



## EXECUTIVE BOARD

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Meeting to be held in Civic Hall, Leeds on  
Wednesday, 22nd November, 2023 at 1.00 pm

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### MEMBERSHIP

#### Councillors

S Arif	A Lamb
D Coupar	
M Harland	
H Hayden	
J Lennox	
J Lewis (Chair)	
J Pryor	
M Rafique	
F Venner	

**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:** To remotely observe this meeting, please click on the 'View the Meeting Recording' 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.

<https://democracy.leeds.gov.uk/ieListDocuments.aspx?CId=102&MId=12195>

## **CONFIDENTIAL AND EXEMPT ITEMS**

The reason for confidentiality or exemption is stated on the agenda and on each of the reports in terms of Access to Information Procedure Rules 9.2 or 10.4(1) to (7). The number or numbers stated in the agenda and reports correspond to the reasons for exemption / confidentiality below:

### **9.0 Confidential information – requirement to exclude public access**

9.1 The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed. Likewise, public access to reports, background papers, and minutes will also be excluded.

### **9.2 Confidential information means**

- (a) information given to the Council by a Government Department on terms which forbid its public disclosure or
- (b) information the disclosure of which to the public is prohibited by or under another Act or by Court Order. Generally personal information which identifies an individual, must not be disclosed under the data protection and human rights rules.

### **10.0 Exempt information – discretion to exclude public access**

10.1 The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed provided:

- (a) the meeting resolves so to exclude the public, and that resolution identifies the proceedings or part of the proceedings to which it applies, and
- (b) that resolution states by reference to the descriptions in Schedule 12A to the Local Government Act 1972 (paragraph 10.4 below) the description of the exempt information giving rise to the exclusion of the public.
- (c) that resolution states, by reference to reasons given in a relevant report or otherwise, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

10.2 In these circumstances, public access to reports, background papers and minutes will also be excluded.

10.3 Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

10.4 Exempt information means information falling within the following categories (subject to any condition):

- 1 Information relating to any individual
- 2 Information which is likely to reveal the identity of an individual.
- 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 4 Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority.
- 5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- 6 Information which reveals that the authority proposes –
  - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
  - (b) to make an order or direction under any enactment
- 7 Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

# A G E N D A

Item No K=Key Decision	Ward	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 15.2 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 15.2, written notice of an appeal must be received by the Head of Governance Services at least 24 hours before the meeting)</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information within the meaning of Section 100I of the Local Government Act 1972, 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.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If the recommendation is accepted, to formally pass the following resolution:-</p> <p><b>RESOLVED –</b> That, in accordance with Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.</p>	

Item No K=Key Decision	Ward	Item Not Open		Page No
3			<p><b>LATE ITEMS</b></p> <p>To identify items which have been admitted to the agenda by the Chair for consideration</p> <p>(The special circumstances shall be specified in the minutes)</p>	
4			<p><b>DECLARATION OF INTERESTS</b></p> <p>To disclose or draw attention to any interests in accordance with Leeds City Council's 'Councillor Code of Conduct'.</p>	
5			<p><b>MINUTES</b></p> <p>To confirm as a correct record the minutes of the meeting held on 18<sup>th</sup> October 2023.</p> <p><b><u>HOUSING</u></b></p>	9 - 24
6 K	Rothwell	10.4(3) (Appendix 1 only)	<p><b>DELIVERY OF NEW AFFORDABLE HOUSING AT SUGAR HILL, OULTON</b></p> <p>To consider the joint report of the Director of City Development and the Director of Communities, Housing and Environment which provides an update on the collaborative work between the Council and Leeds Federated Housing Association to bring forward an affordable housing development. The report seeks approval for the use of funds from the Council's Affordable Housing Commuted Sums programme to fund a grant to the Housing Association to support the delivery of 30 Affordable Rented Homes and also sets out for approval the terms of a Local Lettings Agreement.</p> <p>(Please note that Appendix 1 to this report has been designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4 (3))</p>	25 - 42



Item No K=Key Decision	Ward	Item Not Open		Page No
7			<p><b><u>SUSTAINABLE DEVELOPMENT AND INFRASTRUCTURE</u></b></p> <p><b>CONNECTING LEEDS TRANSPORT STRATEGY ACTION PLAN ANNUAL UPDATE 2023</b></p> <p>To consider the report of the Director of City Development which presents the second Annual Progress Report of the Connecting Leeds Transport Strategy (CLTS) Action Plan, covering the period from October 2022 to October 2023. The full Annual Progress Report is attached at Appendix 1 to the report.</p> <p><b><u>RESOURCES</u></b></p>	43 - 98
8 K	Little London and Woodhouse	10.4(3) (Appendix 1 only)	<p><b>EASTGATE AND HAREWOOD QUARTER (PHASE 2)</b></p> <p>To consider the report of the Director of City Development providing an update on plans for development of the Eastgate Phase 2 site and sets out the key next steps requiring the Council's approval which look to ensure that this regeneration opportunity can proceed in a deliverable way reflecting and responding to changing economic and market conditions.</p> <p>(Please note that Appendix 1 to this report has been designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4 (3))</p>	99 - 120

Item No K=Key Decision	Ward	Item Not Open		Page No
9			<p><b>FINANCIAL REPORTING 2023/24 - QUARTER 2</b></p> <p>To consider the report of the Chief Officer, Financial Services presenting the Council's financial position at the end of the first six months of the financial year. The report provides an update on the latest position on the Housing Revenue Account (HRA), Council Tax and Business Rates Collection Fund, the Capital Programme Quarter 2 update and the Treasury Management Strategy Update. Additionally, the report seeks approval of several injections into the Capital Programme.</p> <p><b><u>ECONOMY, CULTURE AND EDUCATION</u></b></p>	121 - 190
10 K			<p><b>FRIENDSHIP OATH WITH THE CITY OF KHARKIV</b></p> <p>To consider the report of the Director of City Development which seeks approval for Leeds City Council to sign a Friendship Oath with the City of Kharkiv in Ukraine to officially mark the development of a more formal link and negotiation between the two cities to form a Friendship Agreement.</p> <p><b><u>COMMUNITIES</u></b></p>	191 - 210
11			<p><b>COST OF LIVING - UPDATE REPORT</b></p> <p>To consider the report of the Director of Communities, Housing and Environment which provides an update on the cost-of-living crisis and the actions being undertaken by the Council and partners from a welfare and financial inclusion perspective. This update follows the report received by Executive Board in July 2023.</p>	211 - 242

Item No K=Key Decision	Ward	Item Not Open		Page No
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### **Third Party Recording**

Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts named on the front of this agenda.

Use of Recordings by Third Parties– code of practice

- a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.
- b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.

### **Webcasting**

**Please note** – the publically accessible parts of this meeting will be filmed for live or subsequent broadcast via the City Council’s website. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed.

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 by email ([FacilitiesManagement@leeds.gov.uk](mailto:FacilitiesManagement@leeds.gov.uk)) of any specific access requirements, or if you have a Personal Emergency Evacuation Plan (PEEP) that we need to take into account. Please state the name, date and start time of the committee meeting you will be observing and include your full name and contact details.

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## EXECUTIVE BOARD

WEDNESDAY, 18TH OCTOBER, 2023

**PRESENT:** Councillor J Lewis in the Chair

Councillors S Arif, D Coupar, M Harland,  
H Hayden, A Lamb, J Lennox, J Pryor,  
M Rafique and F Venner

- 45 Exempt Information - Possible Exclusion of the Press and Public**  
**RESOLVED** – That, in accordance with Regulation 4 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt from publication on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-
- (A) That Appendix C to the report entitled, ‘Future of Six High Rise and Resident Rehousing - Bailey and Brooklands Towers, Ramshead Heights, Leafield Towers, Raynville Court and Grange’, referred to in Minute No. 49 be designated as being exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 and be considered in private. This is on the grounds that it contains information relating to financial valuations of the land per site to support the options appraisal content (Appendix B to the submitted report). It is designated as being exempt from publication because disclosure would be likely to adversely affect the commercial interests of the Council. It is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information at present; and
- (B) That Appendices B and C to the report entitled, ‘Accelerated Property Releases and Disposals’, referred to in Minute No. 58 be designated as being exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 and be considered in private. This is on the grounds that these appendices contain information relating to the financial and business affairs of the Council including valuation details for the properties included within the submitted report. It is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information at present.

**46 Late Items**

**Late Item of Business – Agenda Item 10 – ‘The Implications of the Network North Government Announcement for Leeds’**

With the agreement of the Chair, a late item of business was admitted to the agenda entitled, ‘The Implications of the Network North Government Announcement for Leeds’.

This was due to the fact that the submitted report was in response to the recent Government announcement regarding Network North, and as such the report was not able to be included within the agenda as published on 10<sup>th</sup> October 2023. However, given the significance of this announcement, it was deemed appropriate for the matter to be brought to the attention of Executive Board at the earliest opportunity. (Agenda Item 10 and Minute No. 53 refers).

**47 Declaration of Interests**

**Agenda Item 9 (Transpennine Route Upgrade – Transport and Works Act Order Representation)**

Both Councillors J Lewis and M Harland drew the Board’s attention to the fact that, in their respective capacities as Ward Councillors, they have both had significant engagement on issues around Peckfield level crossing. However, Councillors Lewis and Harland both respectively confirmed that they were approaching the consideration of this report as part of the Executive Board agenda with an open mind.

**Agenda Item 7 (Local Plan Update 1 (Pre-Submission Changes Consultation)**

Councillor A Lamb drew the Board’s attention to the fact that he attended the recent Development Plan Panel (DPP) meeting that considered the Local Plan Update 1 (Pre-Submission Changes Consultation). However, Councillor Lamb confirmed that he had abstained from voting on this matter at that DPP meeting and was approaching the consideration of this report as part of the Executive Board agenda with an open mind.

**48 Minutes**

**RESOLVED** – That the minutes of the previous meeting held on 20<sup>th</sup> September 2023 be approved as a correct record.

**HOUSING**

**49 Future of six high rise and resident rehousing - Bailey and Brooklands Towers, Ramshead Heights, Leafield Towers, Raynville Court and Grange**

The Director of Communities, Housing and Environment submitted a report regarding the future of six high rise blocks within the Council’s housing estate. The report noted that as significant investment work would be needed to ensure the long term future of the blocks, including intrusive and costly strengthening works, an options appraisal had been undertaken. The report presented the recommendations arising from that appraisal, which were for all residents to be rehoused, with appropriate support for those who needed it, and for subsequent demolition to clear the sites. The report noted that this

would enable the development of new modern housing in the future on the sites, whether by the Council or other parties.

By way of introduction to the report, the Executive Member provided an overview of the key points within the report including the options appraisal work that had taken place and the recommended next steps.

In considering enquiries regarding the potential impact that the proposals may have upon the current demand for social housing and also regarding the potential future use of the sites, it was acknowledged that whilst there may be a short term pressure on demand as a result of the proposal, it was felt that this would be manageable as part of the Council's wider social housing estate. It was also noted that the ultimate aim of the proposals was to increase the number of social housing units available in Leeds for the longer term and also to deliver a beneficial outcome for the current residents of those blocks. Furthermore, it was noted that the considerable timeframes involved in the delivery of the proposals were with the aim of ensuring that a managed approach was taken, and that liaison with partners on the opportunities regarding the future use of the sites would be ongoing.

In response to a Member's enquiry, the Board received further detail on the consultation and engagement processes which have taken place with residents of the blocks to date.

As part of the discussion, a Member acknowledged that whilst action was needed and that refurbishment of the blocks was not a viable option, they confirmed that they could not support the recommendations without further assurance around the future plans for the sites, or that all residents were supportive of the proposals, and as such, recommended a deferral so that further detail could be obtained. In response, further information was provided on the timeframes involved and the reasons for the proposed actions, with it being reiterated that the intention was to deliver a greater number of social housing units on these sites in the longer term. It was undertaken that further information on such matters could be provided to the Member in question, if required.

Following consideration of appendix C to the submitted report designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the public part of the meeting, it was

**RESOLVED –**

- (a) That the rehousing of residents of secure tenanted flats in the blocks (Bailey Towers, Brooklands Towers, Ramshead Heights, Leafield Towers, Raynville Court and Raynville Grange), be approved, and that approval be given for Home Loss and Disturbance payments to be made to qualifying residents; with this resolution being supported by ongoing engagement with residents during implementation;

- (b) That approval be given for the awarding of 'Band A' housing priority and direct let status to tenants of the blocks;
- (c) That the suspension of lettings to the flats and garages be approved, with any void properties being taken out of charge;
- (d) That approval be given for the negotiation and undertaking of the re-purchasing of any leasehold flats, with approval also being given for compulsory purchase to be pursued if a voluntary approach is unsuccessful;
- (e) That it be agreed that the buildings should be safely demolished, creating clear sites;
- (f) That it be noted that activity will be progressed to explore options for the sites - for example, for development by the Council, or with other parties, or for sale;
- (g) That spend of £5,267,600 from the Housing Revenue Account Capital Programme, be authorised, to deliver rehousing and building emptying activity; and
- (h) That agreement be given for the Initial Demolition Notices and Final Demolition Notices to be served by the Council at the appropriate times.

(Under the provisions of Council Procedure Rule 16.5, Councillor Lamb required it to be recorded that he abstained from voting on the decisions referred to within this minute)

## **SUSTAINABLE DEVELOPMENT AND INFRASTRUCTURE**

### **50 Local Plan Update 1 (Pre-Submission Changes Consultation)**

Further to Minute No. 46, 21 September 2022, the Director of City Development submitted a report setting out a number of changes proposed to the Local Plan Update following detailed consideration of consultation responses to the publication draft policies. The report requested endorsement of the proposed Pre-Submission Draft changes and supporting paragraphs of the Local Plan Update 1 and sought approval to undertake a further period of public consultation.

The Executive Member introduced the report, providing an overview of the changes proposed and highlighting the key role played by the Plan in the actions being taken in response to the Climate Emergency.

Members extended their thanks to officers for the work which continued to be undertaken in getting the plan to this advanced stage.

A Member raised a concern regarding the proposed changes and how they could dilute the Council's existing commitments in relation to the Climate



Emergency, with it being acknowledged however that at this stage, the Board was being recommended to approve a further consultation exercise where the public could submit their views on such matters.

**RESOLVED –**

- (a) That the proposed Pre-Submission Draft changes and supporting paragraphs of the Local Plan Update 1, as set out in **Appendix 1** to the submitted report, and as a schedule of changes in **Appendix 2** and the Sustainability Appraisal, as set out in **Appendix 3**, be endorsed;
- (b) That 6 weeks consultation of the proposed Pre-Submission Draft changes and supporting paragraphs, as set out in **Appendix 1** and **Appendix 2**, together with supporting technical information (comprising Sustainability Appraisal at **Appendix 3**, Habitat Regulations Assessment at **Appendix 4**, Report of Consultation at **Appendix 5** and Duty to Co-operate Statement at **Appendix 6**), be approved, with it being noted that that this will be accompanied by additional draft supporting consultation documentation, including the Council's evidence base and background papers alongside accessible summary material for consultation purposes;
- (c) That the necessary authority be delegated to the Chief Planning Officer, in consultation with the Executive Member for Sustainable Development and Infrastructure, to approve any detailed technical or drafting amendments to the consultation material in advance of public consultation;
- (d) That it be noted that the Chief Planning Officer is responsible for the implementation of the resolutions set out above.

(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)

**51 Morley Town Deal grants and general project progress**

Further to Minute No. 103, 16<sup>th</sup> December 2020, the Director of City Development submitted a report summarising the progress made on the Morley Town Deal since the Morley Town Investment Plan (TIP) was approved in principle by the Government in March 2021, with associated capital funding to invest in projects intended to deliver transformational regeneration of the town. The report outlined six projects which were now moving forward to delivery and sought the Board's approval of several associated recommendations.

In presenting the report, the Executive Member provided an overview on the key points within the report and highlighted the effectiveness of the Board and how it was regarded as an exemplar in terms of Town Deal Boards.

Gerald Jennings, Chair of the Morley Town Deal Board was in attendance to provide Members with an overview of the progress being made by the Board and an update on the most recent key developments. The ongoing work being undertaken to maximise the benefits from the Town Deal funding was highlighted, via initiatives including engagement with the private sector and also through the sourcing of other funding streams, where available. Regarding the Board's membership, it was noted that work had been successfully undertaken to develop the inclusivity and diversity of the Board. The good working relations between the Board and the Council were reiterated, with it being highlighted that work needed to continue at pace and with purpose in order to deliver the projects within the required timeframe.

Several specific enquiries were raised by a Member on the progress being made in relation to Morley Town Hall and in terms of the associated governance arrangements for the Town Deal Board and its decision making. Assurance was also sought that the projects were delivering the community's priorities. In response, Members received a detailed update on the Morley Town Hall project, and also received further information on the range and extent of public consultation and engagement which had been undertaken and which was planned moving forward, both for the Town Hall project and the others within the wider programme in order to inform the delivery of those projects.

Members thanked officers for the work that continued in this area.

#### **RESOLVED –**

- (a) That the subsequent Town Investment Plan bid approval by Department of Levelling Up, Housing and Communities, which sets the context for the forward delivery of the capital projects, as outlined within the submitted report, be noted;
- (b) That approval be given for the Director of City Development to use delegated powers to approve all project capital spend, in consultation with the Executive Member for Sustainable Development and Infrastructure, and the Morley Town Deal Board;
- (c) That approval be given for the Director of City Development to use delegated powers to authorise entering into appropriate contracts or grant agreements required for delivery of the Heritage Investment Programme, White Rose Innovation Hub and Morley Learning and Skills Centre, in consultation with the Executive Member for Sustainable Development and Infrastructure, and the Morley Town Deal Board.

## **52 Transpennine Route Upgrade - Transport and Works Act Order Representation**

The Director of City Development submitted a report providing an overview of the development of the Transpennine Route Upgrade (TRU) and which set out the Council's response to the Secretary of State for Transport in respect of

a Transport and Works Act Order (TWAO) submitted by Network Rail for the TRU east of Leeds. The report referenced the 'holding objection' that had been submitted to the Secretary of State in response to the draft TWAO and noted that whilst the Council recognised and supported in principle the benefits of TRU, it detailed the reasons for the submission of the 'holding objection'. Further to this, the report also made a recommendation to Full Council to approve the submission of a formal objection to specific elements of the TWAO for the Leeds to Micklefield part of the TRU.

