0
Internal Services	45,230	43,584	-1,646	0
BITMO Management Fee	3,235	3,235	0	0
Provision for Doubtful Debts	1,136	1,593	457	0
Capital Charges	45,942	44,356	-1,586	0
Contribution to Capital Programme	62,543	60,143	-2,400	0
Total	263,453	262,856	-597	447

Surplus (-) / Deficit (+)	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▼				
Net Position	669	2,415	1,746	-171
Appropriation: Sinking Funds	-412	-412	0	0
Appropriation: Reserves	-257	-2,003	-1,746	0
Total	0	0	0	-171

Financial Dashboard 2022/23 Financial Year

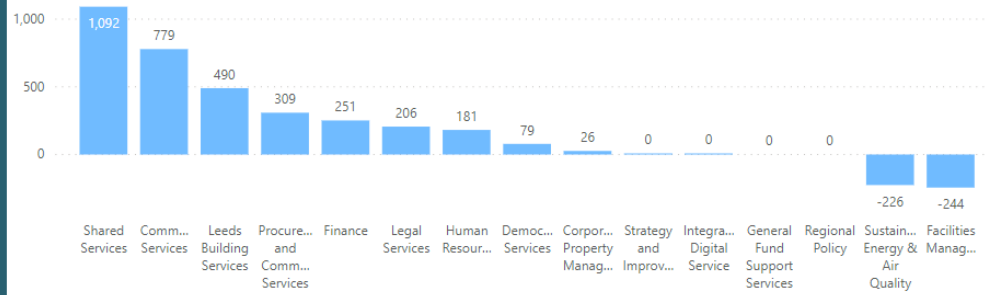


Budget Variation £000s

2,943

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	159,911	164,074	4,162
Premises	15,475	15,315	-160
Supplies and Services	53,441	52,979	-462
Transport	20,289	20,255	-33
Internal Charges	4,355	4,350	-5
Third Party Payments	28	28	0
Transfer Payments	61	61	0
Capital		0	0
Transfer to/from Reserves	-90	-190	-100
Internal Income	-154,521	-151,019	3,502
External Income	-17,095	-21,056	-3,962
Total	81,854	84,798	2,943

Directorate	Change in Variance £000s
Resources	172
Total	172

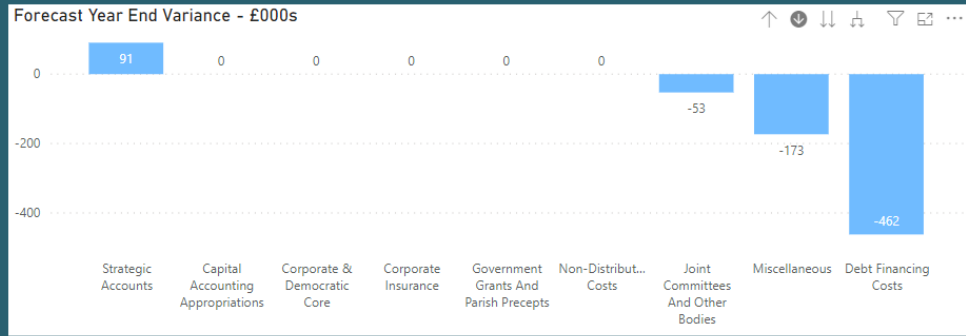
Financial Dashboard 2022/23 Financial Year



Budget Variation £000s

-598

Overspend (+) / Underspend (-)

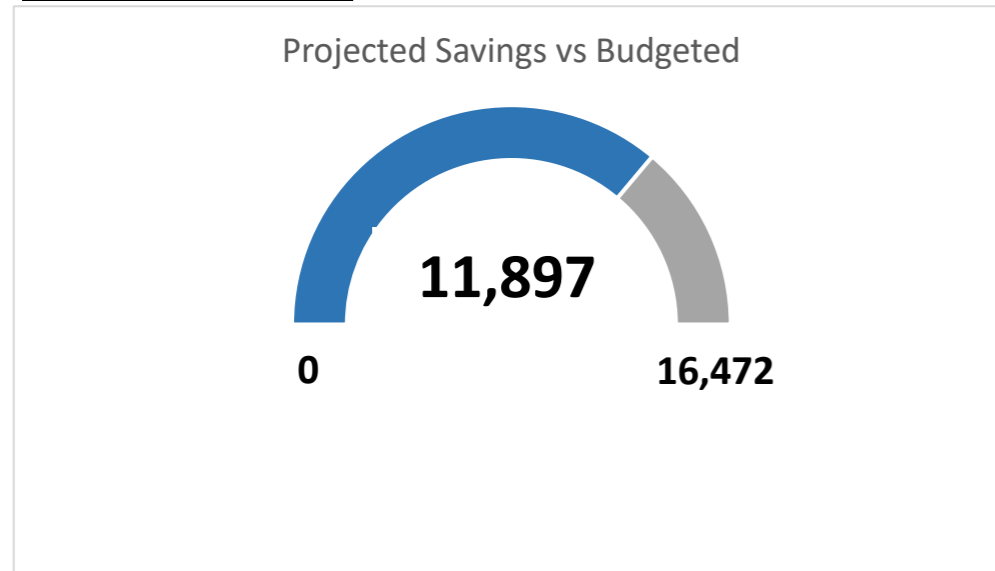


Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	4,736	4,560	-176
Premises		2,273	2,273
Supplies and Services	7,782	9,061	1,279
Internal Charges	4,285	4,243	-41
Third Party Payments	37,091	37,039	-53
Transfer Payments	928	928	0
Capital	79,820	79,764	-56
Transfer to/from Reserves	-34,800	-36,182	-1,382
Internal Income	-42,174	-43,814	-1,640
External Income	-63,780	-64,581	-801
Total	-6,112	-6,709	-598

Directorate	Change in Variance £000s
Strategic and Central Accounts	-4,673
Total	-4,673

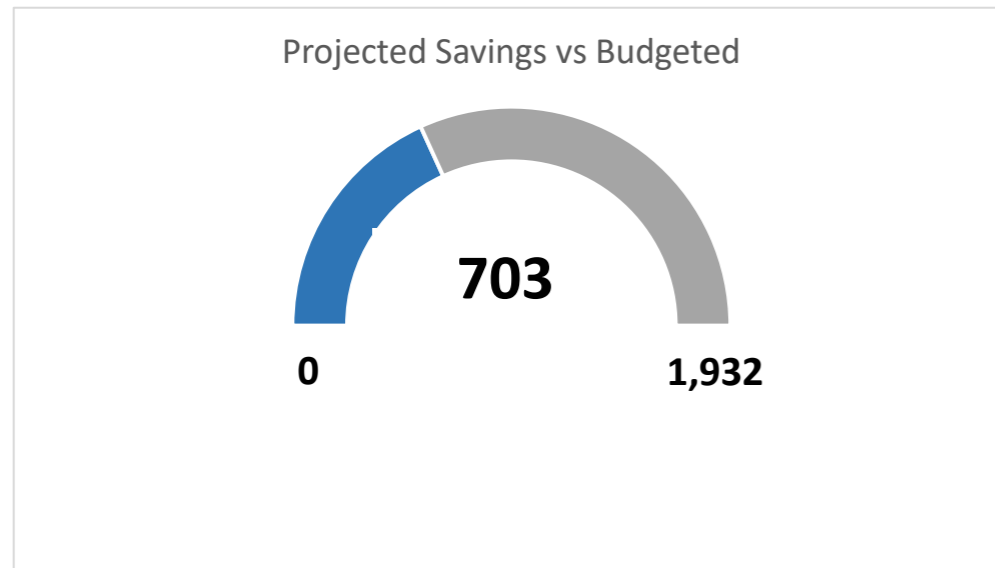
2022/23 BUDGET ACTION PLANS

October (Month 7)



LEEDS CITY COUNCIL - SUMMARY

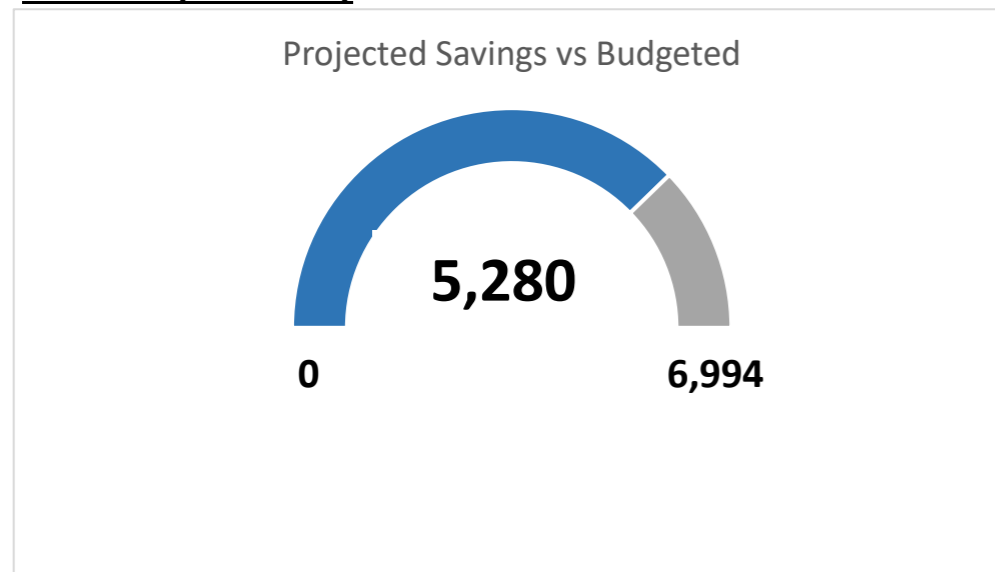
RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	3,319	3,319	0
On track, no issues	6,649	6,649	0
Some risk	2,203	1,064	1,139
High risk	4,301	865	3,436
Cancelled	0	0	0
Total	16,472	11,897	4,575



LEEDS CITY COUNCIL - Other Savings Measures

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	633	633	0
Some risk	635	70	565
High risk	664	0	664
Cancelled	0	0	0
Total	1,932	703	1,229

October (Month 7)



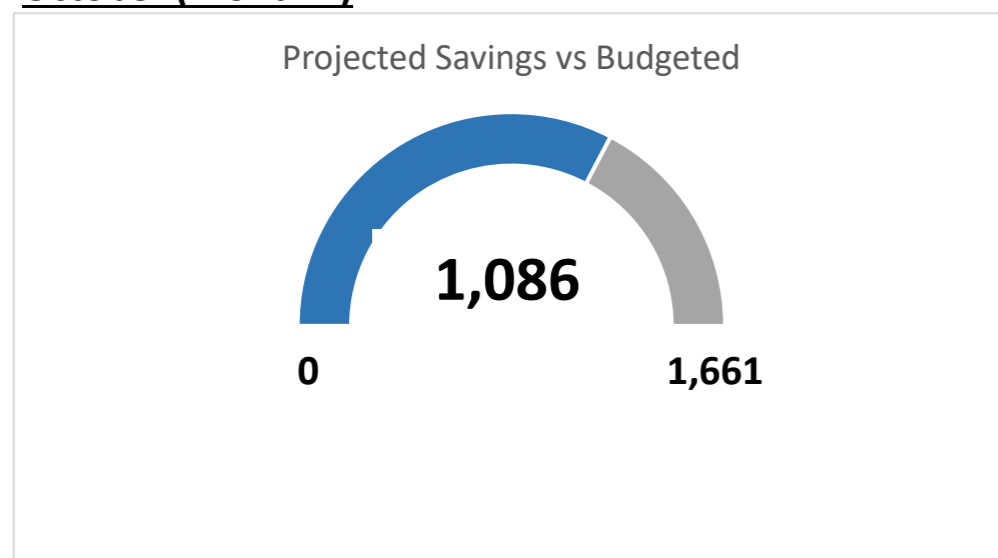
ADULTS & HEALTH - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	3,319	3,319	0
On track, no issues	1,120	1,120	0
Some risk	1,365	341	1,024
High risk	1,190	500	690
Cancelled	0	0	0
Total	6,994	5,280	1,714

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	Enhance awareness/desirability of in-house provision to encourage attendance and reduce external procurement (against fixed running cost)	Shona McFarlane	High risk	190	0	190	Not expected to be achieved in 22/23
Budgeted savings	BAU	Improved collection of financially assessed client income	John Crowther	High risk	1,000	500	500	Additional income target linked to EB report re 2:1 and MAC charges. Phase 1 letters sent out to Clients end of May 2022. Actions are to take place in the second half of the year which should generate income and bring BAP on line. £0.5m of the £1m expected in 22/23 with full amount in 23/24.
Budgeted savings	SR	Strategic Review of Adult Social Work:	Shona McFarlane	Some risk	1,365	341	1,024	7-month slippage in the implementation of the social work review for the Front Line and Assessment Teams. Governance process now cleared and posts set up on the SAP system. Staff recruitment is ongoing which is affecting assessments. Depending upon recruitment times, savings may therefore decrease, beyond the shortfall already reported.

October (Month 7)



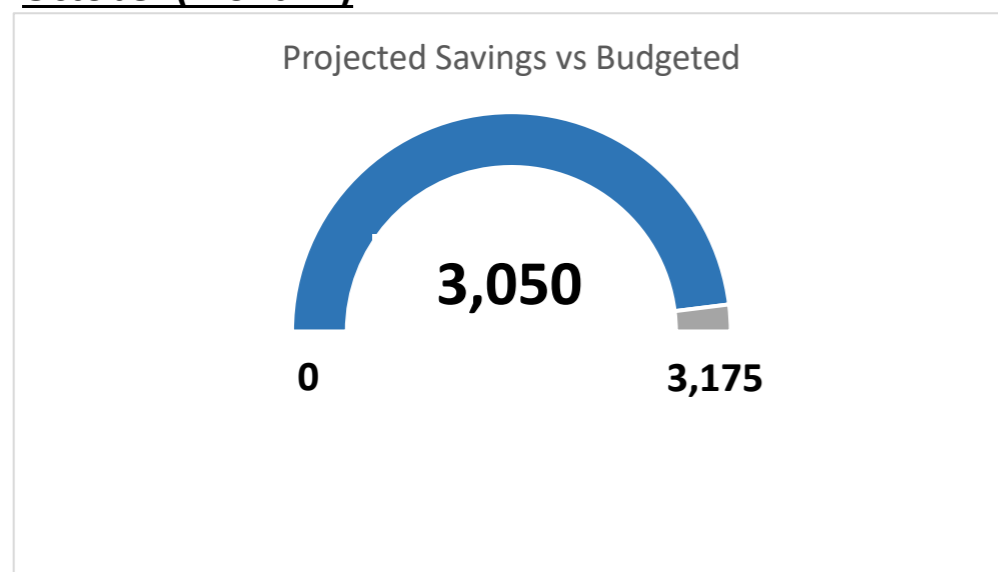
CHILDREN & FAMILIES - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	1,086	1,086	0
Some risk	0	0	0
High risk	575	0	575
Cancelled	0	0	0
Total	1,661	1,086	575

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	CF SR 22-24	Diversifying children's residential provision	Ruth Terry	High risk	295	0	295	Children and Families are currently reviewing the delivery plans and identifying actions required to deliver savings.
Budgeted savings	CF BAU 22-24	Passenger Transport	Tim Pouncey	High risk	200	0	200	The actions associated with this saving have been completed. However demand and inflation have exceeded original expectations, leading to an overall overspend on the transport budget. Actions to mitigate the overspend are detailed in the report.
Budgeted savings	CF BAU 22-24	Passenger transport-continuation from 21/22	Tim Pouncey	High risk	80	0	80	The actions associated with this saving have been completed. However demand and inflation have exceeded original expectations, leading to an overall overspend on the transport budget. Actions to mitigate the overspend are detailed in the report.

October (Month 7)

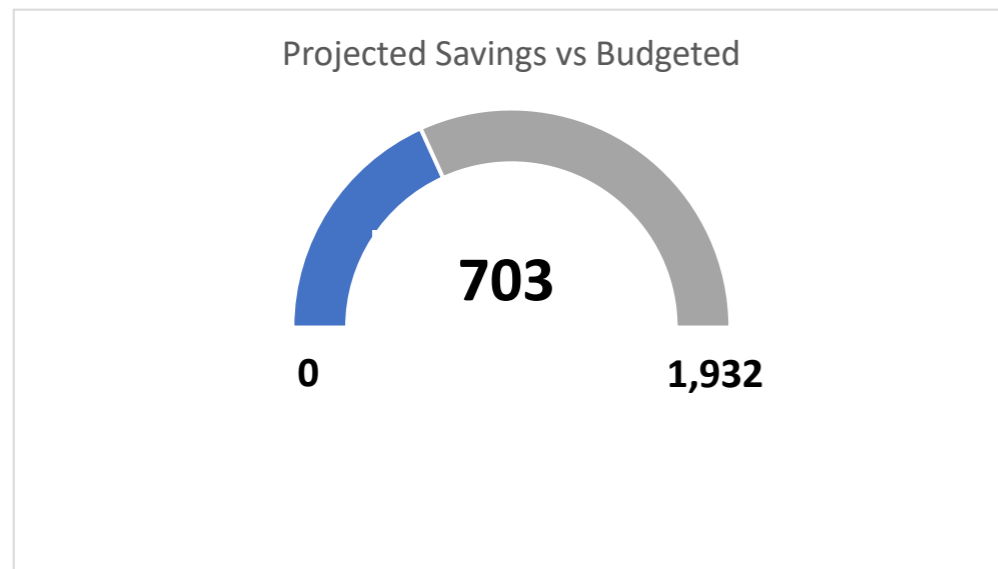


CITY DEVELOPMENT - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	2,660	2,660	0
Some risk	275	275	0
High risk	240	115	125
Cancelled	0	0	0
Total	3,175	3,050	125

CITY DEVELOPMENT - Other Savings Measures

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	633	633	0
Some risk	635	70	565
High risk	664	0	664
Cancelled	0	0	0
Total	1,932	703	1,229

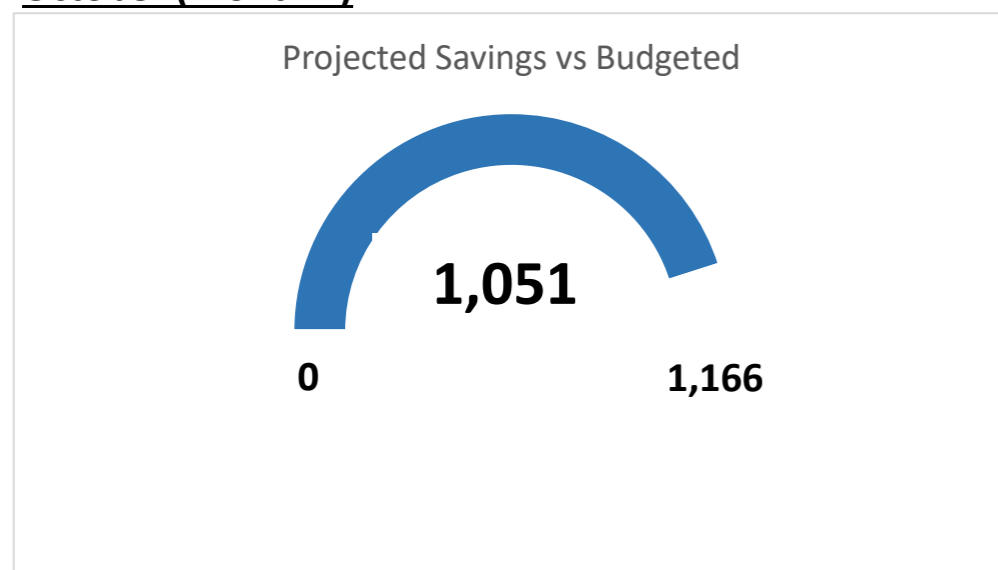


Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	Active Leeds - Increase in swimming tuition income	Phil Evans	Some risk	150	150	0	Some risks regarding capacity but no shortfall currently anticipated
Budgeted savings	BAU	Active Leeds - Procurement savings	Phil Evans	Some risk	125	125	0	Subject to Insurance savings being identified by Procurement
Budgeted savings	BAU	Arts, Events, Venues - ticketing solution	Eve Roodhouse	High risk	80	55	25	Risks regarding achievement of required turnover but alternative savings identified to offset

Budgeted savings	SR	Leeds Museums & Galleries Invest to Save: Kirkstall Abbey Admissions (Non-Leeds Residents)	Eve Roodhouse	High risk	160	60	100	Admission income currently below anticipated level, to be closely monitored
Other savings measures	0	Estate Rationalisation	Angela Barnicle	Some risk	635	70	565	Plan to identify mitigating savings to be developed
Other savings measures	0	Strategic Investment Fund	Angela Barnicle	High risk	664	0	664	Plan to identify mitigating savings to be developed

October (Month 7)



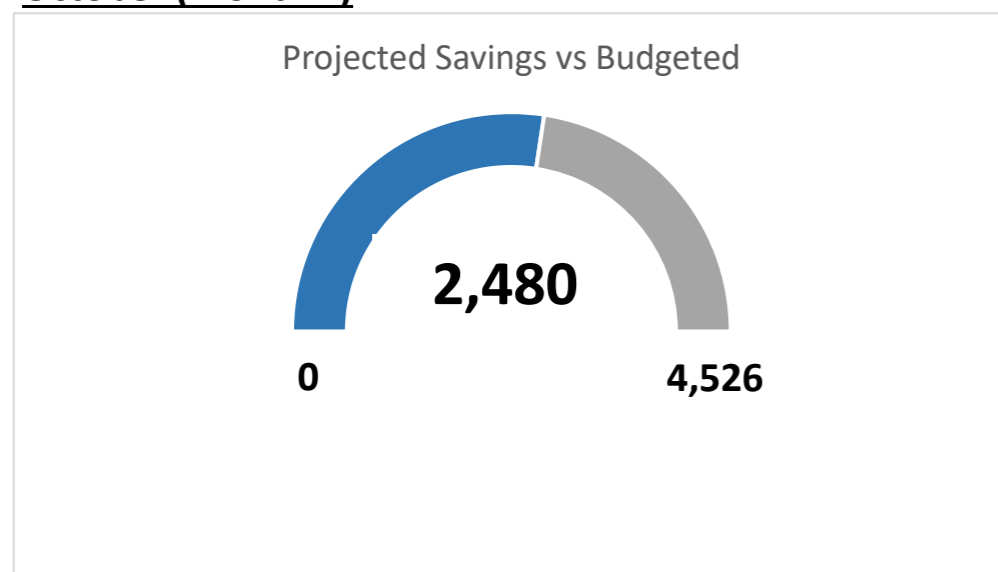
COMMUNITIES, HOUSING & ENVIRONMENT - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	988	988	0
Some risk	178	63	115
High risk	0	0	0
Cancelled	0	0	0
Total	1,166	1,051	115

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	Support for In Bloom	Sean Flesher	Some risk	31	10	21	Delayed implementation. Revised timescales to be confirmed.
Budgeted savings	BAU	Parks attractions income	Sean Flesher	Some risk	78	18	60	£12k Arium on track for floor expansion. Delay in Playbarn opening. Latest timescale for Playbarn is Feb 23.
Budgeted savings	BAU	Income - traded services & partner income-continuation	Sean Flesher	Some risk	41	30	11	Planning permission delayed.
Budgeted savings	SR	Efficiencies-continuation from 21/22	Sean Flesher	Some risk	28	5	23	Delays in camera infrastructure meaning 2 staff remaining in post. Saving anticipated in 23/24.

October (Month 7)



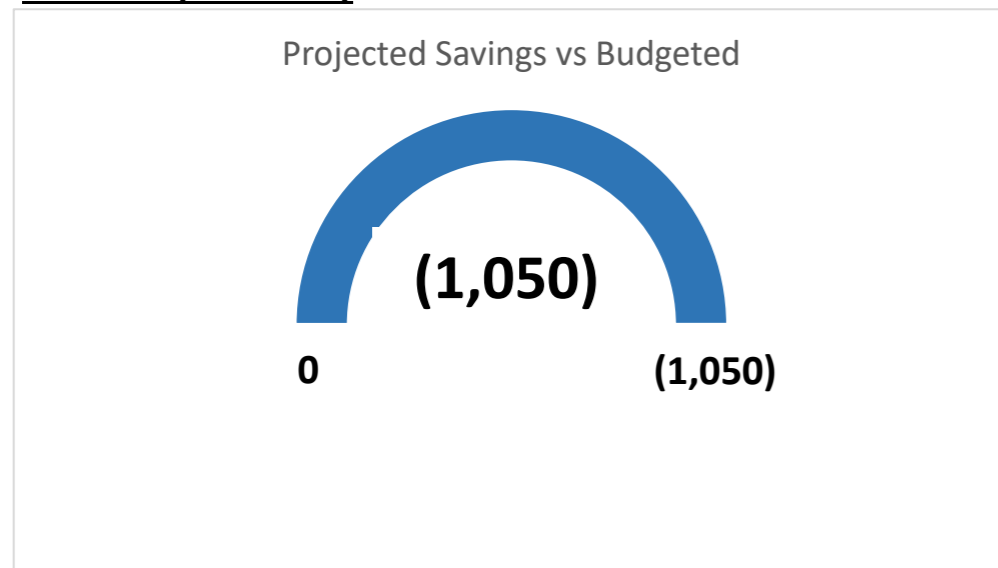
RESOURCES - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	1,845	1,845	0
Some risk	385	385	0
High risk	2,296	250	2,046
Cancelled	0	0	0
Total	4,526	2,480	2,046

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	BSC Shared Cost AVC	Mariana Paxton	Some risk	130	130	0	Whilst there is some risk in these areas due to the need for technical solutions, increased publicity for the schemes may mitigate the risk by the year end.
Budgeted savings	BAU	BSC Electrical Goods Salary Sacrifice.	Mariana Paxton	Some risk	100	100	0	Whilst there is some risk in these areas due to the need for technical solutions, increased publicity for the schemes may mitigate the risk by the year end.
Budgeted savings	BAU	BSC Shared Cost Additional Voluntary Contributions (AVC).	Mariana Paxton	Some risk	55	55	0	Whilst there is some risk in these areas due to the need for technical solutions, increased publicity for the schemes may mitigate the risk by the year end.
Budgeted savings	BAU	BSC Lease Car Salary Sacrifice.	Mariana Paxton	Some risk	100	100	0	Whilst there is some risk in these areas due to the need for technical solutions, increased publicity for the schemes may mitigate the risk by the year end.
Budgeted savings	SR	Procurement - 2022/23 allocations (23/24 + to follow)	Victoria Bradshaw	High risk	2,296	250	2,046	Whilst there may be some mitigating areas of additional unbudgeted income from the Revolving Investment Fund and the Social Value Fund, and the PACS service will continue to identify opportunities to increase income and reduce costs across the Directorate, the inflationary pressures experienced across a range of contracts since the setting of the budget mean that a pressure is likely in this area.

October (Month 7)



STRATEGIC - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Savings achieved	0	0	0
On track, no issues	(1,050)	(1,050)	0
Some risk	0	0	0
High risk	0	0	0
Cancelled	0	0	0
Total	(1,050)	(1,050)	0

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted £'000s	Projected £'000s	Projected Shortfall / (Surplus) £'000s	Including mitigating actions for Reds & Ambers

CHILDREN & FAMILIES SUMMARY

				2022/23 Savings / Income			
Savings title	Planned action / Description	Accountable Chief Officer	Budget Pressure P7 £'000s	Savings Target £'000s	Projected £'000s	Projected Shortfall / (Surplus) against savings target £'000s	RAG Rating
Semi Independent Living	<p>Ensure all young people are placed in provision that meets their needs.</p> <p>Identify 40 young people in Our Way Leeds (OWL) provision who are ready to move in to their own housing and take steps to move them on.</p> <p>Identify young people who can move on to OWLs provision and take appropriate steps to move them on.</p> <p>Identify young people with high-cost packages and review those packages with a view to reducing costs where appropriate.</p> <p>Work with the Housing Growth and Choice Board to support the development of alternative provision for our 16 plus young people ready for semi-independent and full independent living and away from costly unnecessary supported accommodation.</p> <p>New framework tender for providers not part of OWL.</p> <p>Consider joint funding opportunities from external partners.</p> <p>Consider an integrated commissioning approach with Adults and Health.</p> <p>Increase capacity in Children's Commissioning to undertake market management and market development activity.</p>	Ruth Terry	2,863	-500	-500	0	
CLA In House Carers	<p>Create a level 5 foster carer. Recruit 30 at this level over a three year period. Recruit 15 in the next 18 months.</p> <p>Develop a placement stability service to avoid and prevent placement breakdown.</p> <p>Support moves to Special Guardianship for long term carers.</p> <p>Increase numbers of internal foster carers.</p>	Ruth Terry	839	tbc	0		

CLA External Residential Placements	Regular review and scrutiny of high-cost packages. Consider resuming the joint council and health panel and use as a vehicle for scrutinising packages as well as the placement cost. Reunification - consider review of MST/FIT model. Joint work with Adults and Adults commissioning. Increase our internal estate by 8 new smaller homes. Develop an emergency support and accommodation provision for young people with the most complex needs who we are unable to place externally.	Ruth Terry	820	-300	0		
Independent Fostering Agency (IFA) Placements	Increase numbers of inhouse foster carers by 200 over the next three years. We have proposed an increase in maintenance, fee and extended policy payments which will further enhance our ability to recruit carers as maximise placements in house.	Ruth Terry	323	tbc	0		
Foster Carer Fee Uplift	Whilst we can't mitigate the cost increases, delivering these will mean that we are better able to maximise children in our care which will impact on the external costs associated with IFA. We have had an indication from our fostering community that many would considered third children but for the difference in payment levels which we have recommended for increase.	Ruth Terry	2,055	tbc	0		
Little Owls Nurseries	Identifying opportunities for a consolidation of sites in close proximity to each other and reviewing provision in areas of least need and where there have been long term challenges with financial sustainability.	Vicky Fuggles	1,378	tbc	0		
Transport	Review how mainstream school bus costs and income from swimming transport are shared between the council and WYCA. Independent Travel Training - train more young people in receipt of transport assistance to use public transport. Also aim to generate more income from other LAs through 'train the trainer' courses. Consult with parents whose children are in receipt of transport assistance to understand if they would prefer a Personal Transport Allowance. Investigate IT options to improve on the current reporting and scheduling system.	Tim Pouncey	3,037	tbc	0		
Children & Families Remaining Overspend at P7			1,966				
			13,281	-800	-500	0	
Savings still to find				12,481			

Scrutiny of the Budget – Budget Proposals Working Group

Date: 5 January 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Environment, Housing & Communities)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

- In accordance with the Council's Budget and Policy Framework, the Executive Board's initial budget proposals are submitted to Scrutiny for consideration and comment. It is anticipated that this formal referral to scrutiny will take place at the Executive Board meeting on [Wednesday 14 December](#).
- Once Scrutiny Boards have considered the budget proposals, they will be required to provide a summary of their deliberations for consideration at the meeting of the Executive Board on 8 February 2023 in advance of consideration at the full Council meeting on 22 February 2023, when the budget will be agreed.
- The Proposed Budget 2023/24 and Provisional Budgets for 2024/25 and 2025/26 report is attached at Appendix A and should be read in conjunction with two further reports – both entitled Revenue Savings Proposals. The first of those was considered by Executive Board on [19 October 2022](#) and the second at Executive Board on [14 December 2022](#), these are included as Appendix B to this report.
- During the 2021/22 and 2022/23 budget consultation process, scrutiny boards adopted an enhanced consultation programme, which incorporated the use of private working groups to take place in advance of formal consultation in the January cycle of board meetings. These took place in December 2022 with the aim of enabling scrutiny board members to receive an initial introduction to the savings proposals that fall within the remits of their respective boards, providing members with more time to consider the detail of saving proposals. This, supported by consideration of the Budget in this report, is aimed at enabling greater scrutiny input into the budget setting process.
- The purpose of this report is to provide members of the Scrutiny Board (Environment, Housing & Communities) with the Executive Board's proposed budget for 2023/24 and provisional budgets for 2024/25 and 2025/26 for consideration, review and comment on matters and proposals relating to service areas that fall within the Board's remit. This approach will be replicated across all five of the Council's scrutiny boards.

Recommendations

Board members are asked to:

- a) Consider the relevant information provided within this report on the proposed budget for 2023/24 and provisional budgets for 2024/25 and 2025/26 and identify any specific comments and/or recommendations for consideration by Executive Board as it prepares its final proposals for consideration by full Council on 22nd February 2023.

What is this report about?

1. This report sets out the context for formal consultation on the initial budget proposals that fall within the remit of the Scrutiny Board (Environment, Housing & Communities).
2. The Medium-Term Financial Strategy 2023/24-2027/28 (published in September 2022) identified an estimated General Fund budget gap of £182.6m for the five-year period of which £63.6m relates to 2023/24, a further £37.7m for 2024/25 and £22.2m for 2025/26.
3. A further [Financial Health Monitoring](#) report considered by Executive Board in October set out the impact of inflationary and cost of living pressures on the Council's budget position. As a result of continuing increases in the cost of commissioned services, an increased staff pay award above the budgeted 2% and the cost of energy and fuel, this report identified a further net pressure of £26.5m over the next three years. This therefore increased the projected budget gap over the three-year period as follows: £65.7m in 2023/24, £49.4m in 2024/25 and £35.1m in 2025/26, totalling £150.2m.
4. Since 2010/11, the Council has faced a reduction in core Government funding and significant demand-led cost pressures, especially within Adult Social Care and Children's Services. To date, the Council has responded successfully to that challenge through a combination of leading and/or supporting interventions to stimulate good economic growth, managing demand for services, increasing traded and commercial income, growing council tax from new properties and a significant programme of organisational efficiencies, including reducing staffing levels since 2011 by 2,812 FTEs (full time equivalents) – 3,717 headcount - up to October 2022.
5. The challenge now facing the Council is to manage these underlying pressures in addition to the budgetary pressure caused by the cost-of-living crisis and the ongoing recovery from the Covid-19 pandemic.
6. As in previous years, revenue savings proposals are categorised as either 'Business as Usual' (BAU), which can be implemented within the council's delegated decision-making framework and without consultation, or 'Service Reviews' which may require meaningful consultation with relevant stakeholders prior to any decisions being taken.
7. During the last budget consultation, scrutiny boards requested that information relating to BAU savings be published in the same way as information relating to service reviews. This was to enable members to fully understand where individual BAU proposals will deliver a material saving, and the cumulative impact of the overall savings anticipated to be delivered through the BAU programme. This year, BAU savings have been published via the Executive Board in October and December 2022.

8. In October 2022, the Chief Officer Financial Services provided a [revenue savings report](#) to the Executive Board that presented £10.2m of Business as Usual (BAU) savings over the next three years. Some of these savings are one-off savings in 2023/24 which creates a net pressure in 2024/25. The breakdown of savings is as follows: £11.3m savings identified for 2023/24, leading to a net pressure of £1.1m in 2024/25 and a net saving of £0.03m in 2025/26. Since that time further savings proposals have been identified and these have been approved by the Executive Board at its meeting on 14 December.
9. The December proposals contained £35.8m of net savings impacting on all directorates over the next three financial years, this breaks down as: £42.6m in 2023/24, £6.6m pressure in 2024/25 and £0.2m pressure in 2025/26. The impact of the October and December savings proposals, broken down by directorate, are as follows:

October and December Executive Board directorate savings

	2023/24	2024/25	2025/26	Total
Directorate proposals	£'000s	£'000s	£'000s	£'000s
Adults & Health	-9,355	100	-200	-9,455
Children & Families	-11,530	-115	0	-11,645
City Development	-11,670	3,240	-30	-8,460
Communities, Housing & Env't	-5,311	476	400	-4,435
Resources	-8,767	1,450	0	-7,317
Strategic	-7,290	2,564	0	-4,726
Total	-53,923	7,715	170	-46,038

10. These proposals have an impact on the projected budget gap figures set out above and show how the budget gap and challenge have been met since the Medium-Term Financial Strategy was published in September. The following table illustrates this:

Impact on estimated budget gap 2023/24 to 2025/26

	2023/24	2024/25	2025/26	Total
	£'000s	£'000s	£'000s	£'000s
MTFS gap (Sep Exec Board)	63,613	37,762	22,253	123,628
Subsequent review of assumptions - net additional pressure	2,083	11,610	12,852	26,545
Updated gap (Oct Exec Board)	65,696	49,372	35,105	150,173
October Exec Board proposals	-11,285	1,090	-30	-10,225
December Exec Board proposals	-42,638	6,625	200	-35,813
Total savings proposals	-53,923	7,715	170	-46,038
Further review of pressures (and funding of these) in MTFS - net	-11,773	-9,128	-8,582	-29,483
Updated gap (Dec Exec Board)	0	47,959	26,693	74,652

11. Within the December savings proposals for 2023/24 are twelve service reviews which as noted above can be subject to further consultation with relevant stakeholders. The following Table summarises the service reviews:

Directorate	Service Review Proposal
Adults & Health	<ul style="list-style-type: none"> None
Children & Families	<ul style="list-style-type: none"> Efficiencies across the Children & Families directorate, potentially including staffing reductions Commissioned Services: review of grants and contracts Invest to Save proposal: Development of a Children & Families' Transformation Service 'Turning the Curve': a range of workstreams proposed to contribute to safely reducing the need for children to become looked after. Appendix proposal to 'Turning the Curve': Proposal to develop an Edge of Care Service for adolescents Invest to Save proposal: Commissioning and Market Management Review of Children's Centres and Commissioned Family Services
City Development	<ul style="list-style-type: none"> Staffing reductions across the City Development directorate Street Lighting: adaptive lighting via a Central Management System
Communities, Housing and Environment	<ul style="list-style-type: none"> Cease bonfires and firework displays Introduction of car parking charges at relevant parks and attractions
Resources	<ul style="list-style-type: none"> Review of Network Management Centre

12. It should be noted that an additional service review is also part of the December proposals this relates to Little Owls Nurseries. This proposes to amalgamate four settings, close one setting, review the potential to close another four, and to commission a wider review of the council's provision. This proposal would save £1.2m in 2023/24, with further savings anticipated from 2024/25 subject to the results of the wider review. However, due to the significant projected overspend in the service, while the 2023/24 savings achieved from this proposal would help to reduce that overspend, they would not contribute to the projected wider £65.7m projected gap for 2023/24.

13. Paragraph 4 notes the reduction in staffing that has taken place since 2011 as a result of the ongoing budget challenge and the savings proposals being considered in the working groups continue the trend of reduced staffing within the Council. The following table sets out the net impact of the proposals on budgeted full time equivalent posts (FTEs) in 2023/24:

Directorate	2023/24
Adults & Health	7.0
Children & Families	5.2
City Development	At least -13.0
Communities, Housing & Env't	0.0
Resources	-63.8
Total	At least -64.6

Working Groups

14. The proposals published in the October and December savings proposals reports impact on all five scrutiny board remits and where service reviews are proposed more detail is provided in Appendix B to this report. This includes an executive summary, details of who additional consultation will be with, equalities diversity, cohesion and inclusion screening and the level of projected savings for each service review proposal.

15. Services that sit within the Board's remit from a budgetary perspective are as follows:

- a. **Communities, Housing and Environment:** All areas except Registrars functions, Licensing functions, land and property searches, Equalities
- b. **City Development:** Functions relating the Council's register of Assets of Community Value only
- c. **Resources:** Climate Change, Sustainable Energy & Carbon Reduction, Clean Air only

What impact will this proposal have?

- 16. Engagement with Scrutiny in relation to the budget proposals is in line with the requirements of the Budget and Policy Framework. A summary of the deliberations of the five scrutiny boards is required to then be provided to the Executive Board for consideration on 8 February 2023. The Executive will be expected to report to Council on how it has taken into account any recommendations from the Scrutiny Board.
- 17. Outside of the formal requirements for consultation, additional engagement such as that provided through the December 2022 budget working groups provides the opportunity for scrutiny members to add value to the budget setting process.
- 18. Ongoing scrutiny of financial matters supports the Council in delivering a robust, sustainable budget, which reflects the strategic objectives set out in the Best City Ambition, along with the aspiration to be an enterprising, efficient, healthy and inclusive organisation.

How does this proposal impact the three pillars of the Best City Ambition?

- Health and Wellbeing
- Inclusive Growth
- Zero Carbon

- 19. The role of scrutiny as a 'critical friend' on financial performance and management helps provide assurance that resources are available and aligned to the aspirations of the Best City Ambition and the associated delivery of the three pillars; Health and Well Being, Inclusive Growth and Zero Carbon.

What consultation and engagement has taken place?

Wards Affected: Please state the specific wards affected here. If city-wide, state "All" for clarity.

Have ward members been consulted? Yes No

- 20. As already noted, in addition to this formal consideration of the budget proposals for 2023/24 and provisional budgets for 2024/25 and 2025/26 all five scrutiny boards held private working groups in December 2022.

What are the resource implications?

- 21. All resources, procurement and value for money implications are detailed in the Appendices to this report

What are the key risks and how are they being managed?

- 22. This report has no specific risk management implications.

What are the legal implications?

- 23. This report has no specific legal implications.

Options, timescales and measuring success

What other options were considered?

24. The budget consultation process has been developed in conjunction with elected members and relevant senior officers.
25. An enhanced process of consultation is intended to add value by allowing greater capacity for members to consider the detail of budgetary proposals.

How will success be measured?

26. As in previous years, feedback from elected members on the process of budget consultation will be used to inform the approach to such consultation in future years.

What is the timetable and who will be responsible for implementation?

27. It is anticipated that the Executive Board will formally refer the initial budget proposals to Scrutiny at its meeting on 14 December 2022.
28. Scrutiny Boards conducted a series of working groups in December 2022 and this report provides the platform for the formal, public consultation process that will take place across all scrutiny boards in January cycle of board meetings.
29. A summary of the deliberations of Scrutiny will be submitted for consideration by Executive Board on 8 February 2023 before the final budget proposals are referred for consideration by full Council on 22 February 2023.

Appendices

30. Appendix A – **Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26.**
31. Appendix B - **Revenue Savings Proposals for 2023/24 to 2025/26** (14 December 2022). Please note that the **Revenue Savings Proposals** from 19 October 2022 are appended to this report.

Background papers

32. None

Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26

Date: 14th December 2022

Agenda Item 7A

Report of: Chief Officer – Financial Services

Report to: Executive Board

Will the decision be open for call in?

Yes No (Rec. d only)

Does the report contain confidential or exempt information?

Yes No

Brief summary

The purpose of this report is to recommend the Council's Proposed Budget for 2023/24 and to note the provisional budgets for 2024/25 and 2025/26 for consultation.

These budget proposals are set within the context of the 2023/24 – 2027/28 Medium Term Financial Strategy (MTFS), which was approved by the Executive Board on 21st September 2022, and which continues the journey commenced in 2019 whereby the Council's revenue budget becomes more financially robust, resilient and sustainable.

Recognising the challenge of bridging the estimated budget gaps for the period of the Strategy, whilst at the same time seeking to ensure that the Council's budget is robust, resilient and sustainable, another savings programme has been established. Reviews have been – and continue to be - carried out across the Authority to identify opportunities to continue to modernise and improve services, reduce costs and generate additional income. The outcome of this work has provided a number of saving proposals for consideration by the Executive Board: an initial set considered at the Board's October meeting with further proposals presented today. This report should therefore be read in conjunction with the accompanying '*Revenue savings proposals for 2023/24 to 2025/26*' reports. Savings approved for implementation, or consultation as required, will subsequently be built into the 2023/24 Budget and Provisional Budgets for 2024/25 and 2025/26.

The Proposed Budget for 2023/24 and the provisional budgets for 2024/25 and 2025/26 need to be seen in the context of inherent uncertainty for the Council in respect of future funding and spending assumptions. Whilst the Government's future spending plans with regard to local government and other areas of the public sector were outlined in the Chancellor's Autumn Statement to Parliament on November 17th, and further details will be provided in the Provisional Local Government Finance Settlement in December, these spending plans will continue to be influenced by the performance of the economy following the UK's withdrawal from the European Union, the recovery of the economy following the COVID-19 pandemic and the Government's ongoing response to the significant increase in borrowing that has been undertaken in response to the pandemic and the cost of living crisis.