**RESOLVED –**

- (a) That the Council's overall strategic support for the outcomes proposed from the Transpennine Route Upgrade, be noted;
- (b) That the contents of the submitted report, be noted; and that the 'holding objection' submitted by the Council to the Secretary of State in response to Network Rail's application for a Transport and Works Act Order (TWAO) also be noted, together with the justifications for this;
- (c) That Full Council be recommended to approve the submission of the formal objection to specific elements of Network Rail's Transport and Works Act Order (TWAO) for the Leeds to Micklefield part of the Transpennine Route Upgrade, pursuant to s239 of the Local Government Act 1972;
- (d) That Full Council be recommended to delegate the necessary authority to the Director of City Development, to enable the Director to continue negotiations with relevant stakeholders in order to seek to agree the withdrawal of the objection should sufficient agreement on the issues raised be reached, in consultation with the Executive Member for Sustainable Development and Infrastructure;
- (e) That approval be given for the resolutions above to be exempted from Call In pursuant to paragraph 5.1.3, Part 4 of the Council's Constitution on grounds of urgency, as set out within paragraphs 35 - 38 of the submitted report.

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process by the decision taker if it is considered that the matter is urgent and any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, as per resolution (e) above, and for the reasons as set out within sections 35 - 38 of the submitted report)

**53 The Implications of the Network North Government Announcement for Leeds**

The Director of City Development submitted a report in response to the Government's recent announcement and publication of the Network North document, which cancelled HS2 Phase 2, HS2 East and the Integrated Rail Plan study into how to bring HS2 trains to Leeds, and committed to invest

£36bn in alternative transport schemes across the country. The report presented the references to Leeds within that document and considered the interfaces and impact that these may have upon existing infrastructure programmes, and also the operation and growth of the city.

With the agreement of the Chair, the submitted report had been circulated to Board Members as a late item of business prior to the meeting for the reasons as detailed in Minute No. 46.

By way of introduction to the report, the Executive Member provided an overview of the key points within it, including an update on the current position following the Government's Network North announcement on 4<sup>th</sup> October 2023, and highlighting that whilst the Network North document made reference to Leeds, further detail was required on such matters in order to better understand the implications for the city.

In terms of next steps following this announcement, emphasis was placed upon the importance of ensuring that a collaborative, cross-party approach was taken on such matters and when engaging with Government in order to deliver the strongest case for the city and the wider city-region in securing the required funding moving forward.

The Chief Executive provided an update to the Board regarding the National Infrastructure Commission, which had today launched its second national infrastructure assessment report, in which it had backed the case for major investment into England's largest regional cities, including Leeds, to improve public transport provision. It was also highlighted that the additional station in Leeds was still deemed to be crucial to the future of the city, and moving forward, emphasis was placed upon the Council's commitment to working closely with Government on such matters with the aim of delivering those key infrastructure improvements for the benefit of the city and the whole network.

**RESOLVED –**

- (a) That the implications of the Department for Transport Network North (document as at Appendix A to the submitted report) Government announcement for Leeds, be noted;
- (b) That Government assurance be sought that the rail commitments in the Integrated Rail Plan and Rail Network Enhancements Pipeline will remain commitments apart from HS2 Phase 2; and that the Board's endorsement be given to the Council writing to Government seeking clarity regarding the proposed Leeds Area Study which incorporated a study into Leeds Station Capacity and which is still required to understand how to accommodate the revised services referenced by Network North, including whether a T-shaped station is required;
- (c) That the Board endorse a continued collaborative approach to development and implementation of the detail behind the proposals in the Network North document, the development of a new Leeds Station Integrated Masterplan and Integrated Transport Growth Strategy,

which is critical to ensuring that Leeds remains a resilient, globally competitive and investible city that continues to operate for all our businesses and residents.

- (d) That further reports be brought to Executive Board as more information becomes available, including safeguarding and future consenting strategies.

## **ADULT SOCIAL CARE, PUBLIC HEALTH AND ACTIVE LIFESTYLES**

### **54 2022/23 Leeds City Council Local Account for Adult Social Care**

The Interim Director of Adults and Health submitted a report presenting the 2022/23 Local Account of Adult Social Care for citizens in Leeds. The report noted that the Local Account reviewed the performance of the Council in its delivery of social care services and support to the adult population of the city.

In presenting the report, the Executive Member highlighted that this was the first Local Account publication following the pandemic, covering the period April 2022 to March 2023 and which detailed the progress being made, the Council's priorities moving forward and the challenges that continued to be faced.

The key nature of the Local Account document was highlighted, as it formed part of the suite of documents that the Care Quality Commission would consider when inspecting the Authority against its statutory duties.

In considering the report, a Member highlighted how, in this case, he felt that the representations made to Government regarding the funding of Adult Social Care were beginning to make a positive impact and which illustrated the benefit of a co-ordinated approach on such matters and which could continue to be applied to areas such as the resourcing of Children and Families services.

**RESOLVED** – That the production and publication of the 2022/23 Leeds City Council Local Account for Adult Social Care, as detailed within the submitted report and appendices, be agreed.

## **LEADER'S PORTFOLIO**

### **55 Local Government Association Corporate Peer Challenge – Progress Review**

Further to Minute No. 111, 8<sup>th</sup> February 2023, the Chief Executive submitted a report presenting an overview of the Local Government Association (LGA) Corporate Peer Challenge Progress Review report, which outlined the findings of the one-day follow-up visit made by the Peer Challenge team on 11<sup>th</sup> September 2023. Appended to the report was the full LGA Corporate Peer Challenge Progress Review report, and also a document presenting the recommendations of the LGA Peer Challenge, a progress update on those recommendations together with proposed next steps.

In presenting the report, the Leader noted that the proposal was to refer the progress review to the Strategy and Resources Scrutiny Board for consideration, and in welcoming the progress review, highlighted the importance of receiving and acting upon the outcomes from the external scrutiny of the Council by partners in Local Government.

#### **RESOLVED –**

- (a) That the findings of the LGA Corporate Peer Challenge Progress Report, as appended to the submitted report, which followed the Peer Challenge team's revisit on 11th September 2023, be noted;
- (b) That the progress made against the original LGA Peer Challenge recommendations from November 2022, be noted, together with the findings of the peers following their revisit in September 2023;
- (c) That the proposed next steps developed in response to the findings of the peers following their revisit in September 2023, as detailed within the submitted report and appendices, be noted;
- (d) That the findings of the LGA Corporate Peer Challenge Progress Review report be referred to the Strategy and Resources Scrutiny Board's December 2023 meeting.

#### **RESOURCES**

##### **56 Financial Health Monitoring 2023/24 – Month 5 (August)**

The Chief Officer Financial Services submitted a report presenting the Council's projected financial health position as at month 5 of the 2023/24 financial year in respect of both the General Fund revenue budget and the Housing Revenue Account

The Board was requested to note the following correction to the submitted report:

Regarding the reference on page 1396 of the agenda pack (paragraph 3.11.1 ('Reserves') of Appendix A) which read, '*...£0.8m Leeds Older People's Forum for delivery of the Age Friendly programme which is funded by Health*'. This was to be amended to, '*...£0.8m Leeds Older People's Forum for delivery of the Enhance Programme commissioned by Leeds Community Healthcare (LCH) and delivered by the Third Sector*'.

In presenting the report, the Executive Member provided an overview of the key points, which included the current forecasting of an overspend of £29.6m for the General Fund as at month 5 of the financial year. The Board was also provided with an update on the work that continued in respect of managing in-year pressures.

Responding to a specific enquiry regarding the refund of transport levy reserves, as one-off funding from WYCA (West Yorkshire combined Authority) to each of the 5 West Yorkshire Local Authorities. In Leeds' case this was a sum of £17.7m. It was noted that this sum would be returned to the Council's

General Fund. It was also noted that this sum would be factored into future Financial Health Monitoring reports submitted to the Board moving forward.

**RESOLVED –**

- (a) That, subject to noting the correction as detailed above, the contents of the submitted report be noted, and that it also be noted that at Month 5 of the 2023/24 financial year the Authority's General Fund revenue budget is forecasting an overspend of £29.6m for 2023/24 (5.2% of the approved net revenue budget) within a challenging national context, and with it also being noted that a range of actions are being undertaken to achieve a balanced budget position;
- (b) That it be noted that at Month 5 of the 2023/24 financial year, the Authority's Housing Revenue Account is forecasting an overspend of £3.0m for 2023/24 (1.09% of the approved gross expenditure budget);
- (c) That it be noted that known inflationary increases, including demand and demographic pressures in Social Care and known impacts of the rising cost of living, including the employer's 2023/24 NJC pay offer of £1,925 and the JNC pay settlement of 3.5%, have been incorporated into this reported financial position, with it also being noted that these pressures will continue to be reviewed during the year and reported to future Executive Board meetings as more information becomes available. That it also be noted that proposals would need to be identified to absorb any additional pressures;
- (d) 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 and those of the Council's wider financial challenge where possible, in line with the Revenue Principles agreed by Executive Board in 2019;
- (e) That following WYCA Members' approval of a refund of transport levy reserves to the five West Yorkshire Local Authorities on 12th October 2023, it be noted that this one-off injection will be used in Leeds to add to the Strategic Contingency Reserve.

**57 Revenue Savings Proposals for 2024/25 to 2026/27**

Further to Minute No. 40, 20<sup>th</sup> September 2023, the Chief Officer Financial Services submitted a report providing an update on the actions being taken in response to the Council's estimated revenue budget gap. Specifically, the report presented a number of savings proposals - a collective term used in this context to apply to efficiencies, income generation and accounting measures – to contribute towards addressing that budget gap over the three-year period (2024/25 to 2026/27).

In presenting the report the Executive Member highlighted the unprecedented financial challenges that continued to be faced across the sector and by this Council, and it was within this context that the submitted proposals were being presented to the Board as part of the wider approach being taken to manage

such challenges. The Board also noted the Council's recent issuing of a Section 188 notice, which was a process to instigate collective consultation with the Council's recognised Trade Unions to avoid, reduce and mitigate the potential risk and consequences of compulsory redundancies.

In considering the report, a Member highlighted the challenge that continued to be faced nationally in terms of the resourcing of services for Children and Families. Whilst the Member highlighted the importance of the Council continuing to take action in this area, it was acknowledged that this was a matter which required a national response and continued communication with Government.

In addition, as part of the consultative process on proposals around managing the financial challenge more generally, emphasis was placed upon the benefit of involving communities and Members across the Council on such matters.

#### **RESOLVED –**

- (a) That the financial position for 2024/25 to 2026/27, as outlined within the submitted report, be noted, with it also being noted that further savings are required to deliver a balanced budget position for 2024/25 and to contribute to closing the projected gaps in the following two years;
- (b) That the 'Business as Usual' savings put forward, as detailed in 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);
- (c) That it be noted that additional savings proposals will be brought to Executive Board for consideration at its meeting on 13th December 2023.

#### **58 Accelerated Property Releases and Disposals**

The Director of City Development submitted a report which, in considering the Council's in-year budget position and medium-term financial plan, presented proposals regarding the potential to accelerate the release of a number of operational properties in order to deliver in-year additional capital receipts, and also with regard to proposals relating to further work being undertaken around the potential disposal of let out properties, as identified within the report.

Members welcomed the proposals within the submitted report.

Following consideration of appendices B and C to the submitted report designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which were considered in private at the conclusion of the public part of the meeting, it was



**RESOLVED –**

- (a) That the accelerated release of the properties set out in Table 1 of the submitted report, be agreed, and where identified, agreement also be given for their inclusion within the Capital Receipt Programme for disposal;
- (b) That agreement be given for further exploration being undertaken into the disposal of the properties identified in Table 2 of the submitted report;
- (c) That the necessary authority be delegated to the Director for City Development, to enable the Director, in consultation with the Executive Member for Resources and the Chief Officer Financial Services, to take decisions as to which of the properties identified from the Investment Portfolio in Table 2 of the submitted report should be progressed for marketing; and that subject to the value of the offers received, the final decision to sell be delegated to the Director of City Development in consultation with the Executive Member for Resources;
- (d) That the necessary authority be delegated to the Director for City Development to enable the Director to agree the terms of the disposals which are agreed as part of the submitted report;
- (e) That it be agreed that the receipts as set out in Table 2 of the submitted report be exempted from the Capital Receipt Incentive Scheme.

**ECONOMY, CULTURE AND EDUCATION**

**59 The Annual Standards Report**

The Director of Children and Families submitted a report presenting the Council's Annual Standards Report which provided an overview of the educational outcomes for Leeds following the statutory assessments and examinations which took place in 2022.

In presenting the report, the Executive Member highlighted that these statutory assessments and examinations were the first to be undertaken post-pandemic which weren't under teacher assessed grades. In addition, the Executive Member drew the Board's attention to a number of key progress measures featured within the report and extended thanks to the city's schools and school staff for the achievements recorded within the report.

Members welcomed the submitted report, with a suggestion that it may be beneficial for Scrutiny to consider the significant detail within it.

**RESOLVED –**

- (a) That the performance against headline measures for pupils in Leeds in 2022 when compared with national data, as detailed within the submitted report and appendices, be noted;

- (b) That the actions taken by the Local Authority to improve outcomes in Leeds, be noted, together with the planned actions for the coming year.

**60 Special Educational Needs and Disabilities (SEND) - Education, Health and Care Plans (EHCPs) - Review Process**

The Director of Children and Families submitted a report providing an update on the current position regarding Education, Health and Care Plans (EHCPs) both locally and nationally. The report noted that in relation to Leeds City Council, a 60% post-pandemic increase in applications for EHCPs had been experienced. Given this, it was noted that a review was being undertaken into the Council's approach towards EHCPs by external consultants in order to provide independent challenge and insight. The report also provided details of the related work which had been undertaken to date and further proposed as part of the review process.

In presenting the report, the Executive Member highlighted the significant increase in demand for EHCPs which had been experienced post-pandemic both nationally and in Leeds and highlighted the range of reasons why an individual may need an EHCP. The importance of the review process being undertaken by external consultants was emphasised in order to ensure that the process was as effective as possible, and it was noted that the submitted report was the first of two scheduled reports, with this initial report providing detail on the work done to date, emerging findings and opportunities for change. The second report is scheduled to be submitted to the Board in December 2023.

The Board welcomed the submitted report and the priority that was being given to this important area.

A Member highlighted how this process affected many young people and their families in Leeds and emphasised the importance of the Council's relationships with those key stakeholders. In response, the Director of Children and Families emphasised her absolute commitment to ensuring that improvements were made to the EHCP process and to the experiences and outcomes for young people and their families. The Director highlighted the integral role that key stakeholders, including young people, parents and carers would play in that improvement, alongside the external consultants undertaking the review. Emphasis was also placed upon the clear objectives for the next phase of the process, which included that the Council achieved full legal compliance in its statutory duties; and that moving forward clear performance metrics around timeliness of assessment and issuing of EHCPs were developed together with a robust management framework in order to measure and scrutinise progress in a timely way.

It was noted that the Children and Families Scrutiny Board was also considering these matters in parallel to the review work being undertaken, and that overall, the aim was to ensure that a 'Leeds approach' is established in response to the issues being experienced nationally in this area.

**RESOLVED –**

- (a) That the prevailing situation nationally in relation to EHCPs, as detailed within the submitted report, be noted;
- (b) That the work undertaken to date to improve performance in Leeds, be noted;
- (c) That the review work instigated, as referenced within the submitted report, be endorsed; that it be noted that the review seeks to highlight areas of opportunity and improvement; and that the key lines of enquiry which the work to date has generated also be noted;
- (d) That the proposed 5 key principles, as referenced within the submitted report, which will form the basis of more detailed organisational and process design over the next six months, be agreed;
- (e) That a further report be submitted to the December 2023 meeting of Executive Board around detailed planning for future arrangements.

**COMMUNITIES**

**61 Annual Update on Migration in Leeds**

Further to Minute No. 74, 19<sup>th</sup> October 2022, the Director of Communities, Housing and Environment submitted a report which presented the key developments and progress on the migration agenda over the last 12 months by Leeds City Council and its statutory and non-statutory partners. The report also highlighted the challenges associated with delivering a range of migration programmes to families and individuals across the city.

In presenting the report, the Executive Member provided an overview of the key points within it, including the approach being taken in Leeds in response to national and international developments during the course of the year. Also, the Board noted the approach being taken by the Council in working towards joining the City of Sanctuary Local Authority Network, which followed a related deputation to full Council in September 2023.

Members extended their thanks to a range of Council officers and the third sector partners for the work which continued in this area.

Responding to a specific enquiry, the Board received further information on the actions which were being taken with partners around the promotion of access to employment for migrants and improving their employability.

**RESOLVED –**

- (a) That the contents of the submitted annual update report on migration, together with the full overview and insight as presented at Appendix 1, be noted;

- (b) That it be noted that the Director of Communities, Housing and Environment is responsible for leading this work through the Council's Safer Stronger Communities programme;
- (c) That it be noted that the Chief Officer for Safer, Stronger Communities is responsible for leading the work of the Leeds Strategic Migration Board which oversees delivery on the strategic, co-ordinated and inclusive approach towards migration in Leeds, and the work of the Council's migration and resettlement team to provide strategic and operational direction for the city;
- (d) That the Council's approach towards becoming a member of the national Local Authority of Sanctuary Network, be endorsed;
- (e) That the issues raised in the submitted report which impact current and future Leeds residents as part of the review of the Best City Ambition, be noted.

**DATE OF PUBLICATION:** FRIDAY, 20<sup>TH</sup> OCTOBER 2023

**LAST DATE FOR CALL IN  
OF ELIGIBLE DECISIONS:** 5.00PM, FRIDAY, 27<sup>TH</sup> OCTOBER 2023

## Delivery of New Affordable Housing at Sugar Hill, Oulton

Date: 22<sup>nd</sup> November 2023

Report of: Director of City Development and Director of Communities, Housing & Environment

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

Executive Board has previously noted the significant impact of the eviction action of a private landowner on the community of Sugar Hill and Wordsworth Estate and on those individuals and families directly affected. This report updates Executive Board on the Council's ongoing support and dialogue with those former residents, and collaborative work between the Council and Leeds Federated Housing Association, the new owner of the site, to bring forward an affordable housing development. It sets out a recommendation to approve the use of £2,824,553 from the Council's Affordable Housing Commuted Sums programme to fund a grant to the Housing Association, which would support the delivery of 30 Affordable Rented Homes. The report also sets out the terms of a Local Lettings Agreement that would set the criteria under which tenants previously evicted from the site by its former owner could return as tenants of the Housing Association.

### Recommendations

Executive Board is requested to:

- a) Note the Council's continued engagement with former tenants of the Sugar Hill and Wordsworth Close estate and their representatives, the actions undertaken to prevent homelessness following eviction by the previous landlord, and the positive way in which Leeds Federated Housing Association has engaged with previous tenants and supported the remaining protected tenants on the estate following acquisition of the site.
- b) Approve a commitment of £2,824,553 Affordable Housing Commuted Sums funds to Leeds Federated Housing Association, which will uplift the delivery of Affordable Rented homes on the site from 14 to 30.
- c) Approve that the Council enters into a grant agreement with Leeds Federated Housing Association on the terms set out in this report, with full details of the agreement delegated to the Director of City Development, in consultation with the Executive Member for Housing.
- d) Approve that the Council implements a Local Lettings Policy for all of the 30 grant-funded Affordable Rented homes, on the terms set out in this report, with full details of the

agreement delegated to the Director of Communities, Housing & Environment, in consultation with the Executive Member for Housing.

## **What is this report about?**

- 1 This report provides detail on the Council's ongoing support for the residents of Sugar Hill and Wordsworth Drive Oulton, and how it proposes to continue to work collaboratively with Leeds Federated Housing Association (LFHA) to support the appropriate redevelopment of the site to deliver 70 new affordable homes and contribute towards the re-establishment of a vibrant and sustainable community. It sets out a recommendation to approve the use of £2,824,553 from the Council's Affordable Housing Commuted Sums programme to fund a grant to LFHA, which would support the delivery of 30 Affordable Rented homes in total as part of the scheme. The report also sets out the terms of a Local Lettings Policy that would set the criteria under which tenants previously evicted from the site by its former owner could return as tenants of the Housing Association.
- 2 This follows the report to Executive Board in October 2021, where it was agreed that the Council would engage with LFHA as the owner of the site, on its plans for redevelopment of the estate with a view to maximising the proportion of new affordable rented housing that could be delivered. To enable this, it was noted that the Council could consider the use of the pooled affordable housing Commuted Sums it collects from housing developments across the city, or other resources as may be identified and agreed through appropriate consultation, alongside consideration of how any new affordable rented housing could be made available through a local lettings policy to existing tenants of the estate.
- 3 In October 2021 Executive Board considered the history of the site and noted that that the Sugar Hill estate of 70 homes was originally constructed by the National Coal Board in the 1950's using the prefabricated 'Airey' typology, consisting of a steel frame and concrete panels. There had however been longstanding concerns around the condition and sustainability of the properties based on the known defects found in this building archetype.
- 4 The landowner of the site at the time, Pemberstone (Oulton) Properties Ltd, had undertaken structural surveys indicating declining and unsafe property conditions and that the stock could not be viably retained and refurbished. It submitted a planning application in 2017 for redevelopment of the site to replace it with 70no. new 2, 3 and 4 bed dwellings, comprising 49 market sale homes, 10 affordable homes in line with planning policy and 11 homes to which it would rehouse existing tenants on the site who had 'protected rights' through Regulated and Assured tenancies.
- 5 The Council, in its capacity as Local Planning Authority, refused the planning application giving significant weight to the impact of the proposed redevelopment upon the existing community. However, following an appeal by Pemberstone, an independent government Planning Inspector approved the application, attaching significant weight to the applicant's evidence on structural condition of the properties, justifying the requirement for redevelopment over retention and refurbishment of the existing homes.
- 6 Pemberstone subsequently initiated a process of entirely legal 'no-fault' evictions of the unprotected tenants, pursuant to section 21 of the Housing Act 1988. During this time one of the protected tenancies ceased, leaving 10 households with the benefit of a Regulated or Assured tenancy requiring direct re-provision of new homes on the site through any development.

- 7 Acknowledging that all the city's residents have the right to a good home that meets their needs, the Council worked to ensure that the tenants of Sugar Hill Close and Wordsworth Drive, who were issued with no-fault eviction notices, were supported in the process to obtain alternative accommodation by Leeds Housing Options. The Council ensured all tenants facing evictions who requested support were guided through the housing applications process, taken through a housing needs assessment, awarded the correct priority band, and supported via the Homeless Prevention Fund where appropriate. Leeds Housing Options assessed and accepted homeless duties for 22 residents.
- 8 In considering how the legal no fault evictions of tenants could be prevented or mitigated, the Council had assessed the cost and viability of acquiring the site (either by agreement or compulsory proceedings), refurbishing and bringing the properties into the Housing Leeds stock to high sustainability standards in line with other new-build and refurbishment works across the city, but could not make the financial or legal case for this. This was set out in detail to Executive Board and in response to a Deputation to Full Council from current and former tenants at the time.
- 9 The Council did however introduce Pemberstone to locally active Registered Providers (RPs) of affordable housing to identify how they may form part of a positive solution for tenants. LFHA expressed interest, and following negotiations, acquired the site in September 2022 and has since secured approval for a variation to the original planning approval to enable a 100% affordable housing scheme to be built, but retaining the original quantum and mix of house types. This varied permission now allows delivery of 70 two-, three- and four-bedroom affordable homes, which will achieve Energy Efficiency rating of A and B and biodiversity net gain.
- 10 Since acquiring the site, LFHA has also undertaken extensive consultation and actively progressed its planning, detailed design and tendering to enable scheme delivery in a timely manner. LFHA has provided close support for the now 10 Regulated and Assured tenants it has inherited on the site to ensure their current needs in the remaining homes are met and to ensure their needs will be met in the new homes that will be built. LFHA has also engaged with former tenants and their representatives, with Ward Councillors and worked collaboratively and openly with the Council to explore how the development could support the return of as many of the previously evicted tenants to the site as may be possible.
- 11 LFHA has already commenced a careful and well-managed process of demolition of remaining untenanted properties, with hoarding of the site to ensure it remains safe and tidy for the remaining and surrounding community. LFHA has also designed the construction programme for the development so the remaining protected tenants are rehoused directly within the first phase to minimise disruption associated with the rehousing process.
- 12 LFHA have secured a mix of funding to support delivery of the scheme, including through a Strategic Partnership with Homes England and internally Recycled Capital Grant funds that enables the delivery of the site at 100% Affordable Housing. However due to the costs of acquisition and construction, the larger proportion would be for Shared Ownership, which provides a greater income to LFHA support viability of the development. The scheme is currently proceeding based on:
  - a) 10 homes built directly for the Regulated and Assured tenants
  - b) 14 properties to be available as Affordable Rented homes

c) 46 properties to be available as Shared Ownership

- 13 In view of the commitment to former tenants to secure the best possible opportunity to re-establish the former community by seeking a way in which evicted tenants could return to the site once rebuilt, the Council and LFHA have explored options for changing this tenure mix in favour of a greater proportion of Affordable Rented homes.
- 14 The Council manages an affordable housing grant that is funded through the pool of Commuted Sums that have been paid by developers of sites across the city as planning obligations in lieu of delivering affordable housing directly on site, as per policy H5 of the Local Plan Core Strategy. Commuted Sums can be deployed by the Council through grants to eligible third-party organisations to support the delivery of more affordable homes, to increase the affordability of a scheme of new supply homes or to bring empty homes back into use.
- 15 Generally, the sums collected are unrestricted and can be spent anywhere within the Council's administrative area, although in some cases these funds are restricted to be spent within the ward or area in which they were generated. In some instances, through the planning process, Ward Members have expressed a preference for the sums to be invested in a particular way or in a particular locality. Following approvals at Executive Board in September 2016 and November 2018, the Council has implemented a strategic approach to the investment of Commuted Sums which has included new build developments and acquisition opportunities, particularly where this will leverage other funding and investment in affordable housing delivery.
- 16 The intent to increase the proportion of the more affordable tenure of Affordable Rent on the LFHA scheme at Sugar Hill would fall within the scope of use of Commuted Sums grant. Accordingly, an application for grant has been submitted by LFHA to the Council to achieve this by addressing a viability gap that would be created by removing an equivalent number of Shared Ownership homes. The application is for a grant of £2,824,553, which would optimise the tenure mix on site whilst maintaining viability of the development, adding 16 further Affordable Rented properties on the current scheme that would be available for nominations from the Council's Housing Register, at rents equivalent to Local Housing Allowance (+5%). This grant amount can be resourced from within the current pool of uncommitted Commuted Sums.
- 17 This would enable a development of:
- a) 10 homes built directly for the Regulated and Assured tenants
  - b) 30 properties to be available as Affordable Rented homes
  - c) 30 properties to be available as Shared Ownership
- 18 Ordinarily the Council would secure nominations rights on any schemes funded through Commuted Sums, as a condition of funding in the Grant Agreement, whereby the resulting homes would be made available to people in housing need through the Leeds Homes Register (100% of first lets and 60% of subsequent let of homes on the site in accordance with current nomination agreements). This would also be the case here, although to ensure the Affordable Rented homes can be made available to former tenants previously evicted from the site under 'no-fault' s21 Notices, it will be necessary to agree and implement a Local Lettings Policy (LLP) with LFHA, which will set the criteria against which applications for housing on the site from those individuals or households would be assessed.



19 Executive Board is asked to agree the broad terms of an LLP for the 30 Affordable Rented properties of the Sugar Hill and Wordsworth Hill development as set out below, with the final detail to be delegated to the Director of Communities, Housing and Environment in consultation with LFHA and the Executive Member for Housing:

- a) Applicants would be required to apply via the Leeds Homes Register.
- b) Preference will in the first instance be given to former tenants of the Sugar Hill properties which have been subject to demolition, where the tenancy started prior to and ended after the date that the previous landlord made clear intentions to redevelop the site, that is 28 November 2017.
- c) Any such applicants must have a current local connection to Leeds in accordance with Section 199 of 1996 Housing Act.
- d) In allocating properties, tenants who are former tenants of the Sugar Hill properties will be permitted to under occupy by up to 1 bedroom, but only where an affordability assessment evidences that such under-occupation is affordable to the tenant.
- e) If the number of eligible former residents exceeds the number of affordable rent properties available, then priority will be given to those with the earliest tenancy start date for the Sugar Hill properties which have been subject to demolition.
- f) If the number of eligible former residents is lower than the number of affordable rent properties available then priority will be given to wider applicants on the Leeds Homes Register who have a local connection to the ward based on their priority need status.

### **What impact will this proposal have?**

20 The use of Commuted Sums will support LFHA in the redevelopment of the estate at Sugar Hill and Wordsworth Drive, Oulton, to deliver 70 new high quality affordable homes that will be energy efficient, and to optimise the number of homes that can be delivered at affordable rents pegged close to Local Housing Allowance levels and so at the more affordable end of the Affordable Rent scale. It will ensure that those tenants with protected tenancies are prioritised and are rehoused in the first houses to be delivered on the site which will be suited to their needs. It will also support the wider redevelopment of the estate, creating the opportunity to re-establish a vibrant and sustainable community, providing a desirable place for people to live.

21 This proposal will also contribute towards meeting housing need in the city. As identified in the Best Council Plan 2020-2025, which acknowledges that the provision of an adequate supply of housing of the right quality, type, tenure and affordability in the right place is a priority for the city. Alongside this, the Best City Ambition identifies that the delivery of better homes is a priority for the city and is central to tackling challenges around affordability, poverty, and inequality to improve health and wellbeing and create vibrant communities. This is also reflected in the Local Plan which sets out the housing need in the city and the importance of ensuring a sufficient housing land supply in appropriate locations alongside delivering the quality, type and affordability of homes in meeting local needs. To meet this housing need, the Leeds Affordable Housing Growth Partnership Action Plan sets an ambition to deliver 1,230 affordable homes per year, promoting independence and creating sustainable communities to make Leeds the best place to live.

22 The scheme directly responds to this, delivering new high-quality affordable housing in an area of housing need, with a mix of tenures. The Sugar Hill estate is located within the Rothwell ward, which has significant housing need with over 750 households on the register expressing a significant demand for two- and three-bedrooms homes. The use of Commuted Sums will

optimise the number of homes that can be delivered at the most Affordable Rents, whilst maintaining a viable development. Without this subsidy, LFHA would face pressure to increase the number of Shared Ownership units.

- 23 LFHA has agreed to cap the rent at a level where Housing Benefit or Universal Credit will almost wholly cover the rent for those that may rely on this. It should be noted that these are Affordable Rents and not Social Rents, the latter being the most affordable tenure but only deliverable where viability appraisal (though land/construction costs and extent of available funding) shows this lowest level of income could support development.
- 24 The implementation of a Local Lettings Policy will ensure there is an opportunity for those residents that meet the criteria set out to be able to return to the rebuilt estate following their no-fault eviction by the previous site owner. Executive Board has previously noted the significant social and community impact of that action on the Sugar Hill and Wordsworth Estate community and on those individuals and families affected. The Council was not able to prevent that happening at the time or meet the requests of the community to acquire the site directly itself and the impact of those events can never be fully repaired. However, the securing of a responsible developer and landlord, the achievement of a significant number of new Affordable Rented homes through the funding recommended in this report and the implementation of an LLP that facilitates the restitution of the original community as far as possible should be seen as a far better social outcome than would have resulted from Pemberstone's development scheme.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 25 This scheme will contribute towards all the three pillars of the Best City Ambition by delivering new affordable homes with a mix of tenures with high thermal efficiency credentials which will contribute towards meeting housing need, support the creation of sustainable and thriving communities, have reduced heating demand, address fuel poverty and reduce carbon emissions.
- 26 The grant will enable the delivery of a 100% affordable scheme, with a mix of tenures, supporting the creation of a vibrant, sustainable and mixed community at Sugar Hill. This will benefit the wider existing community which has experienced some challenge with the decline of the existing Airey homes and the subsequent declining population.
- 27 As a compassionate Housing Association, LFHA is committed to support the health and wellbeing of its residents, including those with mental health issues and those with disabilities ensuring that a number of homes to be delivered adhere to housing standard M4(2) and are suitable for being adapted where needed. All the properties will comply with the Nationally Described Space Standards, enabling residents to be housed in appropriate homes to live healthy lives.
- 28 The proposal strongly relates to the pillar of Inclusive Growth. LFHA is dedicated to supporting local learning, training and employment opportunities for the residents of Leeds, primarily through the utilisation of the Flexible Apprenticeship program from Efficiency North. The project will prioritise the recruitment of local labour, collaborating with community organisations and

employment agencies, ensuring opportunities are accessible to Leeds residents, fostering community growth. By leveraging Efficiency North's Flexible Apprenticeship programme, the project will offer structured sector-specific training programs to apprentices. This equips them with essential skills and industry insights, including certifications like CSCS cards and PPE. All apprentices will benefit from comprehensive award-winning Information, Advice, and Guidance (IAG), pastoral, and academic support, enabling them to thrive in their roles.

- 29 LFHA will maintain rigorous monitoring and reporting to ensure adherence to apprenticeship and local labour standards, while continuously improving impact on learning, training, and employment in Leeds. Collaboration with EN:Able Futures recruitment agency and other stakeholders will ensure that the project aligns with broader industry standards and community development goal. This collaboration will mean EN:Able Futures will handle recruitment, employment, and support, saving time and resources for the housing project, providing a cost-effective approach compared to traditional recruitment agencies.
- 30 The proposal will also contribute towards zero carbon priorities, delivering high-quality homes with strong sustainability credentials. Each property will be built to achieve a minimum Energy Efficiency Rating of B and will be fitted with solar PV. Alongside this, electric vehicle charging points will be fitted for each dwelling. These interventions will work towards increasing the sustainability of the scheme, reduce carbon emissions and will make the properties more affordable to heat, contributing towards tackling fuel poverty.

An Equality, Diversity, Cohesion and Integration (EDCI) Screening Form has been completed with no specific issues identified and is attached at Appendix 2.

**What consultation and engagement has taken place?**

Wards affected: Rothwell		
Have ward members been consulted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

- 31 Extensive consultation and engagement has taken place regarding the scheme and the use of Commuted Sums.
- 32 LFHA consulted Ward Members on 9<sup>th</sup> September 2022 and 20<sup>th</sup> June 2023.
- 33 LFHA has also undertaken a high level of engagement with their retained protected tenants, including letters, home visits and a series of residents' meetings have been held at Oulton Hall, organised and facilitated by LFHA.
- 34 Prior to evictions, tenants of the site created the Save Our Homes group, and extensive engagement and consultation has taken place with them including meetings between LFHA, Ward Members, the Leader of the Council and Executive Members.
- 35 Rothwell Ward Members have been consulted on the grant funding proposal via email 23<sup>rd</sup> October 2023.
- 36 The Executive Member for Housing has been consulted and has provided support for the scheme.

37 Work will continue to ensure a positive communications strategy which recognises the need to engage with all relevant stakeholders as the scheme is delivered.

### **What are the resource implications?**

- 38 In October 2021 Executive Board noted an estimate at the time of up to £60,000 of Commuted Sums support per home that might be required to change tenure from Shared Ownership to Affordable Rent to achieve the aims set out in this report, with a maximum of 40 affordable rented homes. This would have led to an indicative commitment of up to c£2.4m of commuted sums based on the estimated position at that time. This was a very indicative figure based on imperfect information about site and development costs and did not factor in any assumptions about rental levels.
- 39 Over the last 24 months LFHA has been able to develop its scheme proposals further with the benefit of detailed site investigations, exposing a higher level of remediation and construction cost than previously anticipated, added to which has been the continued very high-cost inflation in the construction sector supply chain. A tender exercise has been undertaken and value engineered where possible, but the development scheme has proven to be significantly more expensive than originally assumed, whilst currently available funding has not increased. The scheme costs also take into account the need to acquire the site at a market value in order to secure it for these purposes. This has placed significant pressure on the viability of the proposed scheme even before the opportunity to change some shared ownership homes into affordable rented homes is considered.
- 40 The Council has worked with LFHA to identify an appropriate level of grant support that could be offered against the updated and live cost base for the scheme. An approach has been taken to identify a grant amount that would optimise the number of homes that could be offered on the development as Affordable Rented accommodation to be made available under the Local Lettings Policy, that would be affordable within the Commuted Sums programme and which would allow a rental level on the homes to be set that would track as close as possible to the Local Housing Allowance for Leeds, ensuring that Housing Benefit/Universal Credit would cover the rent charged.
- 41 Some Affordable Rented housing providers charge rents for schemes at up to 80% of the market level to offset funding availability or viability challenges, but will usually seek to set rents at 70% of the market level for affordability of rents for tenants. Given the intentions of this scheme to help re-establish the community of formerly evicted tenants who benefitted from relatively low rents, setting rents at as affordable level as funding would allow was considered an important aim.
- 42 The Council and LFHA considered grant at three alternative levels of intervention reflecting the cost requirements of the scheme, the changes to funding mix required and the levels of rent that would need to be charged over a 40 year period to ensure viability of the development in increasing the number of Affordable Rented homes to 30:
- a) If tenant rents were set at 70% of market level the call on Commuted Sums grant would be £3.4m, a cost of £210k per home.
  - b) If tenant rents were set at 75% of the market level the call on Commuted Sums grant would be £2.8m, a cost of £177k per home.