The impact of pay and price inflation on the Council's Proposed Budget for 2023/24 has been significant and the respective assumptions are detailed in this report. Cost of living pressures are likely to have a wider impact on the Council with increased demand for support and welfare services, and reduced income across a range of services as Leeds residents and visitors choose to spend differently as a consequence of rising inflation.

The Council's Medium Term Strategy, which was received at Executive Board in September, identified a funding gap of £63.6m for 2023/24. Subsequent review of the assumptions detailed in that Strategy identified additional net pressures, leading to an updated gap of £65.7m in 2023/24 that was reported to this Board in October through the Revenue Savings Proposals report. Following the receipt of those budget savings proposals at October's Executive Board and further proposals that can be found elsewhere on this agenda, the announcement of additional social care funding in November's spending review, the review of Council Tax and Business Rates along with the use of the Council's Strategic Contingency reserve a balanced position for the forthcoming financial year, 2023/24, can be presented in this report.

The provisional budget positions for 2024/25 and 2025/26 identify estimated budget gaps of £48.0m and £26.7m respectively. The revised gaps for these two years take into account the directorate savings proposals brought to this Board in October and elsewhere on today's agenda through the reports, 'Revenue Savings Proposals for 2023/24 to 2025/26'. Further budget savings proposals to reduce the estimated gaps for 2024/25 and 2025/26 will be brought to this Board for consideration.

As set out in both the Medium Term Financial Strategy 2023/24-2027/28 and this Proposed Budget report for 2023/24, the budget proposals detailed in this report need to be viewed within the context of the longer term approach to increase the financial sustainability, robustness and resilience of the Council's financial position. Specifically, this is to reduce reliance on one off funding sources to fund revenue expenditure and to reduce the Council's expenditure base so that it is affordable with the level of resources that are available to the Council in line with the Council's MTFs.

The headlines for the 2023/24 proposed Budget when compared to the 2022/23 budget are as follows:

- No change in the Settlement Funding Assessment (SFA)
- The Autumn Statement announced a core council tax increase of 2.99% and an option to increase the Adult Social Care precept of 2%. In addition, there has been a partial recovery in the council tax base as levels of Council Tax Support required have decreased and growth in the tax base has increased as the impact of COVID-19 lessens. The total contribution of council tax to the Net Revenue Budget is projected to increase by £19.9m in 2023/24.
- Business rates income increases as the economy continues to recover from COVID-19 although the impact of the cost of living crisis still remains highly uncertain. The Government has however confirmed in the Autumn Statement that the enhanced retail, hospitality and leisure reliefs will continue in to 2023/24. These reliefs will be available at 75% of liability rather than 50% and are fully funded by Government. Despite this, our current forecasts are that retained business rates income will improve by £15.3m, largely due to the reduced deficit on the Collection Fund compared to 2022/23.
- Reflecting the above, the Net Revenue Budget for the Council has increased in 2023/24 by £35.2m to £557.1m.
- Overall, pay, price and demand pressures mean that the Council will need to deliver £69.8m of savings by March 2024.
- £23.1m of savings already identified in the MTFs reduce this target to £46.6m. Savings have been identified through the financial challenge process to generate a balanced budget position for the Proposed Budget 2023/24.

Changes since the Medium-Term Financial Strategy, received by this Board in September, are summarised as follows:

- The Financial Strategy identified an estimated budget gap of £63.6m for 2023/24. Since that report, there has been a net increase in assumed resources of £41.7m, offset by a net increase in budget pressures of £24.7m.

- The Council's established 'Financial Challenge' programme has continued to identify savings to contribute towards closing this gap. In October this Board received budget savings proposals reports totalling £11.3m; further savings proposals for 2023/24 of £42.6m are presented to this Board through the report on today's agenda, 'Revenue savings proposals for 2023/24 to 2025/26'. Of these, £7.3m are reclassified as reduced cost pressures or new use of resources or funding.

In respect of the Housing Revenue Account:

- It was announced at the Autumn Statement that social rent increases would be capped at 7% in 2023/24. This supersedes the application of the Government's formula of annual rent increases being no greater than CPI+1% which would have given an allowable rent increase of up to 11.1%. As such the Proposed Budget assumes an increase in rental income of 7% in 2023/24.
- Service charges will increase by 38% for tenants in multi storey flats and low/medium-rise flats where they receive additional services such as cleaning of communal areas, lift maintenance, staircase heating and lighting and CCTV. This increase is mainly made up of energy charges.

Recommendations

Executive Board is recommended to:

- a) Note that the Proposed Budget for 2023/24 presented in this report is based on the approval and delivery of £69.8m of directorate savings for 2023/24, £46.6m of which have been identified this year and have been brought to this Board through the accompanying reports, 'Revenue Savings Proposals for 2023/24 to 2025/26' at its October meeting and on today's agenda.
- b) Agree to consultation on the Proposed Budget for 2023/24. This includes the proposed 2.99% increases in core Council Tax and the 1.99% increase in the Adult Social Care precept. Further to this, that these budget proposals are submitted to Scrutiny and for wider consultation with stakeholders.
- c) Note the provisional budget position for 2024/25 and 2025/26 and to note that further savings proposals to address the updated estimated budget gaps of £48.0m and £26.7m for 2024/25 and 2025/26 respectively will be reported to future meetings of this Board.
- d) Approve that, should the application to form a 2023/24 Leeds City Region Business Rates Pool be successful, Leeds City Council becomes a member of the proposed Pool and acts as lead authority for it. The establishment of this new Pool will be dependent upon none of the other proposed member authorities choosing to withdraw within the statutory period after designation.

What is this report about?

- 1 Executive Board members are required to recommend a balanced Revenue Budget and funded Capital Programme for 2023/24 to Full Council in February. The Proposed Budget provides a key part of the budget setting process.
- 2 This report presents an update to the financial position reported to this Board in September 2022 in the Medium Term Financial Strategy for 2023/24 to 2025/26.

What impact will this proposal have?

- 3 The Equality Act 2010 requires the Council to have "due regard" to the need to eliminate unlawful discrimination and promote equality of opportunity. The law requires that the duty to pay due regard be demonstrated in the decision making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show due regard.
- 4 The Council is fully committed to ensuring that equality and diversity are given proper consideration when we develop policies and make decisions. In order to achieve this the Council has an agreed process in place and has particularly promoted the importance of the process when taking forward key policy or budgetary changes. Equality impact assessments also ensure that we make well informed decisions based on robust evidence.
- 5 Equality impact screenings have been carried out on all 'service review' savings proposals previously approved by this Board for implementation / consultation at its October meeting and are included with the further service review proposals in the accompanying 'Revenue Savings Proposals for 2023/24 to 2025/26' report on today's agenda. Where appropriate, equality impact assessments will be carried out as part of the Council's decision-making process.
- 6 The proposals within this report have been screened for relevance to equality, diversity, cohesion and integration (Appendix 4) and a full strategic analysis and assessment will be undertaken on the 2023/24 Revenue Budget and Council Tax report which will be considered by Executive Board and subsequently by Full Council in February 2023. Specific equality impact

assessments will also be undertaken on all budget decisions identified as relevant to equality as they are considered during the decision-making process in 2023/24.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 7 The Best City Ambition is the Council's strategic plan which sets out the ambitions, outcomes and priorities for the City of Leeds and for the Local Authority. The Three Pillars of inclusive growth, health and wellbeing and the climate change emergency underpin this vision, and these can only be delivered through a sound understanding of the organisation's longer term financial sustainability, which enables decisions to be made that balance the resource implications of the Council's policies against financial constraints. This is the primary purpose of the Medium Term Financial Strategy, which then provides the framework for the determination of the Council's annual revenue budget for which the proposals for 2023/24 are contained in this report. Further, that the Council realises the requirement to be financially sustainable and to be able to set a balanced budget for 2023/24.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 8 The Authority's financial strategy is driven by its ambitions and priorities as set out in the Best City Ambition. This was adopted by Council in February 2022 following consultation with members and officers throughout its development, with additional extensive stakeholder consultation carried out on the range of supporting plans and strategies.
- 9 The Council's Medium Term Financial Strategy 2023/24 – 2027/28, received at Executive Board in September 2022, was informed by the public consultation exercise carried out between December and January 2022 on the Council's 2022/23 budget proposals. Whilst the consultation covered the key 2022/23 proposals, it also included the principles of how we should be funded, proposed changes to Council Tax and how we plan to spend the revenue budget. Further questions included satisfaction with how the Council runs things overall, and ideas for opportunities for the Council to do things in more modern and efficient ways. This supplemented the ongoing process of consultation through which residents are consulted on a variety of issues throughout the year.
- 10 The public consultation on the Proposed Budget for 2023/24 will be carried out through an online survey: with the public via the council's website, social media and the Citizens' Panel; with staff through the intranet; and with stakeholders, including representatives from the Third Sector and the Business sector. The consultation will begin once this report is initially agreed by Executive Board and will run for four weeks, with findings timetabled to be reported at the following meeting, prior to finalisation of the Budget.
- 11 With regard to the individual savings proposals approved by this Board at its October meeting and those put forward in the accompanying, 'Revenue Savings Proposals for 2023/24 to 2025/26' report for consideration by the Executive Board today, both senior members and staff have been engaged in their development. Trade unions have also been informed in headline terms of emerging proposals. Where required, further meaningful consultation and engagement has been, and will be, carried out with staff, trade unions, service users and the public as

appropriate on the 'Service Review' savings proposals. The outcomes of any consultation will inform the Council's decision-making and, where completed and analysed in time, be incorporated into the 2023/24 Budget Report for consideration at February's Executive Board and Full Council.

- 12 All five Scrutiny Boards will be initially consulted on the savings proposals (both those brought to the Executive Board in October and those put forward today), as relevant to their remits, through working group meetings held during December. Subject to the approval of Executive Board, this Proposed Budget report will also be submitted to Scrutiny Boards for consideration and review as part of their formal cycle of meetings in January 2023. The outcome of their deliberations will be reported to the planned meeting of this Board on 8th February 2023.

What are the resource implications?

- 13 The financial position, as set out in the Medium Term Financial Strategy received at September's Executive Board, identified an estimated budget gap of £123.6m for the period 2023/24 to 2025/26 of which a gap of £63.6m related to 2023/24. This position took account of the estimated level of resources available to the Council. In addition, it reflected the requirement to make the Council's revenue budget more financially resilient and sustainable over the medium term whilst at the same time recognising increased demand pressures for the services that we deliver.
- 14 Proposals to address this position and ultimately to deliver a balanced budget position for 2023/24 are contained within Appendix 1 of this Proposed Budget report.
- 15 The provisional budgets for 2024/25 and 2025/26 have been updated and the estimated budget gaps are now £48.0m and £26.7m for the respective years. Details are contained within Appendix 1 of this Proposed Budget report.

What are the key risks and how are they being managed?

- 16 The Proposed Budget 2023/24 and the provisional budgets for 2024/25 and 2025/26 need to be seen in the context of significant inherent uncertainty for the Council in terms of future funding and spending assumptions.
- 17 The Council's current and future financial position is subject to a number of risk management processes. Not addressing the financial pressures in a sustainable way, in that the Council cannot balance its Revenue Budget, is identified as one of the Council's corporate risks, as is the Council's financial position going into significant deficit in the current year resulting in reserves (actual or projected) being less than the minimum specified by the Council's risk-based reserves policy. Both these risks are subject to regular review and reporting.
- 18 Failure to address these issues will ultimately require the Council to consider even more difficult decisions that will have a far greater impact on front-line services including those that support the most vulnerable and thus on our Best Council Plan ambition to tackle poverty and reduce inequalities.
- 19 Financial management and monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc. This risk-based approach will continue to be included in the in-year financial reports brought to Executive Board.
- 20 In addition, risks identified in relation to specific proposals and their management will be reported to relevant members and officers as required.

21 Specific risks relating to some of the assumptions contained within this Proposed Budget are identified at Appendix 1 to this report.

What are the legal implications?

- 22 This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the Proposed Budget, once approved by the Board, will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2023 meeting of this Board at which proposals for the 2023/24 budget will be considered prior to submission to Full Council on 22nd February 2023.
- 23 The Proposed Budget will, if implemented, have implications for Council policy and governance and these are explained within the report. The budget is a key element of the Council's budget and policy framework, but many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and be managed by individual directorates.
- 24 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Full Council. As such, recommendations a., b. and c. are not subject to call in, as the budget is a matter that will ultimately be determined by Full Council. The report referred to in Recommendation a., 'Revenue Savings Proposals for 2023/24 to 2025/26', which appears elsewhere on today's agenda, is separately subject to call-in.
- 25 However, Recommendation d., regarding the Council's participation in the 2023/24 50% Leeds City Region Business Rates Pool, is a decision of the Executive Board and as such is subject to call-in.
- 26 With regard to the individual savings proposals considered at the October meeting of this Executive Board and additional proposals put forward in the accompanying, 'Revenue Savings Proposals for 2023/24 to 2025/26' report on today's agenda, decisions giving effect to the Business as Usual proposals can be taken by the relevant Director or Chief Officer in accordance with the Officer Scheme of delegation (Executive functions) and will be subject to the Executive and decision – making procedure rules. Notice of any decision which is "Key" will be published on the list of forthcoming decision not less than 28 clear calendar days in advance of the date of the proposed decision.
- 27 Decisions giving effect to the Service Reviews will be made following the outcome of consultation having regard to representations made. Decisions will be taken by the relevant Director or Chief Officer, save where the Leader or the relevant Portfolio Holder has directed or the Director considers that the matter should be referred to Executive Board for considerations.

Options, timescales and measuring success

What other options were considered?

28 Not applicable.

How will success be measured?

29 Not applicable

What is the timetable and who will be responsible for implementation?

30 Not applicable.

Appendices

- 31 Appendix 1: Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26
- Appendix 2: Net Managed Budget by Directorate 2023/24
- Appendix 3: The 10 Year Capital Programme
- Appendix 4: Equality, Diversity, Cohesion and Integration Screening

Background papers

- 32 None.



Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26



Part 1: The Context for Leeds City Council's Proposed Budget 2023/24 and Provisional Budgets for 2024/25 and 2025/26

- 1.1 This report brings before Executive Board the Proposed Budget for 2023/24. The report presents proposals to date, and is based on assumptions set out in the Council's 5 year [Medium-Term Financial Strategy 2023/24 to 2027/28](#). This report also sets out the recommended council tax increase for 2023/24, excluding those for the precepting authorities. This report is a precursor to the Final Budget proposals which will be submitted to Executive Board in February 2023 and to Full Council for approval later that month.

Influences affecting the Proposed Budget

- 1.2 The funding available to local authorities, and the way this is used, is influenced by factors at a regional, national and international level. This Proposed Budget is produced at a time when Leeds is facing significant change and challenges, some of which come as a result of developments far beyond the City's borders.
- 1.3 The Council's Medium Term Financial Strategy (MTFS) notes that we are in a period of political and economic volatility, describing a range of influences and factors that impact on the development of the Proposed Budget. Paragraphs 1.5-1.15 list these influences, explaining where the situation has progressed since publication of the MTFS and linking to the MTFS where the Council's position remains the same.
- 1.4 The predominant influences affecting the Proposed Budget and Medium Term Financial Strategy include: the Economy both global and national including the impact of Cost of Living; Annual Government Announcements; National Policy; Regional Working; COVID-19 and the resulting operating context; and Health and Social Care funding.
- 1.5 **The Economy**
- **Office of Budget Responsibility forecasts** – At the time of the Autumn Statement in November 2022, the Office for Budget Responsibility (OBR) published its updated independent economic and fiscal forecasts. The OBR forecasts a significant deterioration in the outlook for the economy, as set out below:
 - the OBR's forecasts for nominal GDP growth averages 2.24% a year between 2022 and 2026, down from 3.8% on the forecast in March 2022.
 - Real GDP is expected to grow by 4.2% in 2022/23, before falling by 1.4% in 2023/24 and returning to growth of 1.3% in 2024/25.
 - The OBR estimates that inflation (CPI) will average 9.1% in 2022/23 before falling back to 7.4% in 2023/24, 0.6% in 2024/25 and -0.8% in 2025/26.
 - Rates of unemployment are peaking at a significantly higher level than forecast in March 2022, at 4.9% in the third quarter of 2024



rather than the forecast 4.1% as forecast in March 2022.

- Average earnings are forecast to grow by 5.9% in 2022/23 and 4.2% in 2023/24 before falling back to 1.7% in 2024/25 and 2025/26, 1.9% in 2026/27 and increasing slightly to 2.7% in 2027/28.
- **Cost of living; Britain's exit from the European Union:** both are discussed in the [Medium-Term Financial Strategy 2023/24 to 2027/28](#).

1.6 Annual Government Announcements – 2022 Autumn Statement

- The Chancellor presented the 2022 Autumn Statement to the House of Commons on 17th November 2022. Despite the worsening economic and fiscal outlook, he did not change the immediate departmental expenditure limits outlined in the Spending Review 2021, which set out the Government's spending plans until the end of this Parliament in 2024/25. Spending Review 2021 saw a net increase in funding to local government of approximately £1.5 billion in 2022/23, with funding remaining almost constant at this level until the end of the Spending Review period.
- However, in the Autumn Statement 2022 the Chancellor did announce a number of additional funding streams targeted to Adult Social Care. This included funding of £1 billion to be provided through the Better Care Fund, which will be administered through Integrated Care Boards, and £680 million to be provided to local authorities through a ringfenced Adult Social Care grant. The Chancellor also announced that the 'Dilnot Reforms', which sought to cap the total cost of social care and other reforms to local care markets, would be delayed from April 2023 for two years although the funding for these schemes already promised to local government would be honoured.
- The Chancellor's Autumn statement provides £28.9m which can be used to support the delivery of the social care function in Leeds. Subsequently this Proposed Budget for 2023/24 assumes that this resource will be used to offset a shortfall in previously budgeted income (£6.7m) from the NHS which is no longer available due to pressures in the Health sector, £1.9m replaces previously targeted income with Children's Services, £10.6m will be used to resource cost pressures within the Adult Social Care function that are detailed elsewhere in this report and £7.1m will allow for the payment of the Real Living Wage to care staff in services that the Council commissions, all of which measures support the local care market. In addition, £2.6m will be held to mitigate potential demand and employment pressures.
- The utilisation of the additional grant income within the adult social care function will also contribute towards supporting the NHS by releasing capacity



at hospitals as beds are freed up as more elderly patients will be able to be cared for more appropriately in the community.

- The headline announcements in the Autumn Statement 2022 are as follows:
 - Local Government’s Core Spending Power (CSP) in 2023/24 will be £2.4 billion higher than that previously announced. The Council awaits further details at the provisional Settlement in late December.
 - An up to 3% increase in “core” council tax plus a further 2% increase in the Adult Social Care (ASC) precept. The impact on the Leeds budget could be an increase of up to £16.8m the core increase, plus £7.5m for the ASC precept, subject to Full Council approval. This is further discussed at paragraph 3.7.
 - The business rates multiplier will be frozen at the 2022/23 rate (49.9%). Local authorities will receive full compensation for the loss of income they will experience.
 - The National Living Wage will increase by 9.7% to £10.42 an hour effective from 1st April 2023. The Council’s Proposed Budget provides for an increase to £10.90 per hour to meet the recent Real Living Wage announcement.
- Government acknowledges that the capacity to generate income through the ASC precept varies widely between authorities and are believed to be exploring a redistribution mechanism.
- As referenced above, we expect further detail including local authority allocations at the Provisional Local Government Settlement in late December.
- As such this Proposed Budget is based on the announcements made during the Spending Review 2021 and Autumn Statement 2022, and previous Government announcements relating to social care funding.

1.7 **Previous Annual Government Announcements** – the 2021 Comprehensive Spending Review and 2022 Spring Statement are both discussed in the [Medium-Term Financial Strategy 2023/24 to 2027/28](#).

1.8 **National Policy**

- **Levelling Up** – The Government’s “Levelling Up” policy is intended to “level up opportunities across all parts of the United Kingdom, supporting jobs, businesses and economic growth and addressing the impact of the pandemic



on public services.”¹ A Levelling Up Fund was announced in 2020, initially making £4.8bn available for UK local infrastructure through a competitive bidding process, with this funding to be delivered through local authorities. Government published its Levelling Up white paper in February 2022 providing further detail on how the Levelling Up policy would develop and “setting the medium-term ambition” of the Government. The first £1.7bn of funding allocations were announced alongside the Spending Review 2021, with £20m allocated to Leeds for ‘Connecting West Leeds’, a new transport infrastructure scheme focusing on travel and environmental improvements to the Outer Ring Road between Horsforth and Pudsey. A second round of funding opened in April 2022 with the Council submitting 6 bids. The outcome of this second round is awaited.

1.9 **Regional Working – West Yorkshire Combined Authority** is discussed in the [Medium-Term Financial Strategy 2023/24 to 2027/28](#).

1.10 **COVID-19 and a new operating context** is discussed in the [Medium-Term Financial Strategy 2023/24 to 2027/28](#).

1.11 **Health and Social Care**

- **NHS Integration:** In February 2022 the Government announced a White Paper, ‘Health & Social Care integration: joining up care for people, places and populations’. The White Paper aims to achieve this by bringing together the NHS and local government to jointly deliver for local communities.
- **Cost of Care:** Adult social care charging reform in local authorities - The Government is delaying the national rollout of social care charging reforms from October 2023 to October 2025. As discussed at paragraph 1.6, funding for implementation will be maintained within local government to enable local authorities to address current adult social care pressures and this will be allocated at the Local Government Finance Settlement through the Social Care Grant.

About Leeds: Socio-economic context

1.12 Leeds is a growing city with a population that continues to become more diverse in terms of age, countries of origin and ethnicity. Leeds has a large, urban core but, unlike many other cities, its administrative boundary includes a significant rural area, with villages and market towns.

1.13 During the two decades prior to the last global financial crisis, the city’s economy

¹ Prime Minister’s Office, Queen’s Speech 2021, 11 May 2021



Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26

Part 2: Summary of changes since the Medium Term Financial Strategy (MTFS)

- 2.1 The Council's Medium Term Financial Strategy 2023/24 – 2027/28 was presented to Executive Board in September 2022 and included a budget gap of £63.6m in respect of 2023/24. Table 1 summarises the movement in the 2023/24 position since the MTFS, showing the main changes in resources available to the Council and the budget movements relating to changes in cost assumptions.
- 2.2 Table 1 also shows the value of savings proposals that have been identified and which contribute towards balancing the 2023/24 budget within the estimated available resources. These are detailed in Part 5: Addressing the budget gap. Overall, the Proposed Budget shows a balanced position for 2023/24.

Table 1 – Summary of Changes in Resources, Costs and Savings Proposals in the Proposed Budget 2023/24 and comparison with the position at the Medium Term Financial Strategy

	MTFS £m	Changes since MTFS £m	Proposed Budget 23/24 £m
Resources			
Increase in Net Revenue Charge	(39.0)	3.8	(35.2)
Change in contribution to/(from) General Reserve	3.0	(3.0)	0.0
Change in contribution to/(from) Earmarked Reserves	4.9	0.8	5.7
COVID-19 Grants (business rates reliefs)	27.2	(3.0)	24.1
Net Increases in Other Specific Grant	(6.9)	(20.2)	(27.2)
Other Non-Collection Fund Business Rates Movements	1.9	(25.0)	(23.1)
Other Contributions	0.3	5.0	5.3
	(8.6)	(41.7)	(50.3)
Pressures			
Pay Inflation	10.3	23.1	33.4
Energy Inflation	10.7	0.0	10.7
General Inflation	22.5	(0.2)	22.3
Commissioned Services	18.4	7.1	25.5
Other incl. Debt	33.4	(5.3)	28.1
	95.3	24.7	120.0
Total Resources and Cost Pressures	86.7	(17.0)	69.8
Existing Actions to Reduce the Budget Gap	£m	£m	£m
Business As Usual	(7.7)	0.1	(7.5)
Service Reviews	(4.2)	(2.0)	(6.2)
Total Existing Savings	(11.9)	(1.9)	(13.8)
Routine Efficiencies identified 2022	(11.2)	1.8	(9.4)
Gap Remaining After Existing Savings	63.6	(17.0)	46.6
Additional Savings 2022	£m	£m	£m
Directorate Savings			
October 2022			
Business As Usual	0.0	(11.3)	(11.3)
December 2022			
Business As Usual	0.0	(23.5)	(23.5)
Service Reviews	0.0	(11.9)	(11.9)
Total Additional Directorate Savings	0.0	(46.6)	(46.6)
Gap Remaining After Additional Savings	63.6	(63.6)	(0.0)



Part 3: Changes in Resources and Funding

3.1. Summary Changes in Resources and Funding

Table 2: Changes in Resources and Funding 2023/24

	2023/24 £m
Change in Resources due to Settlement Funding Assessment and Local Funding Table 12 Paragraphs 3.2-3.9	(35.174)
Specific Grant Funding Changes Paragraphs 3.10.12-3.10.28	(26.119)
Other Changes in Resources Paragraph 3.10.29-3.10.30	5.296
Movement on use of Reserves Paragraphs 3.10.3-3.10.11	5.721
Total Funding Changes	(50.276)

3.1.1. Table 2 summarises the changes detailed in Paragraphs 3.2-3.10. In brief, these include changes in resources in respect of local funding (such as Council Tax and Business Rates), specific grant funding changes, other changes in resources (e.g., Flexible Use of Capital Receipts) and movement on reserves showing use of or contribution to the Council's reserves.

3.2. Estimating the Net Revenue Budget

Settlement Funding Assessment – increase of £0.0m

3.2.1. Settlement Funding Assessment is essentially the aggregate of core government grant and business rate baseline funding for a local authority.

3.2.2. In the last three financial years, local government has received single-year settlements, making financial planning more difficult. Despite there being a three-year Spending Review in 2021, it remains unclear whether Local Government will receive a one or two-year Settlement in December 2022, particularly as there is a new ministerial team in place at the Department for Levelling Up, Housing and Communities (DLUHC).

3.2.3. Table 3 sets out the Council's estimated Settlement Funding Assessment for 2023/24, which is based on an assessment of what the Council may expect to receive from announcements in the Autumn Statement 2022 and Spending Review 2021. There is no indication that there will be a change in general revenue support for local government in 2023/24, so it is assumed that Revenue Support Grant will remain the same as in 2022/23. Government announced at the Autumn Statement 2022 that the business rates multiplier would be frozen in



2023/24 and therefore the Business Rates Baseline, which increases in line with the multiplier, will also be frozen. As Settlement Funding Assessment is the sum of these two elements the current assumption is that Settlement Funding Assessment will remain the same as in 2022/23.

Table 3: Settlement Funding Assessment

	2022/23	2023/24	Change
	£m	£m	£m
Revenue Support Grant	29.3	29.3	0.0
Business Rates Baseline Funding	158.4	158.4	0.0
Settlement Funding Assessment	187.7	187.7	0.0

3.2.4. The business rates element of the Settlement Funding Assessment is determined by taking the 2022/23 baseline business rates amount and uplifting it by the same percentage increase as the small business rates multiplier, frozen for 2023/24. This is then reduced by the tariff the Authority has to pay to Government because it is assessed as collecting more business rates than it requires for its spending needs, which are known as its baseline funding level. The tariff would ordinarily increase in line with any increase in the multiplier from its 2022/23 amount. However, as a revaluation of all business properties in England will take effect from 1st April 2023 and Government has assured local authorities that this should not lead to any changes in revenue for them, the Government intends to adjust tariffs to take out any impact of the 2023 Revaluation. Due to aggregate Rateable Value in Leeds increasing as a result of the Revaluation, it is therefore expected that our tariff will also increase, and any increased business rates collected will be paid to Government. It is currently estimated that the Council's tariff will increase from £14.4m to £23.7m, but this won't be confirmed until the provisional Local Government Finance Settlement in late December 2022. Although local authorities will receive full compensation for the freezing of the business rates multiplier in 2023/24 there remains some uncertainty as to whether this will be compensated with reference to CPI or RPI inflation. This Proposed Budget assumes the lower CPI rate.

3.2.5. Prior to 2013/14 when the Business Rates Retention Scheme was introduced, business rates were paid to Government and redistributed as general grant according to relative needs and resources. In 2013/14, in addition to general grant, a number of other funding streams were rolled into the Settlement Funding Assessment. However, since 2014/15 Settlement Funding Assessment has been adjusted without reference to these individual grants and therefore it is not possible to identify how much of the total funding receives relates to each constituent part.



3.2.6. A list of these individual funding streams is provided in Table 4.

Table 4 – Grants Rolled into the Settlement Funding Assessment

	2023/24
	£m
Settlement Funding Assessment	187.69
Which includes:	
Council tax freeze grant 2011/12	
Council tax freeze grant 2013/14	
Early intervention grant	
Preventing homelessness	
Lead local flood authority grant	
Learning disability & health reform grant	
Local welfare provision	
Care act funding	
Sustainable drainage systems	
Carbon monoxide & fire alarm grant	

3.3. Business Rate Retention

Table 5 – Rateable Value in Leeds and Business Rates Income Generated

	£m
Rateable Value in Leeds on draft ratings list as at 1st April 2023	957.74
multiplied by business rates multiplier	0.499
Gross business rates based on projected rateable value	477.91
Estimated Growth	2.54
equals gross business rates to be collected in Leeds	480.46
less: -	
Mandatory Reliefs	-76.50
Discretionary Reliefs	-18.88
Transitional Adjustments (year 1)	0.00
equals net business rates paid by ratepayers	385.07
less adjustments for: -	
Bad debts and appeals	-24.29
Cost of collection	-1.25
Projected Enterprise Zone and renewable energy projects yield	-4.20
Transitional Adjustments repaid to Government	0.00
equals non-domestic rating income in Leeds	355.33
Split into shares: -	
Leeds City Council (49%)	174.11
West Yorkshire Fire Authority (1%)	3.55
Central Government (50%)	177.67
less deductions from operation of business rates retention scheme: -	
Leeds City Council's tariff from Local Government Finance Settlement	-23.68
Leeds City Council's share of surplus from 2022/23	2.64
Adjustment for spreading the 'exceptional deficit' from 2020-21 over 3 years	-12.23
Leeds City Council 's 2023/24 income from business rates	140.85

3.3.1. Leeds is the most diverse of all the UK's main employment centres and has seen the fastest rate of private sector jobs growth of any UK city in recent years. Yet



this apparent growth in the economy has not translated into business rate growth; in fact, the business rates income available to the Council declined from 2015/16 to 2017/18, only returning to 2014/15 levels in 2018/19 with the introduction of the 100% Business Rates Retention pilot. The effect of the Coronavirus crisis reversed this growth again with in-year income levels from the Business Rates Retention (BRR) Scheme (i.e., excluding the exceptional effects of the Collection Fund deficits from 2020/21 and 2021/22) declining below 2015/16 levels in 2021/22 and not projected to recover to budgeted 2020/21 levels, set before the impact of the COVID-19 crisis, until 2026/27.

- 3.3.2. The total rateable value of businesses in Leeds on the draft 2023 ratings list as at 1st April 2023 is £957.74m which would generate gross business rates income of £477.91m. It is projected that there will be some modest growth in gross business rates of £2.54m in 2023/24 which is approximately half the growth trend prior to the COVID-19 pandemic. As shown in Table 5, the impact of a range of business rate reliefs (see paragraph 3.4) and statutory adjustments reduces this to a net income figure of £355.33m.
- 3.3.3. Under the projected 50% BRR scheme, Leeds City Council's share of this income is £174.11m (49%). The Authority then pays a tariff of £23.68m to Government because Leeds is assessed to generate more business rates income than it needs.
- 3.3.4. Leeds must also meet its share of the business rates deficit created in 2021/22, which totals £9.59m. The unusually large deficit from 2021/22 comprises a number of components. The first is a significant surplus carried forward from 2021/22 of £8.0m generated after the Council declared its projected deficit in December 2021 because the Taxbase declined in that year, it slowed in the latter quarter of the year. The second is an in-year deficit generated in 2022/23 of £5.4m because of higher than expected demand in 2022/23 for the extended Retail Relief in that year and the backdated award of COVID-19 Additional Relief Fund reliefs relating to 2021/22. Both these reliefs are fully funded by central Government and the funding is held in reserve to offset the cost of this deficit in 2023/24 (see paragraph 3.4 and paragraph 3.10.23). The surplus of £8.0m from the end of 2021/22 and the £5.4m deficit generated from the additional reliefs in 2022/23 equate to a net surplus projected for the end of 2022/23 of £2.6m as shown in Table 5. Finally, there is the final instalment of the exceptional deficit from 2020/21 to repay, which is £12.2m.
- 3.3.5. As shown above, business rates income is shared between local and central government. Under the 50% BRR scheme local authorities experiencing business rates growth are able to retain 49% of that growth locally, but also bear 49% of the risk if business rates fall or fail to keep pace with inflation, although a safety net mechanism is in place to limit losses in-year.
- 3.3.6. In particular, BRR exposes local authorities to risk from reductions in rateable values. The system allows appeals if ratepayers think rateable values have been wrongly assessed or that local circumstances have changed. One major issue is



2022/23 costing the Council an estimated £2.7m more in lost income under 49% retention in 2022/23.

3.4.3. In the Spending Review 2021 Government announced a further relief scheme for 2022/23, in which retail, hospitality and leisure businesses receive a 50% relief against their 2022/23 business rates liability up to a maximum of £110,000 per business. Local authorities receive full compensation for this measure. The Council estimated around £10.0m would be for this measure, which also has the effect of improving collection rates as the Council need to collect less directly from businesses. The Council estimated around £10.0m would be awarded in 2022/23 based on a similar scheme in 2019/20, however the demand was considerably higher and to date £17.7m has been awarded. The 49% cost to the Council under 50% business rates retention will be recovered from Government and excess funding will be held in reserve to meet the cost of the deficit generated. At the Autumn Statement 2022 the Government confirmed that this relief would be continued into 2023/24 and increased to 75% relief up to a maximum of £110,000 per business nationally. The forecast for this expanded relief in the light of the Council's experience in 2022/23 is detailed in section 3.5 below. Government also funded a scheme to give relief to businesses particularly impacted by the COVID-19 pandemic in 2021/22 but not helped by other reliefs in that year. The Council has awarded £8.9m of relief in 2022/23 backdated to 2021/22 and the funding received from the COVID Additional Relief Fund for this will be held in reserve to meet the cost of the relief included in the deficit. This additional relief will not continue to impact retained business rates income in 2023/24. Extensive relief schemes such as these, which are fully funded by Government, do not directly impact the net resources the Council has available. However, they do reduce the amount of funding to be collected from businesses and therefore the risk of non-collection and the cost of provisions for bad debts.

3.5. Business Rate Retention and the Proposed Budget

3.5.1. In terms of this Proposed Budget, it is estimated that the local share of business rates funding in 2023/24 will be £174.1m. As per Table 6, the Proposed Budget recognises business rate decline below the baseline of £8.0m, a decrease of £3.3m from the 2022/23 budget. This is a significant decline in the City's locally generated revenue below the baseline (1.7%) largely caused by the expected increased cost of extended Retail Relief in 2023/24. The elements of this decline are set out in the paragraphs below.

Table 6 – Business Rates, Estimated Growth/(Decline) to the Baseline

	2022/23	2023/24	Change
	£m	£m	£m
Business rates local share	168.10	174.11	6.02
Less: business rates baseline	172.79	182.11	9.32
Growth above baseline	(4.70)	(8.00)	(3.30)



- 3.5.2. Table 7 sets out the main changes in business rates income that result in this £3.3m decline in growth above the baseline in 2023/24. The single largest element (-£12.3m) is the continuation of extended Retail and Leisure Relief at a higher 75% rate as announced by Government at the Autumn Statement 2022, for which the Council will be fully compensated by Section 31 grant. Some further costs are expected in respect of reliefs due to an increased demand for Small Business rates Relief (-£0.9m) following the Revaluation. This relief is compensated for at a rate of 69.1% by Section 31 grant.
- 3.5.3. These additional costs will be partly netted off by a number of improved elements of business rates income as the economy continues to recover from COVID-19. They include a return to in-year growth (£1.2m), a reduction in the requirement for bad debt provisions (£1.1m), and a slight reduction in the demand for Empty Rate Relief (£0.7m) as demand for business property slowly increases again. There are numerous smaller adjustments, mainly to other reliefs funding by Section 31 grants, that represent an additional cost to income of £1.4m.

Table 7 – Changes in Growth above the baseline between the 2022/23 and 2023/24 Budgets and later years

	2023/24 Indicative	2024/25 Indicative	2025/26 Indicative
Leeds share of growth above the baseline	49%	49%	49%
Growth above baseline assumed previous year (£m)	-4.7	-8.0	-4.9
Increased cost of extended Retail Relief at 75% (£m)	-3.8	0.0	0.0
Change in cost of Mandatory Charity Relief (£m)	0.0	0.0	0.0
Change in cost of provisions for appeals (£m)	-0.2	0.0	0.0
Change in cost of bad debt provisions (£m)	1.1	1.2	1.2
In-year growth of business rates yield (£m)	1.2	1.9	2.7
Change in cost of Small Business Rates Relief (£m)	-0.9	0.0	0.0
Change in cost of empty rate relief (£m)	0.7	0.0	0.0
Other changes in the tax base (£m)	-1.4	0.0	0.1
Growth above baseline assumed current year (£m)	-8.0	-4.9	-1.0

- 3.5.4. In conclusion, although the economic environment in Leeds remains buoyant, and construction in the city is strong, the additional Retail Relief mandated by central Government (and fully funded by section 31 grant) acts to reduce the amount of business rates to be collected in the city. Furthermore, the construction of new properties often replace pre-existing buildings which have to be taken off the ratings list, new buildings do not become liable to business rates until they are occupied and the ongoing impact of reduced Rateable Values due to appeals, also counteract the growth seen from many construction projects.
- 3.5.5. The £174.1m local share of business rates funding is then reduced by a £23.7m tariff payment and £9.6m deficit on the collection fund to reduce the funding available to the Council to £140.8m.
- 3.5.6. When compared to the £158.4m Business Rates Baseline (Government's assessment of what it expects an authority to collect before any local growth is



taken into account), the funding available of £140.8m represents a deficit of £17.6m, as shown in Table 8. Compared to the budgeted deficit in 2022/23 of £32.9m this is a net improvement to the Net Revenue Charge of £15.3m. However, in both years the Council received funding from Government for the reliefs awarded to the retail sector as a response to the Coronavirus crisis. In 2021/22 the Council was able to hold £32.1m of this funding in reserve to apply to the deficit in 2021/22. In 2022/23 the reliefs offered to ratepayers were more restricted and therefore the Council received far less compensation from Government. At £8.0m, the amount held in reserve to apply in 2023/24 is £24.1m lower than in the previous year meaning the net impact of Business Rates Retention in 2023/24 is a deterioration of £8.8m. However, if this is taken together with the increase of £22.2m of projected section 31 grant funding for in-year reliefs and the cap to the multiplier in 2023/24 as detailed at paragraph 3.10.26, this net impact becomes a gain of £13.4m.

Table 8 – Business Rates Retention 2022/23 to 2023/24

	2022/23 £m	2023/24 £m
Business rates baseline (including tariff)	158.4	158.4
Projected growth above the baseline to March	(5.3)	(9.2)
Estimated growth in the year	0.6	1.2
Total estimated growth	(4.7)	(8.0)
Estimated provision for appeals	1.3	1.8
Additional cost of transitional arrangements and provision for bad debts	2.7	(2.2)
Expanded Retail Relief	(32.1)	(8.7)
Other changes in taxbase	0.0	(0.5)
Estimated total year-end Collection Fund deficit (Leeds Share)	(28.2)	(9.6)
Estimated Business Rates Funding	125.5	140.8
Increase/(reduction) against the Business Rates baseline	(32.9)	(17.6)
Business Rates Retention - Impact on General Fund Income		15.3
Application of the reserve of the additional funding for 2022/23 reliefs		(24.1)
Net impact of Business Rates Retention on the 2023/24 General Fund		(8.8)

3.6. Leeds City Region application to pool 50% Business Rate Retention

- 3.6.1. In 2022/23 the Council is a member of the Leeds City Region Business Rates Pool, with 50% business rates retention. Due to local government re-organisation in North Yorkshire one of the members, Harrogate, cannot continue as a member of the existing Pool. When the membership of a Pool changes, a new application to Central Government has to be made and the Secretary of State makes the decision as to whether the new pooling arrangement can go ahead.
- 3.6.2. Following discussions between the remaining Leeds City Region authorities it was agreed that the Pool should continue into 2023/24 and the following have submitted an application to Government to pool in 2023/24: Bradford, Calderdale, Kirklees, Leeds, Wakefield and York. We expect to be informed whether it has been successful at the provisional Settlement.



- 3.6.3. Under the 50% scheme the advantage of forming a business rate pool is the retention of levy payments within the region that would otherwise have to be made to Government. We estimate gains to the region of around £3.2 million if such a pool was designated and income from the Business Rates Retention Scheme remains at current projections. Leeds City Council's financial commitment would be in the region of £0.4m, whether as a levy to the Pool or to Government. This Proposed Budget recognises that Leeds City Council will be required to make a levy payment in 2023/24.
- 3.6.4. The application itself is not binding. Any member of the proposed Pool will be able to withdraw during the statutory 28-day window after Government designates the new Pool, as set out in the Local Government Finance Act 2012. However, should any member withdraw, not only would the Pool be revoked but there would be no opportunity to fall back on existing pooling arrangements.
- 3.6.5. This report asks Executive Board to agree that, should the application for a 2023/24 business rates pool be successful, Leeds should become a member of this new Business Rates Pool and should act as lead authority for it. Notwithstanding this decision, the continuation of the Pool will be dependent upon none of the member authorities choosing to withdraw within the statutory period after designation.

3.7. Council Tax

- 3.7.1. The 2022/23 budget was supported by a 2.99% increase in the level of council tax, 1% of which was attributable to the Adult Social Care precept. Leeds City Council's council tax remains the 2nd lowest of the English core cities and mid-point of the West Yorkshire districts, as detailed in Table 9.

Table 9 – 2022/23 Council Tax Levels (Figures include Police and Fire Precepts)

Core Cities	Band D £:p	West Yorkshire Districts	
			Band D £:p
Nottingham	2,294.14	Kirklees	1,990.87
Bristol	2,230.37	Calderdale	1,967.67
Liverpool	2,194.97	Leeds	1,860.22
Newcastle	2,086.87	Wakefield	1,850.30
Sheffield	2,053.83	Bradford	1,837.39
Manchester	1,872.59		
Leeds	1,860.22		
Birmingham	1,808.26		



3.8. Adult Social Care Precept

- 3.8.1. At Spending Review 2021, the Chancellor stated that the Government had the expectation that the Adult Social Care precept would increase by around 1% over the lifetime of the next Spending Review, that is 2022/23 to 2024/25. However, at the Autumn Statement 2022 the Government announced that this could be increased to 2% in respect of 2023/24.
- 3.8.2. Based on these statements, the indicative budget proposals for 2024/25 and later years have assumed a 0.99% increase in the Adult Social Care precept. Any final decision remains that of Full Council when approving the annual budget.

3.9. The Net Revenue Budget 2023/24

- 3.9.1. After taking into account the anticipated changes to the Settlement Funding Assessment, business rates and council tax, the Council's overall net revenue budget is anticipated to increase by £35.2m or 6.7% from £521.9m to £557.1m, as detailed in Table 12 and at **Appendix 2**. This includes a significant reduction in the business rates deficit of £18.6m.

Table 12 – Estimated Net Revenue Budget 2023/24 compared to the 2022/23 Net Revenue Budget

	2022/23 £m	2023/24 £m	Change £m
Revenue Support Grant	29.3	29.3	0.0
Business Rates Baseline	158.4	158.4	0.0
Settlement Funding Assessment	187.7	187.7	0.0
Business Rates Growth	(4.7)	(8.0)	(3.3)
Business Rates Surplus that will not be spread	(15.9)	2.6	18.6
Business Rates Deficit: One-third of 'exceptional balance'	(12.2)	(12.2)	0.0
Council Tax (incl. Adult Social Care Precept)	369.4	393.6	24.3
Council Tax Surplus that will not be spread	2.2	(2.1)	(4.4)
Council Tax Adjustment: One-third of 'exceptional balance'	(4.5)	(4.5)	(0.0)
Net Revenue Budget	521.9	557.1	35.2

- 3.9.2. Table 13 analyses this £35.2m estimated increase in the net revenue budget between the Settlement Funding Assessment and locally determined funding sources.



Table 13 – Increase in the Funding Envelope

Funding Envelope	2023/24 £m
Government Funding	
Settlement Funding Assessment	0.00
Sub-total Government Funding	0.00
Locally Determined Funding	
Council Tax (incl tax base growth)	19.89
Business Rates	15.29
Sub-total Locally Determined Funding	35.17
Increase/(decrease) in the Net Revenue Budget	35.17

- 3.9.3. The estimated increase in the 2023/24 net revenue budget compared to 2022/23 cannot be properly understood without considering changes in general fund income streams associated with the Collection Fund. In 2021/22 Government funded reliefs against business rates for the retail and leisure sectors which was forwarded to local authorities to meet the resultant business rates deficit in 2022/23. In 2022/23 the Government announced further reliefs but at a much reduced level, the excess funding for which will also be held in reserve to meet the smaller resultant deficit in 2023/24. This means that although the net revenue budget due to business rates has increased by £35.2m because the business rates deficit has reduced, the reduction in funding held in reserve to meet this deficit is £24.1m. As can be seen in Table 8 the net result is that business rates revenue to the Council has actually reduced by £8.8m.
- 3.9.4. Council tax is projected to increase by £19.9m as detailed below. Since the 2021/22 budget the level of applications for council tax support has reduced as unemployment has reduced, which has the effect of increasing the council tax base. Growth in the council tax base, with new homes being completed in the City, has also markedly improved as construction resumed following the lockdowns in 2020/21. Finally, Government announced at the Autumn Statement 2022 that core council tax could rise by up to 3% and the Adult Social Care precept by up to 2% in 2023/24. As discussed at paragraph 3.7 this Proposed Budget assumes subject to the approval of Full Council.

3.10. Decreases/(Increases) in General Fund Resources

- 3.10.1. The changes in local funding, detailed in paragraphs 3.2 – 3.9, change the Council's Net Revenue Budget and form part of the funding envelope available to the Council.



- 3.10.2. Other movement in the Council's available resources are shown in paragraphs 3.10.3 – 3.10.30.

Movement on the use of Reserves £5.7m

- 3.10.3. **Changes in contributions to/(from) the General Reserve £0.0m** – The opening General Reserve position in 2022/23 stood at £33.2m with the opening position for 2023/24 estimated to be unchanged at £33.2m, reflecting no budgeted contribution to this reserve in 2022/23. This Proposed Budget does not allocate any additional resources to the General Reserve in 2023/24 but the provisional position for 2024/25 assumes a base budget increase of £3.0m. In 2023/24 £3m of resources will be contributed from the Strategic Contingency Reserve to the General Reserve as part of measures to ensure financial robustness and sustainability. As such a £3m increase in the General Reserve is assumed as is a contribution in every subsequent year of the Medium Term Financial Strategy, giving a projected General Reserves position of £48.2m at 31st March 2028.

Changes in contributions to/(from) Earmarked Reserves £5.7m

- 3.10.4. Opening General Fund earmarked reserves for 2022/23 stood at £131.4m. A net in year use of reserves in 2022/23 of £71.3m is currently forecast which would result in earmarked reserves of £60.1m being carried forward into 2023/24.
- 3.10.5. The paragraphs below set out the proposed use of and contributions to these earmarked reserves in 2023/24. Overall, the measures in this Proposed Budget apply a net contribution from the revenue position of £5.7m to Earmarked Reserves.
- 3.10.6. Opening General Fund earmarked reserves for 2022/23 stood at £143.4m. This total includes £37.5m of **Strategic Contingency reserve**, which was established in 2020/21 to fund future unforeseen budget pressures and to ensure the Council becoming more financially resilient. The 2022/23 budget assumed a net use of £6.6m from this reserve and there are currently in year commitments of £2.5m relating to funding COVID Backlog Recovery, £28.4m remains available. Based on updated housing growth, £2.1m of additional New Homes Bonus Funding is estimated to be receivable in 2022/23. This will be carried forward in the Strategic Contingency Reserve and used in 2023/24. The 2023/24 Proposed Budget then assumes use of a further (£12.3m) to support the Authority to deliver a balanced budget, dependent on the approval of Full Council at the 2023/24 Budget meeting. As discussed at paragraph 3.10.3, £3m will be contributed to the General Reserve. The Proposed Budget position also reflects fallout of use of £10.8m when compared with 2022/23, resulting in a net movement of (£6.6m) in the General Fund in respect of this reserve. The estimated balance remaining on this reserve after the proposed use in 2023/24 is £13m. However, this balance may be required in 2022/23 due to the overspend position for the current year which is £15.4m at Month 7 as reported elsewhere on this agenda.



- 3.10.20. **Specific Grant Funding Changes – Communities, Housing and Environment £0.2m.** The Proposed Budget for 2023/24 allows for fall out of the Asylum Migration and Integration Grant (£0.07m) and ESIF grant (£0.11m).

Specific Grant Funding Changes – Strategic and Central Accounts (£1.0m).

- 3.10.21. The Local Government Finance Settlement, published in February 2022, confirmed a new Services Grant, a new specific grant, outside of the Net Revenue Budget. In 2022/23 the Leeds share of this was £10.9m. Whilst new funding to the sector, Local Authorities were advised that grant included an element for local authorities to fund the new Health and Social Care Levy, which was introduced from 2022/23 and was an additional National Insurance cost. Since then, the Mini Budget, announced in September 2022, announced that the Health and Social Care levy was to be scrapped from November 2022 and that this element of funding would be reduced from future year Services Grant. As such, the Proposed Budget assumes that the Services Grant will reduce by £2.9m, the estimated cost to the Authority of the Health and Social Care levy.
- 3.10.22. **Specific Grant Funding Changes – New Homes Bonus £0.0m** Government introduced the New Homes Bonus in 2011 to encourage housing growth: initially councils received grant for six years for each net additional property added to the tax base each year. This grant is funded by top slicing Revenue Support Grant. In 2016/17 Government made some changes, including gradually reducing the number of years ‘legacy payments’ are receivable from six to four years and imposing a 0.4% growth baseline on new allocations before any Bonus is paid. From 2020/21 New Homes Bonus has been paid for one year only, with no legacy payments. In February 2021 the Government published a consultation on the future of New Homes Bonus indicating that the scheme in its current form would be phased out. The Council is currently awaiting the Government response. To remain prudent, it is assumed that there will be no further payment of New Homes Bonus after the current Spending Review period in ends in March 2025. The Council will account for the final year in 2023/24 and therefore it is assumed £2.2m of New Homes Bonus will be accounted for in that year, based on average growth in the Council Tax base since 2013/14, but will drop out of the Council’s budget in 2024/25. As such there is no change for 2023/24. The position should become clearer in the Provisional Financial Settlement in December 2022.
- 3.10.23. **Specific Grant Funding Changes – Collection Fund COVID-19 Grants £24.1m.** In 2021/22 the Government awarded generous reliefs to retail and leisure establishments in Leeds. These reliefs added to the Council’s Collection Fund deficit but full compensation was received. However, the deficit did not have to be paid until 2022/23 and therefore the £32.1m received was held in reserve and applied in 2022/23. In 2022/23 the Government awarded reliefs to these sectors again, although at a much lower level. Once again, the Council will hold this funding, £8.0m, in reserve to apply to the Collection Fund deficit that becomes due for payment in 2023/24. This represents a reduction in the funding to be applied of £24.1m.



- 3.10.24. **Other Non-Collection Fund Business Rates and Council Tax Movements (£26.0m).** Local authorities are allocated Section 31 grants to compensate for changes made by Government to the business rates system. An authority's allocation depends on the level of business rates yield in that authority's area, the extent to which it awards certain reliefs mandated by Government and its share of any losses resulting from these.
- 3.10.25. At the Autumn Statement 2022 Government announced that it would award relief to retail and leisure businesses in recognition of continuing challenges for these sectors during the cost of living crisis. These businesses will receive 75% relief against their business rates liabilities up to a maximum of £110,000 per business. This represents an increase in these reliefs which only gave 50% relief up to a maximum of £110,000 in 2022/23. In this Proposed Budget an allowance for this relief against business rates income of £17.7m has been assumed, attracting additional Section 31 compensation of £10.4m.
- 3.10.26. Government also announced at the Autumn Statement 2022 that the Small Business Rates Multiplier and higher National Multiplier would be frozen at its 2022/23 level instead of increasing by CPI as would normally be the case or being adjusted because of the Revaluation. Local authorities receive compensation from Government for the loss of income this entails. It is estimated that this compensation will amount to £37.2m because the rate of CPI inflation is so high. These proposals also include the continuation of the special relief for local newspapers. In total Section 31 compensation for business rates reliefs and the freeze on the multiplier is expected to increase by £22.2m
- 3.10.27. The Council will have to pay a levy on any growth in the total of retained business rates income and Section 31 income either to the Leeds City Region Business Rates Pool or to Government, currently estimated at £0.4m in 2023/24, a decrease of £0.5m on the budgeted amount for 2022/23 due to slow recovery in business rates income in the city.
- 3.10.28. At the Spending Review 2020 the Chancellor announced that £762m was to be used to provide support to local authorities for 'irrecoverable losses' in business rates in 2020/21 that authorities would have to repay to the Collection Fund in 2021/22, 2022/23 and 2023/24. The definition of irrecoverable losses was confirmed in May 2021 and the Council estimates that it will receive £11.8m in total, although final allocations have not yet been confirmed. In 2021/22 £8.6m was applied to the deficit to be repaid in year and none of the remaining funding was applied in 2022/23. These proposals assume that the remaining £3.2m held in reserve will be applied to the final instalment of the 2020/21 deficit in 2023/24.

Other Changes in Resources £5.3m

- 3.10.29. The 2022/23 approved Budget included proposals to access additional income from the NHS to support the cost of council services where there are shared



pathways of care. Due to pressures within that sector this proposal is reversed in 2023/24 by £5.0m as the funding is no longer available.

- 3.10.30. In February 2021, alongside the Local Government Finance Settlement, the then Secretary of State announced the continuation of the capital receipts flexibility programme for a further three years, giving local authorities the continued freedom to use capital receipts from the sale of their own assets (excluding Right to Buy receipts) to help fund the revenue costs of transformation projects and release savings. The 2022/23 Budget included additional planned expenditure of £7.1m relating to transformational work that meets these criteria to be funded through the Government's flexible use of capital receipts regulations. In 2023/24 the Strategy reflects the £0.3m part-fallout of this resource.



Part 4: Cost Pressures, Budget Growth and Adjustments

- 4.1. Table 14 summarises the projected cost increases in the 2023/24 Proposed Budget.

Table 14 – Cost Increases 2023/24

	2023/24 £m
Pay - Leeds City Council	37.8
Pay - Health and Social Care Levy removed	(2.9)
Employer's LGPS contribution	(0.7)
Capitalised pension costs	(0.8)
Wage costs - commissioned services	25.5
Inflation: General	22.3
Inflation: Electricity and Gas Tariffs	10.7
Demand and demography - Adult Social Care	2.3
Demand and demography - Children Looked After	1.6
Demand and demography - Other	0.2
Financial Sustainability	9.0
CLA Transport	2.3
Leeds 2023	0.7
Income pressures	2.8
Debt - external interest / Minimum Revenue Provision	11.2
Fall out of COVID pressures	(5.3)
Other Pressures/Savings	3.4
Cost Increases	120.0

- 4.2. **Pay Inflation** – The Proposed Budget allows for £37.8m of pay inflation in 2023/24. The increase provides for the following elements: £18.8m which reflects the Employer's final offer for 2022/23 and which was not agreed until after approval of the 2022/23 budget this increase reflects the difference between the pay award that was budgeted for 2022/23 at 2%, and the final offer; £17.0m for an assumed 2023/24 pay award incorporating a 4% pay award for all other staff and the recently announced Real Living Wage of £10.90 at pay scale points 1 and 2; £0.3m in regard to the pay impact of the additional day of leave included in the 2022/23 pay award to be implemented from 2023/24; and £1.6m for the additional cost of Enhancements.
- 4.3. **Health and Social Care Levy** – The 2021 Spending Review introduced plans to increase funding for health and social care over three years through the introduction of a new tax, the Health and Social Care Levy, a 1.25% increase in National Insurance contributions (NICs) paid by employees, employers and the self-employed. This levy was reversed in the Mini Budget with effect from 6th November 2022. The value of the levy in 2023/24 was estimated to be £2.9m, the Proposed Budget reflects this falling out. Whilst this is a reduction in the pay costs of the Authority, the Council received funding from Government to meet the



employer NICs element and this funding will also be discontinued in 2023/24.

- 4.4. **Employers Local Government Pensions Contributions** – The 2022 actuarial valuation showed that the West Yorkshire Pension Fund is in a surplus position. Following initial discussions with the Pension Fund, it is assumed that the Council's employer's contribution will reduce from 15.9% to 15.7% from 1st April 2023 and remain unchanged for three years, delivering a £0.7m estimated saving each year when compared to the base position.
- 4.5. The fall out of **capitalised pension costs** associated with staff who have left the Council under the Early Leaver's Initiative (ELI) will save an estimated £0.8m in 2023/24 with further net savings in the later years of the Council's financial strategy as pension strain costs continue to fall out.
- 4.6. **National Living Wage for commissioned services and the Ethical Care Charter** – in respect of services commissioned from external providers by both Adults and Health and Children and Families directorates, provision has been made for £25.5m in 2023/24 for increased contract costs reflecting the increase in the National Living Wage. The majority of this increase sits in the Adults and Health Directorate, with £0.6m per annum provided for in the Children and Families Directorate. The increased costs in the Adults and Health Directorate reflect the announced Real Living Wage rate of £10.90/hour and a further 40p/hour for Homecare in 2023/24.
- 4.7. These increased costs are associated with both paying our staff the Real Living Wage and encouraging the services we commission to pay their staff the Real Living Wage to enable sustainability of the market, with the majority (£51.8m) having been resourced by the Council. The additional £7.1m is funded through use of the additional funding announced at the Autumn Statement discussed at paragraph 3.10.14.
- 4.8. Since the declaration of the climate emergency in 2019, the Council has made substantial reductions in its energy consumption, an estimated 24% in gas and electricity consumption when comparing 2018/19 levels with those expected for 2022/23. This has been achieved through a broad range of measures including reduction/optimisation of the corporate estate, delivery of capital schemes to deliver energy efficiencies and decarbonisation, a wholesale LED roll-out across the City's street lighting, delivery and expansion of the district heating network, and installation of heat pumps, solar PV and other energy efficiency measures. However, increases in global energy prices have resulted in significant budgetary pressures, with energy commodity prices currently around six times historical levels. The Council's forward purchasing of energy has hedged the Council significantly against the full impact of these market factors, but the budgetary impact is expected to increase. Current forecasts assume continuation of a Government business energy cap beyond March 2023, and the Proposed Budget allows for **energy price inflation** of £10.7m. To address these pressures, the Council has initiated an accelerated programme of work to reduce energy consumption including: further LED installations; enhanced building management



controls; further permanent or temporary building closures and partial building shutdowns; focused site specific action plans at high energy consuming sites; street lighting dimming; reducing peak time electric vehicle charging; progressing the delivery of major local renewables generation schemes.

- 4.9. In budget proposals for previous years inflation has only been provided where there is a contractual commitment. Whilst this can vary from contract to contract, it is often index linked to CPI or RPI which are both exceptionally high in 2022 (September 2022 CPI was 10.1% and RPI 12.6%). The Council will need to provide for the increase accordingly, however for some contracts the reference month's inflation figures are not yet available. Any changes will be included in the Final Budget proposals.
- 4.10. In addition, due to the significant inflationary pressures in the economy, the 2023/24 Proposed Budget also makes allowance for net **general price inflation** of £22.3m as follows: Adults and Health £5.0m, Children and Families £8.3m, City Development £3.7m, Communities, Housing and Environment £3.6m, Resources £2.1m and Strategic (£0.5m). The OBR expects inflation to return to more normal levels by 2024/25.
- 4.11. The Proposed Budget has assumed an inflationary uplift on fees and charges where it is considered they can be borne by the market. Given the significant financial pressures faced by the Council, proposed levels of fees and charges continue to be reviewed to identify potential to increase income.
- 4.12. The Proposed Budget recognises the increasing **demography** and consequential **demand pressures** for services in **Adults and Health, Children and Families** and **Communities, Housing and Environment**.
- 4.13. Within **Adults and Health**, the population growth forecast assumes a steady increase in the number of people aged 85+ between 2021 and 2026. These increases of 0.9%, 1.2%, 0.9%, 1.2% and 1% respectively result in additional costs for domiciliary care and care home placements. In addition, the Medium Term Financial Strategy reflects the anticipated impact of increasing cash personal budgets through to 2025. The Learning Disability demography is expected to grow by 1.02% (based on ONS data) over the period. It should be noted that the high cost increase in this area of service is primarily a combination of increasingly complex (and costly) packages for those entering adult care, as well as meeting the costs of the increasing need for existing clients whose packages may last a lifetime. The Strategy provides £2.3m for the 2023/24 financial year to deal with this demand and demographic growth.
- 4.14. **Children and Families** continues to face demographic and demand pressures due to several different factors. Birth rates were relatively high in previous years, particularly within the most deprived clusters in the city. Although the birth rate has now reduced, the population peak is now moving through to adolescents, who can require more complex and therefore costly placements. The main drivers of demand pressures are well documented nationally and locally. The



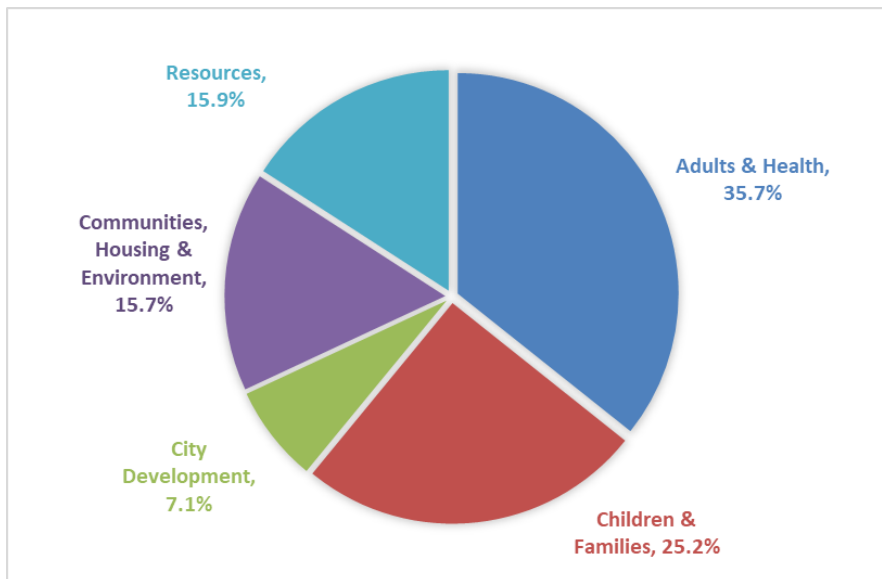
Bridging the Revised Gap – the Corporate & Directorate Savings Programme

- 5.4. The Medium Term Financial Strategy 2023/24 – 2027/28, approved at September’s Executive Board, reported an estimated budget gap of £63.6m in 2023/24. Subsequent review of the assumptions detailed in that Strategy identified additional net pressures of £26.5m, leading to an updated gap of £150.2m over the years 2023/24 to 2025/26: £65.7m in 2023/24, £49.4m in 2024/25 and £35.1m in 2025/26.
- 5.5. Building on the Financial Challenge savings programme carried out last year which resulted in £16.5m of budgeted savings and contributed to the setting of a balanced budget for 2022/23, the Council has again established a Financial Challenge savings programme focused on identifying robust and sustainable savings not just to help close the gap for 2023/24 but for the following years: 2024/25 and 2025/26. This approach enables the authority to take a longer-term view of its savings options, recognising that major change often requires one- to two-years’ lead time to implement. As such, the savings proposals set out in the *‘Revenue Savings Proposals for 2023/24 to 2025/26’* reports for Executive Board’s consideration at its October 2022 meeting and on today’s December agenda span the next three financial years.
- 5.6. The Financial Challenge programme continues to aim to protect services that support the most vulnerable whilst ensuring that the organisation becomes more financially resilient and sustainable for the future. Reviews have been – and continue to be - carried out across the authority to identify opportunities to continue to modernise and improve services, reduce costs and generate additional income. A key aspect of improving services and contributing to delivering savings is through the council’s greater application of automation and robotics, this also helping the organisation maintain service in key areas (such as Integrated Digital Services and the Business Administration Service) despite staffing shortages due to the current national recruitment issues. The cross-council senior officer group established in 2020 to provide support and ensure a co-ordinated, consistent approach across the Financial Challenge programme, continues to meet. Further support and challenge to identify new proposals and consider options put forward by officers is again being provided by Scrutiny Board working groups.
- 5.7. The outcome of this work has provided a number of savings for consideration by the Executive Board. Proposals are categorised as either ‘Business as Usual’ (BAU) which can be implemented within the council’s delegated decision-making framework and without consultation, or ‘Service Reviews’ which require meaningful consultation with relevant stakeholders prior to any decisions being taken. The results of any such consultation with staff, trade unions, service users and the public will be used to inform the final decision. Those approved for implementation, or consultation as required, will subsequently be built into the 2023/24 Budget and Provisional Budgets for 2024/25 and 2025/26.



- 5.8. With regard to 2023/24, in October the Board approved savings proposals totalling £11.3m. A further £35.3m are presented for the Executive Board's consideration. That report also includes £7.3m of Strategic proposals which impact on funding assumptions and pressures and are already reflected in those sections of this report. Should these proposals be approved for consultation, total directorate savings approved by this Board for 2023/24 will be £46.6m. As noted above, for further detail, please see the accompanying, 'Revenue Savings Proposals for 2023/24 to 2025/26' reports: the first set of proposals being considered at the Executive Board meeting in October 2022 and a second set on this agenda.



Chart 1: Share of Net Managed Expenditure 2023/24 (Proposed Budget)

- 6.4. It should be noted that these resource allocations may be subject to amendment as we move through the budget setting process.

Impact of proposals on employees

- 6.5. The Council has operated a voluntary retirement and severance scheme since 2010/11 which has already contributed significantly to the reduction in the workforce since this time. Whilst there are other elements that will impact on the fluctuation of the workforce numbers such as natural attrition and turnover there has been an overall reduction of around 2,812 full time equivalents (FTEs) or 3,717 headcount up to 31st October 2022.
- 6.6. The 2023/24 Proposed Budget includes a net decrease of FTEs compared to the approved 2022/23 budget of 44.4 FTEs. This is comprised of a proposed increase of 109.8 FTEs (including 8.0 FTEs for the HRA) and a proposed reduction of 154.2 FTEs (including 8.8 FTEs for the HRA). This reduction includes the budget savings proposals received at October's Executive Board, and the budget savings proposals that are considered elsewhere on today's agenda. The net reduction in FTEs relating specifically to the savings programme is 64.6 FTEs (which are included in the FTE movements noted above).
- 6.7. However, given the context of the estimated budget gaps for 2024/25 and 2025/26, £48.0m and £26.7m respectively, future budget savings proposals to bridge these gaps will be required which, if approved, could result in a reduction in the number of budgeted FTE posts and carrying vacancies. In the context of further staffing reductions that may be required to deliver the significant level of



savings needed, we anticipate the need to serve a further Section 188 notice following today's Executive Board meeting.

- 6.8. The Council remains committed to doing everything it can to try to avoid compulsory redundancies through natural turnover, continuing the voluntary early leaver scheme, staff flexibility, reviewing and reducing both agency and overtime spend and continuing the positive consultation and joint working with the trade unions.

General Reserve

- 6.9. Under the 2003 Local Government Act (Part II) Section 25, the Council's Statutory Financial Officer is required to make a statement to Council on the adequacy of reserves as a part of the annual budget setting process. It is also good practice for the Authority to have a policy on the level of its general reserve and to ensure that it is monitored and maintained.
- 6.10. The purposes of the general reserve policy are to help longer-term financial stability and mitigate the potential impact of future events or developments which may cause financial difficulty. General and useable reserves are a key measure of the financial resilience of the Council, allowing the Authority to address unexpected and unplanned pressures.
- 6.11. The general reserve policy encompasses an assessment of financial risks both within the Medium Term Financial Strategy and also the annual budget. These risks should include corporate/organisation wide risks and also specific risks within individual directorate and service budgets. This analysis of risks should identify areas of the budget which may be uncertain and a quantification of each "at risk" element. This will represent the scale of any potential overspend or income shortfall and will not necessarily represent the whole of a particular budget heading. Each assessed risk will then be rated and scored in terms of impact and probability.
- 6.12. The Proposed Budget for 2023/24 assumes a general reserve balance of £33.2m will be brought forward from 2022/23. This Proposed Budget does not allocate any additional general fund resources to the General Reserve in 2023/24 but the provisional position for 2024/25 assumes a base budget increase of £3.0m. However, for 2023/24 £3m of resources will be contributed from the Strategic Contingency Reserve to the General Reserve as part of measures to ensure financial robustness and sustainability.
- 6.13. Whilst the Council maintains a robust approach towards its management of risk and especially in the determination of the level of reserves that it maintains, it is recognised that our reserves are lower than those of other comparable local authorities of a similar size. However, the Council has made provision over the



life of the Medium Term Financial Strategy to address this position while having minimum impact on front line services.

- 6.14. The Medium Term Financial Strategy recognises the requirement to keep the level of the Council's reserves under review to ensure that they are adequate to meet the identified risks. Grant Thornton's Annual Audit Report for the year ended 31st March 2021 recommended that "the Council should consider the adequacy of its current level of General Fund Reserves and Balances to ensure these remain adequate for its needs and potential unforeseen events." This Proposed Budget report provides for a £3m annual contribution to the General Reserve from 2023/24 onwards. As a result, the balance on the General Reserve is projected to be £48.2m by 31st March 2028 as shown in Table 17.

Table 17 – General Reserve

General Reserve	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m	£m
Brought Forward 1st April	(33.2)	(33.2)	(36.2)	(39.2)	(42.2)	(45.2)
Planned Contributions	0.0	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
Planned Use	0.0	0.0	0.0	0.0	0.0	0.0
Carried Forward 31st March	(33.2)	(36.2)	(39.2)	(42.2)	(45.2)	(48.2)

- 6.15. As stated above and detailed in this report, whilst the pressures faced by the Authority continue to make the current financial climate challenging, we will continue to keep the level of the Council's reserves under review to ensure that they are adequate to meet identified risks.



Part 7: Provisional Revenue Budgets 2024/25 and 2025/26

- 7.1. At its meeting in September 2022 Executive Board received the updated Medium Term Financial Strategy and agreed the revisions to the Council's forecast budget gap for 2023/24 to 2027/28. The reported forecast gap was £182.6m of which £37.8m and £22.3m related to 2024/25 and 2025/26 respectively. The report received in September recognised that savings would be required to be identified in order that a balanced budget position could be delivered in 2024/25 and 2025/26.
- 7.2. In the context of the Autumn Statement on 17th November and other variations identified during the determination of the Proposed Budget for 2023/24 (and later year impact of 2023/24 savings), the financial projections for 2024/25 and 2025/26 have been refreshed to reflect these latest assumptions. However, it should be stressed that under the Council's Constitution the decision to set the annual council tax base and rate of council tax can only be taken by Full Council each year and therefore the provisional budgets for 2024/25 and 2025/26 are for information and planning purposes only and decisions will continue to be made as part of the Council's annual budget setting process.
- 7.3. In the determination of the revised financial projections for both 2024/25 and 2025/26 significant areas of uncertainty remain as to the Council's financial position in respect of both funding and spending assumptions, compounded by the cost of living crisis and inflationary pressures. Whilst the Autumn Statement gave some information around the Government's spending plans, the detailed implications for local government remain unclear. It was stated that for 2023/24 and 2024/25 there would be no cuts to funding from that proposed in the Spending Review 2021, however after that period public expenditure will grow more slowly. The more detailed provisional Settlement (expected in late December) will give further information.
- 7.4. After taking account of the funding assumptions outlined in 7.2 and 7.3, and the variation in pressures and savings that have been identified in the determination of the 2023/24 proposed Budget proposals, the updated provisional positions for 2024/25 and 2025/26 are detailed in Table 18.
- 7.5. As can be seen in Table 18, the estimated budget gap has been revised to £48.0 in 2024/25 and to £26.7m in 2025/26. The main changes since the Medium Term Financial Strategy are as follows:
- **Changes to Funding:** In 2024/25 the strategy assumes the fall out of a one-off source of funding through New Homes Bonus in 2023/24. This is part-balanced by movements in the Net Revenue Charge. There are also changes in the level of contributions to/from earmarked reserves, including a £3m base budget contribution to the General Reserve from 2024/25.



- **Revised Pressures:** The main variation in both years is the ongoing impact of the assumption that pay inflation will be higher than previously expected in 2023/24 (at 4%) and the later year impact of the resulting higher base in 2024/25 and 2025/26. These later years of the Strategy also reflect a movement on income due to the impact of increased Universal Credit on the Council's budgeted overpayment income.
- **Revised Savings:** the changes are largely due to the later year impacts of 2023/24 savings proposals, noted at part 6 and set out in the 'Revenue Savings Proposals for 2023/24 to 2025/26' reports for Executive Board's consideration at its October 2022 meeting and elsewhere on this agenda. In particular, the movements shown on Table 18 reflect the fall out of one-off sources of funding utilised in 2023/24.

Table 18 – Provisional Revenue Budget 2024/25 and 2025/26

	2024/25	2025/26
	£m	£m
MTFS September 2022	37.8	22.3
Changes to Funding		
Net Revenue Charge Assumptions	(1.3)	(0.1)
Contribution from General Reserve	3.0	0.0
Changes in Earmarked Reserves	1.1	0.2
Grants	(1.6)	(0.4)
	1.2	(0.3)
Revised Pressures		
Pay Inflation	1.3	4.1
Income pressures	1.3	1.5
Other incl. Debt	0.2	(1.0)
	2.7	4.5
Revised Savings		
2023/24 Directorate Savings	6.3	0.2
	6.3	0.2
Revised Gap - Provisional Budget	48.0	26.7

- 7.6. The position set out above contains a number of assumptions, as set out in paragraphs 7.2 to 7.5 for which updated information would alter the projected financial position and any such changes in these assumptions will be incorporated into an updated Medium Term Financial Strategy that will be presented to a future meeting of this Board.



Part 8: Ring fenced Accounts

Dedicated Schools Grant

- 8.1.1. The Dedicated Schools Grant (DSG) for 2023/24 is funded in four separate blocks for early years, high needs, schools and central schools services.
- 8.1.2. A National Funding Formula (NFF) was implemented from April 2018 for high needs, schools and central schools services. The schools formula was initially a “soft” formula to allow local authorities some limited flexibility and this remains the case for 2023/24.
- 8.1.3. The Early Years block funds 15 hours per week of free early education for 3 and 4 year-olds and the early education of eligible vulnerable 2 year-olds. There is an additional 15 hours per week provision for working families of 3 and 4 year-old children. The funding hourly rate has not yet been confirmed for 2023/24, but in 2022/23 the hourly rates were £5.57 for 2 year-olds and £5.12 for 3 and 4 year-olds. The grant received will continue to be based on participation. The actual grant received during 2023/24 depends on pupil numbers in the 2023 and 2024 January censuses. The early years pupil premium is also included in this block and is payable to providers for eligible 3 and 4 year-olds. The hourly rate for 2023/24 for this element has also not yet been announced but was £0.60 per hour for 2022/23. In addition, there is a Disability Access Fund which was £800 per eligible child per year in 2022/23. The grant value shown below is based on the actual pupil numbers in January 2022 as the final January 2023 pupil numbers have not yet been confirmed. In September 2022, the DfE consulted on proposed changes to early years funding. At this stage the result of the consultation is not yet known and therefore the table below is based on the current funding mechanism.
- 8.1.4. The High Needs Block supports places and top-up funding in special schools, resourced provision in mainstream schools and alternative provision; top-up funding for early years, primary, secondary, post-16 and out of authority provision; central SEN support and hospital & home education. An indicative allocation under the NFF calculation has been published though the final allocation will not be issued until December 2022. The value in Table 19 is before any deductions are made by the Education and Skills Funding agency (ESFA) in respect of funding for academies, free schools and post-16 places and includes a supplementary allocation of £4.147m announced in December 2021 for 2022/23 which has been included in the baseline indicative allocation for 2023/24. The High Needs Block is facing a number of financial pressures nationally and in recognition of this the national allocation has increased again for 2023/24. For Leeds the indicative allocation is an increase of £7.944m for 2023/24 although there is still a cap on gains within the national funding formula and this has been applied to the funding allocation to Leeds to the value of £1.860m. Despite the increase in funding for 2023/24 the anticipated increase in special school places and pupils eligible for additional top-up funding means that there is expected to



be on going funding pressures for the High Needs Block which will need managing within the overall available funding. As part of managing the funding pressures it is proposed to transfer funding from the Schools Block as outlined below.

- 8.1.5. The Schools Block funds the delegated budgets of primary and secondary schools for pupils in reception to year 11. The grant for 2023/24 will be based on pupil numbers (including those in academies and free schools) as at October 2022. The pupil numbers from this census are not yet available. Schools have been consulted on options for the local formula in 2023/24 and on proposals to transfer funding to the High Needs Block. The results of the consultation have been presented to Schools Forum to enable further discussion with a final decision on the local formula being made by the Director of Children and Families in early 2023. As part of the consultation the majority of schools which responded supported a proposal to transfer 0.5% (approximately £3.2m) from the Schools Block to the High Needs Block. A Schools Forum meeting on 17th November approved this transfer. The majority of schools who responded to the consultation also supported a proposal for maintained schools to contribute funding of £140k towards severance costs. Schools Forum also approved this contribution. The figures in Table 19 include £18m supplementary grant for 2022/23 which was announced in December 2021 and is included in the baseline indicative allocations for 2023/24.
- 8.1.6. As part of the NFF, the Central School Services block (CSSB) was created from the DSG funding that is held by the local authority for central services. This includes the funding which was previously delivered through the retained duties element of the Education Services Grant (ESG) along with ongoing responsibilities and historic commitments. A draft allocation under the NFF calculation has been published, though the final allocation will not be issued until December 2022. The funding for the historic commitments element has been reduced by a further 20% in 2023/24.
- 8.1.7. At the end of 2022/23 it is projected that there will be a surplus balance of £1.730m on DSG compared to a surplus balance of £0.119m at the end of 2021/22. The balance will be carried forward into 2023/24 and used to offset pressures forecast in future years.
- 8.1.8. Funding for post-16 provision is allocated by the ESFA. Funding for high need post-16 pupils is no longer to be part of this grant and is now included in the DSG High Needs Block totals. Funding for 2023/24 will be based on 2022/23 lagged student numbers.
- 8.1.9. Pupil Premium grant is paid to schools and academies based on the number of eligible Reception to year 11 pupils on the school's roll in January each year. The rates for 2023/24 have not yet been confirmed but are expected to remain at: primary £1,385, secondary £985, for each pupil registered as eligible for free school meals (FSM) at any point in the last 6 years and £320 for children of service families. The pupil premium rate for children looked after and children



and lighting and CCTV. Additional costs of around £1.7m for this service, mainly made up of energy increases at 78% are included in the budget therefore it is proposed to increase service charges by 38%. In 2023/24 this will generate an additional £1.7m compared to 2022/23.

- 8.2.5. Housing Leeds manages a number of district heating schemes including the Leeds PIPES scheme. The standing charge for these district heating schemes will increase by 12.6% in line with RPI and it is proposed that the District Heating Schemes unit rate will be 10p per Kwh in 2023/24. An increase of 30% is proposed for sheltered complexes with heat consumption charges to recover the increase in costs
- 8.2.6. Currently tenants in sheltered accommodation receiving a support service are charged £15.62 per week for this service. Recent guidance received from DWP relating to the treatment of service charges resulted in a review of the charging model. The outcome of the review has altered the split of core rent and service charges and therefore the weekly cost of the sheltered support service will provisionally be £8.51 per week in 2023/24. Tenants in receipt of this service currently pay in excess of £15 per week and so will see a saving of around £360 per annum.
- 8.2.7. The support charge for the Wharfedale View extra care scheme will increase by 9% to reflect the increase in staffing costs.
- 8.2.8. An analysis of the impact on tenants of increasing rents by 7% and implementing the proposed charges outlined above has been undertaken. These figures are based on average rents for different categories of tenants as individual levels will vary.
- 8.2.9. 96% of tenants will pay more in 2023/24 than in 2022/23 as outlined in Table 21 below, with the majority (80%) paying between £3.14 and £6.67 per week more. Around 4% will see no increase or a small reduction.

Table 21 – Average rental increase per week 2023/24

% of Tenants	Number of Tenants	Average Increase / (Decrease) £/week
4.1	2194	(1.82) - (0.20)
2.97	1589	1.04 - 3.13
79.94	42802	3.14 - 6.67
12.99	6955	6.68 - 8.06

Where relevant these increases will be funded through Housing Benefit for eligible tenants and tenants eligible for Universal Credit (UC) will receive payments for this increase. Approximately 37% of tenants are in receipt of Housing Benefit with a further 30% in receipt of UC, a total of 67%. For those in Sheltered Accommodation, this figure rises to 69%.



Expenditure

- 8.2.10. The proposed staffing budget has increased by £2m, assuming a pay award of 4% for 2023/24. The impact of the current pay award offer of £1,925 per employee for 2022/23 has also been budgeted for.
- 8.2.11. The repairs to dwellings budget has been inflated by 10% for 2023/24, then adjusted to reflect an anticipated reduction of 1% in housing stock as a result of Right to Buy. The proposed budget for 2023/24 is therefore a £4.2m increase to £51m.

Table 22 – Repairs Budget

OE 2022/23	2023/24
£k	£k
46,795	51,006

- 8.2.12. The inflationary uplifts for the PFI contractor will cost £1.6m in 2023/24 and contributions from the Private Finance Initiative sinking fund will decrease by £0.085m within the agreed model.
- 8.2.13. Gas and electricity costs are forecast on the latest energy unit assumptions, for 2023/24 the increase in energy budgets is 78% which is an increase of £1.75m.
- 8.2.14. A budget of £1m has been provided to fund the costs of the Future of the Alderton Heights and Gipton Gates high rise scheme which was approved at Executive Board in October 2022
- 8.2.15. The service continues to invest over £130m in its existing stock per annum, be this through responsive repairs (see 8.2.11 above) or the annual investment programme (see 8.2.19 below). However, despite this investment and reflecting an ongoing nationwide issue, it is necessary to provide for an additional sum to cover the cost of disrepair claims. The provision for disrepair budget is therefore proposed to be increased by £1.2m to reflect the increase in the number and costs of claims for disrepair that the service is receiving.
- 8.2.16. The proposed management fee payable to Belle Isle Tenant Management Organisation (BITMO) is an increase of £289k to £3.5m to reflect the approach to changes in the staffing and repairs budgets within Housing Leeds as outlined above. The BITMO management fee is adjusted each year by an agreed formula.
- 8.2.17. Following a review of all budget lines it is proposed that there will be a 10% reduction in the Housing Area Panel (HAPs) and Environmental budgets which will realise a saving of £60k in 2023/24.
- 8.2.18. A fundamental review of all charges in the HRA has been undertaken to ensure that all expenditure charged remains appropriate within the ringfence and



accurately reflects the level of services provided to tenants. With Council budgets being reduced, especially those in the traditional support services functions, it is appropriate that the HRA receives an appropriate reduction in the charges. These will be reflected in the 2023/24 budget.

- 8.2.19. The Council remains committed to prioritising resources to meet the capital investment strategy and to replace homes lost through Right to Buy by the planned investment in new homes. The costs associated with servicing the HRA's borrowing include the planned increase in borrowing to support the £324m Council's Housing Growth programme which will see 204 new build and 64 acquisitions planned to be delivered in 2023/24.

Forecast additional borrowing costs from the capital spend on the Council House Growth Programme are £1.7m.

There is a risk that rising interest rates will add further pressures within the HRA, and therefore, some reprofiling of this programme may be required. Alternative funding sources to minimise borrowing, for example using commuted sums may be sought.

Table 23 shows the planned spend on the Council House Growth programme in 2023/24.

Table 23 – Council House Growth Programme

	2022/23	2023/24
	£k	£k
Capital Programme	72,682	63,862
Borrowing (additional each year)	-42,963	-37,125
RtB Receipts	-27,861	-26,737
Other Funding	-1,858	-

- 8.2.20. Even though the net stock numbers are decreasing, the Council aims to maintain a consistent level of investment in the HRA annual investment capital programme. This will help ensure the overall condition of the stock is improved and help mitigate any further disrepair pressures than those being incurred at present. The total provisional capital programme spend for the HRA is £85m in 2023/24.

Most of this programme is funded by contributions from the revenue budget, and the revenue contribution to the capital programme accounts for 25% of the HRA total spend budget.

The revenue contribution required to support the capital programme in 2023/24 is £66.2m, an increase of £3.7m when compared to 2022/23.



Table 24 – HRA Capital Programme

	2022/23 £k	2023/24 £k
Capital Programme	95,000	85,000
HRA Revenue Contribution (RCCO)	-60,769	-64,384
RtB Receipts (Allowable Debt)	-16,346	-14,175
Gov't grant / EU Grant	-17,885	-6,257
Other Funding		-184

8.2.21. A budget of £1.7m has been provided in 2023/24 to bolster reserves and help manage any unforeseen pressures within the HRA.



Part 9: The Capital Programme

Table 25 – Revised Capital Programme

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Major Programmes	415.0	407.7	265.3	161.6	41.9	1,291.5
Annual Programmes	82.7	86.1	69.1	63.3	60.4	361.6
	497.7	493.8	334.4	224.9	102.3	1,653.1

- 9.1. The Council's capital programme considers the need for capital investment against affordability within the MTFs. The programme identifies annual programmes across the Council that aim to provide investment in assets to ensure that the Council can continue to operate effectively. The Council also has a number of major programmes that provide investment in line with the Best City Ambition Plan objectives.
- 9.2. Capital investment needs are assessed on an annual basis under the direction of the cross-council senior officer group Best Council Team: Strategic Investment Board (SIB) with final approval sought from Executive Board and Full Council in February each year. Capital investment proposals that deliver savings or generate additional income can come forward throughout the year and are subject to a robust business case approval. Schemes funded by external resources can also come forward throughout the year.
- 9.3. A detailed review of the whole capital programme, covering the period up to 2023/24, was undertaken in the lead up to the Capital Programme being approved by Executive Board and Full Council in February 2021. A key principle of that review was to replace borrowing with external funding sources where possible and that principle continues, for example in the Council's recent bids to the Government's Levelling Up Fund.
- 9.4. In May 2022 SIB agreed an overarching Capital Strategy to support a further review of the capital programme, whereby new borrowing would not exceed budgeted MRP, except where this would prevent the delivery of savings or robust prudential borrowing proposals. Further, SIB refreshed the capital programme priorities to be used to assess the priority of new projects/pressures and inform which should be added to the Capital Programme. Consequently, a further review of the Capital Programme is currently being undertaken to consider whether all elements of the existing programme remain priorities in the current financial climate and to agree whether further proposed schemes are of sufficient priority to be added to the Programme and how these might be funded sustainably. This review is also intended to consider the resilience of current programme assumptions in light of significant inflationary pressures on the delivery of capital projects. At this stage in the review process no capital and revenue impacts of this review have been finalised. Any such impacts will be reflected in reports to Executive Board in February 2023.