- c) If tenant rents were set at 80% of market level, the highest Affordable Rent that could be charged and well in excess of Local Housing Allowance levels, the call on Commuted Sums would be £2.3m, a cost of £142k per home and within the indicative funding range considered by Executive Board in 2021.
- 43 The cost per home is a reflection of the cost to the development of converting Shared Ownership to Affordable Rent, changes in the funding that LFHA could access and income forgone through part-house sales.
- 44 The 10 homes to be built for the Regulated and Assured tenancies cannot be funded through any affordable housing grant source. This places a significant pressure on the viability of the development as the costs must be funded directly by LFHA. In relation to the Council's proposed Commuted Sums grant, LFHA has committed to provision in the grant agreement to making these available for Council nominations at any point in the future should those tenancies change, and the protections fall away. As such it could be reasonably expected that most if not all of those 10 homes would become available as Affordable Rented homes at some point in the medium to long term.
- 45 Having considered the issues related to this site, the aims of LFHA and the Council in supporting the existing and former community, and the wider social benefits of LFHA's approach to working with existing tenants, tenure mix and rent setting approach, the level of grant set out in this report is recommended to Executive Board as being affordable within the Commuted Sums programme, supporting scheme viability and appropriate in achieving an optimum number of affordable homes at the lowest rental option that is affordable to returning tenants.
- 46 Financial support from the Council is requested from the pooled Commuted Sums budget which is confirmed as legal and appropriate for this scheme. A breakdown of scheme finances is available in Exempt Appendix 1.
- 47 Whilst the Council recognises that LFHA has a strong record of delivery in the city, funds will be released in tranches relating to phases of development to ensure that should it not be able to deliver on the proposal or fail to conform to the conditions agreed the grant agreement will require the housing association to repay all or part of the agreement as appropriate.

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

- 48 The Annual Corporate Risk Report September 2023 identifies insufficient housing growth as a medium risk factor within the Corporate Risk Map in delivering the Best City ambitions. The delivery of affordable home is a crucial element of overall housing supply across the city. To address this, the council has set out a priority with the aim of 'working together across sectors to harness the capacity and capability in the city, its communities and those with lived experience to develop a city solution to welfare provision and addressing the cost-of-living crisis – with a specific focus on food, fuel, housing and digital inclusion'. Supporting this scheme is directly responding to this risk contributing to meeting additional housing supply targets for people in Leeds.

49 LFHA has consistently been one of the highest delivering Registered Providers in the City. As of July 2023, they have provided 555 affordable homes across a number of sites over 10 years. The table below displays the total number of homes delivered each year:

Year of Delivery	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24 (to date)
LFHA	33	58	38	77	106	119	45	30	27	22

50 The main risk of any grant funding is that the funder loses some control of the funds. If approved, LFHA will be obligated to enter into a Grant Agreement with the Council before any funding is to be released. The terms of the grant agreement will outline that:

- The grant funding will be released in tranches with an agreed proportion of the grant available to draw down upon start on site, and the remainder available to be drawn down upon practical completion.
- The grant agreement will specify the period over which to draw down any available grant money. The Council reserves the right to extend the long stop date,
- LFHA enter into a Nominations Agreement with the Council to grant nomination rights over who occupies the affordable rented properties alongside providing the Council a limited 6-week nomination rights on the shared ownership properties once served,
- LFHA will agree a Local Lettings Policy on the terms set out in this report,
- LFHA will rehouse the protected tenants within the scheme on the same terms and conditions as their current tenancy agreements,
- LFHA will grant the Council nomination rights on the regulated and assured properties once those protected tenancies cease ensuring those properties will stay affordable after the regulated/assured tenancies have ended,
- LFHA will cap the Affordable Rent at the Local Housing Allowance rate for Leeds plus + 5% tolerance at first lets,
- The Grant Agreement will also require that LFHA seeks the Council's consent if selling their full interest in the properties and ensure that any new owner also enters into a Nominations Agreement with the Council,
- LFHA will submit progress monitoring bi-annually against agreed milestones. Ultimately, if performance is unsatisfactory or does not meet the agreed milestones, the grant agreement will provide for the Council to withhold any further grant funding and request repayment of any funding already provided.

### **What are the legal implications?**

51 The information contained within Exempt Appendix 1 of this report has been identified as exempt from publication because it relates to the financial or business affairs of particular parties (including the Council). This information is not publicly available from the statutory registers of information kept in respect of companies and charities. It is considered that since

this information was obtained through the grant application process then it is not in the public interest to disclose this information at this time. Also, it is considered that the release of such information would or would be likely to prejudice the Council's financial interests in relation to other similar transactions. It is therefore considered that this element of the report should be treated as exempt under Access to Information Procedure Rule 10.4 (3) The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 52 The Council is permitted to award subsidies to third parties in line with the Subsidy Control Act 2022. Subsidy means where a public authority – for example central, devolved, or local government – provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms. This can take the form of a grant, a tax break, a loan, guarantee or equity investment on favourable terms, or the use of facilities below market price, amongst other kinds of support. The Council is required to assess any proposed financial assistance to ensure that it is consistent with the Subsidy Control Act 2022 and any application must only be granted if it is consistent with the principles in The Act. The Act also contains provision for public authorities to grant subsidies for Services of Public Economic Interest (SPEI). These are subsidies for essential services provided to the public that would otherwise not be supplied in an appropriate way or may not be supplied at all by the market. Within this, the regime also allows for exemptions for subsidies in specific cases, including for low value SPEI subsidies considered to constitute SPEI Assistance (SPEIA).
- 53 A Subsidy Control assessment has been undertaken of Leeds Federated Housing Association's application and reviewed with Legal Services. The proposed grant will be a subsidy governed by the Act. The grant provides for the provision of affordable housing and constitutes a Service of Public Economic Interest (SPEI). These are subsidies for essential services provided to the public that would otherwise not be supplied in an appropriate way or may not be supplied at all by the market.
- 54 As the amount of public subsidy to be received by Leeds Federated Housing Association's will exceed £725,000, the funding cannot be granted as SPEI Assistance. The request does meet Subsidy Control principles outlined in the guidance and is to be recorded on the Government's Subsidy Control database.

55 This is a Key Decision and is subject to Call In.

## **Options, timescales and measuring success**

### **What other options were considered?**

- 56 Following the endorsement at Executive Board in October 2021, the Council has worked with LFHA to identify how to best bring the site forward and optimise the Affordable Rented housing that can be delivered through appropriate resources. Without the requested commuted sum contribution, redevelopment at Sugar Hill would offer a less affordable tenure mix with a higher proportion of shared ownership homes. This proposal has therefore been identified as the most appropriate option to address housing need in the city whilst maintaining viability of the development at a cost of £2,824,553 for the delivery of 16 additional affordable homes, the preferred option remains the best value for money and offers a more affordable tenure mix. This option facilitates a scheme that offers 100% affordable housing on site in contrast to the option

of the Council acquiring and developing a scheme itself, which was originally estimated at some £20-£25m.

57 If Commuted Sums were not available to support this scheme, it is likely that LFHA would find it difficult to obtain the additional funding required, and the number of Affordable Rented homes that could be delivered on the site would be reduced to 14, the baseline approach established through LFHA's current funding and finance arrangements. Use of Commuted Sums is therefore creating additionality and addressing the unique social and community circumstances relating to this site.

### **How will success be measured?**

58 Critical success factors will include scheme implementation within the timeframes set out or within a reasonable tolerance approved by the Council. Success will include the delivery of the proposed scheme within budget, utilising Commuted Sums, Homes England Strategic Partnerships funding, Recycled Capital Grant funding and Leeds Federated Housing Association loan funding.

59 Success will also include the scheme being fully occupied upon completion with Leeds residents on the Housing Register, along with resident and residents' family's satisfaction levels which will be collated by Leeds Federated Housing Association.

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

60 It should be noted that LFHA is already progressing development of the site, on the basis of the current funding and finance mix it has available. The development itself is not affected by the decision on Commuted Sums and the Housing Association has taken the view that it must progress the scheme as quickly and effectively as possible. An approval to the Commuted Sums grant will however enable homes on the site to have their tenure mix changed as per the detail in this report.

61 The broad programme for the completion of the Commuted Sums grant process and site development is as follows:

- a) Demolition currently underway
- b) Start on Site November 2023
- c) Phase 1A – Regulated/Assured Tenancy Homes – Completion autumn 2024
- d) Phase 1B homes – completion early 2025
- e) Phase 2 homes – Completion early 2025
- f) Phase 3 homes – Completion spring 2025
- g) Phase 4 – Completion summer 2026

### **Appendices**

Appendix 1 - Designated as being exempt from publication under Access to Information Procedure Rule 10.4(3) – Breakdown of Scheme Finances

Appendix 2 – EDCI Screening

### **Background papers**

None



Document is Restricted

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# 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.

<b>Directorate:</b> City Development	<b>Service area:</b> Asset Management and Regeneration
<b>Lead person:</b> Adam Brannen	<b>Contact number:</b> 0113 37 87711

## 1. Title: Delivery of New Affordable Housing at Sugar Hill, Oulton

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

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

This screening document relates to a report entitled 'Delivery of New Affordable Housing at Sugar Hill, Oulton' which is due to be considered by Executive Board on 22<sup>nd</sup> November 2023.

The report follows a report shared previously at Executive Board in October 2021. It provides detail of the Council's ongoing support and dialogue with former residents of the site at Sugar Hill, and collaborative work between the Council and Leeds Federated Housing Association, the new owner of the site, to bring forward an affordable housing development.

It also sets out a recommendation to approve the use of funds from the Council's Affordable Housing Commuted Sums programme to fund a grant to Leeds federated

Housing Association, which would support the delivery of Affordable Rented homes. The report also sets out the terms of a Local Lettings Agreement that would set the criteria under which tenants previously evicted from the site by its former owner could return as tenants of the Housing Association.

### 3. Relevance to equality, diversity, cohesion and integration

All the council's strategies and policies, services and functions affect service users, employees or the wider community – city wide or more locally. 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"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>		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 Council's approach to affordable housing considers EDCI and aims to support all residents in housing need. The use of Affordable Housing Commuted Sums seeks to support the delivery of additional affordable homes or increase the affordability of tenure.

The Council is not party to detailed personal or demographic information about the tenants of the privately owned estate, which would enable a full consideration of EDCI impacts. However, it is understood that families with children, older people and some people with underlying health issues were impacted by the no fault evictions undertaken by the previous private landlord and could have experienced this in different ways.

- **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)

As the Council is not party to detailed personal or demographic information about the tenants of the privately owned estate it is not currently possible to assess differential impacts for different equality characteristics. It is however recognised that through the legal actions of the previous private landlord there is a strong likelihood of long standing social-ties and community relationships being severed, which may have an impact on the health and well-being of individuals affected in different ways.

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

The report sets out a recommendation for the use of commuted sums to secure additional affordable housing on the site at Sugar Hill and a Local Lettings Agreement that would set the criteria under which tenants previously evicted from the site by its former owner could return as tenants of the Housing Association. If there are matters relating to equality characteristics that inform housing need these would be considered at that time. If

displaced tenants are able to secure a letting under these arrangements this may enable some re-establishment of previous community relationships. The Council is not able to guarantee all former tenants would be rehoused under these arrangements.

**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
Adam Brannen	Head of Regeneration	02/11/23
<b>Date screening completed</b>		02/22/23

**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](mailto: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 <b>Governance Services</b>	Date sent: 02/11/23
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:

## Connecting Leeds Transport Strategy Action Plan Annual Update 2023

Date: 22<sup>nd</sup> November 2023

Report of: Director of City Development

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

This report outlines the annual progress made on the Connecting Leeds, Transport Strategy Action Plan since approval in October 2021 focusing on the period from October 2022 to October 2023.

The Transport Strategy fits into the wider context of the Best City Ambitions and with the Action Plan is an integral component for monitoring the impact any new interventions or policy have on tackling climate change, air quality and supporting economic and inclusive growth. Since 2018 through Connecting Leeds, there has been over £750 million of investment across the city including the Leeds Public Transport Investment Programme, East Leeds Orbital Route, City Square and associated works, Armley gyratory, Regents Street flyover and Leeds City Bikes . As we look forward, investing in our places and transport to create a sustainable economy and greener future is a key aim of the Leeds Inclusive Growth Strategy.

The Annual Progress Report evaluates the progress and success of all the key measures using the four main themes of policy development, infrastructure, mobility & service and network management & maintenance as set out in the Action Plan. It provides a review of the current datasets used to measure success and challenges against key objectives outlined in the Action Plan using the key performance indicators provided which align with the Best City Ambition.

The closure of City Square to general traffic marks an important move towards transforming the city centre, improving the main gateway to the city from the railway station, prioritising public transport and creating places for the people of Leeds to enjoy. The Mayor's Fares initiative has reduced the cost of bus travel across West Yorkshire. The successful launch of the Leeds City e-Bikes scheme in September, which is the largest of its kind in the UK will help more people make the switch to cycling for some of their journeys taking advantage of the high-quality infrastructure delivered by the Council.

The KPI's show some notable change has been achieved in certain areas where the interventions highlighted above have been delivered. The city centre mode split shows a change of over 10% from private car to sustainable modes with bus, rail walking and cycling all increasing.

The travel plan network survey also shows positive progress in achieving mode shift and reflects the efforts businesses in the city are making to implement travel plans and meet their own climate-based objectives.

While overall vehicle kilometres travelled are below 2019 levels, they have increased from last year and more will need to be done across the whole district to reverse this trend.

The overall casualty data for 2022 shows an increase from previous years. We have adopted our Vision Zero Strategy and are working with partners on delivery of actions. As an example, a programme of speed limit reduction enforced with average speed cameras is being delivered across a number of lengths for

## Recommendations

Executive Board is requested:

- a) To note the Annual Progress Report of the Connecting Leeds Transport Strategy - Action Plan 1 (2021-2024) including key successes and progress towards objectives.
- b) To note the funding challenges related to meeting our ambitions and targets, as outlined in the report.
- c) To note that further significant new measures may be required by end of 2024 in order to meet our net-zero targets and that a further report will be brought to Executive Board to detail these as part of the development of Connecting Leeds Transport Strategy Action Plan 2.

### What is this report about?

- 1 The report provides an introduction and overview of the second Annual Progress Report of the Connecting Leeds Transport Strategy (CLTS), Action Plan 1 development for the period between October 2022 to October 2023. The full Annual Progress Report is contained within Appendix 1.

### What impact will this proposal have?

- 2 The Connecting Leeds Transport Strategy has a significant part to play in delivering the Inclusive Growth Strategy for the city. Leeds is a growing city with a population estimated at 812,000 (ONS 2021 census). Leeds continues to be the main driver of economic growth in West Yorkshire with around 470,000 people working in the city putting Leeds in the top five nationally for private sector employment. Continued strong private sector growth since 2010 has maintained the cities employment rate above average for the region. An efficient transport system, accessible to all is fundamental to continued inclusive growth.
- 3 Transport is the main contributor to carbon emissions in Leeds. The Connecting Leeds Transport Strategy sets the need to:
  - a) Reduce distance travelled.
  - b) Shift to public transport and active modes.
  - c) Decarbonising the vehicle fleet
- 4 Transport has a significant effect on Health & Wellbeing and the Strategy aims to:
  - a) Reduce the negative impacts of transport emissions on air quality.
  - b) Have no serious or fatal casualties on our roads (vision Zero).
  - c) Improve health through active travel (walking, wheeling, cycling).
- 5 To achieve our ambitions vision, we believe we need to take a targeted but flexible approach, which adapts to different opportunities and challenges across Leeds. Our planned interventions will intend to accelerate further reduction in carbon emissions from transport, but we need to be able to accurately measure our success against the objectives set out in our Action Plan.
- 6 A detailed Equality, Diversity, Cohesion, and Integration (EDCI) screening document was included with the Connecting Leeds Strategy Report approved by Executive Board in October 2021 which covers this Annual Update Report. The original EDCI report is included as Appendix 2 and can be accessed [here](#).

## Measuring Success of the Connecting Leeds Transport Strategy through our Action Plan.

### Monitoring of interventions and Policy

- 7 We will monitor, appraise, and evaluate performance against our targets on a regular basis to ensure the strategy is successful and that changes to our approach can be made if required.
- 8 Effective monitoring and evaluation will also allow us to better plan and prioritise the use of our resources over the lifetime of the strategy. Monitoring, appraisal, and evaluation are essential to ensuring the policies and proposals of our strategy are to be achieved and to ensure we stay on track.



## Connecting Leeds Transport Strategy Action Plan 1

### Annual Progress Update - 2022 to 2023

- 9 The second CLTS Annual Progress Report is contained within Appendix 1.
- 10 The status of all the measures is documented against the four main themes which include policy development, infrastructure delivery, mobility and services, network management and maintenance.
- 11 Each measure was first evaluated to understand whether it would be delivered before the end of the current action plan in 2024. The measures which will not be complete by 2024 and several new schemes were then re-evaluated against Action Plan 2 and Action Plan 3 deadlines of 2027 and 2030 (Table 1).