- 9.5. Savings proposals to address the current Financial Challenge, discussed at Part 5, have been reviewed to ensure that any interdependencies between capital and revenue are given due consideration.
- 9.6. **Appendix 3** details the restated 10-year capital programme (annual programmes). There have been no changes since this was reported to Executive Board in November 2022.
- 9.7. Executive Board in November 2022 also approved a future injection from the CIL Strategic Fund, to be invested for:
- any successful Levelling Up Fund bids;
 - the Leeds Flood Alleviation Scheme Phase 2;
 - the City Square Enhancements Scheme; and
 - the David Oluwale Bridge Scheme.
- 9.8. The 3 specific schemes named above - the Leeds Flood Alleviation Scheme Phase 2, the City Square Enhancements Scheme and the David Oluwale Bridge Scheme – all currently exist within the capital programme, partly funded from Leeds Borrowing. The strategy proposed by Strategic Investment Board and agreed by Executive Board in November 2022 is to utilise CIL funding for the elements which were previously funded by Leeds Borrowing and to increase the level of General Contingences to deal with any unforeseen circumstances and ensure sufficient resources are available to fund the capital programme.
- 9.9. Executive Board in October 2022 approved the Core Business Transformation Programme to proceed with phase 1 of delivery. The report noted that phase 1 is part of a wider programme of works estimated to cost £18.48m including phase 1. All of the estimated programme costs, whether revenue or capital are included under the banner of transformational change, and as such can be capitalised under the Government's Flexible Use of Capital Receipts Directive. To fund the required wider programme of works requires the injection of an additional £7.8m of capital receipts (also identified on **Appendix 3**).
- 9.10. The implementation of the proposals outlined above has no impact on the revenue debt position as no additional borrowing is required. The change in funding has been factored into the revised capital programme position summarised in Table 25.
- 9.11. The Proposed Budget provides for an £11.2m increase in the cost of debt and capital financing for 2023/24. This assumes that the remaining borrowing is taken at an average rate of 4.5% interest for the remainder of 2022/23 and at an average of 4.0% in 2023/24. Interest rate projections will be kept under review.

VAT Recovery

- 9.12. The Council recovers VAT on expenditure (capital and revenue) relating to the Council's statutory functions and on activities which are charged for at the standard rate of VAT. VAT incurred on expenditure relating to activities which are



charged for and which are exempt from VAT is only recoverable if the amount of such VAT does not exceed 5% of the Council's total VAT on expenditure in any one year. Examples of exempt activities are sport, culture, land & property transactions, and crematoria. If the Council's VAT on expenditure relating to its exempt activities exceeds the 5% limit, all VAT on expenditure attributable to exempt activities is irrecoverable. This would create an additional cost to the Council of at least £7m per annum. In addition, the Council would have to bring into account a proportion of any VAT incurred in the prior 10 years which was attributable to exempt activities and recovered in full at the time. Future schemes will only be allowed to progress once the full impact of the VAT implication has been assessed.



2020/21 to 2024/25 report, directors would need to identify budget savings options to mitigate the directorate from going into an overspend position.

Risks to Funding

- 10.1.7. The Government's current Spending Review covers the three years until the end of this Parliament in March 2025. Whilst the Autumn Statement on 17th November 2022 provided assurance that the Spending Plans in the Spending Review would be honoured, these have not yet been ratified by Government through the annual budget process.
- 10.1.8. Further to this, we await the Provisional Local Government Finance Settlement which is anticipated to be published in late December. Whilst the Spending Review 2021 and Autumn Statement 2022 provided details of the Government's spending plans for 2023/24 to 2024/25, the provisional Local Government Finance Settlement in each year will confirm these details. There remains a risk that the more detailed funding assumptions contained in the provisional Settlement are different to the assumptions contained in the Spending Review and Autumn Statement and this could have implications for the level of resources available to the Council in 2023/24.
- 10.1.9. The 2023/24 budget submission contains a number of assumptions about the level of resources receivable through some specific grants. Where the Government has yet to announce or finalise how much grant will be receivable in 2023/24 then a number of assumptions will be made in the determination of the budgeted figures receivable. Where the grant received is less than assumed in the Budget then, as per the Revenue Budget Principles approved at Executive Board in June 2019, the directorate concerned will need to manage the reduction in both expenditure and income through the identification and implementation of an exit. With reference to the additional funding to be received for social care, whilst estimates indicate that Leeds City Council could receive up to £28.9m in additional funding compared to that previously assumed, there is an associated risk in that the extent to which this funding will need to be shared with local health service partners is yet to be determined and any additional costs to the Council identified.
- 10.1.10. Under the Business Rates Retention Scheme the Council's local share of business rates is exposed to risks both from collection and from reductions in rateable values. Since 2013 two trends have become clear: firstly, that there is a lag between gradual economic recovery and significant volumes of business new-builds in Leeds, with little growth in aggregate Rateable Value in Leeds until 2018/19, and secondly, that business rates growth that does occur has been offset by successful appeals and other reductions to the rating list - either through closure or Valuation Office reviews.
- 10.1.11. The level of business rates appeals continues to be a risk. Although the 2010 ratings list is now closed and only limited scope remains for ratepayers to



challenge that list, 2022/23 is the final year of the 2017 ratings list being in force which tends to result in a higher than normal number of appeals to be submitted by ratings agents on behalf of their clients. Provision will have to be made for these appeals and if they prove to be higher than anticipated this could add to the business rates deficit. However, the 2017 ratings list has proven to be unusually robust compared to the 2010 ratings list, although the impact of COVID-19 on the commercial property market may have implications for the business rates tax base in 2023/24 when the new ratings list will be introduced following the 2023 Revaluation.

- 10.1.12. Subject to its application to Government being approved, for 2023/24 Leeds will again be part of the Leeds City Region Business Rates Pool. As with previous years' Pools, there remains a risk that if a member authority becomes entitled to a safety net payment, because its retained income has fallen dramatically, then that safety net payment will no longer be received from the Government but will have to be met by other members of the Pool. This will represent a loss of income to the region.
- 10.1.13. The level of council tax collected could be affected by the increase in the council tax base being less than assumed, collection rates being below budgeted assumptions, Council Tax Support claimant requirements being greater than budgeted or a mixture of the above.
- 10.1.14. Business rates and Council Tax income continues to be a significant risk, however any losses greater than those assumed in setting the budget will materialise through a Collection Fund and will not impact in the current year, although this will be an issue in future financial years.

Key risks to cost and income assumptions

- 10.1.15. This Proposed Budget for 2023/24 contains a number of inherent risks which include the requirement to implement budget plans, budgets which are subject to both fluctuating demand and demographic pressures, inflation being higher than forecast and key income budgets that rely upon the number of users of a service.
- 10.1.16. In particular the war in Ukraine has already had a significant impact upon the global price of fuel, energy and commodities and this has been realised as significant inflationary pressures in the economy. The uncertain nature and length of this conflict may yet have further implications for inflation and the pay and price assumptions contained in this Proposed Budget for the forthcoming financial year.
- 10.1.17. Cost of living pressures are likely to have a wider inflationary impact on the Council due to the impact of the increased cost of living on our residents and businesses. In addition to the risks associated with increases in costs to the Council for the goods and services that we procure, increased demand for support and welfare services, and reduced income across a range of services as Leeds residents and visitors choose to spend differently as a consequence of



rising inflation. This position will continue to be closely monitored throughout the financial year and any variation to budgeted assumptions will be required to be managed within the approved budget.

- 10.1.18. There are risks that demographic and demand pressures in Adult Social Care and Children's Services could be greater than anticipated in this Proposed Budget. There is also significant reform on the horizon across social care. For Adults, there will be the impact of the care reforms for which there will be additional costs, however the level of Government funding for this is uncertain. For Children, the Independent Review of Children's Social Care was published earlier this year and recommended a radical reset of the Children's Social Care system. The Government intends to publish an implementation strategy in response to the review before the end of the year.
- 10.1.19. The implementation of proposed savings and additional income realisation could be delayed. Equally, the level of savings generated and/or the level of additional income realised could be less than that assumed in this Proposed Budget for 2023/24.
- 10.1.20. Inflation including the pay award and inflationary pressures in respect of contracts and energy costs could be higher than that assumed in this report. In addition, this Proposed Budget makes a number of assumptions about the costs associated with managing the Council's debt. As set out in the Treasury Management Strategy Update 2022/23 report, received at Executive Board in November, all new Council borrowing activity will be funded through short-term variable rates which means that it is exposed to any upward movement in rates which would result in an increase in costs to the Council. It should be noted that due to the previously employed policy of locking in long term borrowing need at historically low rates the Council had no short term borrowing on its books at 31/03/2022 and this places the Council in a good position to manage the current volatile interest rates.
- 10.1.21. Key risks for the Dedicated Schools Grant (DSG) projections relate mainly to the high needs block of the DSG, which provides funding in relation to pupils with special educational needs. Future demand has been estimated based on trends and forecasts, both for population growth and increases in complexity of need, however actual demand may vary from these assumptions and the availability of places may also affect costs. In particular, the long-term impact of COVID-19 on these trends is not yet known. In addition, funding allocations are confirmed on an annual basis and there is a risk that actual funding increases will differ from the amounts assumed in the MTFs. Specifically, funding increases are currently capped, and it is not yet known how this cap will operate in future years. Lastly, a number of DSG funding decisions are made by the Leeds Schools Forum, a statutory body of education representatives from across the city, and there is a risk these decisions may impact on future DSG pressures.
- 10.1.22. There are a number of risks that are specific to the Housing Revenue Account. The Proposed Budget for next year makes assumptions around rent collection



2023/24

	Adults & Health	Children & Families	City Development	Communities, Housing & Environment	Resources	Strategic & Central	Total Net Revenue Budget
	£m	£m	£m	£m	£m	£m	£m
Net managed budget (2022/23) - RESTATED	197.56	132.65	32.54	84.19	81.89	(6.89)	521.94
Pay - Leeds City Council	4.36	7.10	4.85	8.89	12.58		37.78
Pay - Health and Social Care Levy removed	(0.38)	(0.68)	(0.40)	(0.54)	(0.93)		(2.93)
Employer's LGPS contribution	0.00	0.00	0.00	0.00	0.00	(0.70)	(0.70)
Capitalised pension costs	(0.06)	(0.09)	(0.01)	(0.19)	(0.42)	0.00	(0.78)
Wage costs - commissioned services	24.95	0.59	0.00	0.00	0.00	0.00	25.54
Inflation: General	5.03	8.29	3.71	3.61	2.13	(0.49)	22.29
Inflation: Electricity and Gas Tariffs	0.28	1.47	6.48	1.12	1.35	0.00	10.70
Demand and demography - Adult Social Care	2.31		0.00		0.00	0.00	2.31
Demand and demography - Children Looked After		1.59					1.59
Demand and demography - Other				0.21			0.21
Financial Sustainability	0.00	0.00	0.00	0.00	0.00	9.00	9.00
CLA Transport		2.30					2.30
Leeds 2023			0.75				0.75
Income pressures	0.25	2.00	0.09	0.20	0.24	0.00	2.78
Debt - external interest / Minimum Revenue Provision						11.19	11.19
Fall out of COVID pressures	0.00	0.00	(0.38)	(2.40)	0.00	(2.57)	(5.35)
Other Pressures/Savings	0.27	0.69	0.21	0.81	2.38	(1.00)	3.36
Business Rates Levy						(0.54)	(0.54)
S31 Business Rate and Council Tax Grants						(25.49)	(25.49)
COVID 19 grants (business rates reliefs)						24.13	24.13
Reduction in funding (Health & Social Care Levy reversal)						2.93	2.93
Additional Funding notified at Autumn Statement 2022 (est.)	(18.28)	(1.94)					(20.23)
Dilnot Funding - change of use Autumn Statement 2022	(6.04)						(6.04)
iBCF Inflationary Increase	(1.06)						(1.06)
Fallout of Integration Grant				0.07			0.07
Fallout of ESIF grant				0.11			0.11
Capital Receipt Flexibilities					0.30	0.00	0.30
NHS/CCG Income	5.00						5.00
Contribution to / (from) General Reserve						0.00	0.00
Change in Use of Earmarked Reserves	5.34		2.48	0.00	0.00	(2.09)	5.72
Total - cost and funding changes	21.97	21.32	17.79	11.88	17.61	14.38	104.94
Budget savings proposals							
Savings identified for the 2022/23 savings strategy	(13.66)	(3.56)	0.43	(2.26)	(3.41)	(0.69)	(23.14)
Savings identified for the 2023/24 savings strategy	(9.36)	(11.53)	(11.67)	(5.31)	(8.77)	0.00	(46.63)
Total - Budget savings proposals	(23.01)	(15.09)	(11.24)	(7.57)	(12.17)	(0.69)	(69.77)
2023/24 Submission	196.52	138.88	39.09	88.49	87.33	6.81	557.12
Increase/(decrease) from 2022/23 £m	(1.04)	6.23	6.55	4.30	5.44	13.70	35.18
Increase/(decrease) from 2022/23 %	(0.53%)	4.70%	20.12%	5.11%	6.65%	(198.78%)	6.74%
TOTAL FUNDING AVAILABLE (Forecast Net Revenue Charge)							557.12
GAP							0.00

Annual Programmes

	2022/23 £000,	2023/24 £000,	2024/25 £000,	2025/26 £000,	2026/27 £000,	2027/28 £000,	2028/29 £000,	2029/30 £000,	2030/31 £000,	2031/32 £000,	Total £000,
Highways Maintenance	13,051.9	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	130,051.9
Highways Maintenance Capitalisations	4,613.7	3,700.0	2,800.0	1,800.0	900.0						13,813.7
Highways Bridges & Structures Maintenance	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	20,000.0
Highways Section 278	3,500.0	2,800.0	2,100.0	1,400.0	700.0						10,500.0
Highways Section 278 - external contributions / supported by external funding	390.1	2,902.0	1,381.9	2,100.0	2,800.0	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	27,074.0
General Capitalisation	3,900.0	3,300.0	2,700.0	1,800.0	900.0						12,600.0
Childrens Centres	75.0	131.4	70.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	626.4
Adaptations - Disabled Facilities Grants	1,860.5	1,069.0	85.6	85.6							3,100.7
Adaptations - supported by external funding	7,593.8	7,531.0	8,514.4	8,514.4	8,514.4	8,514.4	8,514.4	8,514.4	8,514.4	8,514.4	83,240.0
Vehicle Programme	2,614.0	1,552.0	3,200.0	800.0	400.0						8,566.0
Vehicle Programme - supported by external funding	586.2										586.2
Adaptation to Private Homes	470.5	680.3	470.0	470.0	470.0	470.0	470.0	470.0	470.0	470.0	4,910.8
Telecare ASC	620.5	950.4	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	6,370.9
Library Books	625.5	450.0	300.0	200.0	100.0						1,675.5
Sports Maintenance	35.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	935.0
Project Support Fund (Groundwork)	65.9	0.0	0.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	555.9
Project Support Fund (Groundwork) - supported by external funding	70.0	70.0	70.0								210.0
Essential Services Programme	1,610.2	6,440.2	2,500.0	1,700.0	800.0						13,050.4
Digital Development	5,822.6	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	28,322.6
Corporate Property Management	6,754.7	2,750.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	21,504.7
Capital Programme Management	541.4	541.4	541.4	541.4	541.4	541.4	541.4	541.4	541.4	541.4	5,414.0
Demolition Programme	999.9	1,250.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	6,249.9
Heritage Assets	2,304.0	9,734.4	1,000.0								13,038.4
Capitalisation of Interest	720.3	700.7	500.0	350.0	200.0	200.0	200.0	200.0	200.0	200.0	3,471.0
Climate Emergency	222.8	250.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	5,272.8
Climate Emergency - supported by external funding	800.0	700.0	250.0	300.0	350.0	350.0	350.0	350.0	350.0	350.0	4,150.0
Transformational Change to LCC (excl Core Systems Review)	9,415.9	9,003.0	8,919.0	8,919.0	8,919.0	8,919.0	8,919.0	8,919.0	8,919.0	8,919.0	89,770.9
PFI Lifecycle Capitalisations	11,462.0	11,980.0	12,895.0	13,395.0	13,895.0	14,395.0	14,895.0	15,395.0	15,895.0	16,395.0	140,602.0
Total Annual Programmes	82,726.4	86,085.8	69,097.3	63,295.4	60,409.8	57,809.8	58,309.8	58,809.8	59,309.8	59,809.8	655,663.7

22/23 - 25/26 Required Annual Programme Injections:

General Capitalisation	0.0	0.0	0.0	774.5							26/27 Annual Programme Injections	60,409.8
PFI Lifecycle Capitalisations	0.0	0.0	0.0	1,079.9							22/23 - 25/26 Annual Programme Injections	5,621.4
Transformational Change - ongoing IDS work	700.0	700.0	700.0	700.0							22/23 - 25/26 Other Injections	7,765.4
Transformational Change - C&F Leadership Team (22/23 only)	117.0	0.0	0.0	0.0							Total Injection	73,796.6
Capitalisation of Interest	0.0	0.0	500.0	350.0							Corporate Borrowing	41,830.8

Total Annual Programmes Variance

	817.0	700.0	1,200.0	2,904.4							Private Sector Contributions	578.3
22/23 - 25/26 Required Other Injections:											S278 Developer Contributions	3,500.0
Core Business Transformation Programme	0.0	6,124.8	1,640.6	0.0							Government Grants	8,286.1
Total Other Injections	0.0	6,124.8	1,640.6	0.0							Capital Receipts - Transformational Change	19,601.4
											Total Injection	73,796.6

Equality, Diversity, Cohesion and Integration Screening

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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Resources	Service area: Corporate Financial Management
Lead person: Victoria Bradshaw	Contact number: 88540

1. Title: Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26

Is this a:

Strategy / Policy

 Service / Function

 Other

If other, please specify

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

The Council is required to publish its Proposed Budget two months prior to approval of the Budget by Full Council in February 2023. The Proposed Budget report for 2023/24 sets out the Executive's plans to deliver a balanced budget within the overall funding envelope. It should be noted that the Budget represents a financial plan for the forthcoming year and individual decisions to implement these plans will be subject to equality impact assessments where appropriate.

Appendix 4

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	X	
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	X X X	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

Appendix 4

The Proposed Budget identifies a savings requirement of £69.8m due to unavoidable pressures such as inflation and demand/demography. Savings proposals to bridge this gap will affect all citizens of Leeds to some extent. The Council has consulted on its priorities in recent years and has sought to protect the most vulnerable groups. However, the cumulative effect of government funding reductions and these unavoidable pressures means that protecting vulnerable groups is becoming increasingly difficult. Where consultation is required and has not already commenced with regard to the specific proposals contained in this report this will be carried out before the final budget for 2023/24 is agreed.

• Key findings

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

The budget proposals will impact on all communities and protected characteristics but those who have been identified as being at the greatest potential risk include:

- Disabled people
- BAME communities
- Older and younger people and
- Women
- Low socio-economic groups

The Proposed Budget has identified the need for staffing savings in all areas of the Council which may impact on the workforce profile in terms of the at-risk groups. There may be some impact on our partners, for example through commissioning, which may have a knock on effect for our most vulnerable groups.

• Actions

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

Equality screening has already been carried out for all of the relevant budget savings proposals included in the position set out in this report. An overall strategic equality impact assessment of the Budget will be undertaken prior to its approval in February 2023.

There will also be equality impact assessments on all key decisions as they go through the decision making process in 2023/24.

5. If you are *not* already considering the impact on equality, diversity, cohesion and integration you *will need to carry out an impact assessment*.

Date to scope and plan your impact assessment:	
Date to complete your impact assessment	

Appendix 4

Lead person for your impact assessment (Include name and job title)	
--	--

6. Governance, ownership and approval		
Please state here who has approved the actions and outcomes of the screening		
Name	Job title	Date
Victoria Bradshaw	Chief Officer Financial Services	5.12.22
Date screening completed		5.12.22

7. Publishing	
<p>Though all key decisions are required to give due regard to equality the council only publishes those related to Executive Board, Full Council, Key Delegated Decisions or a Significant Operational Decision.</p> <p>A copy of this equality screening should be attached as an appendix to the decision making report:</p> <ul style="list-style-type: none"> • Governance Services will publish those relating to Executive Board and Full Council. • The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions. • A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record. <p>Complete the appropriate section below with the date the report and attached screening was sent:</p>	
For Executive Board or Full Council – sent to Governance Services	Date sent: 5.12.22
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent:

This page is intentionally left blank

Revenue savings proposals for 2023/24 to 2025/26

Date: 14th December 2022

Report of: Chief Officer Financial Services

Agenda Item 7B

Report to: Executive Board

Will the decision be open for call in?

Yes No

Does the report contain confidential or exempt information?

Yes No

Brief summary

The Medium-Term Financial Strategy 2023/24 to 2027/28 brought to the Executive Board in September 2022 reported an estimated revenue budget gap of £123.6m over the next three years. As reported in the previous, '[Revenue savings proposals for 2023/24 to 2025/26](#)' report considered by the Board at its October meeting, subsequent review of the assumptions detailed in that Strategy identified additional net pressures of £26.5m, leading to an updated gap of £150.2m over the years 2023/24 to 2025/26: £65.7m in 2023/24, £49.4m in 2024/25 and £35.1m in 2025/26.

The October savings proposals report detailed the actions underway to address this updated gap and presented an initial set of savings proposals - a collective term used to apply to both efficiencies and income generation - totalling £10.2m over the three years.

Today's report presents a second set of savings proposals to contribute to closing the gap over the three-year period – the gap has since been revised again following the Chancellor's Autumn Statement on 17th November - and achieving a balanced budget for 2023/24 (a legal requirement for local authorities). This report should therefore be read alongside the accompanying report on this agenda, '[Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26](#)'.

Recommendations

Executive Board is requested to:

- a) Note the 'Business as Usual' savings presented today and that decisions to give effect to them shall be taken by the relevant Director or Chief Officer in accordance with the Officer Delegation Scheme (Executive functions).
- b) Agree that consultation commences where required with regard to the 'Service Review' savings proposals put forward, and note that decisions to give effect to them shall be taken by the relevant Director or Chief Officer, following any consultation period, in accordance with the Officer Delegation Scheme (Executive functions).
- c) Note that the savings proposals for 2023/24 presented in this report, combined with the savings proposals brought to the Executive Board at its October meeting, support a draft balanced budget for 2023/24 and the council's financial position for the following two years as set out in the accompanying report elsewhere on this agenda, '[Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26](#)'.
- d) Note that further savings will be required to close the council's estimated budget gap in the years 2024/25 and 2025/26 and that proposals will be brought to future meetings of this Board.

What is this report about?

Introduction

- 1 At its meeting on 21st September 2022, Executive Board received the [Medium-Term Financial Strategy](#) (MTFS) updated for the period 2023/24 to 2027/28. The MTFS reported an estimated revenue budget gap of £123.6m over the three years 2023/24 to 2025/26: £63.6m in 2023/24, £37.8m in 2024/25 and £22.3m in 2025/26 (all figures rounded). This position included a number of assumptions around external factors that continue to significantly impact on the council's income and expenditure and remain subject to considerable uncertainty. In particular, the global energy and fuel situation have impacted our financial position; the cost of living crisis and high inflation continue to impact on our citizens and also our own costs; and demand in social care and the cost of commissioned services continues to grow. (Further information on the budget risks and assumptions is included in the related report, "*Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26*" on this agenda.)
- 2 Subsequent review of these assumptions identified an additional net pressure of £26.5m over the next three years: £2.1m in 2023/24, £11.6m in 2024/25 and £12.9m in 2025/26. As such, the updated estimated gap the council has been working to close is £65.7m in 2023/24, £49.4m in 2024/25 and £35.1m in 2025/26, totalling £150.2m over the three-year period (again, all figures rounded).
- 3 Recognising the challenge of bridging the estimated budget gaps for the period of the Strategy, whilst at the same time seeking to ensure that the council's budget is robust, resilient and sustainable, a 'Financial Challenge' savings programme was again established to help close the gap for the next three years. This approach enables the authority to take a longer-term view of its savings options, recognising that major change often requires one- to two-years' lead time to implement. The savings proposals set out in the '*Revenue Savings Proposals*' report received by the Executive Board in October, and those contained in this second report, therefore span the next three financial years.
- 4 Reviews have been – and continue to be - carried out across the authority to identify opportunities to continue to modernise and improve services, reduce costs and generate additional income. A key aspect of improving services and contributing to delivering savings is through the council's greater application of automation and robotics, this also helping the organisation maintain services in key areas (such as Integrated Digital Services and the Business Administration Service) despite staffing shortages due to the current national recruitment issues. The cross-council senior officer group first established in 2020 to provide support and ensure a co-ordinated, consistent approach across the Financial Challenge programme, continues to meet. Further support and challenge to identify new proposals and consider options put forward by officers is again being provided by Scrutiny Board working groups.
- 5 The outcome of this work has provided a number of saving proposals for consideration by the Executive Board: an initial set considered at the Board's October meeting with further proposals presented today. Proposals are categorised as either 'Business as Usual' (BAU) which can be implemented within the council's delegated decision-making framework and without consultation, or 'Service Reviews' which require meaningful consultation with relevant stakeholders prior to any decisions being taken. The results of any such consultation with staff, trade unions, service users and the public will be used to inform the final decision. Those approved for implementation, or consultation as required, will subsequently be built into the 2023/24 Budget and Provisional Budgets for 2024/25 and 2025/26.
- 6 The initial set of savings proposals received at October's Executive Board total £10.2m over the next three years. Breaking this down, and considering the impact of one-off savings in 2023/24, £11.3m savings were identified for 2023/24, leading to a net pressure of £1.1m in 2024/25 and a net saving of £0.03m in 2025/26.

December Savings Proposals

- 7 For the Board's consideration at this December meeting, a further £35.8m net savings are proposed over the next three financial years: £42.6m in 2023/24, £6.6m pressure in 2024/25 and £0.2m pressure in 2025/26.
- 8 Twelve Service Reviews that contribute to closing the budget gap over the next three years are proposed today.

Directorate	Service Review Proposal
Adults & Health	<ul style="list-style-type: none"> None
Children & Families	<ul style="list-style-type: none"> Efficiencies across the Children & Families directorate, potentially including staffing reductions Commissioned Services: review of grants and contracts Invest to Save proposal: Development of a Children & Families' Transformation Service 'Turning the Curve': a range of workstreams proposed to contribute to safely reducing the need for children to become looked after. Appendix proposal to 'Turning the Curve': Proposal to develop an Edge of Care Service for adolescents Invest to Save proposal: Commissioning and Market Management Review of Children's Centres and Commissioned Family Services
City Development	<ul style="list-style-type: none"> Staffing reductions across the City Development directorate Street Lighting: adaptive lighting via a Central Management System
Communities, Housing and Environment	<ul style="list-style-type: none"> Cease bonfires and firework displays Introduction of car parking charges at relevant parks and attractions
Resources	<ul style="list-style-type: none"> Review of Network Management Centre

- 9 An additional service review is presented for the Little Owls Nurseries to consider (subject to consultation) the proposal to close one setting, review the potential to close a further four, and to commission a wider review of the council's provision. The report also highlights the decision (taken by the Director of Children & Families on 5th December 2022) to amalgamate four settings. This proposal would save £1.2m in 2023/24, with further savings anticipated from 2024/25 subject to the results of the wider review. However, due to the significant projected overspend in the service, while the 2023/24 savings achieved from this proposal would help to reduce that overspend, they would not contribute to the projected wider £65.7m projected gap for 2023/24 that the council has been working to close. As such, the £1.2m has been excluded from all other figures provided in this report.
- 10 Detail on all the savings proposals presented today is provided at Appendix 1. Further information on each of the Service Review proposals, including equality, diversity, cohesion and integration screening documents, is included at Appendix 2. For reference, a summary of the October Executive Board savings proposals is provided at Appendix 3.
- 11 Table 1 presents the financial impact for each council directorate of today's savings proposals.

Table 1 – December Executive Board directorate savings

	2023/24	2024/25	2025/26	Total
Directorate proposals	£'000s	£'000s	£'000s	£'000s
Adults & Health	-9,355	100	-200	-9,455
Children & Families	-11,530	-115	0	-11,645
City Development	-3,565	2,150	0	-1,415
Communities, Housing & Env't	-5,311	476	400	-4,435
Resources	-5,587	1,450	0	-4,137
Strategic	-7,290	2,564	0	-4,726
Total	-42,638	6,625	200	-35,813

October and December Savings Proposals

- 12 With savings proposals having been brought to October's Executive Board from both City Development and Resources directorates, Table 2 shows the overall directorate impact of the combined October and December Executive Board proposals.

Table 2 – October and December Executive Board directorate savings

	2023/24	2024/25	2025/26	Total
Directorate proposals	£'000s	£'000s	£'000s	£'000s
Adults & Health	-9,355	100	-200	-9,455
Children & Families	-11,530	-115	0	-11,645
City Development	-11,670	3,240	-30	-8,460
Communities, Housing & Env't	-5,311	476	400	-4,435
Resources	-8,767	1,450	0	-7,317
Strategic	-7,290	2,564	0	-4,726
Total	-53,923	7,715	170	-46,038

- 13 The split between BAU and Service Review proposals is as follows.

Table 3 – October and December Executive Board savings by type

	2023/24	2024/25	2025/26	Total
Savings proposals	£'000s	£'000s	£'000s	£'000s
Business as Usual				
October Executive Board	-11,285	1,090	-30	-10,225
December Executive Board	-30,771	6,699	200	-23,872
Total BAUs	-42,056	7,789	170	-34,097
Service Reviews				
October Executive Board	0	0	0	0
December Executive Board	-11,867	-74	0	-11,941
Total SRs	-11,867	-74	0	-11,941
Total	-53,923	7,715	170	-46,038

Budget Gap

- 14 Table 4 shows the total impact of the October and December Executive Board savings proposals on the estimated budget gap for 2023/24 to 2025/26, incorporating also a review and adjustment of the pressures, and the funding of these pressures, that had been built into the MTFs.
- 15 The table shows that through a combination of £53.9m savings proposals and £11.8m from a review of the pressures (and the funding of these) within the MTFs, the budget gap forecast for 2023/24 has been reduced to zero, leading to a balanced budget position presented in the accompanying 'Proposed Budget for 2023/24' report. However, a number of one-off proposals for 2023/24 – that are therefore not built into the base budget going forwards – increase the projected budget gap in 2024/25 and 2025/26.

Table 4 – Impact on estimated budget gap 2023/24 to 2025/26

	2023/24	2024/25	2025/26	Total
	£'000s	£'000s	£'000s	£'000s
MTFS gap (Sep Exec Board)	63,613	37,762	22,253	123,628
Subsequent review of assumptions - net additional pressure	2,083	11,610	12,852	26,545
Updated gap (Oct Exec Board)	65,696	49,372	35,105	150,173
October Exec Board proposals	-11,285	1,090	-30	-10,225
December Exec Board proposals	-42,638	6,625	200	-35,813
Total savings proposals	-53,923	7,715	170	-46,038
Further review of pressures (and funding of these) in MTFS - net	-11,773	-9,128	-8,582	-29,483
Updated gap (Dec Exec Board)	0	47,959	26,693	74,652

Workforce

- 16 Table 5 shows the net impact of the October and December Executive Board savings proposals on the council's budgeted full-time equivalent (FTE) posts in 2023/24. With the exception of +1.0 FTE in City Development related to an October income generation proposal within Highways and Transportation (as detailed at Appendix 3), all the figures below relate to today's savings proposals. Where budgeted FTEs are anticipated to increase, these relate to Service Review Invest to Save proposals.

Table 5: Net impact of savings proposals on budgeted FTEs in 2023/24

Directorate	2023/24
Adults & Health	7.0
Children & Families	5.2
City Development	At least -13.0
Communities, Housing & Env't	0.0
Resources	-63.8
Total	At least -64.6

- 17 In addition, the Little Owls Service Review savings proposal (summarised at paragraph 9 above, with further detail at Appendix 2) is anticipated to result in a net reduction of 15.0 FTEs.
- 18 Where budgeted FTE reductions relate to BAU savings proposals, these are anticipated to be met through measures such as deletion of vacant posts (the council is currently carrying a high level of vacancies; these savings proposals support their consolidation as part of managing next year's budget), increasing vacancy factors, or voluntary means, as has been collectively agreed. Where voluntary measures have a modest and/or residual impact on the workforce, local / BAU consultation would be expected.
- 19 Where budgeted FTE reductions relate to Service Review savings proposals, meaningful consultation with staff and trade unions will be carried out prior to any decisions being taken in accordance with the council's Managing Staff Reductions Policy, which seeks to avoid, reduce or mitigate the need for compulsory measures through voluntary measures.
- 20 In recognition that change within the organisation can be unsettling for staff we continue to invest in the wellbeing of the workforce by supporting managers to be their best to ensure staff are effectively

supported through any changes at a local level. Our Employee Assistance Programme is available to all staff, providing additional support if required, and we have an extensive wellbeing offer under the Team Leeds Be Well pages on Insite (the council's internal website) to support staff and managers.

- 21 In recognition that some services are experiencing high levels of sickness absence, targeted support from the HR team has been provided to support managers to manage attendance cases and ensure staff are supported to return to work when they are well enough to do so, and alongside this looking at other preventative measures. Reducing sickness absence will have a positive impact on productivity which will, in turn, positively impact team morale in terms of workloads and wellbeing. Additional support is also being provided to ensure teams are performing well and services reviews or business as usual service changes are managed effectively to ensure all options that can be considered to avoid, reduce and mitigate the need for redundancies are explored.
- 22 In accordance with our statutory requirements, in March 2022 the council served notice under Section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 (TULR(C)A) to collectively consult with our recognised Trade Unions to avoid, reduce and mitigate the potential risk and consequences of compulsory redundancies. In the context of further staffing reductions that may be required to deliver the significant level of savings needed, we anticipate the need to serve a further Section 188 notice following today's Executive Board meeting.

What impact will this proposal have?

- 23 The Financial Challenge savings programme aims to protect services that support the most vulnerable whilst ensuring that the organisation continues its journey to become more financially resilient and sustainable for the future. However, the scale of the pressures on the council's financial position this year, combined with the gap over the next three years, is unprecedented and closing it is likely to mean difficult decisions will have to be taken that will impact across the council's services, affecting service users, residents, businesses, partners and staff.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 24 As noted above, the council's strategic Best City Ambition, underpinned by the three pillars, can only be delivered through a sound understanding of the organisation's longer-term financial sustainability, thus enabling decisions to be made that balance the resource implications of the council's policies against its financial constraints.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 25 Senior officers and elected members have been engaged in developing the savings proposals set out in this report. Trade unions have been informed in headline terms of the emerging proposals.
- 26 The majority of December's savings proposals are classed as 'Business as Usual' (BAU) that do not require consultation to implement: for example, they relate to improving the efficiency of the service, are cost reduction measures with no impact on service users or (as noted above), where there are budgeted staffing reductions, these are anticipated to be met through deletion of vacant posts or voluntary means, as has been collectively agreed. Where voluntary measures have a modest and/or residual impact on the workforce, local / BAU consultation would be expected.
- 27 The 'Service Review' proposals are of more significance and therefore may require meaningful consultation with staff, trade unions, service users and the public as appropriate prior to any decisions being taken.

- 28 All five Scrutiny Boards will be initially consulted on the savings proposals (both those brought to the Executive Board in October and those put forward today), as relevant to their remits, through working group meetings during December. Subject to the approval of Executive Board, this report will also be submitted to Scrutiny Boards for consideration and review as part of their formal cycle of meetings in January 2023 in which the wider Proposed Budget for 2023/24 will also be considered. The outcome of their deliberations will be reported to the planned meeting of this Board on 8th February 2023.
- 29 The outcomes of any consultation will inform the council's decision-making and, where completed and analysed in time, be incorporated into the 2023/24 Budget Report for consideration at February's Executive Board and Full Council.

What are the resource implications?

- 30 Resource implications are set out earlier in the report.

What are the key risks and how are they being managed?

- 31 This report includes budget saving proposals that will be subject to consultation. There remains a risk that there is slippage in the implementation of these proposals or that the assumptions contained in these proposals change as a result of the consultation exercises. This could lead to a variation in the assumed level of savings. Should this be the case, in accordance with the Revenue Budget principles agreed at Executive Board in July 2019 through the '[Medium-Term Financial Strategy 2020/21 to 2024/25](#)' report, directors would need to identify budget savings options to mitigate the directorate from going into an overspend position.
- 32 The financial projections for the coming years contain a number of inherent risks. These include risks associated with budgets which are subject to fluctuating demand and demographic pressures and key income budgets that rely upon the number of users of a service. In addition, the Budget assumes a level of resources receivable through council tax, business rates and government grants.
- 33 The financial position going forward therefore makes a number of assumptions around income and expenditure; any variations from these assumptions has implications for the level of resources available to the council to fund services. Further information on the key financial risks is provided in the accompanying report on today's agenda, '*Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26*'.
- 34 All risks and assumptions will be subject to review as more information becomes available and through the council's financial and wider risk management, monitoring and reporting processes.

What are the legal implications?

- 35 Decisions giving effect to the Business as Usual proposals included in this report can be taken by the relevant Director or Chief Officer in accordance with the Officer Scheme of delegation (Executive functions) and will be subject to the Executive and decision – making procedure rules. Notice of any decision which is “Key” will be published on the list of forthcoming decision not less than 28 clear calendar days in advance of the date of the proposed decision.
- 36 Decisions giving effect to the Service Reviews will be made following the outcome of consultation having regard to representations made. Decisions will be taken by the relevant Director or Chief Officer following the procedure set out in the previous paragraph, save where the Leader or the relevant Portfolio Holder has directed or the Director considers that the matter should be referred to Executive Board for consideration.
- 37 As a decision of Executive Board, the recommendations in this report are eligible for call-in.
- 38 The Equality Act 2010 requires the council to have “due regard” to the need to eliminate unlawful discrimination and promote equality of opportunity. The law requires that the duty to pay “due regard” be demonstrated in the decision-making process. Assessing the potential equality impact of proposed

changes to policies, procedures and practices is one of the key ways in which public authorities can show due regard.

- 39 The council is fully committed to ensuring that equality and diversity are given proper consideration when developing policies and make decisions. In order to achieve this, the council has an agreed process in place and has particularly promoted the importance of the process when taking forward key policy or budgetary changes. Equality impact assessments also ensure that we make well informed decisions based on robust evidence.
- 40 Equality, diversity, cohesion and integration impact screenings have been carried out on the service review savings proposals and included with those proposals at Appendix 2. Where appropriate, equality impact assessments will be carried out as part of the decision-making process.

Options, timescales and measuring success

What other options were considered?

- 41 All options have been, and continue to be, considered to contribute to the council achieving a balanced budget for 2023/24 and a sustainable medium-term financial position, whilst protecting as far as possible those services that support the most vulnerable.

How will success be measured?

- 42 As above, setting a balanced budget and achieving a sustainable medium-term financial position.

What is the timetable and who will be responsible for implementation?

- 43 Savings proposals will be built into the 2023/24 Budget and Provisional Budgets for 2024/25 and 2025/26 for consideration at this Board prior to approval at Full Council in February 2023.
- 44 The identified level of gross savings presented in this report may contribute towards mitigating funding changes and cost pressures. Where appropriate, for the final 2023/24 Budget in February 2023 these will be netted off against related funding changes or cost pressures.

Appendices

- 45 This report contains three appendices:
1. Summary of December Executive Board savings proposals for 2023/24 to 2025/26
 2. Service Review saving proposal reports with accompanying equality, diversity, cohesion and integration impact screenings
 3. Summary of October Executive Board savings proposals for 2023/24 to 2025/26

Background papers

- 46 None

Appendix 1: Summary of savings proposals for 2023/24 to 2025/26 for consideration at Executive Board in December 2022

Adults & Health – Business as Usual Savings		Potential savings / £'000s			Budgeted FTE impact		
Service area(s)	BAU savings proposal description	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
		Directorate-wide	1% additional vacancy factor	-500	0	0	0.0
Directorate-wide	Reduce non-demand budgets	-500	0	0	0.0	0.0	0.0
Social Work & Social Care	Shared Lives / Short Breaks - reflecting level of historic spend	-130	0	0	0.0	0.0	0.0
Social Work & Social Care	Increase in client income - residential homes (<i>recognition of trend, not changes in charging</i>)	-1,500	0	0	0.0	0.0	0.0
Social Work & Social Care	Increase in client income - impact of benefits uplift on client income	-2,000	0	0	0.0	0.0	0.0
Social Work & Social Care	Increase in client income - further impact of 2022/23 policy changes	-600	0	0	0.0	0.0	0.0
Social Work & Social Care	Dowry funding regarding Transforming Care Programme	-350	0	0	0.0	0.0	0.0
Social Work & Social Care	Review mid-price range Learning Disability packages	-500	0	0	0.0	0.0	0.0
Social Work & Social Care	Remove double count on dementia funding	-130	0	0	0.0	0.0	0.0
Social Work & Social Care	Learning Disability - betterment in trend (income and expenditure)	-350	0	0	0.0	0.0	0.0
Provider Services	Impact of telecare growth plan	-200	-200	-200	0.0	0.0	0.0
Provider Services	Recover costs of occupational therapists from Disabled Facilities Grants (DFG)	-200	0	0	0.0	0.0	0.0
Provider Services	Removal of vacant posts (<i>not impacting service delivery</i>)	-77	0	0	0.0	0.0	0.0
Leeds Safeguarding Adults	Reduce contribution to Leeds Safeguarding Adults Board	-20	0	0	0.0	0.0	0.0
Service Transformation	Recovery of cost of Chief Officer Service Transformation from capital receipts flexibilities (transformation)	-103	0	0	0.0	0.0	0.0
Strategic Commissioning	Individualisation of block contracts (Aspire)	-250	0	0	0.0	0.0	0.0
Strategic Commissioning	Invest to save proposal for Home care - performance management	-1,000	0	0	2.0	0.0	0.0

Adults & Health – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Strategic Commissioning	Review supported bank account contract (direct payments)	-100	-150	0	0.0	0.0	0.0
Strategic Commissioning	Pharmacy technicians' payment	-75	0	0	0.0	0.0	0.0
Strategic Commissioning	Additional funding received towards cost of Touchstone contract	-120	0	0	0.0	0.0	0.0
Resources & Strategy	Invest to save proposal for Direct Payments Audit team	-100	0	0	1.0	0.0	0.0
Resources & Strategy	Invest to save proposal for Deputy and appointeeship's team	-50	-50	0	4.0	0.0	0.0
Public Health	Use of reserves to fund IAS19 costs - ONE-OFF	-500	500	0	0.0	0.0	0.0
Total Adults & Health BAU savings (December Executive Board)		-9,355	100	-200	7.0	0.0	0.0

There are no Adults & Health Service Review savings

Children & Families – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	Staffing efficiencies across the directorate:						
	Learning Management	-62	0	0	-1.0	0.0	0.0
	Social Care: Attendance and performance management	-369	0	0	-7.0	0.0	0.0
	Workforce Development	-55	0	0	-1.0	0.0	0.0
	Resources and Strategy	-15	0	0	-0.3	0.0	0.0
Learning	Increase charges to grants due to inflation	-320	0	0	0.0	0.0	0.0
Learning	Increase fees and charges by 5% due to inflation	-103	0	0	0.0	0.0	0.0
Social Care	Transport: Including independent travel training, personal transport allowances, use of private hire, commissioning an external review	-946	-115	0	0.0	0.0	0.0
Total Children & Families BAU savings (December Executive Board)		-1,870	-115	0	-9.3	0.0	0.0

Children & Families – Service Review Savings (to contribute to projected budget gap 2023/24 to 2025/26)							
Service area(s)	SR savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	Efficiencies across the Children & Families directorate, potentially including staffing reductions	-1,710	0	0	-32.0	0.0	0.0
Directorate-wide	Commissioned Services: review of grants and contracts	-500	0	0	0.0	0.0	0.0
Directorate-wide	Invest to Save proposal: Development of a Children & Families' Transformation Service. <i>This team will support the delivery of a number of the directorate's savings proposals.</i>	0	0	0	20.0	0.0	0.0
Social Care	Turning the Curve': a range of workstreams proposed to contribute to safely reducing the need for children to become looked after.	-3,000	0	0	0.0	0.0	0.0

Children & Families – Service Review Savings (to contribute to projected budget gap 2023/24 to 2025/26)							
Service area(s)	SR savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Social Care	Appendix proposal to 'Turning the Curve': Proposal to develop an Edge of Care Service for adolescents, preventing at least 30 young people per year entering into care and therefore avoiding significant placement costs. <i>This proposal will contribute to the £3m 'Turning the Curve' savings above</i>	0	0	0	13.5	0.0	0.0
Social Care	Invest to Save proposal: Commissioning and Market Management	-4,000	0	0	13.0	0.0	0.0
Social Care	Review of Children's Centres and Commissioned Family Services	-450	0	0	0.0	0.0	0.0
Total Children & Families Service Review savings (December Executive Board)		-9,660	0	0	14.5	0.0	0.0

Children & Families – Additional Service Review to contribute to closing projected service overspend							
Service area(s)	SR savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Social Care	Little Owls Nurseries: Proposal to close one setting, review the potential to close a further four, and to commission a wider review of the council's provision. <i>(The report also highlights the decision taken by the Director of Children & Families on 5th December 2022 to amalgamate four settings.)</i>	-1,200	Further savings anticipated following wider review		-15.0	0.0	0.0
Total Children & Families additional Service Review saving		-1,200			-15.0	0.0	0.0

City Development – Business as Usual Savings (please also see Appendix 3 for October Executive Board savings)							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	1% increased vacancy provision	-677	0	0	0.0	0.0	0.0
Directorate-wide	Additional reduction in price inflation/reduction in non-essential spend. <i>(In addition to the saving identified in October's report to Executive Board. This proposal increases the saving from £1.3m to £1.55m.)</i>	-250	0	0	0.0	0.0	0.0
Directorate-wide	Reassessment of pay assumptions	-150	0	0	0.0	0.0	0.0
Planning and Sustainable Development	Planning & Levelling Up Bill: National fees	-250	0	0	0.0	0.0	0.0
Highways and Transportation	Increased charges to capital reflecting increased programme.	-500	0	0	0.0	0.0	0.0
Asset Management & Regeneration / Culture & Economy	Additional refund for NNDR (business rates) payments on heritage properties. <i>(October Executive Board identified the potential for refunds in relation to previous payments of NNDR in respect of Heritage Assets. This proposal increases the saving from £1m to £1.5m.)</i> ONE-OFF	-500	500	0	0.0	0.0	0.0
Culture and Economy	Leeds Museums and Galleries commercial review. <i>(Additional income from Leeds Museums & Galleries Estate including increased retail, admissions and events.)</i>	-100	0	0	1.0	0.0	0.0
Culture and Economy	Substitution of Leeds 2023 funding by Business Rates Pool <i>(One-off saving of -£1,500 included in October '22 Exec Board savings report; impact in 24/25 reflected here)</i>	0	1,500	0	0.0	0.0	0.0
Resources and Strategy	One-off expenditure reductions	-150	150	0	0.0	0.0	0.0
Total City Development BAU savings (December Executive Board)		-2,577	2,150	0	1.0	0.0	0.0

Appendix 1: 'Revenue savings proposals for 2023/24 to 2025/26' – Executive Board 14th December 2022

City Development – Service Review savings							
Service area(s)	SR savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	Staffing reductions across the City Development directorate	-822	0	0	At least -15.0	0.0	0.0
Highways and Transportation	Street Lighting: Adaptive lighting via a Central Management System (CMS)	-166	0	0	0.0	0.0	0.0
Total City Development Service Review savings (December Executive Board)		-988	0	0	At least -15.0	0.0	0.0

Appendix 1: 'Revenue savings proposals for 2023/24 to 2025/26' – Executive Board 14th December 2022

Communities, Housing & Environment – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	Additional productivity savings and vacancy factor savings	-1,200	0	0	0.0	0.0	0.0
Directorate-wide	Passport additional cost of Pay Award (2022/23) and 2023/24 Pay Award to HRA, Capital and Grants	-750	0	0	0.0	0.0	0.0
Directorate-wide	Maximise substitution of base budget through grant funding: (a) £400k Household Support Fund; (b) £400k Ukraine Grant	-800	400	400	0.0	0.0	0.0
Directorate-wide	Review of operational expenditure and grant / other income (target)	-355	0	0	0.0	0.0	0.0
	Review existing fees and charges beyond those assumed within the MTFS:						
Parks & Countryside	(a) Bereavement - additional 2% increase (currently 3% in budget)	-170	0	0	0.0	0.0	0.0
Waste Management	(b) Increase charge for replacement bins	-50	0	0	0.0	0.0	0.0
Waste Management	(c) Weighbridge price increases - 10% increase (DDN January 2023)	-100	0	0	0.0	0.0	0.0
Car Parking Services	(d) On-street parking charges increases - various (DDN January 2023)	-170	0	0	0.0	0.0	0.0
Customer Access & Welfare	(e) Interpretation and Translation	-32	0	0	0.0	0.0	0.0
Car Parking Services	Removing free parking and the current admin charge for ULEV vehicles	-134	0	0	0.0	0.0	0.0
Customer Access & Welfare	Social Inclusion Fund - use of reserves - ONE-OFF	-150	150	0	0.0	0.0	0.0
Elections, Licensing & Registrars	Registrars income trend - <i>based on 2022/23 activity levels</i>	-100	0	0	0.0	0.0	0.0
Elections, Licensing & Registrars	Changes to elections fee arrangements for council staff and a line by line review of Elections and Regulatory budgets	-25	0	0	0.0	0.0	0.0
Waste Management	Green bin recyclable waste - additional income	-250	0	0	0.0	0.0	0.0
Safer Stronger Communities	Reduce Well Being budgets - 10% reduction and new service offer	-133	0	0	0.0	0.0	0.0

Communities, Housing & Environment – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Housing, Parks & Countryside	Review of grants to voluntary organisations @ 10%: Furniture Stores (Housing - Leeds & Moortown and St. Judes) -£34k; Groundwork (Parks & Countryside) -£9k	-43	0	0	0.0	0.0	0.0
Total Communities, Housing & Env't BAU savings (December Executive Board)		-4,462	550	400	0.0	0.0	0.0

Communities, Housing & Environment – Service Review Savings							
Service area(s)	SR savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Parks & Countryside	Cease bonfires and firework displays	-170	0	0	0.0	0.0	0.0
Parks & Countryside	Introduction of car parking charges at relevant parks and attractions	-679	-74	0	0.0	0.0	0.0
Total Communities, Housing & Env't Service Review savings (Dec Executive Board)		-849	-74	0	0.0	0.0	0.0

Resources – Business as Usual Savings (please also see Appendix 3 for October Executive Board savings)							
Service area(s)	BAU description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-wide	Staffing efficiencies across the directorate:						
	Strategy and Improvement	-277	0	0	-6.0	0.0	0.0
	Finance	-414	0	0	-6.0	0.0	0.0
	Human Resources	-440	0	0	-10.0	0.0	0.0
	CEL: Corporate Property Management / Facilities Management	-163	0	0	-6.5	0.0	0.0
	Business Support Centre	-276	0	0	-9.0	0.0	0.0
	Contact Centre	-125	0	0	-2.0	0.0	0.0
	Business Administration Service: additional 2% vacancy factor	-275	0	0	0.0	0.0	0.0
	Integrated Digital Services: additional 2% vacancy factor	-500	0	0	0.0	0.0	0.0
	Vacancy controls across smaller services	-362	0	0	-3.0	0.0	0.0
CEL: Commercial Services	Improving attendance	-225	0	0	0.0	0.0	0.0
CEL: Passenger Transport	Improving attendance	-110	0	0	0.0	0.0	0.0
CEL: Passenger Transport	Review all routes to ensure contacted hours aligned with routes to give maximum efficiency	-75	0	0	-2.3	0.0	0.0
Strategy and Improvement	Communications & Marketing: Synergies from a co-ordinated approach to marketing and promotion	-150	0	0	0.0	0.0	0.0
Shared Services	Reducing demand in the Contact Centre through channel shift, leading to staffing reductions (managed through natural turnover)	-375	0	0	-13.0	0.0	0.0
Directorate-wide	WYCA Gainshare - ONE-OFF	-1,450	1,450	0	0.0	0.0	0.0
Total Resources BAU savings (December Executive Board)		-5,217	1,450	0	-57.8	0.0	0.0

Appendix 1: 'Revenue savings proposals for 2023/24 to 2025/26' – Executive Board 14th December 2022

Resources – Service Review Savings		Potential savings / £'000s			Budgeted FTE impact		
Service area(s)	SR savings proposal description	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
		Integrated Digital Services	Review of Network Management Centre	-370	0	0	-6.0
Total Resources Service Review savings (December Executive Board)		-370	0	0	-6.0	0.0	0.0

Strategic – Business as Usual Savings		Potential savings / £'000s			Budgeted FTE impact		
Service area(s)	BAU description	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
		N/A	New Homes Bonus carried forward from 2022/23.	-2,064	2,064	0	0.0
N/A	Reduction of 0.2% in contribution to the WYPF (West Yorkshire Pension Fund)	-695	0	0	0.0	0.0	0.0
N/A	Increase in Capitalisation	-1,000	500	0	0.0	0.0	0.0
N/A	Slip contribution to the Strategic Resilience Reserve	-2,000	0	0	0.0	0.0	0.0
N/A	Changes in pay assumptions	-1,531	0	0	0.0	0.0	0.0
Total Strategic BAU savings (December Executive Board)		-7,290	2,564	0	0.0	0.0	0.0

Children & Families

Service Review Directorate Efficiencies and Staffing Reductions

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Julie Longworth/Tim Pouncey

Report of: Director of Children & Families

Executive Portfolio(s): Adult and Children's Social Care and Health Partnerships, Economy, Culture and Education and Communities

Scrutiny Board(s): Children & Families

Does the report contain confidential or exempt information? No

Proposal title:	Children & Families Efficiencies and Staffing Reductions		
------------------------	---	--	--

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-1,710	0	0

Who are you expecting to consult with?	Service users?	No
	Staff?	Yes
	Other stakeholders?	Yes – Trade Unions

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

Savings proposals put forward to date have tried to mitigate a detrimental impact on both service delivery and the workforce. As a result, staffing structures in certain areas have been excluded from this process as the impact of such staffing reductions will have a disproportionate effect on children and families and result in costs greater than the saving generated from reduced staffing. By way of examples, areas excluded from the process include social workers, early help and preventative services, Children Looked After Social Work teams and learning inclusion (for example Special Educational Needs Statutory Assessment Process teams and Educational Psychologists).

To address the savings gap a number of business as usual workforce interventions are being progressed including a review of vacancies in line with the current vacancy controls, a review of vacancy factors and support for colleagues to improve both attendance and performance levels across the directorate. Initial assessment suggests that 'business as usual' savings of £501k can be generated from such actions.

Unfortunately, it is not envisaged that these BAU workforce interventions will bridge the savings gap. This proposal is to therefore to seek Executive Board's approval to commence consultation with our recognised Trade Unions as to how additional savings in the region of £1,710k can be delivered through efficiencies and transformation and, potentially, staffing reductions in line with the Council's employment policy framework. This work will align with the transformation agenda in



partnership with colleagues at the Integrated Care Board and the emerging approach to a family help strategy.

Recommendations

Executive Board is requested to:

1. Consider the proposal to move forward with a directorate-wide efficiency and staffing review process with a view to consulting on proposals which would deliver savings within the Children & Families directorate of £1,710k in 2023/24.
2. Note that the review process will follow the council's agreed processes around managing staff reductions and will seek wherever possible to avoid compulsory redundancies.
3. Note that the review process will involve consultation and engagement with staff and Recognised Trades Unions.
4. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
5. Note that the Director of Children & Families will be responsible for implementation.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Directorate wide
Lead person: Julie Longworth	Contact number: 0113 3786386

1. Title: Children and Families Efficiencies and Staffing Reductions

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

Savings proposals put forward to date have tried to mitigate a detrimental impact on both service delivery and the workforce. As a result, staffing structures in certain areas have been excluded from this process as the impact of such staffing reductions will have a disproportionate effect on children and families and result in costs greater than the saving generated from reduced staffing. By way of examples, areas excluded from the process include social workers, early help and preventative services, Children Looked After Social Work teams and learning inclusion (for example Special Educational Needs Statutory Assessment Process teams and Educational Psychologists).

To address the savings gap a number of business as usual workforce interventions are being progressed including a review of vacancies in line with the current vacancy controls, a review of vacancy factors and support for colleagues to improve both attendance and performance levels across the directorate. Initial assessment suggests that 'business as usual' savings of £501k can be generated from such actions.

Unfortunately, it is not envisaged that these BAU workforce interventions will bridge the savings gap. This proposal is to therefore to seek Executive Board's approval to commence consultation with our recognised Trade Unions as to how additional savings in the region of £1,710k can be delivered through efficiencies and transformation and, potentially, staffing reductions in line with the Council's employment policy framework. This work will align with the transformation agenda in partnership with colleagues at the Integrated Care Board and the emerging approach to a family help strategy.

Ideas generated from the consultation and engagement process will be considered in developing more detailed and specific proposals. Views and ideas will be sought on working differently, more efficient and effective service delivery models and approaches, streamlined process and staffing structure and maximising digital opportunities, digitisation which can then lead to a reduction in the workforce along with consideration of work that can reduce or cease. This work will align with the transformation agenda in partnership with colleagues at the Integrated Care Board and the emerging approach to a family help strategy.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?	x	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

Any changes to ways of working, service delivery models, structures and processes etc will impact on the way in which services are currently delivered, those groups identified as effected are:

- Staff
- Children
- Parents/carers
- Third sector partner organisations – both commissioned and non-commissioned
- Statutory partners – e.g. health

Detailed analysis of the consequences, both positive and negative, of workforce reductions will be undertaken, including consideration of the impact on those individuals and communities most in need of our services.

Consultation and engagement activities will be mapped out, and undertaken in a timely and effective manner, ensuring that staff, and where appropriate service users and partners, have a voice in developing and delivering proposals.

- **Actions**

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

Where staff reductions are identified voluntary means of achieving the reductions will be considered and supported wherever possible using the existing workforce framework. Where the reductions cannot be delivered via voluntary means reduction will need to be delivered in line with the Council's Managing Staff Reductions Policy.

Any proposed workforce reduction will cause concern amongst staff, however, through transparent communication and engagement it is envisaged that colleagues will feel they can contribute towards developing specific ideas and have a voice in proposals being put forward. The Council's extensive wellbeing offer along with the employee assistance programme will also be invaluable in supporting the workforce through a period of uncertainty. The intention is to, if approved, commence consultation and engagement

early and for a time limited period to minimise any period of uncertainty for colleagues.

Any reduction in workforce could have an impact on service efficiency and/or capacity and therefore have implications for service users, i.e. children, parents/carers, and partners. Wherever possible, steps will be taken to ensure that any proposals progressed will be done so with actions to maximise the positive benefits that delivering services in new ways could achieve, as well as mitigations to minimise any detrimental impact. Where appropriate engagement with effected groups/organisations will take place.

Action will be taken to ensure that the consultation process will be inclusive and accessible to all stakeholders. Take up of the consultation opportunity, and resultant responses will be monitored against the equality characteristics to provide a better understanding of any group who might be disproportionately affected.

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.	
Date to scope and plan your impact assessment:	During consultation/review stages, as early insight emerges
Date to complete your impact assessment	On completion of the consultation/review stages aligned with recommendations
Lead person for your impact assessment (Include name and job title)	Julie Longworth, Director of Children and Families

6. Governance, ownership and approval		
Please state here who has approved the actions and outcomes of the screening		
Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

Complete the appropriate section below with the date the report and attached screening was sent:	
For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022



Service review savings proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Tim Pouncey

Report of: Director of Children & Families

Executive Portfolio(s): Adult and Children’s Social Care and Health Partnerships, Economy, Culture and Education and Communities

Scrutiny Board(s): Children & Families

Does the report contain confidential or exempt information? No

Proposal title:	Commissioned Services: review of grants and contracts
------------------------	--

Projected savings / additional income (net of investment)			
Year	2023/24	2024/25	2025/26
Saving / £'000s	-500	0	0

Who are you expecting to consult with?	Service users?	Yes
	Staff?	Yes
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

Children and Families commission a range of services under contract from the third sector, the voluntary sector, and private companies. The scope of this review excludes the commissioning activity of the White Rose Consortium which commissions external residential placements, independent fostering agency placements and SEND residential services on behalf of authorities in the Yorkshire and Humber region. These arrangements will be reviewed as part of the wider corporate commissioning/procurement review and will be undertaken in consultation with partners in the consortia. Commissioning on behalf of One Adoption West Yorkshire and the National Adoption Strategy are also excluded.

The remaining contracts have a value of approximately £10m. Savings will be made by negotiation with the providers to identify savings within the existing contracts specification, seeking overall efficiency savings of £500k.

Recommendations

Executive Board is requested to:

1. Approve the proposal to review the current contract register with a view to generate efficiency savings of £500k as part of the council’s Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
2. Note that the Director of Children & Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Commissioning
Lead person: Tim Pouncey	Contact number: 0113 3783628

1. Title: Commissioned Services: review of grants and contracts

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

Children and Families commission a range of services under contract from the third sector, the voluntary sector, and private companies.

The current contract register (excluding those forming part of the White Rose Consortium) will be reviewed to identify efficiencies in commissioned services. The contracts in scope have a value of approximately £10m. Savings will be made by negotiation with the providers to identify savings within the existing contracts specification, seeking overall efficiency savings of £500k.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?		x
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

Until the review has been completed it is not possible to say which contracts will be affected, therefore it is not known at this stage which partners will need to be engaged with, and what impacts there will be on them.

Further once it is known which contracts will be affected specific analysis can take place considering impacts on service users, including assessment of any differential impact on

equality characteristics and other indicators relating to diversity, cohesion and integration.

All discussions with providers will be carried out in accordance with the Compact for Leeds and the provision regarding notice.

A full EDCI assessment will be undertaken

- **Actions**

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

Action will be taken to ensure that consultation/engagement will be inclusive and accessible to all stakeholders. Take up of the consultation opportunity, and resultant responses will be monitored against the equality characteristics to provide a better understanding of any group who might be disproportionately affected, e.g. disabled children, culturally diverse/minority ethnic communities etc.

A full EDCI assessment will be undertaken, looking at impacts and what actions could help to mitigate these.

5. If you are *not* already considering the impact on equality, diversity, cohesion and integration you *will need to carry out an impact assessment*.

Date to scope and plan your impact assessment:	During the review, as early insight emerges
Date to complete your impact assessment	On completion of the review and associated consultation/ engagement aligned with recommendations
Lead person for your impact assessment (Include name and job title)	Tim Pouncey, Chief Officer Resources & Strategy

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

- Governance Services will publish those relating to Executive Board and Full

Council.

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022

Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Transformation
Lead person: Julie Longworth	Contact number: 0113 3786386

1. Title: Proposal to develop a Children and Families' Transformation Service

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

In May 2022 the Independent Review of Children's Social Care was published, led by Josh McAllister, which states that 'This moment is a once in a generation opportunity to reset Children's Social Care'.

The Children and Families directorate recognises that whole system transformation is required to effectively address the current range of challenges it faces, whilst maximising opportunities for continuous improvement, maximum efficiencies and income generation. In order to achieve this additional capacity is essential, which will drive successful delivery of the directorate's Invest to Save and Finance Proposals, as well as harnessing the many opportunities that arise from the national Care Review and a shared approach with statutory partners such as Health to service transformation.

The Children and Families directorate wish to mirror the approach taken by Adults and Health to delivering transformation through creation of a dedicated Transformation service. It will be essential that corporate enabling functions work, under a matrix

approach, with the new service, these being HR, IDS, asset management and finance. This cross council, whole system approach will provide the necessary pillars for successful delivery.

Governance arrangements will be established with a Transformation Board chaired by the Director of Children and Families.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 		X

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

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

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.

Date to scope and plan your impact assessment:	January 2023
Date to complete your impact assessment	28 th February 2023
Lead person for your impact assessment (Include name and job title)	Dayle Lynch, Programme Manager

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
---	--------------------------

For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022



Service review savings proposal: 'Turning the Curve'

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Sal Tariq

Report of: Director of Children and Families

Executive Portfolio(s): Adult and Children's Social Care and Health Partnerships

Scrutiny Board(s): Children and Families

Does the report contain confidential or exempt information? No

Proposal title:	Turning the Curve: Safely reducing the need for Children to become Looked After
------------------------	--

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-3,000	0	0

Who are you expecting to consult with?	Service users?	No
	Staff?	Yes
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

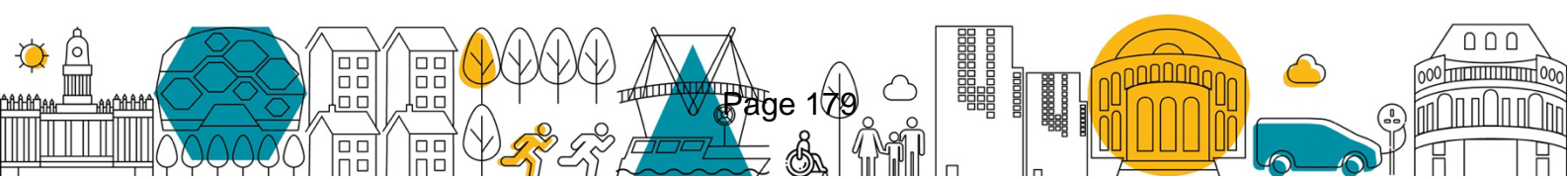
There has been an increase in the number of children and young people looked after in Leeds in the last 12 months.

Children looked after numbers have risen by 100 during this period, however this includes 27 unaccompanied asylum-seeking children whose status is pre-determined by matters beyond the control of the Local Authority.

During the pandemic the number of children looked after reduced initially through lockdown periods but increased post lockdown. There has since been a sustained increase in demand for children's services with increasing poverty and the cost-of-living crisis further impacting not only in terms of higher demand but also on the cost and affordability of services to meet this demand

The increase in the number of children looked after is twofold, as it relates to an increase in children entering the care system and a decrease in the number of children ceasing to be looked after.

Lockdowns, backlogs and pressure across the system including financial challenges for the Council leading to reduced capacity, delays in court proceedings and significant workforce challenges have meant that some of the proactive work to support children to safely and appropriately leave the care system has not been as possible as in previous years, hence the reduction in children leaving care prior to their 18th birthday.





A segmentation analysis undertaken as part of work to 'turn the curve' on looked after children patterns has identified a number of children who may benefit from a review of their circumstances to see whether they continue to need to be in care. In addition a number of areas of practice have been identified that if reviewed could support a reduction in the need for children to be looked after in Leeds.

This work forms the basis of the 'Turning the Curve Plan' with a focus on key areas including Children and young people in external residential care whose needs could be better met in a family setting, children and young people who meet the criteria for Leeds internal residential FIT homes and reunification with family, children and young people who have been in long term foster or kinship placements whose needs would be better met by Special Guardian Carers, an increased use of FGC (family group conferencing) and 'Family Plans' that support children to remain with family, evidenced based intervention for adolescents on the edge of care. The Turning the Curve strategy and action plan will review the care plans of a number of children to assess if reunification with family is possible, the plan will also provide additional scrutiny of a number of practice areas to safely reduce the need for children to become looked after.

Analysis of the make-up of children entering the care system in the last 12 months has shown a particular increase in the number of adolescents in this cohort. Adolescents are also over-represented in our services to support children at risk of exploitation, serious youth violence and involvement with the Youth Justice service.

There is a need therefore to have a particular focus on safely reducing the need for adolescents to become looked after within the wider 'Turning the Curve' strategy, therefore this proposal is to be read in conjunction with the proposal to develop a service for Adolescents on the Edge of Care.

Delivery will be supported by additional capacity within a new Children and Families Transformation Service to secure pace and measurable progress against the agreed savings proposals. This paper should therefore also be read alongside the proposal to develop this new Transformation Service.

Recommendations

Executive Board is requested to:

1. Consider the proposal to safely reduce the need for children to be looked after;
2. Note that this proposal should be read alongside the related proposals to develop an Edge of Care Service for Adolescents and a new Children and Families Transformation Service;
3. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
4. Note that the Director of Children and Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Social Work
Lead person: Sal Tariq	Contact number: 0113 3783621

1. Title: Turning the Curve: Safely reducing the need for Children to become Looked After

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

During the pandemic the number of children looked after reduced initially through lockdown periods but then increased again post lockdown. There has since been a sustained increase in demand for children's services with increasing poverty and the cost-of-living crisis further impacting not only in terms of higher demand but also in the cost and affordability of services to meet this demand.

The increase in the number of children looked after is being driven by 2 factors, an increase in children entering the care system and a decrease in the number of children ceasing to be looked after.

Analysis undertaken as part of work to 'turn the curve' on looked after children patterns has identified a number of children who may benefit from a review of their circumstances to see whether they continue to need to be in care. In addition, several areas of practice have been identified that if reviewed could support a reduction in the

need for children to be looked after in Leeds.

This work forms the basis of the 'Turning the Curve Plan' with a focus on key areas, including:

- Children and young people in external residential care whose needs could be better met in a family setting;
- Children and young people who meet the criteria for Leeds internal residential FIT homes;
- Children and young people who meet the criteria for reunification with family;
- Children and young people who have been in long term foster or kinship placements whose needs would be better met by Special Guardian Carers and/or increased use of FGC (family group conferencing); and
- 'Family Plans' that support children to remain with family - evidenced based intervention for adolescents on the edge of care.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?		x
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		x
Could the proposal affect our workforce or employment practices?		x
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

The proposed work under 'turning the curve' will have an impact on those young people whose cases are reviewed and changes made to their current care arrangements/ placements as a result. Whilst these changes could be unsettling for the young person in the short-term, the case for new arrangements will be founded on the benefits of that young person having better long-term outcomes.

There will be instances, e.g. reunification and implementation of 'family plans', where families are impacted by the decisions, positively rather than negatively, given their child remains in their care.

When changes in arrangements are being developed and proposed, social workers and other professionals, will work with the young person impacted, and if appropriate their family, to provide support and address any challenges, laying the foundations for ongoing stability.

Partners (third sector and statutory) involved, through commissioned or other arrangements, will be engaged, as appropriate/required, throughout the process of assessing the individual circumstances of young people, exploring alternative arrangements to deliver better outcomes and supporting those young people (and their families) through the agreed change process.

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

Where changes in care, or support arrangements are identified social workers, and other family support professionals will engage with the young person and their family to provide support in the lead up to and following the transition – helping to create the best environment for that young person to achieve stability, be happy, healthy and thrive.

Action will be taken to ensure that consultation/engagement will be inclusive and

accessible to all stakeholders. Take up of the consultation opportunity, and resultant responses will be monitored against the equality characteristics to provide a better understanding of any group who might be disproportionately affected, e.g. disabled children, culturally diverse/minority ethnic communities etc.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment**.**

Date to scope and plan your impact assessment:	January 2023
Date to complete your impact assessment	28 th February 2023
Lead person for your impact assessment (Include name and job title)	Ruth Terry, Chief Officer Children's Social Work

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022



Service review savings proposal – Turning the Curve Adolescents Edge of Care

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Ruth Terry

Report of: Director of Children and Families

Executive Portfolio(s): Adult and Children’s Social Care and Health Partnerships

Scrutiny Board(s): Children and Families

Does the report contain confidential or exempt information? No

Proposal title:	Appendix proposal to ‘Turning the Curve’ Proposal to develop an Edge of Care Service for adolescents, preventing at least 30 young people per year entering into care and therefore avoiding significant placement costs
------------------------	---

Projected savings / additional income (net of investment)			
Year	2023/24	2024/25	2025/26
Saving / £’000s	Contributing to the £3,000 savings set out in the ‘Turning the Curve’ proposal		

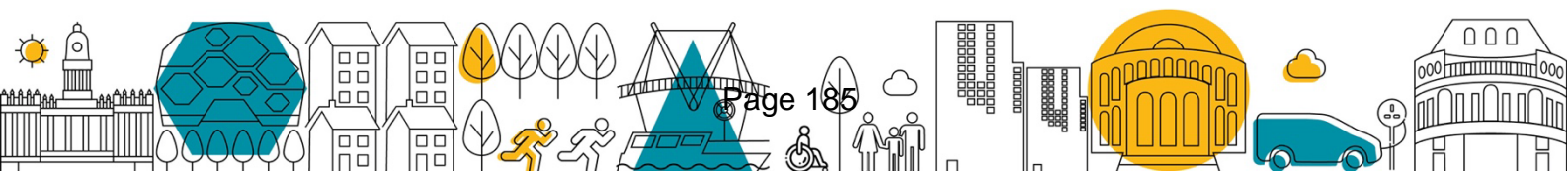
Who are you expecting to consult with?	Service users?	No
	Staff?	No
	Other stakeholders?	Key statutory partners / union colleagues

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

This savings review proposal is an appendix to the ‘Turning the Curve’ proposal to safely reduce Children Looked After numbers. It sets out a business case for delivering part of that £3m savings target by developing an Edge of Care Service for adolescents by using existing resource within the directorate as well as adding dedicated and specific resource for the sole purpose of preventing adolescents entering care.

Over the past 10 years, the Children and Families Directorate has driven innovation and ambition to ensure children and young people can be cared for within their families wherever possible as well as championing developments to support placement sufficiency, quality and stability. Despite the strong and proactive work that the directorate has undertaken to address these issues, there remain significant pressures both locally and nationally in relation to rising numbers of children in care impacting not only on outcomes for children but placement sufficiency and cost. These pressures include recent legislative changes which have had an impact on the demand for placements.





MEETING OUR FINANCIAL CHALLENGE

Based on ONS expected population change, current projections suggest that the child looked after (CLA) population in Leeds would remain broadly stable for the next five years, and then begin to slowly decrease, mirroring the projected change in the 0-17 population. Ages 0-9 would make up a smaller number, while ages 10+ would be expected to grow in size, especially ages 16 and 17 where numbers would grow by 10% up to 2028. This is from a current position of the teenage years being over-represented in the child looked after population when compared to the overall child population of Leeds. Over this decade children born in the period of high birth years of 10,000+ will be entering their teenage years.

The high proportion of adolescents in the current (and projected) Leeds CLA population is significant, as this is the age group where there is the most demand and pressure on placements nationally, which has an impact on placement choice, cost and the need to use external fostering and residential placements.

In addition to the population increases highlighted above, there are a number of additional contributing factors for the increase in 16/17 year olds in the care cohort, including the way that Leeds' Children's Social Work Service (CSWS) responds to homeless young people and legislative changes which require young people charged with criminal offences to be remanded into the care of the local authority under LASPO (the Legal Aid, Sentencing and Punishment of Offenders Act 2012).

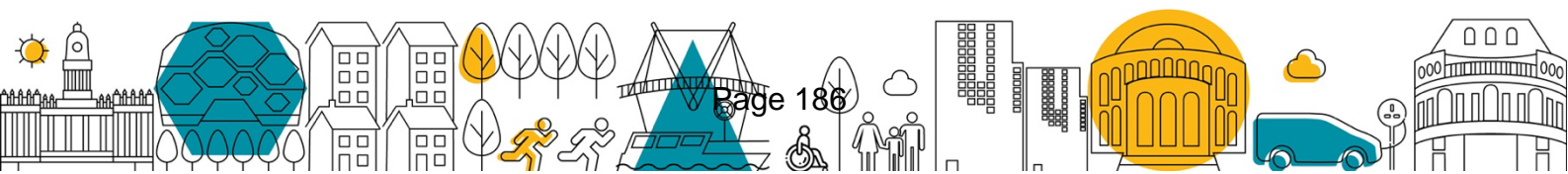
Nationally, there has been a steady increase in demand for placements for Unaccompanied Asylum-Seeking Children (UASC). More of these children are arriving in local authorities such as Kent, and as a result the Home Office have increased their expectations of the number of UASCs that other local authorities will take. As a compassionate and inclusive city, Leeds has a strong reputation for welcoming these young people, but the increasing numbers who usually fall within the age group where demand is already high does have an impact on our ability to provide sufficient supported accommodation. Leeds also feels the impact of other local authorities, both regionally and from other areas of the country, looking to place their UASC children in Leeds.

With the right support, care could be avoided for a number of children and young people who fall within the adolescent cohort. The Children and Families Directorate is proposing that specific resource is identified and then dedicated specifically to preventing family / placement breakdown and the resulting care episodes for these children.

Recommendations

Executive Board is requested to:

1. Consider the proposal to develop an Edge of Care service for adolescents which will prevent care for at least 30 young people per year therefore avoiding significant placement costs;
2. Note that this proposal should be read alongside the wider proposal, 'Turning the Curve' and the related proposal to develop a new Children and Families Transformation Service;
3. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
4. Note that the Director of Children and Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Social Work
Lead person: Ruth Terry	Contact number: 0113 3780402

1. Title: Proposal to develop an Edge of Care Service for adolescents (appendix proposal to 'Turning the Curve')

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

Over the past 10 years, the Children and Families Directorate has driven innovation and ambition to ensure children and young people can be cared for within their families wherever possible, as well as championing developments to support placement sufficiency, quality and stability. Despite the strong and proactive work that the directorate has undertaken to address these issues, there remain significant pressures both locally and nationally in relation to rising numbers of children in care impacting not only on outcomes for children but placement sufficiency and cost. These pressures include recent legislative changes which have had an impact on the demand for placements.

There is a high proportion of adolescents in the current (and projected) Leeds Children Looked After (CLA) population, as such this is the age group where there is the most demand and pressure on placements, which has an impact on placement choice, cost

and the need to use external fostering and residential placements.

The Children and Families Directorate is proposing that specific resource is identified and then dedicated specifically to preventing family/placement breakdown and the resulting care episodes for these children. It sets out a business case for developing an Edge of Care Service for adolescents by using existing resource within the directorate as well as adding dedicated and specific resource for the sole purpose of preventing adolescents entering care. With the right support, care could be avoided for a number of children and young people who fall within the adolescent cohort.

This savings review proposal is an appendix to the 'Turning the Curve' proposal to safely reduce CLA numbers and would contribute to delivery of that £3m savings target.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?		x
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?	x	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

The proposal focuses on creation of capacity, additional to that within existing teams, therefore current staff will be the group most significantly affected by the changes, if approved.

Consultation and engagement will be undertaken with staff and trade unions around the creation of new posts, and method of aligning the new capacity alongside/integrated with existing resource.

Longer term the new service, once up and operational, will impact on the cohort of adolescents on the edge of care and their families, in a positive way by providing support and intervention to prevent entry in to care for young people aged 14-16 years.

Other stakeholders who may be affected include:

- Statutory partners (e.g. health, the police)
- Schools / colleges
- Third sector partners
- Housing (LCC and Registered Providers)

• **Actions**

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

Actions will be taken to ensure that consultation and engagement activities are inclusive and accessible to all identified stakeholders. Where appropriate up take and responses will be monitored against equality characteristics to better understand if any group is disproportionately affected.

5. If you are **not** already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.**

Date to scope and plan your impact assessment:	January 2023
Date to complete your impact assessment	28 th February 2023
Lead person for your impact assessment (Include name and job title)	Ruth Terry, Chief Officer Children's Social Work

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022

Service review savings proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Tim Pouncey

Report of: Director of Children & Families

Executive Portfolio(s): Adult and Children’s Social Care and Health Partnerships and Economy, Culture and Education

Scrutiny Board(s): Children & Families

Does the report contain confidential or exempt information? No

Proposal title:	Commissioning and Market Management Invest to Save
------------------------	---

Projected savings / additional income (net of investment)			
Year	2023/24	2024/25	2025/26
Saving / £'000s	-4,000	0	0

Who are you expecting to consult with?	Service users?	No
	Staff?	Yes
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

It is proposed to carry out a full restructuring review of the Commissioning and Market Management Team with the aim of increasing its staffing capacity and scope through the creation of new posts, and thereby generating significant savings. It is anticipated that additional investment of around £750k will be required, generating £4m net savings in commissioned costs per annum.

Children and Families commission a range of placement contracts such as external residential placements, Independent Fostering Agencies (IFA), SEND placements and semi-independent living. These services are commissioned from the third sector, the voluntary sector, and private companies. We provide a commissioning brokerage service for any child requiring a placement, short break or special school with the third and private sector. Current activity levels require this service for 600 children and young people. The team contract manages around 140 third and private sector placement, special school and short break provider. The Children and Families Commissioning Team lead on sufficiency planning for the directorate as well as managing markets for placements, short breaks and independent special schools and colleges.

We are also the host authority for the White Rose Regional Commissioning Consortium and oversee the electronic marketplace (EMP) for 3 White Rose Agreements:

- Independent fostering
- Independent residential childrens homes





- Independent schools and colleges for children and young people with SEND

The team is funded by participating authorities and operates the EMP, effectively a dynamic purchasing system that, like a framework agreement, provides a list of contractors where quality has been assessed and price has been set at the outset of the agreement.

The budget for such placements is considerable with in excess of £8m paid to IFAs, £17m for external residential placements, about £13m for SEND out of area placements and £11m for a range of semi-independent living, independent living, leaving care and the OWL contract. Pressure on each of these budgets is intense due to demand and demographic factors, increased complexity of cases, the prevailing level of inflation and recruitment and retention of staffing issues being experienced by providers. The Competition and Markets Authority highlighted the scale of high cost and profiteering in the children's social care market:

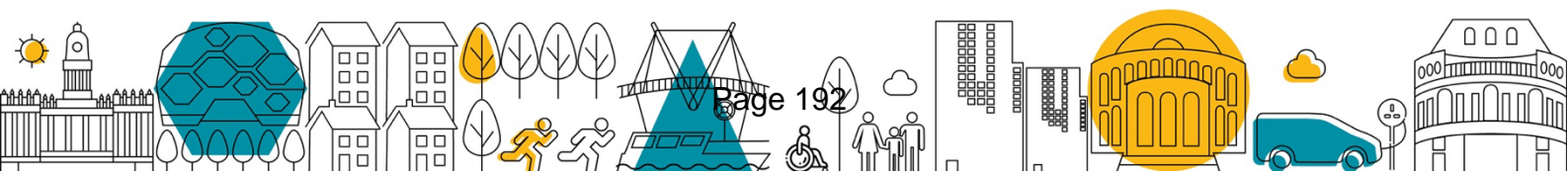
“For the children’s homes providers in our data set we have seen steady operating profit margins averaging 22.6% from 2016 to 2020, with average prices increasing from £2,977 to £3,830 per week over the period, an average annual increase of 3.5%, after accounting for inflation. In fostering, prices have been steady at an average of £820 per week, and indeed have therefore declined in real terms, but profit margins of the largest IFAs appear consistently high at an average of 19.4%” (Competition and Markets Authority, 2022)

Similarly, the ADCS spending pressures report noted that “respondents evidence a deterioration in availability and increasing costs for private provisions, including independent fostering agencies and residential placements over the past two years, and more so since March 2020 as a result of the Covid-19 pandemic. £5,000 - £7,000 a week for a placement is becoming more common as demand increases and availability reduces” (ACDS, 2021).

Indeed, the recently published review by Josh McAlister, The Independent Review of Children's Social Care, reported that the average operating profit made by private residential children's home providers has increased over time due to high demand for homes from local authorities, poor sufficiency planning and private providers paying lower wages. In Scotland, where there is evidence to suggest there is greater grip on the demand and supply of residential children's homes, just 47% of residential children's home places are provided by the independent sector, compared to 83% in England. The CMA found that profits in the children's residential home sector increased from £702 to £910 per child per week, between 2016 and 2020. There are also few indicators to suggest that high prices are leading to better quality homes for children or better recruitment and retention of children's home staff.

This service review represents an opportunity to address these issues and wrestle back control. However, the Children and Families Commissioning Team is not resourced to do so. The current budget for the Commissioning Team is £840k of which £730k relates to staffing costs.

A key recommendation of the McAlister review is for the establishment of Regional Commissioning Cooperatives to take back control of the broken market. They will be responsible for the creation and running of all new public sector fostering, residential and secure care in a region, as well as commissioning all not-for-profit and private sector provided care for children. Building on the success of the White Rose regional commissioning team provides an excellent opportunity to both respond to the financial challenge, drive efficiencies, general savings, better manage the market and sufficiency of care and afford the opportunity to be a pathfinder for any new regional commissioning cooperative.





MEETING OUR FINANCIAL CHALLENGE

Investment in the Commissioning activity could produce a significant rate of return by providing the additional capacity to focus on:

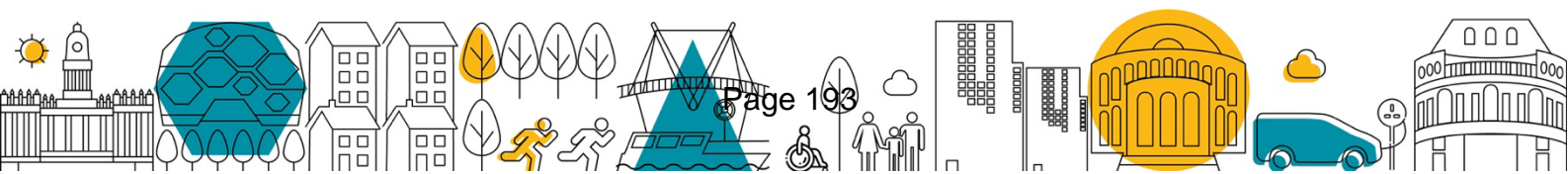
- Brokerage to ensure contract specification meets the needs of the young person
- Reviewing specifications on a regular basis to ensure the specification remains relevant and appropriate over time. A reassessment team to continually reassess packages of support
- Renewed focus on value for money
- Robust market management and engagement with the sector to ensure providers chose to locate in Leeds and understand the unique selling points as articulated in the Children and Young Peoples Plan.
- A focus on transition to adulthood as packages of care transition from children to adulthood
- Mirroring the Adult Social care approach to commissioning

It is therefore proposed to carry out a full restructuring review of the Commissioning and Market Management Team with the aim of increasing its staffing capacity and scope through the creation of new posts, and thereby generating significant savings. It is anticipated that additional investment of around £750k will be required, generating £4m net savings in commissioned costs per annum.

Recommendations

Executive Board is requested to:

1. Approve the proposal to invest in the commissioning team and note the corresponding reduction in commissioned costs, as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
2. Note that the Director of Children & Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Commissioning
Lead person: Tim Pouncey	Contact number: 0113 3783628

1. Title: Commissioning and Market Management Invest to Save

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

It is proposed to carry out a full restructuring review of the Commissioning and Market Management Team with the aim of increasing its staffing capacity and scope through the creation of new posts, and thereby generating significant savings. It is anticipated that additional investment of around £750k will be required, generating £4m net savings in commissioned costs per annum.

Children and Families commission a range of placement contracts such as external residential placements, Independent Fostering Agencies (IFA), SEND placements and semi-independent living. These services are commissioned from the third sector, the voluntary sector, and private companies. We provide a commissioning brokerage service for any child requiring a placement, short break or special school with the third and private sector. Current activity levels require this service for 600 children and young people. The team contract manages around 140 third and private sector placement, special school and short break provider. The Childrens and Families Commissioning Team lead on sufficiency planning for the directorate as well as managing markets for placements, short breaks and independent special schools and colleges.

Significant investment in the Commissioning and Market Management team is required to generate savings and a full restructuring service review needs to take place. Initial assessments suggest that the creation of new posts will afford the team the resource and capacity to maximise available resources, enhance quality assurance work and market management activity, improve brokerage and have a relentless focus on value for money.