Measure RAG Rating	Action Plan 1 by 2024 - Completion success rate	Action Plan 2 by 2027 - Completion success rate	Action Plan 3 by 2030 - Completion success rate
Completed within proposed timescale	44.44%	71.43%	79.37%
On schedule to complete within proposed timescale	31.75%	22.22%	15.87%
Unlikely to complete within proposed timescale	23.81%	6.35%	4.76%

**Table 1** – Percentage of original and addition measures due to be completed by each deadline.

- 12 Inflationary pressures across the capital programmes has necessitated the prioritisation of schemes with some now moved to a pipeline for future funding. It is hoped this would allow delivery before the Action Plan 3 deadline of 2030 (see timetable in paragraph 44).

### Key Successes and developments in this review period – 2022 to 2023

- 13 This section highlights the main successes and developments relating to the key action areas outlined in Action Plan from the last review period.
- 14 The table 2 provides a summary of the key action areas which have noted meaningful change during this progress period with more information contained within the Action Plan Progress Report which can be found in Appendix 1.

Theme	Action Areas	Progress Update
Policy	Bus Reform	<ul style="list-style-type: none"> <li>Leeds City Council (LCC) has continued to work with West Yorkshire Combined Authority (WYCA) to deliver a network with more bus priority (dedicated lanes and bus gates) and enhanced signal technology which has improved bus journey time reliability and reduced journey times at locations and on key corridors where works have taken place and will see continuing improvements in the city centre and across Leeds as schemes complete and the benefits are realised.</li> <li>LCC teams continue to engage with the WYCA Bus Policy team and the main bus operators to deliver the BSIP (Bus Service Improvement Plan) and ensure all service decisions remain fair and inclusive for our communities.</li> <li>WYCA is currently consulting on how bus services should be run before a final decision on whether to progress with bus franchising with LCC providing a prominent role in its development.</li> </ul>
Policy	Provision of reasonably priced bus fares	<ul style="list-style-type: none"> <li>The 'Mayor's Fares' of £2 single journey and £4.50 Mcard Day Saver has been extended, initially to the end of October but is now expected to continue to the end of 2024. This is seen as a key measure to tackle the 'cost of living crises' and make public transport more affordable.</li> </ul>

Policy	Prioritising healthier streets	<ul style="list-style-type: none"> <li>A healthier street philosophy has been further embedded into all scheme development. This provides an evidence-based approach to creating fairer, sustainable, and attractive urban spaces.</li> </ul>
Policy	Road Space Reallocation	<ul style="list-style-type: none"> <li>Guidance from the Streetscape Space Allocation Policy is now being actively used to support the development of a number of major transformational schemes across the Leeds district.</li> </ul>
Policy	Vision Zero	<ul style="list-style-type: none"> <li>The <a href="#">Leeds Safe Roads Vision Zero 2040 Strategy and Action Plan</a> provides detail of the way in which collisions will be prevented or reduced in severity.</li> </ul>
Policy	Motorcycles in Bus Lane trial.	<ul style="list-style-type: none"> <li>Recent trial into whether LCC should allow motorcycles to use some bus lane concluded in summer 2023. During that period, a notable increase in the numbers of motorcyclists travelling on the A65 corridor has been observed. Collision monitoring and analysis shows that during the duration of the trial no collisions involving motorcyclists have been recorded.</li> <li>Motorcycle makes up less than 1% of road traffic but account for 18% of road collisions so any policy which could improve safety is warranted.</li> </ul>
Infrastructure	Leeds City Square	<ul style="list-style-type: none"> <li>City Square was closed to general traffic in September 2022 with further improvements delivered in 2023 (see below and Appendix 1). This scheme delivers a much-improved gateway to the city centre from the railway station, improved local air quality, improve facilities for buses, pedestrians, and cyclists with space for events and supporting local businesses.</li> </ul>
Infrastructure	Local Area Rail Improvements	<ul style="list-style-type: none"> <li>Works on Morley Rail Station finished in June 2023 as part of the Trans Pennine upgrade. The White Rose Station construction is now in its final stages with the majority of works due to be completed early in 2024 and be operational in summer 2024. Thorpe Park Station is due to start construction in 2024/25 TBC with all helping to support more sustainable travel choice for local communities and businesses.</li> </ul>
Infrastructure	Dyneley Arms	<ul style="list-style-type: none"> <li>This major junction improvement scheme was completed in July 2023 and will relieve congestion, provide bus priority, and deliver safe and efficient facilities for all road users and pedestrians.</li> </ul>
Infrastructure	Fink Hill	<ul style="list-style-type: none"> <li>Construction works on the Fink Hill junction improvement scheme started in November 2022 and is set to be completed by November 2023. This will provide new safer facilities for pedestrians, cycle users and bus priority measures along with reduced congestion.</li> </ul>
Infrastructure	New EV Charging Points	<ul style="list-style-type: none"> <li>LCC and WYCA have continued to support the roll out of new electric vehicle charging infrastructure with 514 charge points recorded in Leeds in July 2023, 265% increase 2019/23 - <a href="#">EV Charge Point Totals</a>.</li> </ul>
Mobility & Service	E-bike share schemes	<ul style="list-style-type: none"> <li>The first all e-bike hire scheme in the UK was launched in Leeds in September 2023. E-bikes appeal to a much broader spectrum of people than normal bikes this makes for the e-bike scheme invaluable in supporting the behaviour change needed to help people make the switch to cycling for some shorter journeys. Initial uptake of the new Leeds City Bikes scheme has been encouraging with more than 1200 users covering 375km and making over 1600 trips in the first week of operation.</li> </ul>
Mobility & Service	Zero emission delivery robot trials.	<ul style="list-style-type: none"> <li>Due to the success of the first trial the Starship delivery robots service has since been expanded to a further 12,000 new households in two new Leeds communities. The service now operates in Adel, Tinsill, Kippax and Swarcliffe, with an 85% positive sentiment, with a fifth location due to open in Wetherby early 2024.</li> </ul>
Network Management & Maintenance	Smart signal programme	<ul style="list-style-type: none"> <li>LCC have continued to deliver the smart signal programme and installations of digital monitoring sensors across Leeds helping to create a more efficient road network which will reduce congestion, provide priority for public transport and safety improvements for pedestrians and cycle users.</li> </ul>

**Table 2** – Summary of key successes

## **Delivery of key City Centre schemes**

- 15 In addition to the progress noted in Table 2 there has been more city centres schemes which have been completed or significantly moved forward in the last 12 months.
- 16 As noted, the closure of City Square in September 2022 will be fully completed by the end of November 2023. This supports our ambition to create infrastructure and spaces which favour healthier and more sustainable methods of travel, diverting some general traffic away from the city centre, creating safer and more attractive places to walk and cycle, hold events and improve air quality.
- 17 Important changes were made in January 2023 to make King Street and Thirsk Row two-way, to facilitate vehicle and bus movements with works at the junction of Aire Street and Wellington Street due to be completed as part of the final phase.
- 18 In May 2023, the northern section of New Station Street, from the station's main entrance towards City Square closed to pedestrians with the taxi rank moved to Princes Square. This was one of the first major milestones of the Leeds Station Sustainable Gateway scheme which is now progressing at pace with final completion due in 2025. Alongside this scheme, Network Rail is also undertaking essential maintenance to New Station Street, which is a private road in its ownership. These essential works will have required the road's closure and temporary relocation of the taxi rank in any event.
- 19 The final phases of the scheme completed by autumn 2023 included:
  - A new 24-hour bus gate (South Parade junction) on East Parade with only buses, hackney carriages, bicycles and emergency vehicles are now able to access. This also included changing a section of East Parade to make it two-way (from Bedford Street) to allow diverted motor vehicles to exit the city centre more easily. Infirmary Street bus gate was also reinstated with only buses, hackney carriages, bicycles, and emergency services able to access.
  - Calverley Street changed from one-way northbound to two-way. Because of the existing left and right banned turn movements from the Headrow, and the new bus gate at the top of East Parade, only buses, hackney carriages, bicycles, and emergency services are able to access Calverley Street from its junction with the Headrow. The new two-way operation allows access to Calverley Street, Alexander Street and the Town Hall to general traffic via a right turn from Great George Street.
  - It's important to note that delivery and servicing access arrangements have been amended and improved to ensure there is no negative impact on the numerous important hospitality businesses in locations such as Park Row and Greek Street.
  - The Queens Hotel now has its own pick-up and drop-off area created within City Square for limited access only managed by the Queens and the council.
- 20 The impact of all these changes has seen congestion levels in the city centre reduce substantially allowing more free-flowing general traffic on permitted routes and providing more space for buses, taxis and cyclist to use, creating a safe, more-healthier environment for our residents and visitors of Leeds.
- 21 The Armley Gyratory highways phase one works including installation of the new signals, streetlights and early landscaping is largely completed. These improvements are designed to increase capacity on the Leeds inner ring road and M621 and reduce city centre through-traffic following the closure of City Square which is already showing signs of accommodating more vehicles and improving traffic flow across the transport network. The next phases of work in 2024 represent transformative changes to the footbridges for people walking and wheeling making it easier to get across the gyratory.
- 22 Notwithstanding the extent of the road schemes undertaken by the Council in recent years, the DfT data on average speed on locally managed A roads survey for 2022 indicates that Leeds has the highest average speed for any English Core City at 23.9 mph. By way of example, this compares to Birmingham (17.7mph), Manchester (15.1 mph) and Sheffield (21.0 mph)

## **Celebrating success at the UK National Transport Awards**

Leeds City Council's City Development team have been honoured at the 2023 Transport Awards this month. This prestigious event held by the Transport Times celebrates excellence and innovation in the transportation industry, and Leeds City Council was recognised in three vital categories:

- Design, Engineering & Construction Project of the Year: For their work with various partners on the East Leeds Orbital Route.
- Campaign of the Year: Collaborating with partners for the Aspen Park and The Poplars Residential Travel Plan Fund.
- Exemplary approach to Active Travel & Public Space: Our Mabgate/Lincoln Green Transformation was Highly Commended.

## Section Summary

- 23 The significant amount of infrastructure schemes and policy measures shows the scale of work undertaken over the last 12 months including implementing complex infrastructure schemes, particularly City Square and its associated works, securing funding bids, launching, and expanding new mobility services including the UK's first all E-Bike hire scheme.
- 24 This level of change across Leeds emphasises the importance of having the Transport Strategy objectives at the centre of all schemes and policies, to be successful in achieving our target of net-zero by 2030 and a city where you don't need a car.

## Progress against Key Performance Indicators (KPI's) – 2022 to 2023

- 25 This section provides a summary of our progress during 2022-23 toward the Action Plan KPI targets relating to the key action areas outlined in Action Plan from the last 12 months.
- 26 More detailed information on the objectives and key data sets can be provided in the Action Plan Progress Report which can be found in Appendix 1.

## Objective 1 - Tackling Climate Change

- 27 Achieving net zero by 2030 by reducing carbon emissions is a key objective in our Transport Strategy. The local authority greenhouse gas emission DfT (Department of Transport) dataset provides estimates of carbon emitted from different transport types. The data shows carbon emissions have increased slightly between 2020 and 2021 but remain 14.7% lower than 2019. Overall air quality in Leeds has remained at similar levels compared to results in 2021. It is also noted that concentrations of Nitrogen Dioxide have not returned to the same levels measured before the COVID-19 pandemic (2019). However, there are some locations, mainly in the city centre that remain above the annual mean air quality objective for Nitrogen Dioxide. More details can be accessed in the September 2023 Air Quality Annual Status Report [Air quality annual status report executive summary \(leeds.gov.uk\)](https://www.leeds.gov.uk/air-quality/air-quality-annual-status-report-executive-summary).
- 28 Total vehicle KM travelled has increased between 2021 and 2022 by 7.5% which is a concern however the total is still 6.3% lower than 2019 with cars showing an even greater reduction on 9.1%. This increase in car KM travelled does suggest many people have started to drive again but maybe not as often which could show a change in travel habits and more people working from home. Despite the reduction in total traffic KM travelled the number KM travelled for LGV (vans) have continued to increase by 3.7% since 2021 and is now 5.8% above 2019 figures. There could be several reasons for this however it is possible that LGV are used for both commercial and private purposes and support the home delivery sector which has increased due to the rise of e-commerce and further exacerbated by Covid and people working from home. This recent phenomenon further strengthens the need for an effective WY wide freight policy which incentivises the LGV sector to switch to zero emission vehicles. Adopting new innovative last mile delivery technologies like the Starship robots could replace some of these car trips in local areas and help lower transport emissions.
- 29 Data on the uptake of zero emission vehicles shows a continued rapid increase. The number of publicly available EV charging points increased by 151 from July 2022 to reach 514 in July 2023. The UK government announced further funding in May 2023 through the Local Electric Vehicle Infrastructure (LEVI) fund to support LA's in rolling out new chargepoint sites at pace. The number of electric private vehicles in Leeds is increasing even quicker with the total number of private cars up 79% between 2021/22 and increase from 745 in 2018 to 26,738 in 2022. The rate of growth for LGVs is also starting to

increase at 90% in the last recorded year but is still some way behind the car. It is important to remember that although EV will reduce the amount of localised carbon and NOx emissions it will not remove particulates from tyre/brake wear and will continue to require the existing roadspace to operate. There is also a very real danger that the number of cars will increase in the short term whilst the alternative charging network is developed.

## **Leeds City Council Mode Split Data – Results and Analysis**

- 30 Additional resource was provided to the LCC traffic monitoring team to complete the key Leeds City Centre Cordon mode split surveys which was missing from the previous update. Counts were conducted in 2021, 2022, and 2023. The data sets were analysed with the summary of results used to fulfil Indicators 3d in the Action Plan Update report data section.
- 31 The key findings showed a positive change between 2022 and 2023 for all modes with both active transport (walking / cycling) and public transport increasing and number of car journeys reducing. This was after many of the key infrastructure schemes including the closure of City Square had been completed.
- 32 The car mode split percentage has reduced by 6.4% year on year yet is still 4.6% above 2019 level however this is likely to be a result of the significant drop in the number of journeys crossing the cordon for all modes, in particular rail which will impact the overall percentage split. The actual number of journeys or persons crossing the cordon by each mode shows a significant increase in walking and cycling of 45% and 22.5% and bus and rail increasing by 10.5% and 19.2%. Conversely the figure for car shows a 10.9% drop in journeys passing the cordon between 2022 and 2023 and 23.5% drop since 2019. All non-car transport modes are still below 2019 levels potentially due to several external factors (strikes, driver shortages) and more people working from home. It is also possible the new travel patterns have emerged after the pandemic which means people are not commuting to city centre as much for work or leisure and/or more people living within the cordon itself. Either way the findings do suggest some evidence of modal shift away from car to more sustainable modes.
- 33 Limited bus patronage is available which help demonstrate if some of the car journeys have moved to bus year on year. The available patronage data does show growth from 2021 to 2022 of 33%, however the passenger numbers are still 26% lower than 2019. Unfortunately data for 2023 is not yet available. Further work will be done to obtain this data and update the report when possible. Rail passenger data was available this year with indicators showing an approximate 200% rise in from 2021 to 2022 for both the Leeds central and suburban stations. These levels are of course still substantially down on 2019 peak volumes. Rail station footfall year to date 2022 v 2023 is a up 4%, however it is important to recognise the impact of days lost to industrial action as well as the impact of other service disruption (e.g., the challenges faced by Transpennine, reduced service provision, overtime bans etc).
- 34 Data on the number of Leeds adult residents who reported cycling and walking for any purpose highlights a drop in the number of trips between 2021 and 2022 for leisure but an increase in travel purpose trips (including commuting) during the same period. Further analysis is required but this could again reflect a change in travel behaviour possibly connected to working from home practices. It also identifies the need for more targeted health campaigns to promote more physical movement for adults.

## **Objective 2 - Delivery Inclusive Growth**

- 35 Mode share data which was obtained from the 2022 travel to work survey. This data also showed a slight reduction of 2% in car as the main method of travel to work between 2021 and 2022 with bus and rail showing a slight increase of 0.5% and 2.4%. Walking and cycling remaining static in the same period. Again, bus and rail mode share had notably reduced since 2019, down 6.4% and 5.1% which matched the trend in mode split data, but car mode share had steadily decreased since 2018 by 11.5%. This suggests some trips have disappeared completely since the pandemic with the influence of working from home likely to be an increasingly important factor for people travel choices, especially the commute.

36 Regrettably, not all of the data sets in this section are available with some still waiting for data to be published or shared by external partners and WYCA. This information will be added to future reports.

### **Objective 3 - Improving Health and Wellbeing**

- 37 Improving physical and mental health by ensuring walking and cycling are the first choice for the shortest journey is a key focus of our transport strategy. Active Lives data shows 24.3% of all adults in Leeds in 2022 are classed as inactive or do less than 30 minutes of exercise per week and this has increased by 1% year on year. Data for 2023 is yet to be released but is likely to tell a similar story.
- 38 The LCC Influencing Travel Behaviour team continues to offer road safety training to school children and adults which are at risk of harm with 14,428 completed in 2022/23. Although the total number of places delivered has fallen from 2022 to 2023 the number receiving pedestrian, scooter and transitional training have all increased as too has the number receiving cycle training with over 13,722 places (all levels) delivered in 2023.
- 39 Both road safety and cycle training are important activities which support the wider Vision Zero Strategy 2040. The [Leeds Safe Roads Vision Zero 2040 Strategy and Action Plan](#) provides detail of the way in which collisions will be prevented or reduced in severity. Number of killed or seriously injured people in Leeds has sadly increased significantly since 2019 with 7% increase between 2019 and 2022 and 15% between 2021 to 2022 with fatalities 42% and casualties 34%. Our teams are continuing to work with internal and external partners to analyse data and establish key trends and potential solutions. The need for a safer alternative network for all modes is key element of our Strategy. Our focus for many years to come will increasingly be about how we realise our Leeds Vision Zero ambition that by 2040 no one will be killed or suffer serious injuries on Leeds roads.

### **Summary and Conclusion**

- 40 This report highlights the importance of collaborative working across the Council, WYCA and with external stakeholders to ensure alignment with the Connecting Leeds Transport Strategy. A continued review of the existing datasets is required to generate more robust KPIs which better identify the impacts of any new measures and policies.
- 41 By 2024, we need to have made progress towards our Net-Zero carbon target although we admit this will extremely challenging and ambitious. We are closely monitoring the success of our first round of transport infrastructure investment through to completion of Action Plan 1 phase.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

#### **Health and Wellbeing**

- 42 The strategy objectives are to ensure walking and cycling are the first choice for the shortest journeys, help make the city the best city to grow old in and child friendly through investment in our streets and eliminate road danger through adoption of a vision zero approach.