Investment in the Commissioning activity could produce a significant rate of return by providing the additional capacity to focus on:

- Brokerage to ensure contract specification meets the needs of the young person
- Reviewing specifications on a regular basis to ensure the specification remains relevant and appropriate over time. A reassessment team to continually reassess packages of support
- Renewed focus on value for money
- Robust market management and engagement with the sector to ensure providers chose to locate in Leeds and understand the unique selling points as articulated in the Children and Young Peoples Plan.
- A focus on transition to adulthood as packages of care transition from children to adulthood
- Mirroring the Adult Social care approach to commissioning

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	X	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration
If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.
Please provide specific details for all three areas below (use the prompts for guidance).
<ul style="list-style-type: none"> • How have you considered equality, diversity, cohesion and integration? (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)
<ul style="list-style-type: none"> • Actions (think about how you will promote positive impact and remove/ reduce negative impact)

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.	
Date to scope and plan your impact assessment:	January 2023
Date to complete your impact assessment	28 th February 2023
Lead person for your impact assessment (Include name and job title)	Tim Pouncey, Chief Officer Resources & Strategy

6. Governance, ownership and approval		
Please state here who has approved the actions and outcomes of the screening		
Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022



Service review savings proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Dayle Lynch

Report of: Director of Children & Families

Executive Portfolio(s): Adult and Children’s Social Care and Health Partnerships

Scrutiny Board(s): Children & Families

Does the report contain confidential or exempt information? No

Proposal title: Children’s Centres and Commissioned Family Services Review

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-450	0	0

Who are you expecting to consult with?	Service users?	Yes
	Staff?	Yes
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

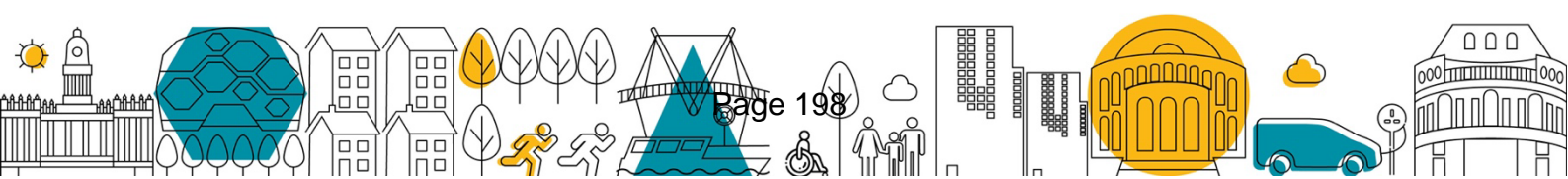
Executive Summary

Leeds has a portfolio of 56 children’s centres delivered both in-house and through commissioned contracts. These centres deliver a range of services for children, parents, carers and families, providing support when needed and early intervention to help prevent escalation to statutory/social care involvement. The majority of the children’s centres were established under the Sure Start programme between 2006 and 2008, since which there has not been a holistic review of the centres, the services they provide and the opportunities to become more effective and achieve efficiencies.

As part of the family services offer the council commissions a number of partners to deliver specific services, including family outreach and family support. This proposal would include review of these services, their cost, benefit and alignment to the wider offer of children’s and family services in the city.

The council’s recent corporate peer review highlighted the number of Children’s Centres in comparison to other local authorities, and the ‘real opportunity to join up and align activity in a location plan for each area including the best use of assets’. One of the review’s recommendations was to review locality working across the city, which fits with the national agenda on integrated and co-located multi-disciplinary services. This proposal would seek to assess opportunities for greater service alignment and integration in localities where there is greatest need.

It is proposed to review of all children’s centres and commissioned family services with a view to identifying opportunities to make efficiencies, through co-location and integration, which would deliver a budget saving of £450k.

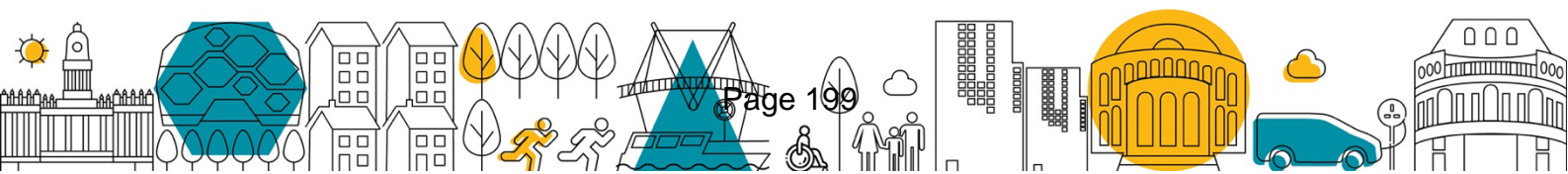




Recommendations

Executive Board is requested to:

1. Consider the proposal to review Children's Centres and Family Services with a view to identifying actions that could deliver savings and/or increased income to deliver £450k reduction against current budget;
2. Approve the commissioning of the proposed review of Children's Centres and Family Services, in the context of the national agenda for integration and co-location of multi-disciplinary teams;
3. Approve going out to consultation, as part of the council's Medium-Term Financial Strategy, on the actions identified on completion of the review pending formal approval and delivery; and
4. Note that the Director of Children & Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Early Help
Lead person: Vicky Fuggles	Contact number: 0113 3785536

1. Title: Children’s Centres and Commissioned Family Services Review

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

Leeds has a portfolio of 56 children’s centres delivered both in-house and through commissioned contracts. These centres deliver a range of services for children, parents, carers and families, providing support when needed and early intervention to help prevent escalation to statutory/social care involvement. In addition to in-house (LCC) services offered from children’s centres, the council commissions a number of partners to deliver specific ‘family services’, including family outreach and family support.

It is proposed to review all children’s centres and commissioned family services with a view to identifying opportunities to make efficiencies whilst achieving greater service alignment and integration in localities where there is greatest need, delivering a budget saving of £450k.

3. Relevance to equality, diversity, cohesion and integration

All the council’s strategies and policies, service and functions affect service users, employees or the wider community – city wide or more local. These will also have a

greater or lesser relevance to equality, diversity, cohesion and integration.

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?	x	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

A full EDCI assessment will be undertaken should the proposed review be approved.

Early consideration of the impact on EDCI, which will be worked up more fully, has highlighted a number of stakeholders who may be affected, including but not limited to:

- Children and young people

- Families – parents/carers
- Third sector partners
- Statutory partners (e.g. health)
- Schools / childcare providers

Detailed data gathering and analysis will need to take place once recommendations from the review are known, this will enable a robust understanding of the impact of the recommendations on those stakeholders who access support and services through specific children’s centres and/or commissioned services.

Consultation and engagement will need to be undertaken with impacted stakeholders once the review recommendations are known and assessment of impact has been carried out.

- **Actions**

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

Until the review recommendations are known consideration of actions to either maximise positive impacts, or minimise negative impacts, cannot take place in detail. However, the opportunities to deliver integrated and more closely aligned services could deliver benefits in terms of greater efficiencies and collaboration when providing multi-service support and intervention for children, young people and families.

Actions will be taken to ensure that the consultation process will be inclusive and accessible to all stakeholders. Take up of the consultation opportunity, and resultant responses will be monitored against the equality characteristics to provide a better understanding of any group who might be disproportionately affected, e.g. disabled children, culturally diverse/minority ethnic communities etc.

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.

Date to scope and plan your impact assessment:	During the review, as early insight emerges
Date to complete your impact assessment	On completion of the review and necessary consultation/ engagement aligned with recommendations
Lead person for your impact assessment (Include name and job title)	Vicky Fuggles, Head of Early Help

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and	28.11.2022

	Families	
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022



MEETING OUR FINANCIAL CHALLENGE

access to healthcare provision that families may not already be accessing. Therefore, any change &/or reduction of provision may have an impact on children and families of most need. Again, this impact will be mitigated through close engagement with parents/carers to support alternative placements being secured, whether in amalgamated settings or other non-LCC provision.

Whilst engagement with staff and Trade Unions has commenced in relation to the proposed amalgamations, which has been positive and support provided, there has yet to be consultation on the proposed closure of Rothwell. In order to mitigate any adverse staffing impact there will be detailed work to align, as far as possible, displaced staff to settings of their choice or that are easily accessible/geographically close to their homes. It is recognised that this may not be achievable in all instances, and the service will work closely with staff to minimise disruption.

It is recognised that there may be an impact on parents in the case of all the proposals, given there may be increased journey time to an alternative setting and be unsettling for the children moving nurseries (whether within Little Owls or into another provider). Key to the proposals will be a period of engagement, working with parents and carers to provide reassurance, alleviate concerns and address, wherever possible, any negative impact

The above proposals, if delivered, could achieve total revenue savings of up to £1.2m through workforce reduction and building running costs (at this point there are no projected capital receipts). These savings will help reduce the forecast £1.3m in-year budget pressure, rather than contributing to closing the projected gap in the council's budget for the next three years. Assuming the £1.3m in-year pressure is substantially eliminated through delivery of the above proposals, any further cost savings associated with implemented actions from the proposed wider service review would however contribute towards closing the financial gap of future years.

In addition to the proposals detailed, approval is sought to commission a wider piece of work to explore whether there are further opportunities to achieve efficiencies across the Little Owls service.

Recommendations

Executive Board is requested to:

1. Note the proposal relating to amalgamation of 4 Little Owls nurseries: Armley Chapel Lane to Armley Moor, Richmond Hill to Osmondthorpe, Dewsbury Road to New Beverley and City & Holbeck, Middleton Over 3's to Middleton Laurel Bank;
2. Consider the proposal for the closure of the Rothwell setting;
3. Approve consultation being undertaken on the proposed closure of Rothwell as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 budget;
4. Note that further detailed work will be carried out to review the case for closure of an additional 4 settings at Bramley, Meanwood, Shepherds Lane and Swarcliffe;
5. Consider and approve the proposal to commission a wider review of the Little Owls provision with a view to identifying any further opportunities to achieve service efficiencies; and
6. Note that the Director of Children & Families will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Children & Families	Service area: Early Help
Lead person: Vicky Fuggles	Contact number: 0113 3785536

1. Title: Review of Little Owls Nursery Provision

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

The service review outlines 4 proposals in relation to Little Owls day care provision delivered by the Council for 3 months to 5 year olds, these being:

- 1) Amalgamation of 9 settings into 5
- 2) Proposed closure of Rothwell
- 3) Review of the case for closure of 4 sites – Bramley, Meanwood, Shepherds Lane and Swarcliffe;
- 4) Wider service – review of the local authority role in the provision of day care and the Little Owls business model.

The service has 28 settings across the city, predominantly in areas of high deprivation or where there is/has been a gap in the private provider market. Initial review of the performance of each setting (focusing on indicators such as number of children, staffing level, capacity, local demand, other provision (private/third sector)). This initial review has concluded with the 4 proposals listed above.

Implementation of the amalgamations is being progressed through a Significant Operational

Decision taken by the Director of Children & Families, and will be subject of a separate EDCI Impact Assessment to support that decision making. This screening is therefore focused only on the proposals detailed at 2), 3) and 4).

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?	x	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

Any changes to service provision will impact on 3 main groups – children attending the settings, parents/carers, and staff. There is likely to be differential impact amongst these groups depending on a range of factors such as special educational needs, level of financial security, mode of transport.

If agreed by Executive Board, each proposal will be subject of detailed work to understand exactly who will be impacted, in what way impacts will be felt and action to mitigate this as far as is possible. Some of this will be achieved through assessment of information held by the service about children, their family and staff, however further understanding of personal circumstances will be achieved that through full consultation and engagement, to be undertaken ahead of any decision being made (as it has been for the settings to be amalgamated with Ward Members, staff, trade unions, and parents/carers).

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

In relation to the proposed closure of Rothwell there will be an individual Equality Impact Assessment carried out by the service, looking in detail at the impact on the children and families attending the setting, as well as staff. The EIA will be undertaken in parallel with consultation and engagement on the proposed closure, if agreed by Executive Board.

The further reviews (of possible setting closures and wider service review), if agreed, will again be subject to individual EIAs, which will be developed to both inform the review work, and also assess impacts associated with the outcomes/recommendations made.

Key findings of the EIAs could highlight impacts such as children being unsettled by having to move settings, financial implications if alternative places cannot be sought at the same rates, effects on daily routines and work patterns, changes to travel requirements (different journeys and journey times), and possible impact on job security.

- **Actions**

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

On a setting by setting basis, detailed work will be undertaken to identify impacts and actions to mitigate, as far as possible, should changes be made. This may include support to identify and secure alternative childcare places, increasing placement capacity at other provision (Little Owls or other), and relocation of staff to different Little Owls settings.

Action will be taken to ensure that the consultation process will be inclusive and accessible to all stakeholders. Take up of the consultation opportunity, and resultant responses will be monitored against the equality characteristics to provide a better understanding of any group who might be disproportionately affected, e.g. disabled children, children with special educational needs, culturally diverse/minority ethnic communities etc.

Full, individual EIAs to be carried out in line with timetable for each element of the service review proposal.

5. If you are *not* already considering the impact on equality, diversity, cohesion and integration you *will need to carry out an impact assessment*.

Date to scope and plan your impact assessment:	During consultation/review stages, as early insight emerges
Date to complete your impact assessment	On completion of the consultation/review stages aligned with recommendations
Lead person for your impact assessment (Include name and job title)	Vicky Fuggles, Head of Early Help

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Longworth	Director of Children and Families	28.11.2022
Date screening completed		28.11.2022

7. Publishing

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

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

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

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

For Executive Board or Full Council – sent to Governance Services	Date sent: 28.11.2022
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: 28.11.2022

**City Development – Staffing
Service review savings proposal**

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Martin Farrington/Phil Evans

Report of: Director of City Development

Executive Portfolio(s): Economy, Culture and Economy; infrastructure and Climate; Public Health and Active Lifestyles; Resources

Scrutiny Board(s): Adults, Health and Active Lifestyles; Infrastructure, Investment & Inclusive Growth; Strategy and Resources

Does the report contain confidential or exempt information? No

Proposal title: City Development directorate staffing reductions review

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-822	0	0

Who are you expecting to consult with?	Service users?	No
	Staff?	Yes
	Other stakeholders?	No

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

The Directorate has an £11.7m savings target as part of the Council’s approach to delivering a balanced budget in 2023/24 and onwards. The Directorate has so far identified a range of savings proposals which will, subject to Executive Board agreement, deliver savings in 2023/24 to the value of £10.9m. These proposals have been reported either as ‘Business as Usual’ or ‘Service Reviews’ to the Executive Board at its meetings on 19th October 2022 or are on the agenda for the Executive Board meeting today.

The Directorate has sought where possible to avoid savings which will have a detrimental impact on service delivery and have sought to mitigate the impact on staff through a reduction in headcount. However, given that 45% of the Directorate’s gross expenditure budget is directly spent on staffing costs it has not been possible to fully insulate the Directorate from a reduction in headcount. This proposal is therefore to seek Executive Board’s approval to commence a consultation process with staff and the recognised Trades Unions as to how staffing saving to the value of £822,000 can be achieved for the 2023/24 Budget through a process of ‘Managing Staff Reduction’ in accordance with the Council’s agreed processes.





Recommendations

Executive Board is requested to:

1. Consider the proposal to move forward with a Directorate wide staffing review process with a view to consulting on proposals which would deliver savings of £822,000 in 23/24.
2. Note that the review process will follow the Council's agreed processes around managing staff reduction and will seek wherever possible to avoid compulsory redundancies.
3. Note that the review process will involve consultation and engagement with staff and Recognised Trades Unions.
4. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
5. Note that the Director of City Development will be responsible for implementation.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: City Development	Service area: Directorate Wide
Lead person: Phil Evans	Contact number: 0113 378 2542

1. Title: City Development Staffing Reduction

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

A proposal to consult with staff and recognised trades unions around a potential need to reduce the headcount of the Directorate to assist in meeting the Council's budget challenges.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on <ul style="list-style-type: none">• Eliminating unlawful discrimination, victimisation and harassment• Advancing equality of opportunity• Fostering good relations		X

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

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

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

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:	7 th December 2022
Date to complete your impact assessment	14 th December 2022
Lead person for your impact assessment (Include name and job title)	Phil Evans Chief Officer Operations and Active Leeds

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

Name	Job title	Date
Phil Evans	Chief Officer Operations and Active Leeds	26 th October 2022
Date screening completed		26 th October 2022

7. Publishing

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

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

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

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

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



Street Lighting – Dimming Service Review Savings Proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Mark Atkinson

Report of: Director of City Development

Executive Portfolio(s): Infrastructure & Climate

Scrutiny Board(s): Infrastructure, Investment and Inclusive Growth

Does the report contain confidential or exempt information? No

Proposal title: Adaptive Lighting via a Central Management System (CMS)

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-166	0	0

Who are you expecting to consult with?	Service users?	No
	Staff?	No
	Other stakeholders?	Yes – PFI Service Provider

Are there equalities implications?	No
Have you attached a screening document?	Yes

Executive Summary

The illumination levels on traffic routes are designed based on, most notably, average daily traffic flow. Therefore, levels could be reduced when traffic flows are lower. Statistics show that flow on most main roads and traffic routes rises from about 0530hrs onwards and peaks between 0730-0830hrs each day. It then falls to a daily daytime constant before peaking again 1630-1730hrs. After this time, it gradually begins to fall to then reach an overnight constant by approximately 2200hrs.

In utilising these variations in traffic flow to determine adaptive lighting levels via a Central Management System (CMS), Leeds City Council can dim the streetlights on traffic routes, main distributor roads, and bus routes by at least one lighting classification and still remain compliant with National Guidance and best practice. Similar CMS controlled schemes have successfully been or are being implemented in Bradford, Cornwall, Hampshire, and Bristol to name but a few.

This would reduce our electricity use by c.38% and therefore our associated costs by a similar amount, and in some cases more, without any notable change in performance, appearance, and risk, thereby also contributing to the council's Zero Carbon objectives.

Recommendations

Executive Board is requested to:

1. Consider the proposal to implement street lighting Central Management System (CMS) to achieve electricity consumption savings of £166k in 2023/24, and the same annually moving forward, subject to changes in tariff costs;





MEETING OUR FINANCIAL CHALLENGE

2. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 Budget; and
3. Note that the Director of City Development will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: City Development	Service area: Highways & Transportation
Lead person: Ian Moore	Contact number: 0113 378 3166

1. Title: Introduction of CMS Control of Main Road Street Lights to allow Dimming and Energy Declaration.

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

The night-time illumination levels on traffic routes are based on, most notably, average daily traffic flow. It follows that these levels can be reduced when traffic flows reduce. In utilising these variations in traffic flow to determine adaptive lighting levels via a Central Management System (CMS), Leeds City Council can dim the streetlights on traffic routes, main distributor roads, and bus routes by at least one lighting classification and remain compliant with National Guidance and best practice. Studies have shown that the reduction in light output of the extent proposed is not visible to the human eye and simply is aligned to the required illumination level relevant to the reduction in usage and therefore has no detrimental effects. The introduction of dimming would reduce our electricity use by c.38% and therefore our associated costs by a similar amount.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?		X
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none">• Eliminating unlawful discrimination, victimisation and harassment• Advancing equality of opportunity• Fostering good relations		X

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

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

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

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:

Date to complete your impact assessment

Lead person for your impact assessment
(Include name and job title)

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Oliver Priestley	Head of Engineering & Infrastructure	22 November 2022
Date screening completed		23 November 2022

7. Publishing

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

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

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

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

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



Service review savings proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Sean Flesher, Chief Parks and Countryside Officer

Report of: Director of Director of Communities, Housing and Environment

Executive Portfolio(s): Public Health and Active Lifestyles

Scrutiny Board(s): Environment, Housing and Communities

Does the report contain confidential or exempt information? No

Proposal title: Cease Bonfire and Firework Displays

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-170	0	0

Who are you expecting to consult with?	Service users?	Yes
	Staff?	No
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

The Parks and Countryside service provide one 'city' and five 'community' free to attend bonfire and firework displays each year on or around 5 November. These have developed to be significant events within the local community calendar.

The sites that host these events are as follows:

- Roundhay Park (city)
- East End Park
- Woodhouse Moor
- Bramley Park
- Middleton Park
- Springhead Park

The event at Roundhay Park is staged on Soldiers Field and is one of the largest public bonfire and firework displays in the UK attracting capacity of up to 70,000 visitors. Activities include a large bonfire, 18-minute firework display, food concessions and a local radio station roadshow. Community bonfires include a bonfire and a 12-to-15-minute firework display, and collectively they attract in excess of 45,000 visitors, with some sites having additional food and small funfair provision.

Whilst the budget in 2022/23 for all bonfire events is £115k, legislation surrounding the management of events has changed significantly in recent years. The implementation of a multi-agency safety advisory group approach has identified the requirement for increased counter terrorism measures, infrastructure, medical provision, security, and formal traffic management arrangements which have all contributed to increased costs. The identified budget for 2023/24 would therefore have to be increased to £200k to cover the costs of the events. It should be noted





that the financial situation that the Council faces in 2022/23 led to a decision not to restart council organised events in 2022.

In 2021 and 2022, around £30k was allocated from the budget to the Safer Stronger Communities team to undertake some education and diversionary activities across the city. This was focussed in areas known to have experienced anti-social behaviour around bonfire night in the past. This proposal assumes that this fund would continue to be allocated in 2023/24 hence the saving of £170k identified.

There have been an increasing number of complaints in recent years concerning the impact of the council organised large-scale bonfire displays on the environment, and in particular the effects that bonfires and fireworks have on air quality in the context of the declared a climate emergency. Furthermore, complaints are regularly received from local residents who are disturbed by the use of display scale fireworks. It is worth noting that all bonfire events were cancelled in 2020 and 2021 due to Coronavirus restriction with limited issues experienced by blue light services likely in part due to pandemic restrictions.

Recommendations

Executive Board is requested to:

1. Consider the proposal to cease provision of bonfires and annual firework displays with a net budget saving of £170k commencing in 2023/24
2. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 budget; and
3. Note that the Director of Communities, Housing and Environment will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Communities, Housing and Environment	Service area: Parks and Countryside
Lead person: Simon Frosdick	Contact number: 3786002

1. Title: Cease Bonfire and Firework Displays

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

The Parks and Countryside service provide one 'city' and five 'community' free to attend bonfire and firework displays each year on or around 5 November. The sites that host these events are as follows:

- | | |
|------------------------|-------------------|
| ▪ Roundhay Park (city) | ▪ Bramley Park |
| ▪ East End Park | ▪ Middleton Park |
| ▪ Woodhouse Moor | ▪ Springhead Park |

Whilst the budget in 2022/23 for all bonfire events is £115k, legislation surrounding the management of events has changed significantly in recent years. The identified budget for 2023/24 would need to be increased to £200k to cover the costs of the events.

It should be noted that the financial situation that the Council faces in 2022/23 led to a decision not to restart council organised events in 2022.

In 2021 and 2022, around £30k was allocated from the budget to the Safer Stronger Communities team to undertake some education and diversionary activities across the city. This was focussed in areas known to have experienced anti-social behaviour around bonfire night in the past. This proposal assumes that this fund would continue to be allocated in 2023/24 hence the saving of £170k identified.

The screening is as follows:

- Consider the proposal to cease provision of bonfires and annual firework displays with a net budget saving of £170k commencing in 2023/24
- Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 budget.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		x
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?		x
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 		x

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

There have been an increasing number of complaints in recent years concerning the impact of the council organised large scale bonfire displays on the environment, and in particular the effects that bonfires and fireworks have on air quality in the context of the declared a climate emergency. Furthermore, a number of complaints are received each year concerning the disruption to residents from evening-based events as well as to pets who are disturbed by the use of display scale fireworks. There are no identified differential impacts on any protected characteristic or group.

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

The impact of not holding council bonfire displays may increase the prevalence of smaller scale bonfires which would need to be managed as part of the proposal. There are potential impacts on other services including Cleaner Neighbourhoods Team who would need to deal with the effects of any unauthorised bonfires on public land.

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

In 2021 and 2022, around £30k was allocated from the budget to the Safer Stronger Communities team to undertake some education and diversionary activities across the city. This was focussed in areas known to have experienced anti-social behaviour around bonfire night in the past. This proposal assumes that this fund would continue to be allocated in 2023/24 hence the saving of £170k identified.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:

Date to complete your impact assessment

Lead person for your impact assessment
(Include name and job title)

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Sean Flesher	Chief Officer, Parks and Countryside	16/11/2022
Date screening completed		

7. Publishing

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

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

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

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

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



Service review savings proposal

Report to: Executive Board

Date of meeting: 14th December 2022

Report author(s): Sean Flesher, Chief Officer, Parks and Countryside

Report of: Director of Communities, Housing and Environment

Executive Portfolio(s): Public Health and Active Lifestyles

Scrutiny Board(s): Environment, Housing and Communities

Does the report contain confidential or exempt information? No

Proposal title: Introduce Car Park Charges at Relevant Parks and Attractions

Projected savings / additional income (net of investment)

Year	2023/24	2024/25	2025/26
Saving / £'000s	-679	-74	0

Who are you expecting to consult with?	Service users?	Yes
	Staff?	No
	Other stakeholders?	Yes

Are there equalities implications?	Yes
If yes, have you attached a screening document?	Yes

Executive Summary

Major parks at Golden Acre, Kirkstall Abbey, Middleton Park, Otley Chevin Park, Roundhay Park and Temple Newsam do not make a charge for entry, and the existing infrastructure needs improvement and/or development to enable better car parking provision. In particular, some car parking provision is currently unmarked, poorly surfaced, and often does not maximise use of the available space. These parks, along with a number of community parks and other sites could be considered for the introduction of a modest charge for car parking which would enable improvement works to be carried out as well as contribute to budget pressures. The intention would be for blue badge holders to use car parks free of charge. A season ticket offer would also be developed for regular users to avoid the need to incur a transaction during every visit and would enable visitors without mobile phone access to prepay for parking.

Some Core Cities have already introduced car parking charges and some examples are set out in the table below.

Core City	Site(s) and Hours	Charges	Payment
Birmingham	Cannon Hill Park <ul style="list-style-type: none"> 7am to 11:30pm, every day 	<ul style="list-style-type: none"> Up to 4 hours £2.80 Up to 16.5 hours £4.20 Blue badge holders are free No season ticket option 	Cash or Pay by Phone app
Nottingham	Wollaton Park <ul style="list-style-type: none"> charges apply all day 	<ul style="list-style-type: none"> Up to 2 hours £3 All day £5 Blue badge holders are free Season ticket £75 	Pay by RingGo app or in shops/cafés





MEETING OUR FINANCIAL CHALLENGE

Core City	Site(s) and Hours	Charges	Payment
Manchester	Heaton Park <ul style="list-style-type: none"> 10am to 5pm 	<ul style="list-style-type: none"> First hour £1 1 to 3 hours £2 over 3 hours £3 Disabled badge holders are free Season ticket £75 (limited number) 	Cash or card using machine or Pay by Phone app
Sheffield	Graves Park, Endcliffe Park, Millhouses Park and Hillsborough Park <ul style="list-style-type: none"> 9:30am to 6:30pm, 7 days a week 	<ul style="list-style-type: none"> 90 pence per hour over 4 hours £3.60 Blue Badge holders and motorcycles have free unlimited parking in these car parks 	Cash or card using machine or Pay by Phone app

An assessment of existing car parking facilities has been made at major parks in Leeds (Lotherton has not been considered as a charge is already made for entry), 21 community parks along with Middleton cycle hub and council-run golf courses. Temple Newsam and Golden Acre are particularly in need of improvement with a capital cost estimated at £1.7 million. Other major parks, relevant community parks and other sites would need around £695k.

In order to meet these capital costs, it is proposed that prudential borrowing is used over a 30-year period. The proposed means of income collection is via the 'RingGo' app or similar and therefore no cash will be handled on site. This also means that no allowance has been made for providing any electricity or ICT connection at car parking locations. There would be some income via enforcement measures which would be used to cover these costs and hence an assumed zero net income. An allowance has been made for some maintenance costs including signage replacement. The following table summarises projected net income in year one and following years.

Description	2023/24 Net Income £'000	Future Years Net Income £'000
6 major parks	-445	-494
21 community parks	-166	-184
3 other sites	-68	-75
Total	-679	-753

Recommendations

Executive Board is requested to:

1. Consider the proposal to introduce car parking charges at 6 major parks, 21 community parks and 3 other park sites with a net saving of £679k in 23/24 and further £74k saving in 24/25.
2. Approve the proposal going out to consultation as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 budget; and
3. Note that the Director of Communities, Housing and Environment will be responsible.



Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Communities, Housing and Environment	Service area: Parks and Countryside
Lead person: Simon Frosdick	Contact number: 3786002

1. Title: Introduce Car Park Charges at Relevant Parks

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

Major parks at Golden Acre, Kirkstall Abbey, Middleton Park, Otley Chevin Park, Roundhay Park and Temple Newsam do not make a charge for entry, and the existing infrastructure needs improvement and/or development to enable better car parking provision. These parks, along with a number of community parks and other sites could be considered for the introduction of a modest charge for car parking which would enable improvement works to be carried out as well as contribute to budget pressures.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	x	
Have there been or likely to be any public concerns about the policy or proposal?	x	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	x	
Could the proposal affect our workforce or employment practices?		x
Does the proposal involve or will it have an impact on <ul style="list-style-type: none">• Eliminating unlawful discrimination, victimisation and harassment• Advancing equality of opportunity• Fostering good relations	x	

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

A blanket charge on all users would have the potential to negatively impact disabled people who would have a disproportionately greater need to access sites using a personal vehicle. The Leeds Parks Survey conducted by the University of Leeds and published in 2016 found that disabled and people over 75 years old were less likely to visit parks due to a fear of not being able to secure parking.

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

An assessment of existing car parking facilities has been made at major parks in Leeds (Lotherton has not been considered as a charge is already made for entry), 21 community parks along with Middleton cycle hub and council-run golf courses. Some car parking provision is currently unmarked, poorly surfaced, and often does not maximise use of the available space. Temple Newsam and Golden Acre are particularly in need of improvement with a capital cost estimated at £1.7 million. Other major parks, relevant community parks and other sites would need around £695k.

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

The introduction of car parking charges would be delivered alongside infrastructure improvement. This would include better quality surfaces and marked parking bays (including disabled) that would best utilise the available space and thus maximise parking capacity. The proposal includes free parking for blue badge holders. These actions would help address the concerns of older and disabled visitors around securing a parking space.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:

Date to complete your impact assessment

Lead person for your impact assessment
(Include name and job title)

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Sean Flesher	Chief Officer Parks and Countryside	16/11/2022
Date screening completed		

7. Publishing

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

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

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

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

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

Equality, Diversity, Cohesion and Integration (EDCI) screening



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

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

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

Directorate: Resources	Service area: Integrated Digital Service
Lead person: Andrew Byrom	Contact number: 07891 275241

1. Title: Review of Network Management Centre

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

The Integrated Digital Service will cease operating an overnight shift in the Network Management Centre which undertakes work which cannot be done during office hours. Through the use of automation technology, the work will still be carried out, however staff will not be required to work either on site or out of hours to provide the same outcome. Service users (i.e. council staff) will not notice a degradation in service provision as part of implementing this service review.

Six members of staff will be affected by this service review and the Managing Staff Reductions Policy and framework will be followed. Due to the high number of current vacancies, and in consultation with the trade unions, the service would look to deploy affected staff into other roles within the service or wider in the council.

This review takes the service in the right direction for migration to the cloud.

3. Relevance to equality, diversity, cohesion and integration

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

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

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

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?	X	
Does the proposal involve or will it have an impact on: <ul style="list-style-type: none">• Eliminating unlawful discrimination, victimisation and harassment• Advancing equality of opportunity• Fostering good relations		X

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

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

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

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

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

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

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

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

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:	3 rd January 2023
Date to complete your impact assessment	20 th January 2023
Lead person for your impact assessment (Include name and job title)	Adam Edmands, NMC Manager.

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Andrew Byrom	Head of Cloud & Platforms, Integrated Digital Service	29/11/22
Date screening completed		29/11/22

7. Publishing

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

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

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

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

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

Appendix 3: 'Business as Usual' (BAU) savings proposals for 2023/24 to 2025/26 considered at Executive Board in October 2022

No BAU proposals were presented to the Executive Board in October 2022 for the Adults & Health, Children & Families and Communities, Housing & Environment directorates.

City Development – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Directorate-Wide	Directorate-Wide Fees and Charges Review	-100	0	0	0.0	0.0	0.0
Directorate-Wide	Mitigate Pay Award by charging to Capital/Grants	-1,500	0	0	0.0	0.0	0.0
Directorate-Wide	Cash Limit Price Inflation	-1,300	0	0	0.0	0.0	0.0
Directorate-Wide	Delay in increasing capacity in Service Improvement Team	-160	160	0	0.0	0.0	0.0
Directorate-Wide	WYCA Substitution Opportunity	-250	0	0	0.0	0.0	0.0
Asset Management and Regeneration	Increase Commercial Rents and Fees	-300	0	0	0.0	0.0	0.0
Culture and Economy	Substitution Opportunity with Shared Prosperity Fund	-75	0	75	0.0	0.0	0.0
Culture and Economy	Business Rates Reduction – Museums and Galleries (Current)	-450	0	0	0.0	0.0	0.0
Culture and Economy	Business Rates Reduction – Museums and Galleries (Refund of previous payments) – One-Off	-1,000	1,000	0	0.0	0.0	0.0
Culture and Economy	Substitution of Leeds 2023 funding by Business Rates Pool	-1,500	0	0	0.0	0.0	0.0
Culture and Economy	Museums and Galleries Exhibition Tax Relief	-200	0	0	0.0	0.0	0.0
Highways and Transportation	Income Generation (New)	-50	-70	-80	1.0	0.0	0.0
Highways and Transportation	Additional income from new contractor framework implemented in 22/23	-25	0	-25	0.0	0.0	0.0
Highways and Transportation	Street Lighting Consumption	-190	0	0	0.0	0.0	0.0
Highways and Transportation	Inflationary increases applied to existing fees and charges	-95	0	0	0.0	0.0	0.0

Appendix 3: 'Revenue savings proposals for 2023/24 to 2025/26' – Executive Board 14th December 2022

City Development – Business as Usual Savings							
Service area(s)	BAU savings proposal description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Operations and Active Leeds	Inflationary increases applied to existing fees and charges for miscellaneous fees and 'Pay as You Go' fees.	-610	0	0	0.0	0.0	0.0
Operations and Active Leeds	Inflationary increases applied to existing fees and charges for general membership fees.	-160	0	0	0.0	0.0	0.0
Planning and Sustainable Development	Review of pre-app charging potential / CIL (Community Infrastructure Levy) charges and currently non-charged for services	-140	0	0	0.0	0.0	0.0
Total City Development BAU savings (October Executive Board)		-8,105	1,090	-30	1.0	0.0	0.0

Resources – Business as Usual Savings							
Service area(s)	BAU description	Potential savings / £'000s			Budgeted FTE impact		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Civic Enterprise Leeds (CEL)	Review of fees	-780	0	0	0.0	0.0	0.0
CEL: Leeds Building Services	Budgeted pay award included in charge-out rate	-2,400	0	0	0.0	0.0	0.0
Total Resources BAU savings (October Executive Board)		-3,180	0	0	0.0	0.0	0.0



Performance Report

Date: 5th January 2023

Report of: Director of Communities, Housing & Environment

Report to: Environment, Housing and Communities Scrutiny Board

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- The Best City Ambition was adopted by Full Council in February 2022. It sets out the outcomes we want to see for the city, recognising these cannot be achieved by the council alone and that everyone has a part to play – the council, city partners across sectors, citizens, communities and Government too.
- Members are asked to note that this is the first report presenting performance linked to the Three Pillars contained in the Best City Ambition. A new dashboard is being developed which will form the basis of future reports and the first iteration can be seen at [Appendix 1]. It is intended that we will present a version more tailored to this Board in due course. However, we would advise the Board that resources are currently directed towards the Energy Savings Taskforce and progression of the performance dashboards may be impacted by this. We will update the Board as appropriate.
- This report includes the latest available information for the directorate performance data requested for 2022/23 (please see Appendix 2). This is except for Crime and Incident based information owned by West Yorkshire Police which cannot be provided for release in a public document. A contextual update has been provided for each of these areas.

Recommendations

- a) Members are recommended to note the latest performance information contained in the Appendix 2 to this report and the issues which have been highlighted and consider if they wish to undertake further scrutiny work to support improvement over the coming year in any of these areas.

Why is the proposal being put forward?

- 1 That members can consider the latest performance information contained in the Appendix to this report and the issues which have been highlighted and consider if they wish to undertake further scrutiny work to support improvement over the coming year in any of these areas.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 2 The performance information contained in Appendix 2 to this report and the issues which have been highlighted are provided for the Board's information.
- 3 This is an information report and not a decision so it is not necessary to conduct an equality impact assessment. However, some of the data provided will link to wider issues of equality and diversity, and cohesion and integration, and there may be occasions when Scrutiny Board members will want to look more closely at these issues, and may request further information to inform their investigations.

What consultation and engagement has taken place?

- 4 This is an information report and as such does not need to be consulted on with the public. However all performance information is published on the council's website and is available to the public.

What are the resource implications?

- 5 There are no specific resource implications from this report, although some performance indicators relate to financial and other value for money aspects.

What are the legal implications?

- 6 All performance information is publicly available and is published on the council website. This report is an information update providing Scrutiny with a summary of performance for areas within its remit and as such is not subject to call in.

What are the key risks and how are they being managed?

- 7 There is a comprehensive risk management process in the council to monitor and manage key risks. The council's most significant risks are available and can be accessed via the council's website.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Zero Carbon

- 8 This report supports the 3 pillars by demonstrating what action is being taken to affect performance (where relevant) and to allow the board to challenge the same and consider whether any further focus should be given to any particular area in supporting these pillars.

Options, timescales and measuring success

a) What other options were considered?

9 N/A

b) How will success be measured?

10 N/A

c) What is the timetable for implementation?

11 N/A

Appendices

12 The following appendices are attached to this report:

- Appendix 1 – Best City Ambition Performance Dashboard
- Appendix 2 – Performance update

Background papers

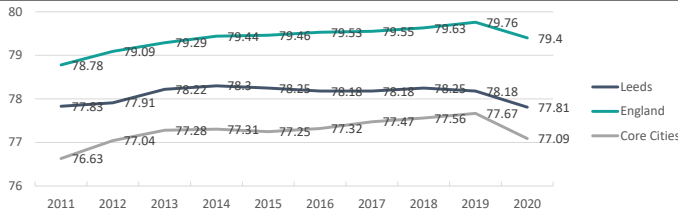
13 Leeds Best City Ambition

This page is intentionally left blank

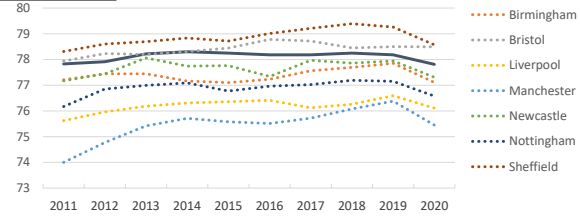
Life Expectancy at Birth

Figures are based on the number of deaths registered and mid-year population estimates, aggregated over 3 consecutive years. Source: ONS.

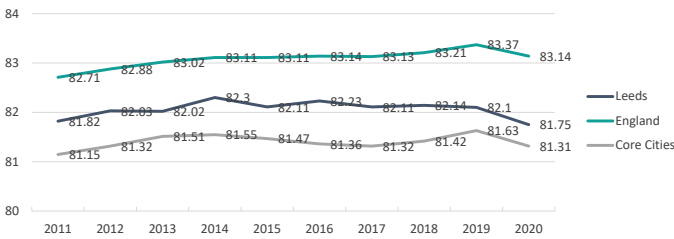
Male



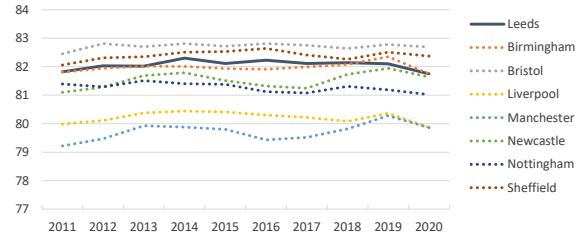
Core cities



Female



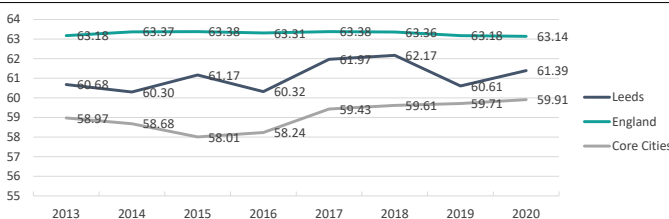
Core cities



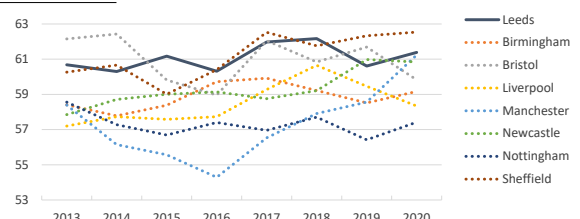
Healthy Life Expectancy

Disability-free life expectancy (DFLE) at birth estimates aggregated over three consecutive years.

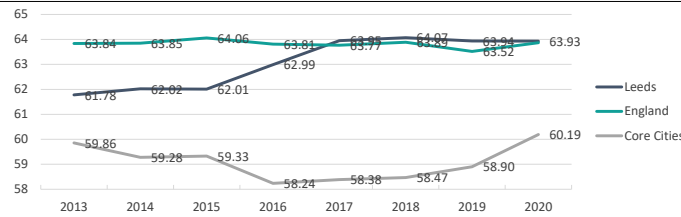
Male



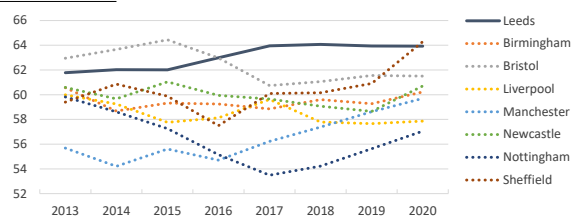
Core cities



Female



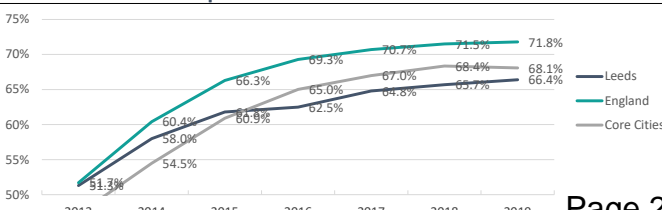
Core cities



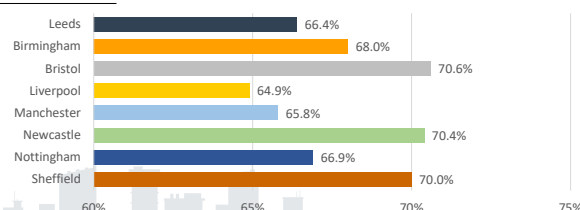
Early Years Development

Pupils achieving a good level of development at the end of the Early Years Foundation Stage (EYFS). In 2021 the EYFS profile was not mandatory, therefore data is only currently available up to the 2019 academic year. Source: DfE.

Good level of development at end of EYF



Core Cities 2019

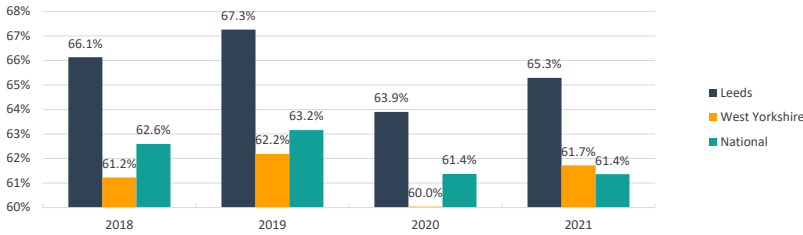


Healthy lifestyles



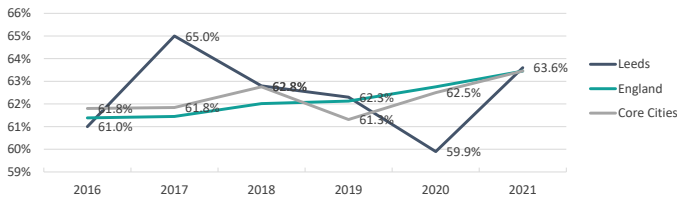
Physically active adults

Percent of adults active for 150+ minutes a week. Source: OHID (based on the Active Lives Adult Survey, Sport England)

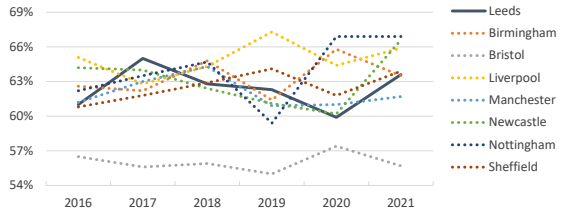


% of people classed as obese

Percentage of adults (aged 18+) classified as overweight or obese. Source: OHID (Active Lives Adult Survey, Sport England)

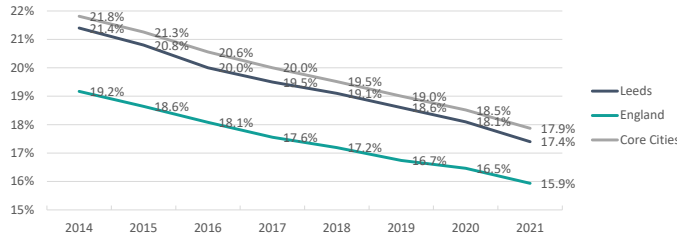


Core cities

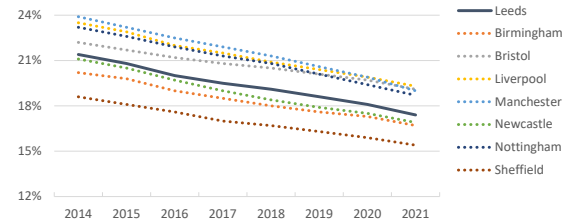


% of people who smoke

Smoking prevalence in adults (15+) - current smokers (QOF). Source: Quality and Outcomes Framework (QOF), NHS Digital

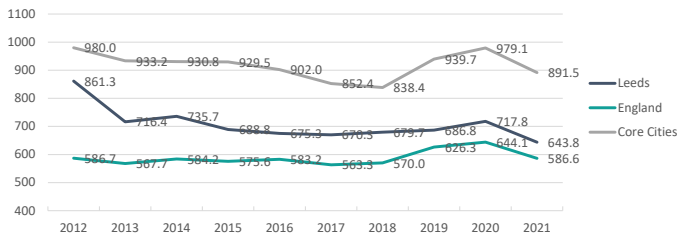


Core cities

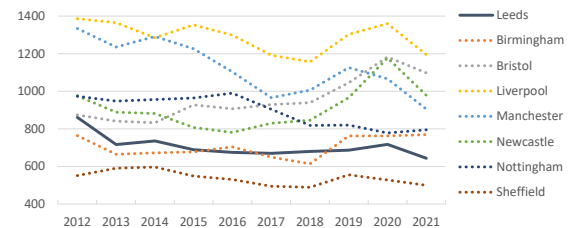


Alcohol related hospital admissions per 100k

Admission episodes for alcohol-specific conditions (Persons). Directly standardised rate per 100k population. Source: OHID.



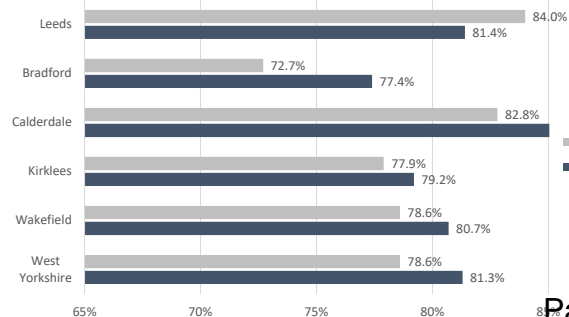
Core cities



Safe Communities

People who feel safe in their local area. Source: OPCC from public surveys in the West Yorkshire areas.

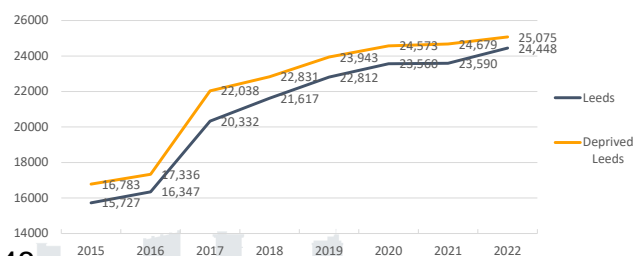
Percent of people who feel safe in their local area



Mentally Healthy

Prevalence of common mental health issues in the general population, age standardised rate per 100k people using GP data from PHE. Measure is unique to Leeds so not comparable with other areas. "Deprived Leeds" means patients living inside the most deprived 10% of the city

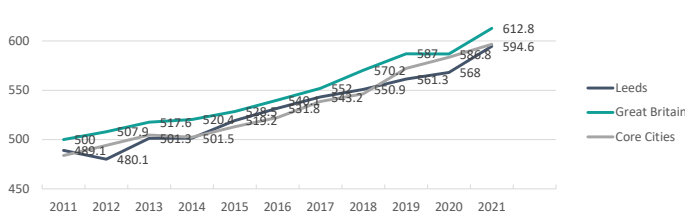
Prevalence of common mental health conditions



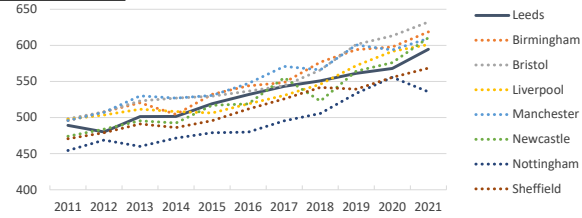
Good Jobs

Average gross median weekly earnings for full-time employees ages 16-64. Source: ONS - annual survey of hours and earnings - workplace analysis

Average gross weekly earnings

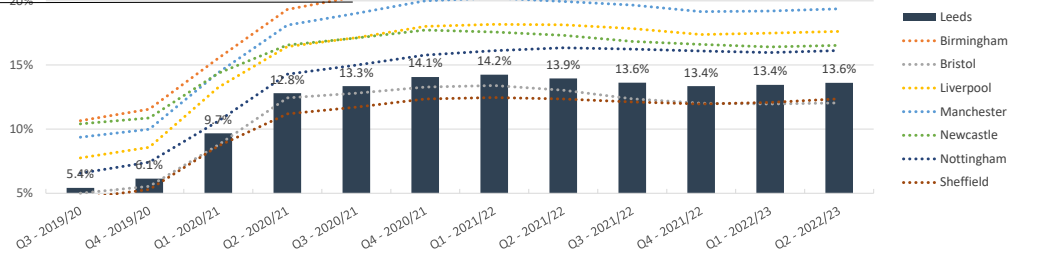


Core cities



Percentage of Universal Credit recipients

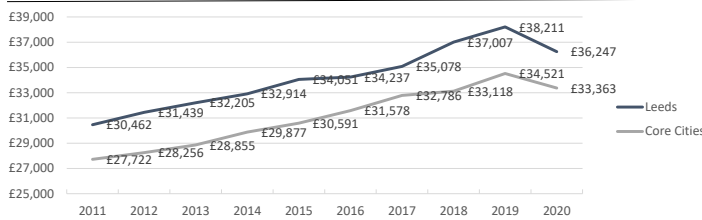
Universal Credit claimants as a percentage of the working age population over a 3 year period. Source: DWP



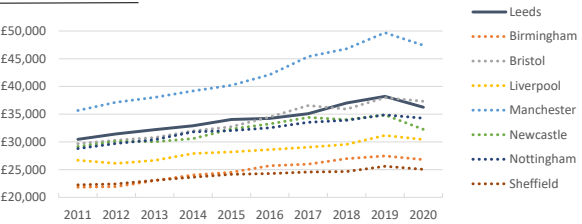
A Growing Economy

Local Authority: Gross Domestic Product (GDP) per head at current market prices, pounds million. Source: Regional economic activity by gross domestic product, UK: 1998 to 2020.

GDP Per Head

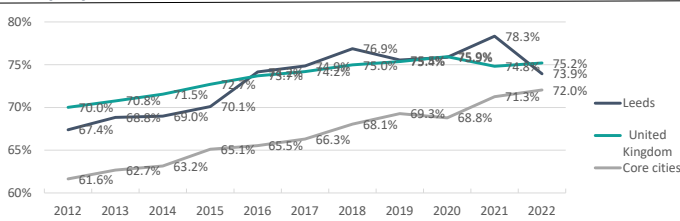


Core cities

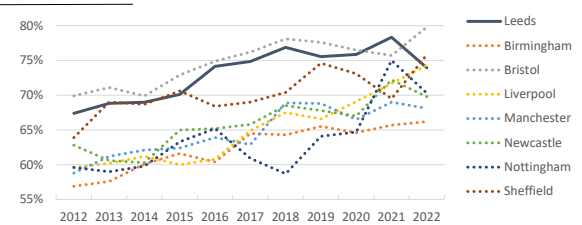


Employment Rates

Employment rate for people age 16-64. source: ONS - annual population survey



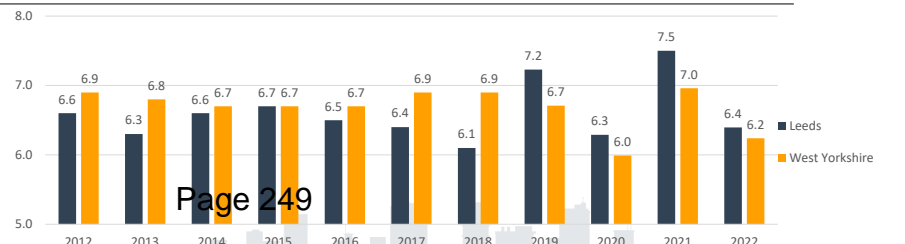
Core cities



Quality Public Transport

Satisfaction with Bus Services

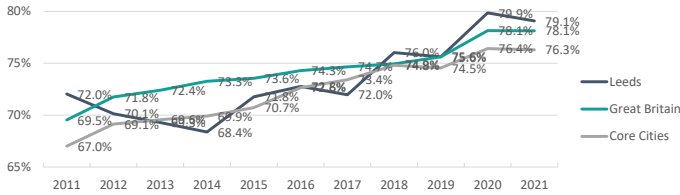
Satisfaction scores for Leeds and West Yorkshire bus services. Satisfaction score out of 10 UK: 1998 to 2020. Source: WYCA - West Yorkshire Residents Perceptions of Transport Survey



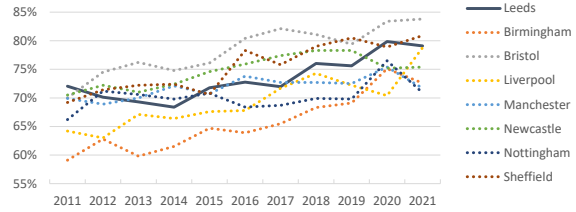
Future Skills

People with at least a level 2 or level 4 qualification. Source: ONS - annual population survey

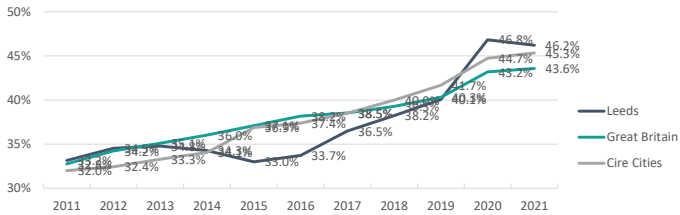
People with NVQ2 and Above



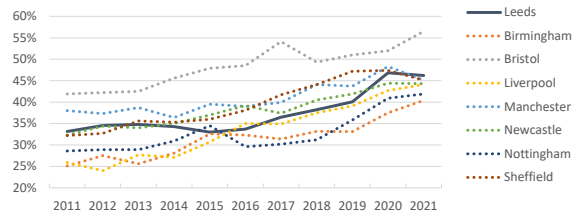
Core cities



People with NVQ4 and Above



Core cities



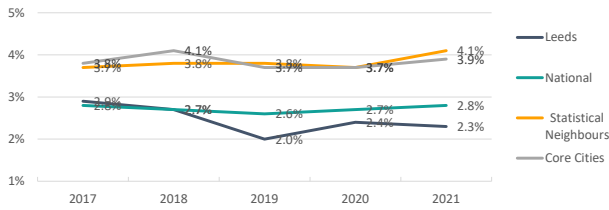
Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

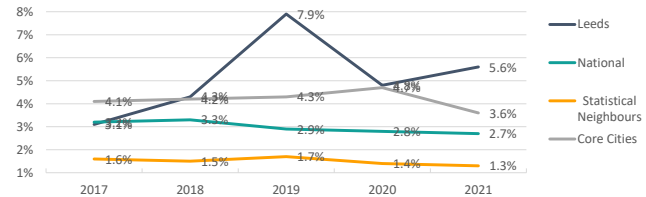
Engaged young people

Percentage of young people who are not in engaged in employment, education or training, or whose status is unknown. Statistical Neighbours are local authorities with similar characteristics, calculated by the DfE LAIT tool. Source: DfE

Young people who are NEET



Young people who's status is unknown



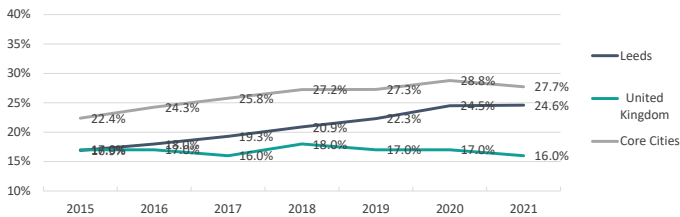
Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

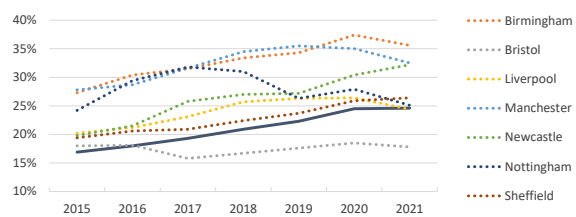
Tackling Poverty

Estimated percentage of children in relative poverty before housing costs. Source: Households below average income (HBAI) statistics (Gov.uk)

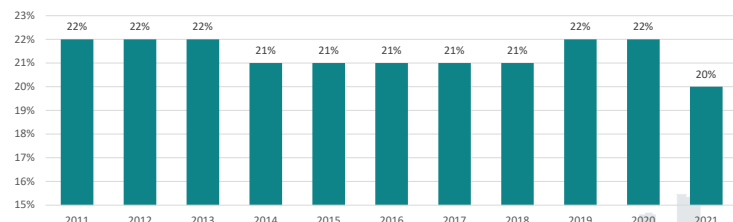
Children in relative poverty before housing costs



Core cities



People living in relative poverty after housing costs



United Kingdom percentage of people living in relative poverty after housing costs – national estimate. Source: HBAI Statistics (gov.uk)



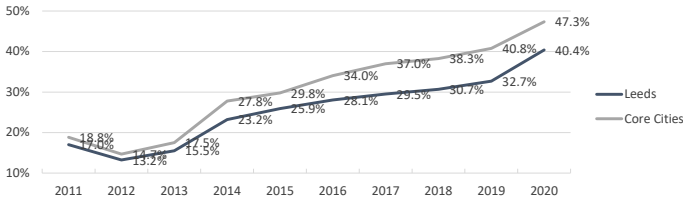
Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

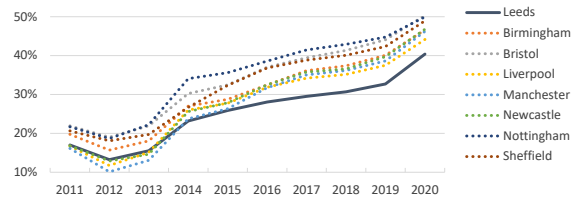
Low Carbon

Reduction in carbon emissions against 2005 baseline - data 2 years behind. BEIS - UK local authority and regional carbon dioxide emissions national statistics.

Reduction in Emissions



Core cities

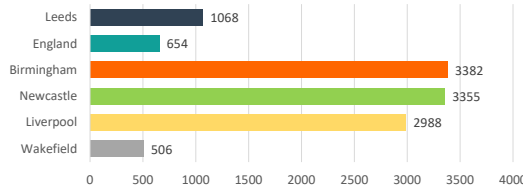


Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

Increasing Biodiversity

Population per one hectare of Local Nature Reserve spaces. Source: Publication in Town & County Planning by John Box in 2021.



Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

Reducing Flood Risk

Number of residential and commercial properties moved to a lower level of flood risk. Figure increases in steps when relevant large schemes complete. Source: LCC Flood Risk Management (from Environment Agency)

Residential (2017)

504

Commercial (2017)

3261

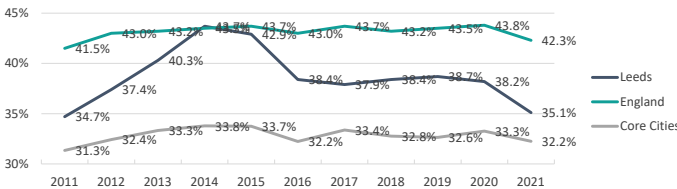
Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

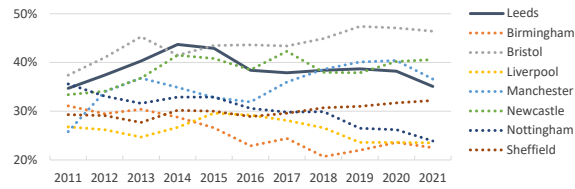
Waste Reduction

The percentage of household waste arising sent for reuse, recycling, composting or anaerobic digestion. Source: Department for Environment, Food and Rural Affairs

Household Waste Recycled



Core cities

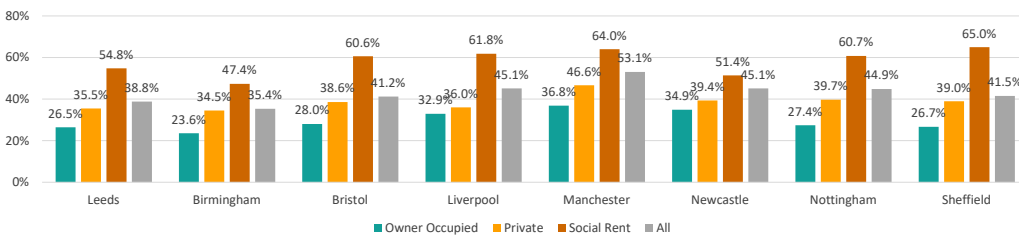


Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

Energy Efficient Homes

Proportion of homes with EPC C or better by tenure



Percentage of dwellings with EPC Band 'C' or above, Source: ONS

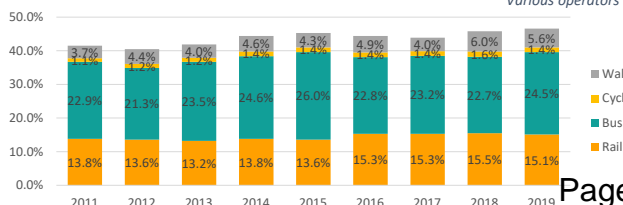
Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

Sustainable Travel

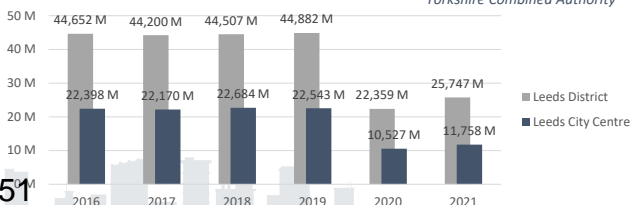
Sustainable Travel Modes

Leeds Morning peak weekday mode share on radial routes approaching City Centre. Source: Various operators



Bus Boardings - Leeds

Number of bus boardings and change against previous year. Source: West Yorkshire Combined Authority



Health and Wellbeing • Inclusive Growth • Zero Carbon

Tackling Poverty and Inequality

This page is intentionally left blank

Appendix 2 – Scrutiny performance update (January 2023)

Contents

Key Performance Indicator update	Page(s)
Housing	
Rent Collection & Arrears	2
Former Tenancy Arrears	3
Void properties	3
Average re-let times	4
Claims for disrepair – ‘live’	4
Homelessness prevented through securing accommodation for at least six months	5
Households in temporary accommodation	6
Gas services – completed on time	6
Housing adaptations	6
Annual tenancy contacts	7
Customer Complaints (Housing)	7 - 9
Customer access & Welfare	
Welfare rights: customers assisted & total value of benefits gains	10 - 11
Housing benefit caseload	11 – 12
Local welfare support scheme (applications received and awards)	13
Customer contact in community hubs	14
New people registered with the Jobshop	15
Environmental Services	
Bin Collections	16
Waste Reduction	17
Safer Stronger Communities	
Anti-Social Behaviour	18 - 19
Domestic Abuse	19 – 20
Hate Crime	20 - 21

Appendix 2 – Scrutiny performance update (January 2023)

Rent collection & arrears				
Rent Collection	Mar 21	Aug 22	Sep 22	Oct 22
City	96.70%	94.02%	93.95%	94.31%
BITMO	96.51%	95.53%	95.46%	95.71%
East	96.49%	93.54%	93.47%	93.80%
South	97.07%	94.55%	94.41%	94.79%
West	96.58%	93.85%	93.83%	94.21%
Rent Arrears	Mar 21	Aug 22	Sep 22	Oct 22
City	3.23%	4.19%	4.30%	4.26%
BITMO	3.46%	3.54%	3.59%	3.53%
East	3.48%	4.60%	4.68%	4.63%
South	2.78%	3.73%	3.86%	3.84%
West	3.38%	4.30%	4.40%	4.35%

Rent collection performance has dipped over the last 12 months, from 94.8% at the end of October 2021 to 94.31% at the end of October 2022. Over the same period, we saw an increase in rent arrears from 3.94% to 4.26%.

This decline in overall performance mirrors experiences of other landlords, particularly larger urban landlords. The main contributor towards this decline in performance is thought to be increasing hardship experienced by tenants on low incomes – high inflationary increases mean that essentials such as home energy, fuel and food are costing tenants more over the last year alongside the removal of enhanced benefit levels that had been in place during the pandemic. Housing Leeds has recently restated to tenants its supportive stance on rent arrears, emphasising to tenants that they will not lose their council home because of financial hardship where they are positively engaging with us and making some payment against arrears. Alongside this we have launched our Winter / Christmas Income Campaign which has week by week activities planned, including sharing key messages with customers about additional support available, delivering targeted messages to specific customer groups.

Other internal factors have contributed to this decline in performance, including some ongoing issues with the arrears functionality in the new housing management system / staff confidence in using the system. All Housing Officers have received a robust training programme over recent months to address these issues.

On a positive note, we have seen the gap between last and this year's performance reduce over the last quarter and will continue to closely monitor the performance trend during quarter 3 and 4.

Appendix 2 – Scrutiny performance update (January 2023)

Former Tenancy Arrears % of annual rent				
	Arrears	Aug 22	Sep 22	Oct 22
City	£4.34m	1.93%	1.92%	1.92%
BITMO	£.15m	2.02%	1.94%	2.05%
East	£1.31m	1.98%	1.96%	1.93%
South	£1.11m	1.64%	1.64%	1.65%
West	£1.78m	2.10%	2.11%	2.11%

Former Tenancy Arrears at the end of October were 1.92% of the overall rent charged, a reduction from 1.98% in October 2021.

Up to the end of October we had written off £698.7k, which is 0.3% of the total annual rent charged and collected £530.7k.

Void properties			
	Aug 22	Sep 22	Oct 22
City	1,171	1,151	1,059 (1.96% of stock)
BITMO	15	18	14
East	448	423	391
South	408	400	374
West	300	310	280

Reducing the number of void properties in the city remains a key strategic priority for the service, not only to maximise income from rents, but also in the context of the huge demand for social housing, illustrated by the number of people on the Leeds Homes Register.

Actions Plans are in place for all service providers in relation to void returns, with the targets set on these plans now consistently achieved by all service providers, meaning the trend for the number of voids is positive, reducing on a weekly basis. The Housing Leeds Action Plan has included the short-term procurement of additional contractors to support the efficient reduction in voids. These contracts are in place until the end of the 2022/23 financial year, by which point it is anticipated the target of no more than 1% of stock being void will have been achieved.

The ongoing energy crisis remains a key risk to the service. Energy providers continue to restrict supplies being 'switched', meaning the time taken to manage the energy supplies in void properties is significantly impacted. The service continues to work with partners at Energy Angels to minimise this impact.

Appendix 2 – Scrutiny performance update (January 2023)

Average re-let times (days)			
	Aug 22	Sep 22	Oct 22
City			146
BITMO	92.1	89.5	82.7
East	187.5	184.2	184.2
South	174.8	173.4	172.9
West	105.4	105.6	108.2

Average relet times at the end of October were 146 days against a target of 30 days.

Performance does vary across the city, with East at 184 days, South at 173 days and West 108 days. This performance position is reflective of the void backlogs which whilst the number of voids continues to reduce, we project that the impact on relet times will continue up to the end of the financial year.

Performance is also impacted negatively as a result of exclusions not being applied correctly to exclude some void periods which are excluded from the average, for example a property was recently returned to Housing Leeds by the Crown Prosecution Service after over 600 days of their use. There are multiple examples of such cases. We are working with teams to ensure that exclusions are applied correctly moving forward.

Claims for disrepair – ‘live’				
Month	Open	Closed	Old cases	Total
June	96	65		1029
July	82	40		1071
August	69	90		1050
Sept	77	87		1040
October	80	106		1014
November	60	112	plus 20 old cases	982

There are currently 982 live disrepair claims.

This is a reduction from a peak of 1071 in July of this year (an 8.5% reduction). This reduction is attributed to increased efficiencies in dealing with live claims and the beginnings of successes of various disrepair reduction strategies that have seen the average number of claims received per month reduce from 85 p/m to 72 pm in the last quarter (a reduction of 15%).

Appendix 2 – Scrutiny performance update (January 2023)

Homelessness prevented through securing accommodation for at least six months							
Leeds has a very successful approach to preventing homelessness - often cited as national best practice.							
The current (Apr-Oct) 'positive prevention' rate (78%) is the percentage of cases where the customer approaches as 'threatened with homelessness' (i.e., they are at risk of losing their property), and their homelessness is prevented by securing them an accommodation outcome for 6 months or more. The table below provides a breakdown of all reasons for household prevention duty ending.							
That national average is 55%, that is just over half of all cases that present as 'threatened with homelessness' are successfully prevented from becoming homeless. The percentage in Leeds is significantly above the national average and above other comparable cities.							
National figures for 2022/23 Quarter 1 (Apr – Jun) have now been published. The table below highlights the high volume and levels of performance achieved by Leeds when compared against other core cities. (Note: no data is currently published for Birmingham)							
Reason for households' prevention duty ending:	Leeds	Sheffield	Newcastle	Manchester	Liverpool	Nottingham	Bristol
Total number of households where prevention duty ended	843	199	267	734	96	259	112
Secured accommodation for 6+ months	633 (75.1%)	47 (23.6%)	148 (55.4%)	268 (36.5%)	46 (47.9%)	103 (39.8%)	45 (40.2%)
Homeless (including intentionally homeless)	99	107	23	195	38	56	47
Contact lost	93	12	55	36	4	56	15
56 days elapsed and no further action	7	20	2	211	6	38	2
Withdrew application / applicant deceased	7	12	24	22	2	5	3
No longer eligible	2	0	1	2	0	0	0
Refused suitable accommodation offer	2	0	10	0	0	1	0
Refused to cooperate	0	1	4	0	0	0	0
Not known ⁶	0	0	0	0	0	0	0

Appendix 2 – Scrutiny performance update (January 2023)

Households in temporary accommodation

Where customers are homeless, eligible and in priority need, the authority has a duty to secure them accommodation.

Leeds Housing Options continues to have a hugely successful prevention approach, assisting customers to prevent and relief their homelessness. the authority has a duty to secure them accommodation. To date in 2022/23 this has resulted in Leeds having 93 households in temporary accommodation compared to, e.g., Manchester at 2,879 and Birmingham at 3,958.

The broad make-up of applicants in temporary accommodation is people who were previously rough sleeping and families who have lost their last settled accommodation.

Gas services – completed on time

The Property Maintenance team have performed brilliantly to achieve all our statutory repair obligations, ensuring our properties have received important gas safety inspections and that our tenants remain safe in their new homes.

To date, 99.67% Gas Safety inspections have been carried out on time. The reason this is not 100% is due to no access, to address this we are going through the process of obtaining an access warrant through the courts.

Housing adaptations

Major adaptations completed in target	Aug 22	Sep 22	Oct 22
Public tenure	91%	88%	87%
Private tenure	91%	97%	96%

Staff shortages, manufacturing delays and contractor performance are having a detrimental impact on performance.

To help address these issues, the service is investigating, and meeting regularly with contractors regarding service improvements. Specialist staff (e.g., surveyors) are also being drafted in from other areas to assist, and previous Asbestos related delays have been addressed.

For 'Private' adaptations, overall performance has remained high as the Planners are very efficient in allocating this work to the Contractors. This then gives the Contractors an extended period for completion.

Appendix 2 – Scrutiny performance update (January 2023)

Annual tenancy contacts				
Area	Target	Completed (%)	Number completed	Total Tenancies
CITY	26%	20.27%	9704	47879
BITMO		10.98%	189	1721
EAST		22.89%	3441	15030
SOUTH		23.54%	3143	13350
WEST		16.49%	2931	17778
<p>As at the end of October 2022 we had completed Annual Tenancy Check Ins to 20.27% of Council homes, against a year-end target of 44%.</p> <p>There are significant variations in performance between offices, ranging from Beeston and Holbeck where 30% have been completed compared to Kirkstall where only 9% have been completed. The main issues impacting on performance are staffing resources linked to vacancies and absence, but we are working with teams to achieve our target by year end.</p> <p>Priority is being given for annual visits to tenants who are identified as a higher priority because of known support needs or property issues, with remaining customers being visited every 3 years. We are finding that this year's visit programme is highlighting a number of tenancy and support issues which require action, e.g. retrospective tenancy changes, cases of self-neglect and hoarding. We are beginning to prepare for the 22/23 programme, considering which tenancies will be prioritised for a contact next year.</p>				

Customer Complaints (Housing)					
Indicator	Oct – Dec 2021	Jan – Mar 2022	Apr – Jun 2022	Jul – Sep 2022	Oct 2022
Stage 1 complaints received	564	677	590	556	222
Stage 1 responded to within 15 working days	60%	66%	69%	69%	79%
Stage 2 complaints received	115	135	115	120	52
Stage 2 responded to within 15 working days	60%	55%	59%	66%	60%

Appendix 2 – Scrutiny performance update (January 2023)

Customer Complaints for Housing (continued)

The corporate target for complaints performance is that 95% of complaints received should be responded to within 15 working days.

This target was not met within Housing during Quarters 1 and 2 of 2022/23, however, the improvement seen in the second half of 2021/22 has continued.

The number of stage 1 complaints received in October is the highest since March. There is a 20.6% increase compared to October 21. However, response in 15 working days was just under 79%, an improvement from September and is a positive performance trend.

Escalations to stage 2 remain around 1 in 5 of all cases.

This indicates there is an opportunity to further improve the quality of stage 1 responses and better manage customer expectations, so we are working with investigating officers to offer guidance on improving our management of complaints.

Most complaints, approximately 2 in 3, relate to repairs, particularly responsive repairs, which include those carried out by Leeds Building Services. A broad range of Housing Management related issues account for the remainder of complaints received.

The Responsive Repairs service continues to operate their Early Intervention team with a focus over the last two quarters on directing issues to Leeds Building Services own customer facing teams to proactively prevent complaints and enquiries from escalating.

This 'one team' approach is leading to successful outcomes for tenants and good joint working which is helping to identify improvement measures.

The focus of the service remains on both responding within timescales and improving the overall quality of complaint responses and customer satisfaction, particularly at stage 1.

Since last reporting to the board, we are:

- Undertaking our third annual self-assessment against the Housing Ombudsman Complaint Handling Code. We will publish a summary online and share this via our monthly tenant email.
- Continuing our monthly quality assurance checks on 10% of all responses with learning relating to the quality of complaints responses fed back to service leads .
- We are currently analysing Q3 tenant satisfaction data. This includes questions about customer care and residents' familiarity with the complaints process and is being issued on a quarterly basis throughout 2022/23 for us to better track and learn from current customer experiences.

Appendix 2 – Scrutiny performance update (January 2023)

Customer Complaints for Housing (continued)

- Continuing to contribute to Housing Ombudsman investigations and actively engage with them to identify learning opportunities.
- Encouraging teams staff to discuss Lessons learned from complaints as part of staff training sessions.
- Producing a regular complaints summary identifying wider trends and potential areas for improvement which is shared with the senior management team for review

To improve the repairs service, we have:

- Put plans in place with our repair providers to speed up the time it takes to complete repairs
- Reviewed the stock in our vans so we can complete more repairs on our first visit
- Given our 'out of hours' staff mobile devices to update our repairs system more quickly. This allows our day-time staff to see exactly what work is outstanding and information isn't lost
- Created a 'minor works' team within Leeds Building Services, so if a property needs repairs from different trades, or larger, more complex repairs then these can be managed by the one team
- Changed the way that we collect customer satisfaction with completed repairs. This will allow more tenants the opportunity to provide us feedback and enable us to deal with any issues in a timely manner
- Increased the number of staff supporting/managing the day-to-day repairs service.

Appendix 2 – Scrutiny performance update (January 2023)

Welfare rights: customers assisted & total value of benefits gains

The Welfare Rights Team continues to assist the citizens of Leeds to receive all relevant benefits to alleviate their financial difficulties.

The table below shows the increase in clients assisted as at the end of October for the last three years and reflects the end of the pandemic and move back to assisting clients with benefit advice and form completion.

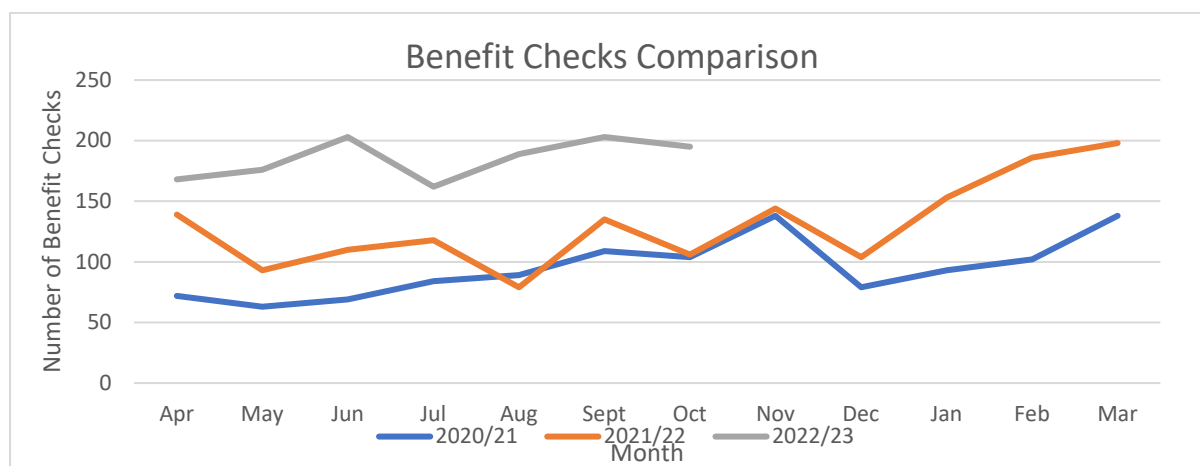
Indicator	Oct 20/21	Oct 21/22	Oct 22/23
Customers assisted	12,226	17,054	16,894
Total value of benefit gains	£7,563,633.41	£ 12,263,697.55	£16,448,733.75

One of the main issues for the welfare rights team has been the increase in number of disability related claims, especially Personal Independence Payment (PIP) for working age claimants and Attendance Allowance for pensioners. Applications consist of lengthy claim forms which are time consuming to complete, a typical appointment could last up to an hour and a half.

The government has acknowledged there has been a significant rise in claims for PIP claims. This is caused by two main factors - a significant rise in claims amongst older age groups due to physical conditions and amongst younger age groups due to mental health conditions. According to the Office for Budget Responsibility 'It is possible that these trends among both age groups could be linked to the rising waiting lists for NHS elective treatments and for mental health treatments in the aftermath of the pandemic'

The welfare rights team has also noted an increase in general enquiries relating to the cost-of-living crisis where customers will ring to see if they are entitled to any additional help. It is possible that this has also contributed to the increase in number of disability related claims particularly from older persons, who perhaps would not have bothered previously but are now struggling and feel they have no option but to make a claim.

The following graph shows how the numbers have increased.



Appendix 2 – Scrutiny performance update (January 2023)

Welfare rights: customers assisted & total value of benefits gains (continued)

The number of new claims has a knock-on effect on the number of appeals.

We have seen a marked increase in appeals compared to the previous year having helped with 253 appeals for the first 9 months of 2022 compared to 169 during the same period in 2021.

This is backed up by the latest quarterly statistics from the Ministry of Justice which showed an 81% increase in the number of appeals made to a tribunal compared to the same period in 2021, mainly due to significant increases in PIP appeals. It is noted that 71% of PIP appeals were overturned at a tribunal, thus highlighting the importance of this work.

This year we have found the Tribunal Service have also dealt with appeals much quicker and this has placed the service under pressure to assist the clients before their hearing date to ensure they are fully prepared and have had the opportunity to put their case forward to the Tribunal.

This is reflected in the increased gains we have achieved. At the end of October 2022, we have assisted clients gain appeal outcomes to the value of £422,597.68 compared to £168,236.34 in October 2021.

As the DWP are struggling to process claims timely and taking in the region of 6 months to get a decision on a disability related claim, this causes a time lag before the number of claims affects the number of appeals. It is therefore expected that the number of requests for assistance with PIP appeals will continue to rise over the next year.

The DWP has recently announced that the roll out of existing DLA claims to PIP have been further suspended and the migration of ESA claimants onto Universal Credit has been delayed until 2028. This adds to the complexity of advice being given, as advisors must retain knowledge of multiple benefit rules and understand the consequences and implications for affected customers.

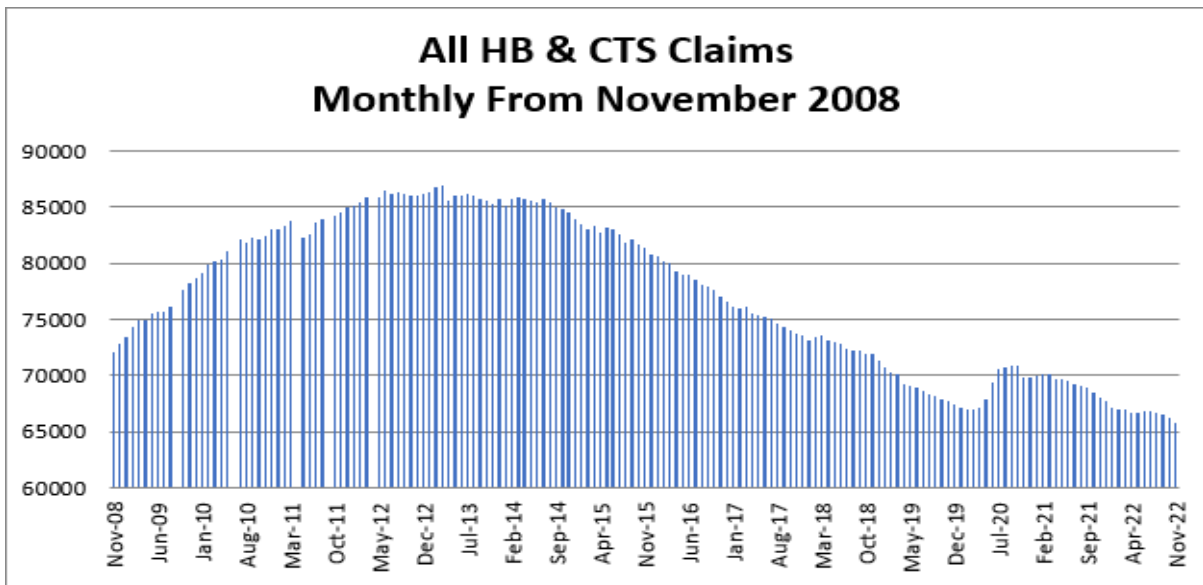
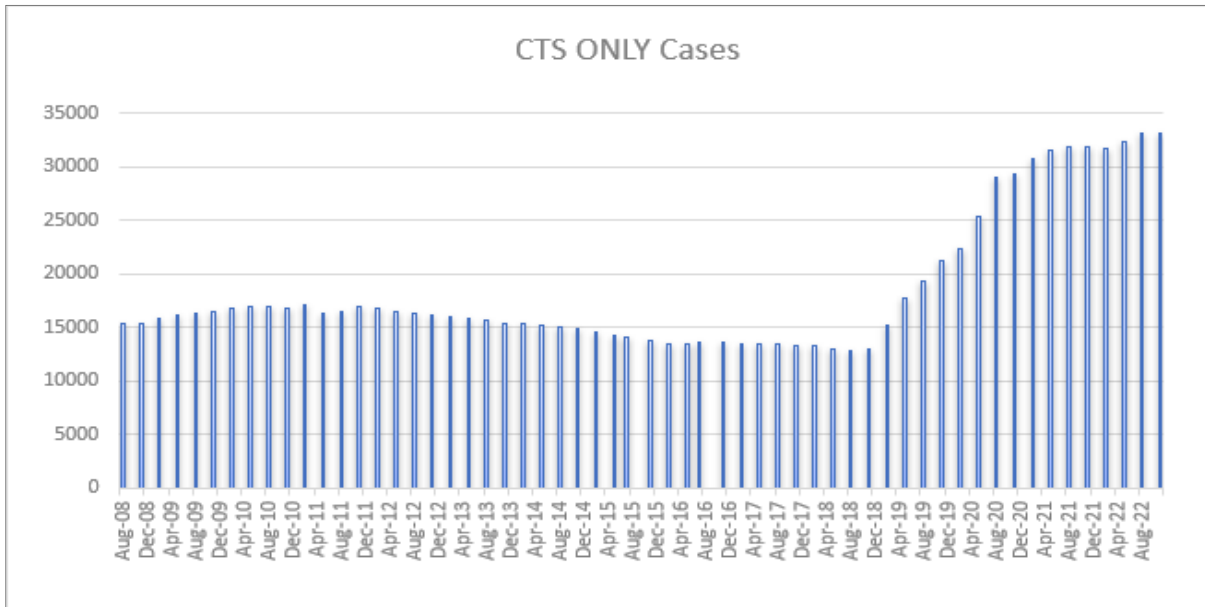
Housing benefit caseload

The monthly average Housing Benefit (HB) Caseload for Apr – Nov 2022 is: 33,663.

The above figure does not provide the full picture because, with the ongoing “Natural Migration” to Universal Credit for Working Age claims, that commenced in October 2018, the HB caseload is continually decreasing. It should also be noted that our total caseload of combined Housing Benefit and Council Tax Support has decreased to a much lesser extent because whilst Working Age HB Claims are steadily moving over to UC, many then become Council Tax Support Only Claims

The first chart shows the increase in Council Tax Support Only claims, and second the combined number of HB&CTS Claims – Namely our total caseload.

Appendix 2 – Scrutiny performance update (January 2023)

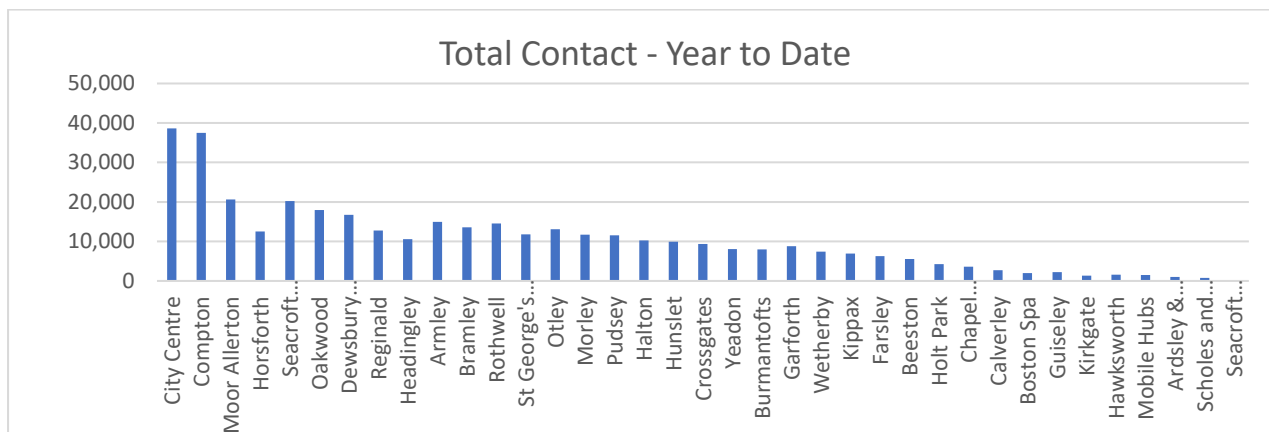


Appendix 2 – Scrutiny performance update (January 2023)

Local welfare support scheme (applications received and awards)					
Month	Total Applications	Total Awards	Total Award %	Total Refusals	Total Projected Spend
Apr 19 - Sep 19	1,740	1,404	81%	336	£281,696
Apr 21 - Sep 21	2,381	1,809	76%	572	£294,165
Apr 22 - Sep 22	5,006	3,950	79%	1,056 – see summary below	£551,217
<p>The Local Welfare Support Scheme (LWSS) is designed to support people who are experiencing an emergency or crisis position. The service offers food parcels, fuel vouchers, supermarket vouchers, white goods, furniture and has recently trialled a cash grant scheme.</p> <p>The data in the above table demonstrates the rising demand both during covid, and more significantly so during the current cost of living crisis. Please note, 'Total projected spend' is worked out on the assumption that all food/fuel awards have been collected, and items of furniture have all been successfully delivered.</p> <p>Reasons for refusals are split into the following categories:</p>					
Reason for refusal					Number of refusals in 2022/23
No response - Failed to answer at least 2 call attempts					350
No proof received - Asked to provide evidence to support their application but failed to engage from this point					215
Withdrew application - Withdrew application due to no longer requiring assistance					178
Single/couple and not entitled - single or couple's whose application was refused due to a discrepancy in their application					168
Family and not entitled - Family whose application was refused due to a discrepancy in their application					101
Previous award - Had a previous award preventing another which wasn't noted at first point of contact					39
Habitual Residence Test / Genuine Prospect of Work - Subject to immigration control and have no right to public funds					5
<p>As part of the ongoing Local Welfare Support Scheme review, the need to publish eligibility criteria was highlighted as potential applicants did not know whether they met the criteria before applying. A new webpage has been designed, which will host this information and will go live alongside a new online form in early 2023, providing both greater transparency to the public and reducing the likelihood of ineligible applications, therefore saving officer time, and providing a better customer experience.</p>					

Appendix 2 – Scrutiny performance update (January 2023)

Customer contact in community hubs



Last year between April 1st and November 30th there were just over 343,000 customer contacts. This year, for the same period, that number rose to just over 380,000. This is an increase of 10.6% this year, for the same period.