#### **Inclusive Growth**

- 43 The Inclusive Growth Strategy acknowledges the role of Transport in supporting and delivering inclusive growth in the city. Investing in our places and transport to create a sustainable economy and greener future where you don't need a car, bringing jobs and opportunities closer to people and continue to support the most disadvantaged communities across Leeds.

#### **Zero Carbon**

- 44 Our Transport Strategy and Action Plan form the Council's transport plan and as such continues to detail how the council seeks to work towards the 2030 net-zero target. Our strategy objectives are to reduce the need to travel and the number of car journeys. We encourage people to choose active travel and public



transport, improve the efficiency of the transport network and encourage the update of zero emission vehicles. The Strategy and Action Plan are aligned with our Air Quality Strategy 2021-2030 and its action plan.

### **What consultation and engagement has taken place?**

Wards affected: All Wards consulted on the original Action Plan but not required for the progress update.

Have ward members been consulted?       Yes                       No

45 No further city-wide general consultations have taken place since those undertaken for the Transport Strategy and Action Plan approval in October 2021, although scheme and project specific consultations continue to take place. In recent times, all the Community Committees across the City have had presentations relating to Highways Maintenance and Vision Zero 2040 and prior to that Winter Service Operations. These were well received and Connecting Leeds communications continue to be used extensively with positive feedback received.

### **What are the resource implications?**

46 There are no specific resource implications included within this update however We estimate there is a significant funding gap if we are to meet 2030 carbon targets and ambition outlined in the Transport Strategy. Funding is needed both for ongoing maintenance and to deliver a number of key infrastructure programmes needed to facilitate the levels of transformational mode shift to active travel and public transport. We will continue to work with WYCA and call on national government for the support, powers, and funding to deliver the Connecting Leeds Transport Strategy.

47 We are also committed to starting a conversation with stakeholders in the district about how local contributions could contribute to the vital transport investment the district. The Department for Transport have indicated that local contributions will be a requirement of future funding settlements.

48 We will work with partners to fully understand the implications of recent publications from the Department of Transport.

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

49 The Transport Strategy Action Plan and the implementation of the schemes and policies which it will guide have a fundamental part to play in addressing the corporate risk of the Climate Emergency on Keeping the City Moving.

50 There is always a risk to the Leeds economy through both policies and external pressures. The Council recognises that growing the economy has positive benefits to the city and that the enhanced connectivity through the Connecting Leeds Transport Strategy is a crucial component of delivering our Inclusive Growth Strategy ambitions.

51 The risks relating to the Climate Emergency are that the actions of the Connecting Leeds Transport Strategy do not adequately address the need to reduce carbon emissions in-line with the Council's and national objectives.

52 Reductions must be rapid and sharp to stay within the council's carbon budget, so speed of delivery is a key risk to success, especially when persuasion rather than enforcement must be used to change behaviours.

### **What are the legal implications?**

53 There are no legal implications included within the update.

## Options, timescales and measuring success.

### What other options were considered?

54 Not applicable for this update

### How will success be measured?

- 55 Our targets are ambitious - the level of change required will require everyone to play a role and think about their own travel patterns in the context of the Climate Emergency. The Action Plan is an essential tool in monitoring our progress in the journey towards net zero by 2030.
- 56 By adopting a series of short-term action plans, we can reflect on both feedback on our Connecting Leeds Transport Strategy, the monitoring from the schemes we deliver as well as the city's economic recovery from COVID. Alongside our Key Performance Indicators this will inform future action plans, investment priorities and decision making.
- 57 Individual monitoring and evaluation reports will be produced for schemes recently completed and under construction such that the effectiveness of schemes can be compared against the original business cases. This information and lessons learnt will allow future schemes to be refined to maximise the benefit to the people of Leeds.

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

58 The timeline set for development and implementation of the Transport Strategy Action Plan is detailed in the following table:

Action Plan 1 2021-2024	Action Plan 2 2024-2030	Action Plan 3 2027 - 2030
<ul style="list-style-type: none"><li>• Current action plan</li><li>• Action plan development phase</li><li>• Review proposed data sets and KPI's best used to measure performance of interventions.</li></ul>	<ul style="list-style-type: none"><li>• Evaluate schemes and policies from the first action plan.</li><li>• Refine table of measures to include new schemes and policies.</li><li>• Continue to refine metrics utilising new datasets.</li></ul>	<ul style="list-style-type: none"><li>• Continue to evaluate schemes and policies from Action Plan 2</li><li>• Refine table of measures to include new schemes and policies.</li><li>• Continue to refine metrics utilising new datasets.</li></ul>

### Appendices

- Appendix 1 – CLTS Annual Progress Report 2022-2023
- Appendix 2 - Appendix EDCI Transport Strategy Report

### Background papers

- None.



**Connecting Leeds**  
TRANSFORMING TRAVEL



## Connecting Leeds **Transport Strategy**

Action Plan to 2024

Annual Progress Update 2 (October 2023)

## Introduction

The Connecting Leeds Transport Action Plan 1 outlines our primary activities over the period 2021-2024. The plan supports the delivery of the Connecting Leeds Transport Strategy which sets out our long-term vision, objectives and six big moves. This Action Plan focuses on the details, the policy development, and the pipeline of scheme we aim to bring forward, develop and deliver by 2024. This includes both major schemes unlocking development and transforming our city centre as well as those smaller but crucial local transport schemes that can have a major positive impact on local communities.

This report outlines the annual progress made on the Connecting Leeds, Transport Strategy Action Plan focusing on the period from October 2022 to October 2023. Section 1 of the report provides an update against each of the four themes as summarised below:

THEME 1	THEME 2	THEME 3	THEME 4
<b>Policy Development</b> Measures to encourage behaviour change	<b>Infrastructure delivery</b> New Infrastructure to support our 6 big moves	<b>Mobility and service</b> Provision of services and mobility solutions, road user training and campaigns	<b>Network management and maintenance</b> Ensuring our networks are maintained and managed to support our 6 big moves

Section 2 of the report is structured around the 3 key objectives of:

- **Tackling Climate Change**
- **Delivering Inclusive Growth**
- **Improving Health and Wellbeing**

and highlights progress on each of the Key Performance Indicators (KPIs) the most recent year on year comparison and in selected cases a comparison to pre-pandemic results.

## Section 1: Annual Progress Update - 2022 to 2023

### Progress against the CLTS Action Plan 1 Table of Measures

Action Plan 1 contains a table of measures aligned to deliver the 'six big moves' and divided into the 4 themes of (Policy, Infrastructure Delivery, Mobility & Service, Network Management & Maintenance).

Each measure was first evaluated to understand whether it would be delivered before the end of the current Action Plan period (2024). The infrastructure measures which will not be complete by 2024 and several new schemes were then re-evaluated against Action Plan 2 and Action Plan 3 deadlines of 2027 and 2030. An update on the completion success rate is presented in Table 1.

Measure Timescale	Action Plan 1 by 2024 -Completion success rate	Action Plan 2 by 2027 -Completion success rate	Action Plan 3 by 2030 - Completion success rate
Completed within proposed timescale	44.44%	71.43%	79.37%
On schedule to complete within proposed timescale	31.75%	22.22%	15.87%
Unlikely to complete within proposed timescale	23.81%	6.35%	4.76%

**Table 1** – Percentage of original and additional measures due to be completed within each Action Plan period.

It is hoped that the measures considered unlikely to complete by 2024, could be funded via current or future tranches of CRSTS funding (City Region Sustainable Transport Settlement), or other central funding opportunities including Levelling Up Fund (LUF) and Active Travel Fund (ATF). This may allow delivery timelines of affected schemes to be reconfigured to go beyond the current Action Plan period but enable delivery before Action Plan 3 expires in 2030.

Other factors including changes to guidance standards, local/central policy review, development of new more effective technologies or safety concerns could also result in some of the measure not being delivered. A detailed review of the outstanding measure will be conducted at the end of the Action Plan 1 phase to re-evaluate the completion success rates before proceeding to the next phase.

## Progress by theme

### THEME 1

#### Policy Development

#### Measure to encourage behaviour change

### Bus Reform

- 8 Leeds City Council have continued to work with West Yorkshire Combined Authority (WYCA) on Bus Reform and Network improvements. This collaborative approach has been successful in helping to deliver a network with more bus priority and enhanced signal technology which has improved bus journey time reliability and reduced journey times across parts of Leeds.
- 9 The West Yorkshire Combined Authority are currently consulting on how bus services should be run. The consultation is planned to run from October 2023 to January 2024 with a final decision on whether to progress with bus franchising due in spring 2024.
- 10 Bus reform is seen as a key factor in supporting the Councils' inclusive growth, equality, creating better connectivity in areas of economic deprivation, and supporting decarbonisation of the network. This will directly support the council's Climate Emergency Declaration and Connecting Leeds Transport Strategy objectives. A more reliable, affordable, and safer bus network is crucial for Leeds to create a viable transport alternative to the car help us to increase bus patronage by 130% and achieve our mode split objective of 19% for bus by 2030.
- 11 The Mayors Fares of £2 for a single journey and £4.50 for a Mcard Day Saver were introduced in September 2022, as a key measure to tackle the 'cost of living crises' and make public transport more affordable. Initial results have showed an uplift in patronage by 10% in the first 3 months with further analysis expected. An Independent survey conducted by Transport Focus suggest strong support for this measure especially for those people without a car [Awareness and effect of £2 bus fare initiative](#).
- 12 The Aireline 60 service between Leeds and Keighley received targeted funding through the Bus Service Improvement Plan (BSIP) in September 2023 to enhance the offer to passengers, creating a higher frequency on this key intercity route now serving more communities in West Leeds.
- 13 LCC own mode split data does indicate bus use within the city centre has returned to near pre-Covid levels which is encouraging although many other orbital services have witnessed a drop in users. LCC are working closely with WYCA and the operators to ensure a more detailed selection criteria are used to ensure any future service reductions remain fair and inclusive for all residents across Leeds.

### Road Space Reallocation Policy (Streetscape)

- 14 The Streetscape Space Allocation Policy was developed and adopted in 2022 (prior to this action plan period). Guidance from this policy is now being actively used to support the development of several major transformational schemes across the Leeds district so the impact will be felt across the planned period.

### Freight Policy

- 15 A regional wide freight strategy is being developed by WYCA as part the LTP4 work which seeks to align with all the separate district policies, regional, sub-national and national strategies. Our Connecting Leeds Transport Strategy outlines the importance of freight in the decarbonising transport in Leeds.
- 16 Current DfT data show that van miles have increased by 70% in the last two decades which is opposite to all other transport modes. Freight plays a crucial role in Leeds's economy, so we LCC need to develop policies which encourage the switch to zero emission vehicles and active modes.

- 17 Currently, most freight is transported via road, but we also need to encourage a shift towards other sustainable modes of transportation, like rail and inland waterways. Leeds Council wants to see better use of existing infrastructure, such as canals and rivers, which offer significant environmental benefits.
- 18 Several initial measures have been identified which would promote sustainable freight transport across Leeds which align with our Connecting Leeds Transport Strategy objectives:
  - a) Leeds can establish urban consolidation centres to reduce the number of vehicles in the city centre.
  - b) Encourage the use of e-cargo bikes instead of vans for e-cargo transportation. Help create or promote tools that can optimise delivery routes and schedules.
  - c) Encourage the adoption of electric vehicles for delivering local freight in Leeds. This approach can also have a beneficial effect on the transportation of goods in the wider region.

## **Vision Zero Action Plan**

- 19 In October 2021, Leeds City Council adopted the Connecting Leeds Transport Strategy. It signalled a step change in our approach to travel and road danger and set a bold ambition that by 2040 no one will be killed or suffer serious injuries on roads in Leeds.
- 20 The casualty figures for 2022 are extremely concerning for Leeds and this pattern is also seen across West Yorkshire. Every fatality and serious casualty is one too many and has a devastating effect on the people involved, their families and friends, passers-by and the emergency services as well as impacting on local communities and the feeling of whether their community is safe.
- 21 Driver behaviour has taken a turn for the worse since the end of the pandemic and the Leeds Safe Roads Partnership and West Yorkshire Vision Zero groups are working in new ways to spread messages to road users, but especially to motorists, about the fatal five: speeding; drink and drug driving; distraction (including mobile phone use at the wheel); not wearing seatbelts and careless driving (including failure to look). The Leeds Vision Zero Strategy aims to have nobody killed or suffer serious injury on Leeds roads by 2040 and the Partnership is working to implement a safe system approach to achieve this aim. In addition, messages relating to the updated Highway Code including “those in charge of vehicles that can cause the greatest harm in the event of a collision bear the greatest responsibility to take care and reduce the danger they pose to others” and new rules are being promoted.
- 22 The [Leeds Safe Roads Vision Zero 2040 Strategy and Action Plan](#) provides detail of the way in which collisions will be prevented or reduced in severity. Vision Zero requires delivery by all partners and users of our roads to help protect those most at risk from collisions on our roads. We all have a part to play to make and keep the roads in Leeds safe for everyone. Please look out for others on our roads and “travel like you know them.”

## **Local Plan 1 Update and Leeds Local Plan 2040**

- 23 Following consultation closing in December 2022 on our draft policies for the Local Plan Update 1, Council officers have reviewed all public consultation comments and are proposing to make a series of amendments to the Plan which will improve its effectiveness in delivering new and updated policies that helps the Council achieve its net zero ambitions. These changes are due to be consulted on this Autumn 2023 for a further 6 weeks before submission of the Plan to the Secretary of State in 2024.
- 24 We are currently reviewing comments on site suggestions put to the Council as part of the consultation on the Local Plan 2040 and call for sites exercise that took place during the first half of 2023. As part of this, Council officers are updating our evidence base, developing site assessment methodologies, and reviewing policy options.
- 25 It is expected that the next round of public consultation on an ‘Issues and Options’ draft will begin in Summer 2024 and will allow the public and other stakeholders to comment on draft sites and policies to meet needs for housing, employment, minerals and waste, retail and town centres, amongst many other

key issues for Leeds, all of which have a key relationship with how people move around the city and most align with our Transport Strategy Action Plan objectives.

### **Local Area Transport Plans (LATP).**

- 26 Recent feedback recognises the success of schemes supporting and progressing the big move 'transform the city centre' but have noted the need for more action in district neighbourhoods to support local transport needs.
- 27 In response LCC Transport Strategy/Policy have started working on the development of a new initiative of Local Area Transport Plans (LATP). The Proposed LATPs will be simple 'informal' documents that set out key ambitions for mobility and transport investment in local neighbourhoods. The documents will reflect the city ambitions and align with the Big Moves priorities in the Connecting Leeds Transport Strategy.
- 28 Initially scoping and development will focus on three Committee Areas of Leeds including Inner West, Inner Northeast, and Outer East. Consultation and engagement with members, supported by Connecting Leeds is due to commence in the Inner West in October 2023. It is intended to develop plans for all 10 Committee Areas of Leeds over the next 2 years.

### **Leeds Council Climate Emergency Task Group**

- 29 LCC are continuing to lead the way on climate action with the establishment of a climate emergency focussed governance structure in Highways & Transportation (H&T). This independent task group is made up of representatives at all levels from across the service. In 2022 Leeds City Council was recognised as one of 122 city authorities across the world leading the way on climate action. H&T has recently produced a Climate Action Plan for the service, and this will provide additional structure and focus on several key areas and actions, work continues alongside this on adaptation & resilience. In early 2024 the council will assess itself against the actions identified by the Yorkshire and Humberside Climate Commission.
- 30 Work continues with carbon reduction measures, carbon calculators and innovations around materials and design standards, some good examples include recycling of materials, warm lay techniques for highway surfacing works, LED conversion programmes for both street lighting and traffic signals and procurement and contract clauses and reporting. Our Flood Alleviation Team continue to adopt numerous carbon reduction work practices including source more local products and adopting innovative technologies such as 3D printed concrete planters. This process also reduces the number of vehicle trips required to supply and deliver such schemes.

## THEME 2

### Infrastructure delivery

#### New Infrastructure to support our 6 big moves

### Mass Transit

- 31 The Mass Transit Vision 2040 was produced alongside the Connectivity Infrastructure Plan. WYCA and LCC have already committed significant resource to the development of the vision and concept of how Mass Transit will deliver for West Yorkshire with further consultation planned for early 2024.
- 32 An additional £2.5 billion for Leeds and West Yorkshire has been promised by central government to fund in full the mass transit system in Leeds and West Yorkshire. This is expected to be addition to the City Region Sustainable Transport Settlement (CRSTS 2) and CRSTS 3 Funding Tranches. Details of how this will look for Leeds and the wider region is yet to be disclosed however such a cash injection is likely to be a 'game changer' for our cities ambition and net zero carbon goals.

### Park and Ride

- 33 Current usage across all three Park and Ride facilities at Stourton, Temple Green and Elland Road is still slightly lower than forecast however recent timetable amendments have supported morning peak commuter volumes. Analysis is ongoing to establish how P&R is affecting the number of vehicles entering the city centre cordon.
- 34 We are continuing to work with WYCA, other districts and key stakeholders to further develop our park and ride strategy for West Yorkshire.

### City Centre Cycle Improvements

- 35 Great progress has been made in Leeds with several cycle schemes in development or recently completed in our City Centre (see summary table 2 below), connecting the gaps within the existing cycle network. Consultation on the Leeds City Links went live as on 09/10/2023, [Have Your Say Today - Leeds City Links - Commonplace](#) which subject to the results of the consultation will extend the network and enhance the look and feel of key locations in the city centre allowing space to be repurposed for other activities.

Cycle Schemes	Location	Works Commence	Works Completed
<b>Western Gateway</b>	Kirkstall Road to Wellington Street	Nov 2022	July 2023
<b>Southern Gateway</b>	Neville Street and Bishopgate Street	Jan 2023	March 2024
<b>Dewsbury Road Extension</b>	Dewsbury Road	Jan 2023	Autumn 2023
<b>Crown Point Bridge Gateway</b>	Black Bull Street and Crown Point Road	Nov 2022	Winter 2023
<b>Holbeck Gateway</b>	Whitehall Road to Holbeck (Scheme Development stage)	March 2024	March 2025
<b>Leeds City Links</b>	Great George Street, Merrion Street, and the Calls (Scheme development stage)	August 2024	Summer 2025

**Table 2 – Cycle Schemes**

## Improvements in Rail Service Provision

- 36 Work progressing on the Leeds Station Sustainable Travel Gateway scheme with the final closure of New Station Street to traffic in May 2023. Scheme still on programme to be completed in Autumn 2025.
- 37 Tram/Train Assessment was conducted by Network Rail for LCC to understand if Mass Transit services could be incorporated with regular rail services to help reduce capacity issues through Leeds Station and improve efficiency. Details of the work will be presented in a separate report to board.
- 38 TransPennine Route Upgrade (TRU) is progressing on programme including Morley Station which went operational in June 2023. There has been some progress between Network Rail and LCC regarding our response to proposals included in the TWAO (Transport and Works Act 1992 Order) for the section between Leeds Station and Micklefield with discussions ongoing.
- 39 The government recently published the Network North document which outlined the long-term plan for transforming transport. The document confirmed the cancellation of the eastern leg of HS2 between Birmingham to Manchester and detailed how £36 billion of funding would be used across the north with a significant focus on supporting existing and new rail improvements. Further information from the Department for Transport (DfT) is expected in the coming months however this is likely to have a significant impact on rail services through Leeds.

## Local Rail Stations Improvements

- 40 Three new local rail stations are planned across Leeds to increase the opportunity for residents to access the rail network rail both for journeys in Leeds and the rest of the UK. Each rail station is part of a wider transport strategy to create more sustainable travel choices for people living and those visiting Leeds which will help reduce reliance on the private car for some or all their journeys (see table 3 below).
- 41 All three stations adjacent to existing to planned employment, retail and commercial centres so provide economic opportunities for local people and people commuting from across West Yorkshire and beyond which reflects our Inclusive Growth Strategy.

Name	Scheme Details	Funding & Cost	Completion Date
<b>White Rose Station</b>	<ul style="list-style-type: none"> <li>New rail station on the Trans Pennine Line</li> <li>Direct links to White Rose Office Park, White Rose Shopping Centre, and Elliott Hudson College.</li> <li>Support sustainable travel opportunities in South Leeds.</li> <li>Provide 80 cycle parking spaces.</li> <li>No additional car parking spaces - 'pick up and drop off' only.</li> <li>Links with A6110 and M2D2L schemes</li> </ul>	<ul style="list-style-type: none"> <li>Transforming Cities Fund</li> <li>Leeds Public Transport Investment Programme</li> <li>New Stations Fund</li> <li>£26.5 million</li> <li>Trans Pennine Upgrade</li> </ul>	<ul style="list-style-type: none"> <li>Delivery stage</li> <li>Works End 2023</li> <li>Open Spring 2024</li> </ul>
<b>Thorpe Park Station</b>	<ul style="list-style-type: none"> <li>New rail station on the Trans Pennine Line</li> <li>Contained within Thorpe Park Development and adjacent to East Leeds Orbital Route.</li> <li>Help to reduce congestion and improve sustainable travel choices for East Leeds.</li> <li>Plans to operate as a Rail and Ride facility.</li> </ul>	<ul style="list-style-type: none"> <li>West Yorkshire Plus Transport Fund</li> <li>New Stations Fund</li> <li>Trans Pennine Upgrade</li> </ul>	<ul style="list-style-type: none"> <li>Full Business Case to submitted by Summer 2024.</li> <li>Deliver phase expected to start in 2024</li> </ul>
<b>LBA Parkway Station</b>	<ul style="list-style-type: none"> <li>New Parkway Station on the Harrogate Line with park and ride facility</li> <li>Will provide an interchange to serve Leeds Bradford Airport and the proposed employment hub adjacent to the airport.</li> <li>Up to 350 parking spaces planned.</li> </ul>	<ul style="list-style-type: none"> <li>Leeds Public Transport Investment Programme</li> <li>West Yorkshire Plus Transport Fund</li> </ul>	<ul style="list-style-type: none"> <li>At Full Business Case stage due to be submitted in 2024</li> </ul>

**Table 3 – Local New Rail Stations**



## City Centre Package of Works

- 42 Progress of planned city centre works is summarised in the table 4 below. These include the permanent closure of City Square from September 2022 (briefly mentioned in the previous update), and introduction of 24-hour bus gates on East Parade and King Street to help encourage people to access the city centre via more sustainable modes.
- 43 Other key works adjacent to Leeds Rail Station on Bishopsgate/Neville Street and New Station are progress on programme to deliver a sustainable transport gateway by 2025.

Works Detail	Works Location	Works Commence	Planned Works Completion Date
<b>City Square closure</b> <ul style="list-style-type: none"> <li>Works began in September 2022.</li> <li>Original completion date of February 2023 however since revised to November 2023, owing to key stakeholder redesigns, value engineering and unchartered utility apparatus.</li> </ul>	City Square and adjoining roads	Autumn/Winter 2022	Autumn 2023
<b>Thirsk Row / Wellington Street / King Street</b> <ul style="list-style-type: none"> <li>King Street and Thirst Row made 2-way.</li> <li>New southbound 24-hour bus gate King Street limiting access to buses, emergency vehicles, bikes, and Hackney carriages.</li> </ul>	City Square and adjoining roads	January 2023	Autumn 2023
<b>East Parade Bus Gate</b> <ul style="list-style-type: none"> <li>New 24-hour bus gate was introduced on East Parade on 19<sup>th</sup> June limiting access to buses, emergency vehicles, bikes, and Hackney carriages.</li> </ul>	East Parade	Winter 2023	Summer 2023
<b>Leeds Rail Station Sustainable Gateway</b> <ul style="list-style-type: none"> <li>Closure of New Station Street for pedestrians and most vehicles in May 2023 with taxi ranks moved to Princes Square (off-Aire Street)</li> </ul>	New Station Street and adjoining roads	Spring 2022	Autumn 2025
<b>Bishopsgate Street and Neville Street Lane closures</b> <ul style="list-style-type: none"> <li>Lane closure on Bishopsgate and Neville Street were implemented on 23<sup>rd</sup> May 2022</li> </ul>	Bishopsgate Street and Neville Street	May 2022	Summer 2025
<b>District Heating Installation</b> <ul style="list-style-type: none"> <li>Westgate, Leeds Pipes heat network will be installing the next phase of underground heating pipes on Westgate with connections into the existing network on Oxford Place.</li> </ul>	West Gate and Oxford Place	Jan 2024	March 2024

**Table 4 – City Centre Scheme Status**

## ELOR (East Leeds Orbital Route)

- 44 The East Leeds Orbital Route was opened in 2022 and has won several awards including receiving a "gold standard" designed equestrian route for which The British Horse Society have commended. The bridleway stretches the full length of the ELOR spanning 7km.
- 45 This new road section now includes segregated pedestrian and cycling facilities, implementation of the 'Green Streets' initiatives which aims to improve environmental elements including air quality, flooding, wildlife habitats and community corridors.
- 46 Early development on the ELOR A6120 downgrade corridor scheme has started with proposals to develop the 'old ring road corridor' to better serve the adjacent communities.

## Summary of remaining key infrastructure measures.

47 Table 5 shows details of existing schemes included in the list of measure outline in the original Transport Strategy Action Plan which have benefitted for additional funding in since 2022.

48 All these highway schemes will improve the network but also provide better facilities for public transport, wheeling and walking in location previously dominated by the private car, with many also experiencing significant congestion and network delay.

Name	Scheme Details	Funding & Cost	Completion Date
<b>Fink Hill Corridor</b>	<ul style="list-style-type: none"> <li>Reduce the speed limit to 50mph.</li> <li>Segregated cycle facilities</li> <li>Junction and signal improvements</li> <li>Pedestrian Crossing improvements</li> </ul>	<ul style="list-style-type: none"> <li>West Yorkshire Plus Transport Fund</li> <li>West Leeds Levelling Up Fund</li> </ul>	<ul style="list-style-type: none"> <li>Autumn 2023</li> </ul>
<b>Dynley Arms Junction</b>	<ul style="list-style-type: none"> <li>Bus Priority / Journey Time reliability</li> <li>Junction and signal improvements</li> </ul>	<ul style="list-style-type: none"> <li>West Yorkshire Plus Transport Fund</li> <li>West Leeds Levelling Up Fund</li> </ul>	<ul style="list-style-type: none"> <li>Summer 2023</li> </ul>
<b>Dawsons Corner</b>	<ul style="list-style-type: none"> <li>Reduce the speed limit to 50mph.</li> <li>Segregated cycle facilities</li> <li>Major junction and signal improvements</li> </ul>	<ul style="list-style-type: none"> <li>West Yorkshire Plus Transport Fund</li> <li>MRN Fund</li> <li>Leeds Public Transport Investment Programme</li> </ul>	<ul style="list-style-type: none"> <li>Spring 2026</li> </ul>
<b>Connecting West Leeds</b>	<ul style="list-style-type: none"> <li>Reduce the speed limit to 50mph.</li> <li>Segregated cycle facilities</li> <li>New cycle bridge</li> <li>Junction and signal improvements</li> </ul>	<ul style="list-style-type: none"> <li>West Leeds Levelling Up Fund</li> <li>Leeds Public Transport Investment Programme</li> </ul>	<ul style="list-style-type: none"> <li>Summer 2024</li> </ul>

**Table 5 – Status of key existing scheme**

## Electric Vehicle Charging Infrastructure.

49 LCC have continued to assist with/promote the installation of more plug-in vehicle charge points at various new locations across Leeds, residential sites, supermarkets, non-residential car parks, leisure centres. We are also installing charge points at many council-run car parks including Park & Ride sites.

50 Both LCC and WYCA are engaging with numerous external stakeholders include the Energy Saving Trust and Gridserve to promote the rapid growth of new infrastructure needed.

51 The UK government announce further funding through the Local Electric vehicle infrastructure (LEVI) fund to support local authorities in England to work with EV chargepoint industry, to improve the roll out and commercialisation of local charging infrastructure. WYCA were awarded funding in Feb 23 and March 2023 to support development of the chargepoint network. It is proposed to work with up to 4 separate providers to deliver an anticipated 500-1000 chargepoints. The site selection process is ongoing with locations expected to be confirmed by the end of 2023.

### E-Bike Share Service – Leeds City Bikes

- 52 The first phase of a citywide e-bike hire service was launched on 23<sup>rd</sup> Sept 2023. The service provides a cost effective and low carbon active travel choice in the city. It has been made possible by funding secured by Leeds City Council from the Transforming Cities - Carbon Mitigation - Fund. The first phase covers the city centre and key travel routes to Headingley where demand is likely to be highest. The decision was taken to have all e-bikes as this would foster uptake from more people regardless of ability or fitness.
- 53 An estimated 200 e-bikes will be available initially, from conveniently located docking stations around the city. If successful, the bike allocation is planned to increase to 600 in the first 6 months of the service. Initial uptake of the scheme has been extremely positive with more than 1200 users covering 375km and making over 1600 trips in the first week of operation with a total of 2649 journeys covering 7938km in the first calendar month (15<sup>th</sup> to 30<sup>th</sup> September).
- 54 Leeds City Bikes is supporting LCC to deliver the Connecting Leeds Transport Strategy, to help make Leeds a city where you do not need a car. E-bikes can appeal to a much broader spectrum of people than normal bikes this makes the e-bike scheme invaluable in supporting the behaviour change needed to help people make the switch to cycling for some shorter journeys. [Leeds City Bikes supported by Beryl](#)
- 55 LCC and WYCA have a data sharing agreement in place with Beryl Bikes to enable future analysis to help optimise the benefits of the scheme to encourage modal shift to bike.



Figure 3 – Leeds Cycle Bikes

## Road Safety Training and Bikeability

- 56 The Influencing Travel Behaviour (ITB) Team continues to offer road safety education, training and engagement to those road users who are at most risk of harm - [Bikeability Training](#)
- 57 Road Safety training is provided to primary schools across Leeds prioritising those areas with the highest number of collisions. Children from Nursery to Year 6 can take part in these sessions. The team offer a programme of practical pedestrian, transition, and scooter training as well as class-based road safety education.
- 58 In academic year 2022-23 14,428 children have had road safety input from the team, of this figure 4,500 have undertaken pedestrian training, 2500 scooter training and 487 transition training (Year 6 to Year 7).

## Delivery of School Streets

- 59 In September 2023 three new School Streets were launched at Blenheim, Bramhope, and Birchfield Primary Schools in Leeds. School Street schemes offer a proactive solution for school communities to tackle air pollution, poor health, and road danger reduction. A School Street scheme encourages a healthier lifestyle and active travel to school for families and lead to a better environment for everyone. A total of 15 schools have now adopted the scheme across the city - [Leeds School Streets Map](#).

## Power Two Wheelers in Bus Lanes Trial

- 60 The trial to allow motorcyclists in bus lanes on the A65 corridor concluded in summer 2023. During that period, we have observed a sizeable increase in the numbers of motorcyclists travelling on the A65 corridor. Collision monitoring and analysis shows that during the duration of the trial no collisions involving motorcyclists have been recorded. Initial findings from the trial are a positive result.
- 61 Motorcycles currently makes up less than 1% of road traffic but account for over 18% of road collisions- [Rospa - Motorcycle crash causes](#). The average motorcycle on the road emits around 30% less CO2 than the average car so is considered more sustainable. LCC also recognise this with new electric models now coming on sale.

## Car Club and Car Sharing Policy

- 62 Recent LCC continues to promote a pay as you go car hire facility provided by Enterprise Car Club which offers competitive rate to LCC and business members to reduce the need for company cars.
- 63 Car sharing is seen as an important measure to support people in rural locations or urban areas with poor access to public transport to reduce car journeys. Leeds is in partnership with WYCarshare.com, supported by Liftshare which helps connect people together to share car journeys. Approximately 23,000 new members joined Liftshare in the UK in July/August alone.

## Zero Emission Delivery Robots (Starship Technologies)

- 64 The Starship robot delivery trial has been expanded to a further 12,000 households in the summer and now operates from four separate CO-OP stores across Leeds including Adel, Tinshill, Kippax and Swarcliffe with plans for a fifth operation at Wetherby in the near future. As a result, Leeds have one of the largest trials of all the other participating councils in the UK apart from Milton Keynes. Early survey results show a positive rating of over 85% from residents and participating CO-OP stores - [Have Your Say Today – Starship Leeds - Commonplace](#)
- 65 Since the original Leeds Trail began on 30<sup>th</sup> November 2022 the Starship Robots have completed over 20,000 deliveries, travelled over 18000 miles, and saved approximately 3508kg of CO2 according to Starship Technologies own analysis. It is estimated this could have removed around 10977 single occupancy car trips in the same period helping to reduce car trips and local vehicle emissions.

### **Urban Traffic Management Control**

- 62 LCC have continued to deliver the smart signal programme across Leeds helping to create a more efficient road network which will reduce congestion, provide priority for public transport and safety improvements for pedestrians and cycle users.
- 63 Leeds now has over 120 traffic control sensors across the network which can monitor all modes of traffic including pedestrians and cyclists to optimise junction and pedestrian crossings. This technology is also used to count pedestrian movements, footfall and driver behaviour including near miss monitoring capabilities something which is essential for targeting collision hot spots. This information is being incorporated within the existing traffic monitoring system to provide a far more detail level of information in real-time to help support planning decisions.

### **Network Management**

- 64 The Network Management team provide a significant role in controlling and managing works on a day-to-day basis and during periods of construction on the highway network across Leeds. In the last 12 months have processed over 50,000 permit applications, granted 11,000 highway licenses, answered over 8000 enquires, administered 1200 road closures and planned diversion routes.
- 65 The team are constantly reviewing ways to optimise and improve the current practices and systems to reduce disruption to the road network and lower the cost to the council. The use of digital technology and adoption of new practices such as Lane Rental Schemes which reduce roadworks by incentivising utility providers to complete work quicker and at more convenient times.

### **Maintenance**

- 66 Poor maintenance of the highway, in particular cycle track and footways are considered a key barrier for people to switch to more sustainable transport so prioritising repairs and cleaning is essential. In the last 12 months our Maintenance team have moved toward a more functional based hierarchy which has made improvements to the existing inspection regime saving overall time and enabling more inspections to be completed on time.

## Section 2: Progress against KPIs (Key Performance Indicators)

This section presents the progress during 2022-23 towards the Key Performance Indicators (KPIs) associated with each of the Objectives.

Where data is available, change over the last 12 months is shown as part of the annual reporting. Additionally, a comparison of current year (22-23) is made against 2019 levels. 2019 is taken as the 'base year' – last 'normal' year pre-CLTS and pre-covid. Trends over the first action plan period will be more fully evaluated in the 2024 update as this sees the close of the first Action Plan period. **Appendix 1** provides further detail on data source, analysis, and relevant caveats.