Staffing numbers each day have been affected by Covid related absences which have directly impacted our ability to have contact with customers. For example, if a service location which usually has 4 staff members working there is reduced to 2, due to absence, naturally the number of customers who are seen will also reduce. None the less, the 10.6% increase in the amount of customer contact this year on last is an excellent indicator of the valuable work that the community hubs and libraries do face to face.

Looking purely at customer contacts, most of our busiest service areas such as libraries, housing, partner agencies and housing benefit remain quite stable in terms of their monthly number with a growth/decline allowance of up to 15% from month to month. Council tax is different here due to influences by service changes and processes. For example, council tax enquiries rise leading up to the year end and into the new financial year, as new bills are released. In addition, this year there was over 5,000 extra contacts due to the council tax rebate scheme.

When looking at specific locations, different locations deliver different services. For example, the city centre hub does not house a library and so the enquiries it delivers are all customer service and Jobshop based, whereas the Compton Centre has a library, customer services and a Jobshop and so delivers all 3 services enquiries. There are also standalone libraries, Farsley for example. Although our opening hours were standardised last year, there are a small number of locations that open a lot less than others. The differences in services provided and opening hours need to be considered when comparing statistics between the service locations.

Another element to consider are the citizens who use our service locations without having contact with one of our team members. Citizens come in to relax by reading a book, make use of our warm space facilities, use our PCs and to take part in events, these citizens are not counted in our statistics. All locations have their own value, based on the services they deliver.

Appendix 2 – Scrutiny performance update (January 2023)

New people registered with the Jobshop

In 2022/23 to date, 671 of the 2,684 customers registered onto our Jobshops and ‘pop-up’ Jobshops have been supported into employment.

The table below shows a breakdown for each centre, and also includes the total figures of customers who registered on the Jobshop, Employability, Support, Programme (JESP).

These customers have 6-month in-depth support to find employment with help/support from our experienced Senior Customer Service Officers who intensively work with them to look for employment and other related support.

Out of the 1,185 customers on our JESP programme we have intensively supported 227 customers into employment.

Centre Name	Jobshop registers	Job outcome	JESP Starts	Job outcome
Armley	230	91	137	44
Bramley	26	6	16	
Burmantofts	11		2	
City Centre	791	166	211	66
Compton	515	72	314	35
Seacroft North	94	39	63	12
Dewsbury Road	389	104	150	20
Hawksworth	27	6	16	
Headingley	24	5	20	
Holt Park	14	4	6	
Horsforth	7		8	
Hunslet	129	70	44	17
Mobile	14	6	20	
Moor Allerton	14	2	1	
Morley	34	12	21	
New Wortley	7	4		
Otley	8	1	5	
Pudsey	23	10	18	3
Reginald	246	45	94	15
St Georges	71	21	30	6
Yeadon	10	7	8	
Total	2,684	671	1,185	227

Appendix 2 – Scrutiny performance update (January 2023)

Bin Collections - % of household waste collections completed successfully

Missed bins

The Council collects data and reports on a city-wide level (in-line with the previous performance indicator historically required by government) in 4-weekly periods to reflect the service provision, with a total of 13 periods per year.

The data provided is the number of occasions that bins were reported to the Council that were not emptied on their scheduled day of collection, irrespective of whether they were then collected within the 48 hours recovery target.

REPORTED MISSED BINS PER 100,000 AND % MISSED 22/23 YTD								
4-week period commencing	w/c 21 Mar	w/c 18 Apr	w/c 16 May	w/c 13 Jun	w/c 11 Jul	w/c 8 Aug	w/c 5 Sep	w/c 3 Oct
Period number	1	2	3	4	5	6	7	8
Residual - Black	86.8	68.4	115.9	172.6	159.7	140.1	111.2	77.2
SORT - Green	80.8	86.3	77.2	111.1	126.5	134.9	100.4	76.8
Garden - Brown	170.8	150.5	256.7	194.9	142.7	165.5	126.3	106.2
Overall	102.6	92.1	119.1	156.3	144.9	144.0	110.8	83.2
Collections Made %	99.90%	99.91%	99.88%	99.84%	99.86%	99.86%	99.89%	99.92%
Collections Missed %	0.10%	0.09%	0.12%	0.16%	0.14%	0.14%	0.11%	0.08%
Collections Made cumulative %	99.90%	99.90%	99.90%	99.88%	99.88%	99.87%	99.88%	99.88%
Equivalent 4-week period 21/22 Collection Made %	99.85%	99.88%	99.84%	99.84%	99.84%	99.88%	99.90%	99.91%
Equivalent 4-week period 21/22 Collections Made (Cumulative) %	99.85%	99.87%	99.86%	99.85%	99.85%	99.86%	99.86%	99.87%

Data from the last financial year (2021/22), showed that despite the continued pressures on the service and increase in waste presented since the COVID-19 pandemic started, Leeds City Council successfully picked up a minimum of 99.84% of all planned collections in each 4-week period during 2021/22. The cumulative end of year 2021/22 (13 periods) position of bins collected was 99.87%.

For the current financial year (2022/23) the cumulative position YTD of bins collected on their scheduled date is 99.88%. This is a slight improvement on last year's equivalent cumulative YTD position of 99.87%.

Appendix 2 – Scrutiny performance update (January 2023)

Waste Reduction - % of household waste recycled in Leeds and trend in household waste arisings						
Household Recycling 22/23	April	May	June	July	August	September
2021/22 YTD Achieved (cumulative)	38.37%	37.03%	39.20%	39.44%	39.39%	39.54%
2022/23 YTD Target (cumulative)	49.58%	50.78%	51.14%	50.23%	49.91%	49.63%
2022/23 YTD Achieved (cumulative)	36.77%	39.56%	40.26%	39.74%	39.25%	38.71%
2021/22 Monthly Achieved	38.37%	35.56%	43.19%	40.12%	39.19%	40.31%
2022/23 Monthly Achieved	36.77%	42.21%	41.64%	38.05%	37.27%	35.73%
<p>The YTD cumulative recycling rate (to end of Sept 22) shows a slight decrease when compared that that achieved at the same time in 2021/22.</p> <p>Recycling saw a nearly 7% increase in May 2022 compared to May 2021, but small decreases in the other months have produced an overall decrease year to date. This is mainly due to garden waste, with the hot dry summer months in 2022 and associated hosepipe bans, which have led to a large decrease in the expected levels of garden waste. The increase in glass throughout COVID has now reduced to near normal pre-COVID levels, resulting in a decrease when comparing to last year.</p> <p>The reduction in recycling inevitably reduces the net carbon benefit of the service, however, due to the reduction being mainly caused by garden waste, this has a much lower net impact than if reductions were coming from other recycling streams.</p>						

Appendix 2 – Scrutiny performance update (January 2023)

Anti-Social Behaviour

Leeds has a well-established Anti-Social Behaviour (ASB) Partnership Silver Board that coordinates a sustainable, strategic, and tactical partnership response to reduce the impact of anti-social behaviour in the district. ASB and ASB related incidents have reduced across Leeds in the last 12 months, predominantly due to increased partnership working between LCC and West Yorkshire Police using a combined approach focusing on early intervention and prevention as well as enforcement tactics.

A number of initiatives to tackle ASB across a number of neighbourhood areas has been really successful and we have invested in the area of ASB motor bike use and continued to use the Safer Streets fund to increase officer visibility.

Harassment crimes, Public Order Crimes and criminal damage have increased in this period but are included in the overall reductions as mentioned above. WYP has been focused on CDI compliance within ASB crimes for the last 18 months and this has seen significant improvements as a result.

All ASB related calls are run through the ASVAT tool which highlights any areas of vulnerability. This was highlighted as good practice during our last HMICFRS inspection.

Some highlights from the last year are:

- **Early Intervention** – we have improved our partnership linkages with the Youth Justice Service and Early Help Hubs to divert young people away from the Criminal Justice System at an earlier stage. We have funded programmes such as Parents and Children Together (PACT), which tackles the issue of adolescent to parent violence and the ‘BeSmart’ programme, an eight-week programme designed for children at risk of involvement in the justice system or subject to an Out of Court Disposal allowing children to explore new ways of thinking and make positive choices in their lives.
- **‘Hotspot’ Areas** – In ‘hotspot’ areas, we have developed localised partnerships to problem solve to reduce the impact on the community relating to nuisance and anti-social behaviour perpetrated by young people. Such as an example is Halton Moor.
- **Targeted operations** – to minimise anti-social behaviour during ‘peak’ periods. As an example, on Bonfire Night, we work closely with stakeholders to develop multi-agency operational responses which includes implementing diversionary activities across the city during that period.
- **Motorcycle/quadbike related anti-social behaviour** - West Yorkshire Police (Leeds District) Off-Road Bike Team has recently reviewed its tactical intervention plan. Operation ASHFIELD has now been launched in the city which includes dedicated days of action which have led to some good outcomes, not only for vehicle-related offences, but also weapons and drug-related offences.

In Seacroft, a community-based motorcycle project has been established to divert young people away from motorcycle ASB. The project is run by local people and is

Appendix 2 – Scrutiny performance update (January 2023)

Anti-Social Behaviour (continued)
<p>jointly funded from the Inner East Community Committee and Safer Streets Fund and offers young people the opportunity to learn mechanics skills, and to ride motorcycles safely and legally. The project has been very popular and 15 young people have consistently engaged, which is currently the groups maximum capacity.</p> <ul style="list-style-type: none">● Public Spaces Protection Orders (PSPOs) – Vehicle Nuisance - The Safer Leeds Executive has recently endorsed a PSPO to control vehicle nuisance. Implementation of the PSPO will ensure that Leeds City Council and West Yorkshire Police can act against persons who, by their behaviour, cause a detrimental effect in neighbourhoods.● Dedicated Response to Noise Nuisance – to minimise complaints about student-related anti-social behaviour in Leeds, the ‘DS1’ dedicated service was introduced in February 2022, which is funded by the two main universities in the city, University of Leeds, and Leeds Beckett University and is providing a quicker response to noise nuisance in densely populated student areas.● Arson and Nuisance Fires - the area based Anti-Social Behaviour Teams receive the daily calls for service log from West Yorkshire Police for arson and nuisance fires. The teams then engage with the Neighbourhood Policing Team to look at the best way of addressing the behaviour to ensure it is not repeated and offer learning.
Domestic Abuse
<p>Reducing the prevalence and impact of domestic violence and abuse remains a priority in Leeds. Demand for services remains high and there are increasing numbers of cases with greater risk and complexity.</p> <p>The introduction of the Domestic Abuse Act 2021 has placed a statutory duty on the Local Authority to provide support in safe accommodation for victims-survivors and their children. Leeds City Council is supported in delivering this duty by the Domestic Abuse Local Partnership Board (DALPB) - a multi-agency group who all have a role to play in tackling domestic abuse.</p> <p>In the last 12 months, the Police are reporting a 10% increase in reported domestic violence and abuse incidents, which mirrors the national trend of increased incidents and reporting. Linked to this increased demand, the work of the Front Door Safeguarding Hub has seen an increase in the need for support for victim/ survivors who are in exceptionally high-risk circumstances. Over the last 12 months, more than 6,000 multi-agency safety plans have been developed for high-risk victims of Domestic Violence and Abuse. Key areas of work over the last year have been:</p> <ul style="list-style-type: none">● Safe Accommodation - funding from central government means that additional support is now available within safe accommodation. This includes more support in refuge settings, including extra workers to support children and young people, domestic abuse support workers based in supported housing projects so that those people can access

Appendix 2 – Scrutiny performance update (January 2023)

Domestic Abuse (continued)

support. A new Sanctuary Support Scheme has been launched that provides support to those people who are able to remain in their homes. The early feedback from service providers is that this is increasing the safety of victims-survivors and their children.

- **Supporting Children** - Strategic work has taken place with Children’s Services and the Leeds Safeguarding Children Partnership (LSCP) to review how the needs of the child are met both through the Front Door arrangements and through wider partnership structures. Partners successfully bid for Ministry of Justice funding to support a young person’s Independent Domestic Violence Advocate at the Front Door and additional services for children and young people have been commissioned both in the refuge arrangements and through specialist housing providers who work with young people.
- **Engagement with Schools** – Leeds successfully delivers ‘Operation Encompass’, a national notification scheme between police forces and schools to ensure that children and families experiencing domestic abuse receive timely support from school.
- **Enhance the offer of support to perpetrators of domestic abuse** – partners continue to develop this area of work recognising that a perpetrator strategy is expected from the Government. Leeds has developed its engagement with perpetrators of domestic abuse through the Integrated Offender Management arrangements and a commissioned service, Change Grow Live, to ensure that there is closer communication and co-ordination of the measures that are put in place for individuals to reduce their offending. Early indications are that having a coordinator worker at the Front Door Safeguarding Hub is supporting more contact with perpetrators and supporting them to engage in reducing re-offending programmes. It is expected that due to the success of this role the projects will be extended, and the focus will be on reducing preparator risk and supporting behaviour change.

Hate Crime

We are working to improve support for victims of hate crime and increase the reporting of hate crime by making it easier for those affected to report and increasing victim confidence. We aim to do this by improving third party reporting in schools and are exploring opportunities to increase and strengthen hate crime reporting centres in a range of community-based settings, educational establishments, and businesses and by increasing awareness. Key developments are:

- **Support for Victims** - all victims of hate crime are allocated a Hate Crime Co-ordinator (HCC) to make initial contact with them. The HCC offers support from wider partners and agencies depending on the circumstances and can include assistance from victim support, housing colleagues, mental health services or the anti-social behaviour team.

Appendix 2 – Scrutiny performance update (January 2023)

Hate Crime (continued)

Each victim is allocated an investigating officer who will make the appropriate referrals to the services mentioned and will also maintain contact with the victim throughout the investigation. If the victim is a repeat victim, then Neighbourhood Policing Teams are tasked with a visit to offer reassurance to the victim.

- **Hate Crime MARAC** – we are improving support for the victims of hate crime by ensuring effective provision is available at the time of reporting ~ Promoting the Community Multi Agency Risk Assessment Conference (Community MARAC). Agencies supporting hate crime victims are encouraged to make appropriate referrals to access the right support and working with the CJS and Victim Support to ensure victims of hate crime are adequately supported through their involvement with the criminal justice process. The benefits of using the Community MARAC approach have been actively promoted to all partners including those within LCC, third sector support networks, WYP, Victim Support and Stop Hate UK. This approach helps to increase effectiveness of service delivery and creates a better understanding of all partners responsibility in supporting victims and combatting those who perpetrate hate crime.
- **Education** - a new process for reporting hate incidents in schools in partnership with Stop Hate UK with an enhanced wrap around support and information package has been launched. This will provide a more streamlined and accessible process for both students and teachers that will increase confidence in reporting.
- **Hate Crime Reporting Centres** - work is taking place to refresh the support and training offer to hate crime reporting centres, as well as establishing a new cohort of key third party reporting and signposting centres in key localities where we know there is a need to improve accessible means of reporting. This work is due to be completed by the end of 2022 and progress is being monitored by the Hate Crime Strategic Board.
- **Awareness Campaigns** to prevent hate crime by tackling the beliefs and attitudes that can lead to hate, we are undertaking city wide targeted campaigns in line with #LeedsNoPlaceForHate, including messages around 'Upstanders not Bystanders', urging people to stand with those who have experienced hate crime, as well as providing practical tips on reporting, sense of reassurance, solidarity and unity
 - *Hate Crime Awareness Week* – is supported annually in conjunction with partners including West Yorkshire Police and the Third Sector to highlight hate crime prevention during Islamophobia Awareness Month.
 - *World Cup 2022* – during the World Cup 2022, Stop Hate UK & Uber are partnering to improve their safety response via the Uber App for taxi drivers based in Leeds. Stop Hate UK's contact details are being shared so victims of hate crime on the platform can access specialised emotional and practical support.

This page is intentionally left blank

Work Schedule

Date: 5 January 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Environment, Housing and Communities)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

- All Scrutiny Boards are required to determine and manage their own work schedule for the municipal year. In doing so, the work schedule should not be considered a fixed and rigid schedule, it should be recognised as a document that can be adapted and changed to reflect any new and emerging issues throughout the year; and also reflect any timetable issues that might occur from time to time.
- The Scrutiny Board Procedure Rules also state that, where appropriate, all terms of reference for work undertaken by Scrutiny Boards will include 'to review how and to what effect consideration has been given to the impact of a service or policy on all equality areas, as set out in the Council's Equality and Diversity Scheme'.
- The latest iteration of the Board's work schedule is attached to this report for the Board's consideration.

Recommendations

Members are requested to consider the Scrutiny Board's work schedule for the 2022/23 municipal year.

What is this report about?

1. All Scrutiny Boards are required to determine and manage their own work schedule for the municipal year and therefore the latest iteration of the Board's work schedule for the remainder of the municipal year is attached as Appendix 1 for Members' consideration.
2. The latest Executive Board minutes from the meeting held on 14 December 2022 are also attached as Appendix 2. The Scrutiny Board is asked to consider and note the Executive Board minutes, insofar as they relate to the remit of the Scrutiny Board; and consider any matter where specific scrutiny activity may also be warranted.

Developing the work schedule

3. When considering any developments and/or modifications to the work schedule, effort should be undertaken to:
 - Avoid unnecessary duplication by having a full appreciation of any existing forums already having oversight of, or monitoring, a particular issue.
 - Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
 - Avoid pure "information items" except where that information is being received as part of a policy/scrutiny review.
 - Seek advice about available resources and relevant timings, taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place.
 - Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year.
4. In addition, in order to deliver the work schedule, the Board may need to take a flexible approach and undertake activities outside the formal schedule of meetings – such as working groups and site visits, where necessary and appropriate. This flexible approach may also require additional formal meetings of the Scrutiny Board.

Developments since the previous Scrutiny Board meeting

5. Members have received invitations to the following meetings in line with the agreed 2022/23 work programme for the Scrutiny Board (Environment, Housing & Communities):
 - a. Reducing Gambling Harm – **Friday 20 January at 10.30am**
 - b. Air Quality Action Plan – **Monday 27 February at 2pm**

What impact will this proposal have?

6. All Scrutiny Boards are required to determine and manage their own work schedule for the municipal year.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

7. The terms of reference of the Scrutiny Boards promote a strategic and outward looking Scrutiny function that focuses on the Best City Ambition.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

8. To enable Scrutiny to focus on strategic areas of priority, it is recognised that each Scrutiny Board needs to maintain dialogue with the Directors and Executive Board Members holding the relevant portfolios. The Vision for Scrutiny also states that Scrutiny Boards should seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources prior to agreeing items of work.

What are the resource implications?

9. Experience has shown that the Scrutiny process is more effective and adds greater value if the Board seeks to minimise the number of substantial inquiries running at one time and focus its resources on one key issue at a time.
10. The Vision for Scrutiny, agreed by full Council also recognises that like all other Council functions, resources to support the Scrutiny function are under considerable pressure and that requests from Scrutiny Boards cannot always be met.
11. Consequently, when establishing their work programmes Scrutiny Boards should:
- Seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources;
 - Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue;
 - Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.

What are the key risks and how are they being managed?

12. There are no risk management implications relevant to this report.

What are the legal implications?

13. This report has no specific legal implications.

Appendices

- Appendix 1 – Latest work schedule of the Environment, Housing and Communities Scrutiny Board for the 2022/23 municipal year.
- Appendix 2 – Executive Board minutes 14 December 2023

Background papers

- None.

This page is intentionally left blank



Scrutiny Board (Environment, Housing and Communities) Work Schedule for 2022/2023 Municipal Year

June	July	August
Agenda for 23 June 2022 at 10.30 am	Agenda for 21 July 2022 at 10.30 am	No Scrutiny Board meeting
Co-opted Members (DB) Scrutiny Board Terms of Reference (DB) Potential Sources of Work (DB) Performance Update (PM)	Safer Leeds Update (PSR) West Yorkshire Police & Crime Plan 2021-2024 – Update (PSR)	
Working Group Meetings		
Site Visits		

Page 279

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Environment, Housing and Communities) Work Schedule for 2022/2023 Municipal Year

September	October	November
Agenda for 15 September 2022 at 10.30 am	Agenda for 17 October 2022	Agenda for 10 November 2022 at 10.30 am
<p style="text-align: center;">Meeting Cancelled</p> <p>Reducing poverty and improving financial inclusion (PSR) – <i>deferred to October meeting</i></p> <p>Local Welfare Support Scheme Review Update (PSR) – <i>deferred to October meeting</i></p>	<p>Reducing poverty and improving financial inclusion (PSR)</p> <p>Local Welfare Support Scheme Review Update (PSR)</p>	<p>Housing Activity Update (PSR)</p>
Working Group Meetings		
	<p>Development of the Waste Strategy (PDS) – 5/10/22 @ 10.30 am</p>	<p>4/11/22 - Understanding the role and responsibilities of the Housing Service (DB)</p>
Site Visits		
<p>Visit to LeedsWatch – 30/09/22 @ 10 am</p>		

Page 280

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Environment, Housing and Communities) Work Schedule for 2022/2023 Municipal Year

December	January	February
Agenda for 1 December 2022	Agenda for 5 January 2023 at 10.30 am	Agenda for 2 February 2023 at 10.30 am
<p style="text-align: center;">Remote Consultative Meeting – 1 December 2022</p> <p>Locality Working & Priority Neighbourhoods (PSR)</p> <p>Ensuring the future resilience of the Third Sector (PSR)</p>	<p>Performance report (PM)</p> <p>Financial Health Monitoring (PSR)</p> <p>2023/24 Initial Budget Proposals (PDS)</p> <p style="text-align: center;">20 January 2023 – Remote Consultative Meeting</p> <p>Reducing Gambling Harms (PSR)</p>	<p>Parks and Green Space Strategy 2022-2032 Update (PRS)</p> <p>Review of the Long-Term Burial Plan (PSR)</p>
Working Group Meetings		
<p>2023/24 Initial Budget Proposals (PDS) – 12/12/22 at 3.15pm.</p> <p>Social Progress Index – 14/12/22 at 11.30am [all boards]</p>	<p>Monitoring the strategic approach to migration (PSR) – date tbc</p>	<p>Reviewing the Air Quality Strategy Action Plan 2021-2030 (PSR) – 27 February 2pm</p>
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Environment, Housing and Communities) Work Schedule for 2022/2023 Municipal Year

March	April	May
Agenda for 2 March 2023 at 10.30 am	No Scrutiny Board meeting	No Scrutiny Board meeting
Climate Emergency Update (PSR) End of year statement		
Working Group Meetings		
Site Visits		

Page 282

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

EXECUTIVE BOARD

WEDNESDAY, 14TH DECEMBER, 2022

PRESENT: Councillor J Lewis in the Chair

Councillors S Arif, A Carter, D Coupar,
S Golton, M Harland, H Hayden, J Pryor,
M Rafique and F Venner

- 86 Exempt Information - Possible Exclusion of the Press and Public**
There was no information contained within the agenda which was designated as being exempt from publication.
- 87 Late Items**
There were no late items of business submitted to the Board for consideration.
- 88 Declaration of Interests**
There were no interests declared at the meeting.
- 89 Minutes**
RESOLVED – That the minutes of the previous meeting held on 23rd November 2022 be approved as a correct record.

LEADER'S PORTFOLIO

- 90 Local Government Association Corporate Peer Challenge: Findings and Initial Response**

The Chief Executive submitted a report which presented the outcomes from the Local Government Association (LGA) Corporate Peer Challenge which took place in November 2022, with the report inviting the Board to note the findings and recommendations of the Challenge report together with the proposed approach regarding action planning and the timing of the follow-up visit.

Members welcomed the corporate peer challenge process which had been undertaken and the balanced and comprehensive feedback report which had been received.

Emphasis was placed upon the importance of celebrating the successes that the review had identified, and the need to ensure that the Council responded to the recommendations made, with the approach towards action planning, as detailed within the report, being noted.

The Chief Executive highlighted the value of the corporate peer challenge process and the considerable experience of those who undertook it. He emphasised the range of successes which had been identified, together with the challenges that continued to be faced, and referenced the actions being

Draft minutes to be approved at the meeting
to be held on Wednesday, 8th February, 2023

taken in response to them, both from within the Council and in collaboration with partners. The positive culture of the organisation was highlighted and tribute was paid to the dedication and 'can do' attitude of Council staff.

In conclusion, responding to a suggestion, it was agreed that the LGA Corporate Peer Challenge report be referred to Scrutiny for consideration.

RESOLVED –

- (a) That the findings and recommendations of the Local Government Association Corporate Peer Challenge report, as presented to the Board, be noted;
- (b) That the approach to action planning and the timing of the follow-up visit, as detailed in the submitted report, be noted;
- (c) That the LGA Corporate Peer Challenge report be referred to Scrutiny for consideration.

91 Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26 and Revenue Savings Proposals for 2023/24 to 2025/26
(A) Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26

The Chief Officer (Financial Services) submitted a report presenting the proposed budget for 2023/24, which subject to Executive Board's approval, was scheduled to be submitted to the respective Scrutiny Boards for their consideration and review, with the outcome of their deliberations being reported to Executive Board in February 2023, with the proposals also being made available to other stakeholders as part of a wider process of engagement and consultation. The report also invited the Board to note provisional budgets for 2024/25 and 2025/26.

RESOLVED –

- a) That the Proposed Budget for 2023/24, as presented in the submitted report, which is based on the approval and delivery of £69.8m of directorate savings for 2023/24, be noted; with it also being noted that £46.6m of which have been identified this year and have been brought to this Board through the accompanying reports: 'Revenue Savings Proposals for 2023/24 to 2025/26' at its October 2022 meeting and elsewhere on this agenda;
- b) That agreement be given to consultation being undertaken on the Proposed Budget for 2023/24, which includes the proposed 2.99% increases in core Council Tax and the 1.99% increase in the Adult Social Care precept. Further to this, agreement be given that these budget proposals are submitted to Scrutiny and are made available for wider consultation with stakeholders;
- c) That the provisional budget position for 2024/25 and 2025/26, as presented in the submitted report, be noted; and that it also be noted that further savings proposals to address the updated estimated budget

gaps of £48.0m and £26.7m for 2024/25 and 2025/26 respectively will be reported to future meetings of this Board;

- d) That should the application to form a 2023/24 Leeds City Region Business Rates Pool be successful, approval be given for Leeds City Council to become a member of the proposed Pool and to act as lead Authority for it; with it being noted that establishment of this new Pool will be dependent upon none of the other proposed member Authorities choosing to withdraw within the statutory period after designation.

(B) Revenue Savings Proposals for 2023/24 to 2025/26

Further to Minute No. 63, 19th October 2022, the Chief Officer (Financial Services) submitted a report presenting revenue savings proposals following ongoing review processes which continued to be undertaken across Council services. The proposals were presented as either 'Business as Usual' savings for the Board's information, with decisions to give effect to those being taken by the relevant Director or Chief Officer, or as 'Service Review' proposals, in which the report sought approval for consultation to commence, where required, with decisions to give effect to those proposals being taken by the relevant Director or Chief Officer following such consultation and taking account of the outcomes from it.

Members briefly discussed the Community Committee Wellbeing funding allocation for 2023/24, as detailed within the directorate 'Business as Usual' savings within the report, and also in relation to a proposal regarding the approach towards the provision of the Youth Activity Fund.

RESOLVED –

- (a) That the 'Business as Usual' savings presented within the submitted report, be noted, with it also being noted that decisions to give effect to them shall be taken by the relevant Director or Chief Officer, in accordance with the Officer Delegation Scheme (Executive functions);
- (b) That agreement be given for consultation to commence, where required, on the 'Service Review' savings proposals presented within the submitted report; with it being noted that decisions to give effect to them shall be taken by the relevant Director or Chief Officer, following any consultation period, in accordance with the Officer Delegation Scheme (Executive functions);
- (c) That it be noted that the savings proposals for 2023/24, as presented in the submitted report, combined with the savings proposals brought to the Executive Board at its October meeting, support a draft balanced budget for 2023/24; with the Council's financial position for the following two years, as set out in the accompanying report elsewhere on the submitted agenda entitled, 'Proposed Budget for 2023/24 and Provisional Budgets for 2024/25 and 2025/26', also be noted;
- (d) That it be noted that further savings will be required to close the Council's estimated budget gap in the years 2024/25 and 2025/26 and

Draft minutes to be approved at the meeting to be held on Wednesday, 8th February, 2023

that proposals regarding such matters will be brought to future meetings of this Board.

(Under the provisions of Council Procedure Rule 16.5, Councillors A Carter and S Golton required it to be recorded that they both respectively abstained from voting on the decisions referred to within this minute)

(The resolutions referred to within Minute No. 91(A) (a), (b) and (c), given that these were decisions being made in accordance with the Budget and Policy Framework Procedure Rules, were not eligible for Call In, as Executive and Decision Making Procedure Rule 5.1.2 states that the power to Call In decisions does not extend to those decisions made in accordance with the Budget and Policy Framework Procedure Rules. However, the resolution referred to in Minute No. 91(A) (d) and 91(B) (a) – (d) were eligible for Call In, given that these were decisions not being taken as part of the Budget and Policy Framework Procedure Rules)

RESOURCES

92 Financial Health Monitoring 2022/23 - Month 7 (October)

The Chief Officer (Financial Services) submitted a report presenting an update on the financial health of the Authority in respect of both the General Fund revenue budget and the Housing Revenue Account, as at Month 7 (October) of the 2022/23 financial year.

In presenting the report, the Executive Member for Resources provided an overview of the key information within it, which included reference to the fact that an overspend of £15.4m was projected for the Authority's General Fund services, as at month 7 of 2022/23. Emphasis was placed upon the significant increase in financial pressures that continued to be experienced since the budget was set in February, with it also being noted that plans were in place to balance the budget by the end of the financial year.

Responding to an enquiry, the Board received further information on the range of work being undertaken to reduce the projected overspend in the current financial year, and to mitigate the financial challenges which continue to be faced moving forward. Regarding the potential use of strategic contingency reserves to balance the 2022/23 budget, Members received an update on the potential impact of this action upon the Council's contingency reserve levels.

In response to Members' enquiries, the Board received an update on the actions being taken in 2022/23 and those proposed moving forward to address the financial pressures arising from the 'Little Owls' nursery provision. In providing such information, it was emphasised that the Council would continue to ensure that its duty around sufficiency of places was fulfilled.

Responding to a comment about Members being kept updated on service proposals which specifically affected their Ward, it was noted that the initial budget proposals and also a number of directorate 'Service Review' savings

proposals were being presented to this meeting with a recommendation that consultation on such matters commence.

RESOLVED –

- (a) That it be noted that at Month 7 of the financial year (October), the Authority's General Fund services are forecasting an overspend of £15.4m and that the Housing Revenue Account is forecasting a balanced position, with it also being noted that the General Fund position reduces to £14.6m when account is taken of additional budget action plans received to date;
- (b) That it be noted, that where an overspend is projected, directorates, including the Housing Revenue Account, are required to present action plans to mitigate their reported pressures, in line with the Revenue Principles agreed by Executive Board in 2019; with it also being noted that proposals received to date are included in the submitted report, as at Appendix 4, and that further action plans will be received at the February 2023 meeting of Executive Board;
- (c) That it be noted that known increased inflation and known impacts of the rising cost of living, including the agreed 2022/23 pay award, have been incorporated into this reported financial position, with it also being noted that these pressures will continue to be assessed, with the latest position being incorporated into future reports to be received by Executive Board.

ADULT AND CHILDREN'S SOCIAL CARE AND HEALTH PARTNERSHIPS

93 Outcome of consultation to lower the age range of Wykebeck Primary School from 3-11 years to 2-11 years with effect from September 2023

The Director of Children and Families submitted a report on a proposal to lower the age range of Wykebeck Primary School from 3-11 years to 2-11 years and create Free Early Education Entitlement (FEEE) provision for 24 eligible 2-year olds in the area, with effect from 1 September 2023. In receiving the outcomes from the consultation undertaken, the Board was recommended to approve the publication of a Statutory Notice in respect of the proposal.

In response to a Member's enquiry, assurance was provided that given the level of demand for this specific provision in the local community, it was not anticipated that this proposal would have any negative impact upon other providers in the area.

RESOLVED –

- (a) That the outcome of the consultation undertaken, as detailed within the submitted report, be noted, and that the publication of a Statutory Notice on a proposal to lower the age range of Wykebeck Primary School from 3-11 years to 2-11 years, with effect from 1 September 2023, be approved;

- (b) That it be noted that the implementation of the proposal will be subject to the outcome of the proposed statutory notice;
- (c) That it be noted that the responsible officer for the implementation of such matters is the Head of Learning Systems.

ECONOMY, CULTURE AND EDUCATION

94 Outcome of statutory notice on a proposal to establish a resource provision at Iveson Primary School

Further to Minute No. 45, 21st September 2022, the Director of Children and Families submitted a report presenting the outcomes from a statutory notice published on a proposal to establish a resource provision at Iveson Primary School. The report invited the Board to review the outcomes from the statutory notice and to approve the proposal.

RESOLVED –

- (a) That, having reviewed and noted the outcome of the statutory notice, as detailed within the submitted report, the proposal to establish a resource provision at Iveson Primary School from September 2023, be approved;
- (b) That it be noted that the responsible officer for the implementation of such matters is the Head of Learning Inclusion.

95 Leeds Museums and Galleries Development Trust

The Director of City Development submitted a report on the proposed establishment of a charitable trust with the purpose of raising funds in support the work of Leeds Museums and Galleries (LMG), which was in response to a key recommendation from a recent fundraising review undertaken which had been commissioned by LMG in order to support the delivery of the service's 5-year strategy and a 10-year site investment plan.

In presenting the report, the Executive Member highlighted that the proposed Trust would be independent of the Council, that its main purpose would be for fundraising and that it would not manage or own any Council assets.

Members discussed the importance of establishing a robust and professional board, and also whether the establishment of the Trust could have any potential impact upon other local organisations in this sector.

Responding to a specific enquiry, assurance was provided that the Executive Board would be kept updated on the progress being made in respect of the Trust, as requested.

RESOLVED – That the formation of Leeds Museums and Galleries Development Trust, be approved, and that the responsibility for the implementation of this resolution be delegated via the Director of City Development to the Head of Service, Leeds Museums and Galleries, from December 2022.

96 Leeds Kirkgate Open Market Future Opportunities

The Director of City Development submitted a report which sought approval for a consultation exercise to be undertaken on a potential alternative, complementary use of part of the Leeds Kirkgate open market site by the introduction of a new container food and beverage offer. The report noted that whilst retaining the open market, the proposal would involve its reduction in the number of stalls and a re-orientation to a smaller footprint adjacent to the indoor market within the boundary of the current overall market site.

Members emphasised the importance of ensuring that communication between the Council and the market traders on the development of the proposals continued, that the market traders were supported during this process, and that the alternative offer, once established, was monitored to ensure that it remained complementary to the market.

In response to an enquiry, assurance was provided that no one would be displaced by the implementation of the proposals.

RESOLVED –

- (a) That the commencement of a consultation exercise on the introduction of a new container food and beverage offer on part of the Open Market at Leeds Kirkgate Market, be approved;
- (b) That the interest in the site regarding a food and beverage led container offer which would be complementary to the market and would react to latent demand in the city centre for this form of offering, be noted;
- (c) That following resolution (a) (above), agreement be given to the Board receiving an update on the outcome of the consultation exercise at the next Board meeting scheduled for 8th February 2023;
- (d) That it be noted that the Director of City Development is responsible for the implementation of such matters.

INFRASTRUCTURE AND CLIMATE

97 Further Main Modifications to the Remitted Leeds Site Allocation Plan

Further to Minute No. 103, 15th December 2021, the Director of City Development submitted a report which provided an update on the current position regarding the Leeds Site Allocation Plan (SAP) Remittal process, and which sought approval to undertake public consultation on the schedule of the Inspector's additional proposed Main Modifications to the Leeds SAP Remittal and supporting material for a period of 6 weeks in relation to site EG-37, land at Barrowby Lane, Manston also known as Brown Moor.

In introducing the report, the Executive Member provided the Board with an update on the Leeds Site Allocation Plan (SAP) Remittal process.

A Member highlighted the importance of maintaining public confidence in the SAP Remittal process by ensuring that the consultation proposed was robust and that the outcomes of such consultation were taken into consideration.

Responding to Members' discussions about the extent to which the Government's Integrated Rail Plan (IRP) and the timeframe of the associated work to be undertaken was impacting upon the Council's ability to strategically plan its development, the Board received an overview of the timeline and connection between the IRP and the current position in respect of the SAP Remittal process, with it being noted that the Council has made representations to Government on such matters.

RESOLVED –

- (a) That public consultation on the schedule of the Inspector's additional proposed Main Modifications to the Site Allocations Plan (at Appendix 2 to the submitted report) and supporting material (at Appendices 3 and 4) for a period of 6 weeks from the 16th December 2022 to the 27th January 2023, be approved;
- (b) That the necessary authority be delegated to the Chief Planning Officer, to enable the Chief Planning Officer, in consultation with the Executive Member for Infrastructure and Climate, to approve the detail of any updates or corrections to the consultation material and any technical documents and supporting evidence required.

(The matters referred to within this minute, given that they were decisions being made in accordance with the Budget and Policy Framework Procedure Rules, were not eligible for Call In, as Executive and Decision Making Procedure Rule 5.1.2 states that the power to Call In decisions does not extend to those decisions being made in accordance with the Budget and Policy Framework Procedure Rules)

98 West Yorkshire Mass Transit Vision 2040 Consultation

The Director of City Development submitted a report which presented details of Leeds City Council's formal response to the statutory consultation being undertaken by the West Yorkshire Combined Authority (WYCA) on the revised Mass Transit Vision 2040 for West Yorkshire, which was required to be submitted by 16 January 2023. The report noted that WYCA had a statutory requirement to consult key stakeholders, including the five West Yorkshire districts ahead of the Combined Authority working towards the Vision's adoption as part of the Local Transport Plan for the region.

In considering the submitted report and the proposed response to the statutory consultation, Members discussed the Government's process by which the Mass Transit Vision was to be delivered and the respective roles played in such matters by the Council, WYCA and the Government. In considering this, WYCA's role as promoter of the scheme was emphasised together with the evidence based approach being taken to formulate it, which included the Council providing its clear view on the vision, as part of the current consultative phase. The Board was also provided with further

information regarding the ongoing dialogue between the Council and WYCA to ensure that a partnership approach was taken and that the Combined Authority was supported and appropriately resourced throughout this process.

In addition, emphasis was placed upon the crucial need for the vision to be delivered at pace, as reflected in the Council's proposed response.

Members also discussed the budget which had been allocated to WYCA for the development work and initial delivery of the scheme from the City Region Sustainable Transport Settlement fund.

Emphasis was placed upon the significant benefits that a mass transit system would bring to the city and the region, in terms of progressing the approach towards net zero carbon energy consumption, connecting communities and the promotion of inclusive growth.

RESOLVED –

- (a) That the contents of the submitted report, be noted, and that the response to the Mass Transit Vision 2040 statutory consultation, as set out in the draft letter at Appendix A to the submitted report, be endorsed;
- (b) That it be noted that the Chief Officer (Highways and Transportation) will receive a report on the resource requirements needed to ensure that the City Council's vision and ambition is continually embedded in the development and delivery work undertaken particularly to fulfil the Council's statutory duties.

99 Development of Solar Farm Capacity

The Director of Resources submitted a report outlining the process behind selecting and developing a potential site for a solar farm along with the challenges and risks in doing so, with the report also seeking a range of approvals necessary to progress towards meeting a new, increased target for local renewable electricity generation. The report highlighted the Council's commitment to working towards ensuring that its energy consumption is 100% from zero carbon sources by 2030, in line its Climate Emergency declaration.

In presenting the report, the Executive Member highlighted how the proposals within the report would make a significant contribution towards the Council's commitment for its energy consumption to be 100% from zero carbon sources by 2030 and would also further support the range of actions being taken around improving the energy security of the city. The recommendation to increase the Council's commitment to achieve 30% of its electricity demand through locally based renewables generation by 2025/26, from the current commitment of 10%, was also highlighted.

The Board noted that the report was being considered under the provisions of Executive and Decision Making Procedure Rule 2.5 (General Exception) given that the matter had been designated as a Key Decision, but hadn't featured on the List of Forthcoming Key Decisions for the full 28 days as

required, due to an administrative error. However, it was noted that the relevant Scrutiny Board Chair had been provided with a copy of the agenda, the agenda had been published, and at least 5 clear days had elapsed since those actions were taken, in line with the General Exception requirements. In addition, it was confirmed that it was impracticable to defer the report to the next scheduled Board meeting to allow the 28 days' notice because an in-principle decision to develop the solar farms was required in order to be able to begin procurement processes without delay at the appropriate time given the time pressures arising from the current energy crisis.

In welcoming the proposals, a Member highlighted how there were examples outside of the city of land being used concurrently for both energy and food production, with a suggestion that this approach be explored moving forward.

The importance of ensuring that appropriate consultation and engagement with Elected Members and across communities was highlighted. In response, assurance was provided that no specific sites had yet been identified, and that comprehensive consultation would be undertaken as part of the process to identify appropriate sites.

RESOLVED –

- (a) That a new commitment to achieve 30% of the Council's electricity demand through locally based renewables generation by 2025/26, increased from the current commitment of 10%, be approved;
- (b) That the injection of up to £50m for the development of a mix of solar farm capacity and rooftop solar with potential for battery storage with individual sites, be approved;
- (c) That the necessary authority be delegated to the Director of Resources to provide the Director with the appropriate 'authority to spend' for individual sites with construction costs of under £500k, with sites valued at over £500k being approved by Executive Board, based upon site specific business cases and funding arrangements;
- (d) That the necessary authority be delegated to the Director of Resources, to provide the Director with authority to award a contract for the design, build, operation and maintenance of sites;
- (e) That authority be provided to establish a local authority company, should there be a requirement, on terms that are agreed by the Director of Resources and in consultation with the Executive Member for Resources, the City Solicitor, and the Section 151 Officer;
- (f) That the principle of selling surplus electricity generated at a solar farm to the National Grid or other public sector organisations within the city where there is a positive financial benefit, be agreed.

DATE OF PUBLICATION: FRIDAY, 16TH DECEMBER 2022

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00 P.M., FRIDAY, 23RD DECEMBER 2022

Draft minutes to be approved at the meeting
to be held on Wednesday, 8th February, 2023

This page is intentionally left blank