The table 6 below is taken from our Action Plan which sets out our data requirements to monitor our progress against our objectives which have been aligned with the three pillars of the Best City Ambition (see data sources in appendix 1)

Best Council Ambition	Objective	Key performance Indicators (KPIs)
Tackling Climate Change	Reducing the need for travel and the number of car journeys.	<ul style="list-style-type: none"> <li>Estimation of Vehicle KM travelled in the district</li> </ul>
	Leeds Carbon Neutral by 2030	<ul style="list-style-type: none"> <li>Estimated Carbon Emission from transport</li> </ul>
	Encouraging people to choose active travel and public transport	<ul style="list-style-type: none"> <li>Increased in bus and rail patronage</li> <li>Active lives surveys</li> <li>Walking trips count</li> <li>Pedestrian and cycle counts</li> <li>Estimation of vehicle KM travelled in the city</li> </ul>
	Encouraging and leading the uptake of zero emission vehicles	<ul style="list-style-type: none"> <li>Number of zero emission vehicles registered in the city</li> </ul>
Delivering Inclusive Growth	Support individuals to access more employment opportunities through a comprehensive transport network	<ul style="list-style-type: none"> <li>Number of people with access to the public transport network</li> <li>Number of people with access to the core cycle network</li> <li>Travel to work survey</li> </ul>
	Develop and regenerate places through continued investment in transport infrastructure	<ul style="list-style-type: none"> <li>Number of new developments (sustainable)</li> </ul>
	Improve productivity by investing in more time and cost-efficient transport system	<ul style="list-style-type: none"> <li>Level of delay in the city</li> <li>Time lost due to congestion</li> <li>Cost of congestion</li> </ul>
	Lower the cost of mobility, ensuring transport is affordable and accessible for everyone	<ul style="list-style-type: none"> <li>West Yorkshire travel tracker survey</li> <li>Cost index of transport</li> <li>Number boarding buses</li> <li>Number of people supported into work</li> </ul>
Improving Health and Wellbeing	Ensure walking and cycling are the first choice for the shortest journeys improving physical and mental health	<ul style="list-style-type: none"> <li>Active lives survey - % of physically active adults</li> <li>Pedestrian and cycle counts</li> <li>Estimation of vehicle KM travelled in the district</li> </ul>
	Reduce the negative effects of transport on our local communities, improving air quality and reducing CO2 emissions	<ul style="list-style-type: none"> <li>Estimation of vehicle kilometres travelled in the district</li> <li>Hospital admissions data</li> </ul>
	Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all	<ul style="list-style-type: none"> <li>Estimation of vehicle kilometres travelled in the district</li> </ul>
	Eliminate road deaths and serious injuries by adopting a Vision Zero approach to road collisions	<ul style="list-style-type: none"> <li>Estimation of vehicle kilometres travelled in the district</li> <li>Number of killed or seriously injured people in Leeds</li> </ul>

**Table 6** – Key Performance Indicators and Datasets used to measure success.



## Objective 1 Tackling Climate Change

### Indicator 1: Reducing the need for travel and the number of car journeys

Motor Vehicle distance travelled in the district	Target	2018	2019	2020	2021	2022	Change from 2021 to 2022	Change from 2019 to 2022
Estimates of distance travelled by motor vehicles. Figures are Million vehicle kilometres.								
Motor Vehicle Traffic Total	Decrease	6,861	6,988	5,545	6,090	6,546	+7.5%	-6.3%
Motor Vehicle Traffic Total, Excluding Trunk Roads	Decrease	4,253	4,274	3,274	3,657	3,887	+6.3%	-9.1%
Cars and Taxis	Decrease	5,416	5,492	4,171	4,571	4,992	+9.2%	-9.1%
Light Commercial Vehicles	Decrease	979	997	906	1,017	1,055	+3.7%	+5.8%
Heavy Goods Vehicles	Decrease	380	415	412	437	430	-1.6%	+3.6%

### Indicator 2: Leeds Carbon Neutral by 2030

Estimated Carbon Emissions from Transport	Target	2017	2018	2019	2020	2021	Change from 2020 to 2021	Change from 2019 to 2021
Estimates of carbon from Transport given for different types. All figures are given in Kilotons (kt) of Carbon Dioxide (Co2) equivalent								
Total Transport	Decrease	1667.6	1640.9	1658.4	1375.9	1414.7	+3%	-14.7%
Road Transport (A roads)	Decrease	437.4	424.0	414.1	327.0	357.1	+9%	-13.8%
Road Transport (Minor roads)	Decrease	501.3	513.7	520.4	439.0	384.6	-12%	-26.1%
Road Transport (Motorways)	Decrease	682.6	657.2	675.3	575.8	637.6	+11%	-5.6%
Diesel Railways	Decrease	21.6	20.5	21.0	16.1	17.5	+9%	-16.7%
Transport 'Other'	Decrease	24.7	25.6	27.5	18.0	17.9	-1%	-14.7%

### Indicator 3: Encouraging people to choose active travel and public transport

City Centre Mode Split, as %	Target	2018	2019	2021	2022	2023	Change from 2022 to 2023	Change from 2019 to 2023
These figures give the proportion of each mode, estimated as a percentage of the total persons crossing a city centre cordon in the AM Peak between 0730 to 0930 on an average weekday.								
Walk	Increase	6.6%	6.2%	5.5%	3.6%	5.3%	+1.7 percentage points	-0.9 percentage points
Cycle	Increase	1.6%	1.4%	1.3%	1.2%	1.5%	+0.3 percentage points	+0.1 percentage points
Motorcycle	-	0.4%	0.3%	0.3%	0.3%	0.2%	-0.1 percentage points	-0.1 percentage points
Car	Decrease	52.2%	51.5%	62.3%	62.5%	56.1%	-6.4 percentage points	+4.6 percentage points
Bus	Increase	22.7%	24.6%	20.6%	22.0%	24.5%	+2.5 percentage points	-0.1 percentage points
Rail	Increase	16.4%	16.1%	10.0%	10.4%	12.5%	+2.1 percentage points	-3.6 percentage points

### Indicator 3: Encouraging people to choose active travel and public transport

City Centre Mode Split, persons crossing cordon	Target	2018	2019	2021	2022	2023	Change from 2022 to 2023	Change from 2019 to 2023
These figures give the estimated actual numbers of persons per mode of transport, crossing a city centre cordon in the AM Peak between 0730 to 0930 on an average weekday.								
Walk	Increase	7,931	7,552	4,385	3,089	4,486	+45.2%	-40.6%
Cycle	Increase	1,962	1,757	1,046	1,055	1,293	+22.5%	-26.4%
Motorcycle	-	435	363	200	270	190	-29.5%	-56.3%
Car	Decrease	62,319	62,537	49,394	53,697	47,848	-10.9%	-23.5%
Bus	Increase	27,092	29,852	16,303	18,887	20,868	+10.5%	-30.1%
Rail	Increase	19,543	19,284	7,895	8,938	10,655	+19.2%	-45.5%
Total Persons	-	119,281	121,345	79,222	85,935	85,340	-0.7%	-28.5%



### Indicator 3: Encouraging people to choose active travel and public transport

Bus Usage	Target	2018	2019	2020	2021	2022	Change from 2021 to 2022	Change from 2019 to 2022
Passengers boarding buses in Leeds collated by WYCA from data supplied by the principal bus companies.								
A58	Increase	2,736,740	2,714,660	1,421,535	1,627,020	2,119,948	+30%	-22%
A660	Increase	2,703,585	2,657,885	1,044,110	1,330,852	2,109,065	+58%	-21%
A61N	Increase	2,167,728	2,211,855	1,003,724	1,158,352	1,619,822	+40%	-27%
A61S	Increase	1,777,306	1,804,493	987,581	1,052,405	1,385,336	+32%	-23%
A64	Increase	1,544,519	1,533,800	844,846	983,923	1,229,110	+25%	-20%
A647	Increase	1,276,219	1,355,747	635,468	730,053	835,178	+14%	-39%
A65	Increase	1,074,628	1,097,907	445,540	532,761	796,456	+49%	-28%
City Centre	Increase	22,683,878	22,542,678	10,527,296	11,757,952	16,205,292	+38%	-28%
Leeds Other	Increase	30,304,729	30,369,590	15,672,549	18,060,750	22,611,565	+25%	-26%
PR1	Increase	496,881	591,501	179,521	178,784	330,293	+85%	-44%
PR2	Increase	424,600	545,039	124,391	47,617	167,466	+252%	-69%
PR3	Increase	-	-	-	44,771	289,280	+546%	-
LPTIP area	Increase	33,345,456	33,287,318	15,619,714	17,656,634	24,274,641	+37%	-27%
Leeds total	Increase	67,190,813	67,425,155	32,886,561	37,505,240	49,698,812	+33%	-26%

### Indicator 3: Encouraging people to choose active travel and public transport

Rail Station Usage in Leeds	Target	Apr 2017 to Mar 2018	Apr 2018 to Mar 2019	Apr 2019 to Mar 2020	Apr 2020 to Mar 2021	Apr 2021 to Mar 2022	Change from 2020/21 to 2021/22
All figures given are the number of estimated entries, exits, and interchanges made by passengers, in a given financial year.							
Leeds City Station	Increase	31,101,454	30,838,554	31,020,744	5,853,754	19,263,472	+229%
Suburban Stations	Increase	7,242,192	7,132,888	7,207,982	1,443,576	4,249,266	+194%
Leeds District Total	Increase	38,343,646	37,971,442	38,228,726	7,297,330	23,512,738	+222%

### Indicator 3: Encouraging people to choose active travel and public transport

Leeds residents cycling	Target	2018	2019	2020	2021	2022	Change from 2021 to 2022
These figures are the percentage of Leeds Adult Residents who report cycling for any purpose, or for leisure e.g. - for enjoyment or fitness, or for travel e.g. - to get from A-B. These statistics cover a period of mid-November to mid-November. So, data in the column labelled 2022 covers mid-November 2021 to mid-November 2022.							
adults cycling at least once per month, for any purpose.	Increase	13.57%	14.60%	12.11%	9.64%	9.62%	-0.02 percentage points
adults cycling at least once per week, for any purpose.	Increase	10.29%	10.35%	8.76%	5.98%	6.03%	+0.05 percentage points
adults cycling at least once per month, for leisure purposes.	Increase	11.12%	11.96%	10.68%	8.03%	6.84%	-1.18 percentage points
adults cycling at least once per week, for leisure purposes.	Increase	7.23%	6.31%	6.36%	3.98%	3.50%	-0.48 percentage points
adults cycling at least once per month, for travel purposes.	Increase	5.92%	7.01%	4.61%	3.86%	4.89%	+1.04 percentage points
adults cycling at least once per week, for travel purposes.	Increase	5.21%	5.94%	3.41%	2.95%	3.29%	+0.34 percentage points

### Indicator 3: Encouraging people to choose active travel and public transport

Leeds residents walking	Target	2018	2019	2020	2021	2022	Change from 2021 to 2022
These figures are the percentage of Leeds Adult Residents who report walking for any purpose, or for leisure e.g. - for enjoyment or fitness, or for travel e.g. - to get from A-B. These statistics cover a period of mid-November to mid-November. So, data in the column labelled 2022 covers mid-November 2021 to mid-November 2022.							
adults walking at least once per month, for any purpose.	Increase	79.91%	81.99%	74.77%	78.87%	76.35%	-2.52 percentage points
adults walking at least once per week, for any purpose.	Increase	71.63%	74.07%	66.99%	71.07%	67.03%	-4.04 percentage points
adults walking at least once per month, for leisure purposes.	Increase	61.84%	63.23%	64.59%	71.51%	65.76%	-5.76 percentage points
adults walking at least once per week, for leisure purposes.	Increase	47.00%	48.71%	53.12%	59.71%	52.81%	-6.89 percentage points
adults walking at least once per month, for travel purposes.	Increase	55.24%	56.45%	40.09%	37.45%	43.00%	+5.55 percentage points
adults walking at least once per week, for travel purposes.	Increase	48.15%	48.16%	34.57%	31.26%	34.89%	+3.62 percentage points

#### Indicator 4: Encouraging and leading the uptake of zero emissions vehicles.

Number of Electric vehicles in Leeds	Target	2018 Q4	2019 Q4	2020 Q4	2021 Q4	2022 Q4	Change from 2021 to 2022	Change from 2018 to 2022
Battery electric vehicles registered to a keeper in Leeds by type of owner.								
Cars, Company	Increase	332	1,385	6,138	13,417	24,337	81%	7230%
Cars, Private	Increase	413	542	834	1,536	2,401	56%	481%
Cars, Total	Increase	745	1,927	6,972	14,953	26,738	79%	3489%
Light goods vehicles, Company	Increase	145	341	421	527	1,042	98%	619%
Light goods vehicles, Private	Increase	10	12	10	15	20	33%	100%
Light goods vehicles, Total	Increase	155	353	431	542	1,062	96%	585%
Motorcycles, Company	Increase	0	0	1	2	5	150%	N/A
Motorcycles, Private	Increase	8	19	20	46	72	57%	800%
Motorcycles, Total	Increase	8	19	21	48	77	60%	863%

#### Indicator 4: Encouraging and leading the uptake of zero emissions vehicles

Publicly available electric vehicle charging devices	Target	Oct-19	July-20	July-21	July-22	July-23	Change from 22 to 23	Change from Oct 19 to July 23
Number of electric charge points of any type and speed that are publicly available.								
Total Charging Devices	Increase	141	195	227	363	514	+42%	+265%
per 100,000 population	Increase	17.9	24.6	28.4	45.4	63.5	+40%	+256%

#### Indicator 4: Encouraging and leading the uptake of zero emissions vehicles

Number of Electric Buses Operational in Leeds	Target	2021	2022	2023	Change from 23 to 22
Data on the Electric Fleet size of buses operating in Leeds (standard services and Park & Ride)					
Number of vehicles	Increase	9	21	14	-7

#### Indicator 4: Encouraging and leading the uptake of zero emissions vehicles

Number of Electric vehicles in the LCC fleet that are zero emissions.	Target	2021	2022	2023	Change from 2022 to 2023
Data on the Leeds City Council fleet of vans and associated vehicles.					
Number of vehicles	Increase	330	384	384	N/A

## Objective 2 - Delivering Inclusive growth.

**Indicator 5:** Support individuals to access more employment opportunities through a comprehensive transport network.

Travel to work survey (Mode Share)	Target	2018	2019	2020	2021	2022	Change from 2021 to 2022
Survey conducted of employees at companies across Leeds, giving their reported methods of travel to work.							
Car Single Occupant	Decrease	44.8%	43%	36.02%	39.3%	37.2%	-2.1 percentage points
Car Share Driver	Decrease	5.3%	5.70%	4.42%	3.8%	3.9%	+0.1 percentage points
Car Share Passenger	Decrease	4.9%	4.90%	2.48%	2.6%	2.5%	-0.1 percentage points
Car (Total)	Decrease	55.1%	53.6%	42.9%	45.7%	43.6%	-2.1 percentage points
Motorcycle	-	0.5%	0.50%	0.19%	0.2%	0.3%	0.0 percentage points
Bus	Increase	14.2%	16.30%	6.41%	9.4%	9.9%	+0.5 percentage points
Rail	Increase	14.6%	14.90%	5.10%	7.4%	9.8%	+2.4 percentage points
Bicycle	Increase	3.5%	3.80%	2.38%	3.2%	3.2%	0.0 percentage points
Foot	Increase	10.8%	9.40%	6.39%	6.1%	5.9%	-0.2 percentage points
Other (includes home working)	-	1.3%	1.50%	36.60%	25.4%	27.3%	+1.9 percentage points

**Indicator 7:** Improve productivity by investing in more time and cost-efficient transport system

Delay on the road network	Target	2019	2020	2021	2022	Change from 2021 to 2022	Change from 2019 to 2022
This dataset measures the average delay to drivers on the Local A road network. Figures are given in seconds of delay per vehicle per mile.							
Local A Road delay	Decrease	51.4	35.6	43.8	45.7	1.9	5.7

**Indicator 8:** Lower the cost of mobility, ensuring transport is affordable and accessible for everyone

Cost of mobility	Target	2018/19	2019/20	2020/21	2021/22	2022/23	Change from 21/22 to 22/23
The tracker survey conducted yearly by WYCA measures the public perception of the affordability of transport. Satisfaction is ranked from 1 to 10, with a higher score indicating greater satisfaction.							
Affordability of Public Transport	Increase	6.2	5.3	6.0	5.8	6.5	+13%
Affordability of Motoring	Increase	6.2	5.5	5.6	5.8	5.2	-12%

**Indicator 8:** Lower the cost of mobility, ensuring transport is affordable and accessible for everyone

Number of people supported into work	Target	2019	2020	2021	2022	2023	Change from 21/22 to 22/23
From our Employment and skills team							
Total Number of People	Increase	-	-	-	3473	2999	-474

**Objective 3 - Improving health and wellbeing.**

**Indicator 9:** Ensure walking and cycling are the first choice for the shortest journeys improving physical and mental health.

Leeds residents rate of inactivity	Target	Nov 2017-18	Nov 2018-19	Nov 2019-20	Nov 2020-21	Nov 2021-22	Change from 20/21 to 21/22
This measure is a percentage of adults 19+ who report that they are not doing at least 30 minutes of exercise a week. Activities include walking and cycling to get from a to b, as well as sport and fitness activities and pursuits.							
Inactive: less than 30 minutes a week	Decrease	22.7%	20.9%	25.6%	23.3%	24.3%	+1 percentage point

**Indicator 11:** Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all

Road Safety Training	Target	Nov 2018-19	Nov 2019-20	Nov 2020-21	Nov 2021-22	Nov 2022-23	Change from 21/22 to 22/23
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The Influencing Travel Behaviour (ITB) Team continues to offer road safety education, training and engagement to those road users who are at most risk of harm including school children.

Total Places Delivered	Increase	N/A	N/A	N/A	14,906	14,428	-478
Total undertaken Pedestrian Training	Increase	N/A	N/A	N/A	2,935	4,500	+1,565
Scooter Training	Increase	N/A	N/A	N/A	2,287	2,500	+213
Transitional Training	Increase	N/A	N/A	N/A	384	487	+103

**Indicator 11:** Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all

Bikeability	Target	2017/18	2018/19	2019/20	2021/22	2022/23	Change from 2021/22 to 2022/23
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Bikeability is a national program for teaching schoolchildren to learn to ride bikes. This is at different levels, e.g., if needed than simply how to ride, and at higher levels how to safely ride on public roads.

Total places delivered.	Increase	9,263	11,320	11,718	11,662	13,722	+18%
Total places delivered L1.	Increase	92	120	200	578	1,200	+108%
Total places delivered L1&2 combined.	Increase	3,807	6,976	7,078	7,803	8,254	+6%
Total places delivered L2 (standalone)	Increase	2,245	0	0	0	0	N/A
Total places delivered L3.	Increase	523	635	600	351	582	+66%
Total places delivered Balance.	Increase	933	1,387	1,843	1,810	2,060	+14%
Total places delivered Learn to Ride	Increase	681	1,083	1,500	1,120	1,619	+45%
Percent of children up to year 6 offered level 2 training.	Increase	66%	73%	72%	77%	79%	+2

**Indicator 12: Eliminate Road deaths and serious injuries by adopting a Vision Zero approach to road collisions**

<b>Number of killed or seriously injured people in Leeds.</b>	<b>Target</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Change from 2019 to 2022</b>	<b>Change from 2021 to 2022</b>
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Collision Dataset from West Yorkshire Police Stats 19 data with detailed analysis and checking by the LCC collision studies team undertaken.

Casualties killed or seriously injured	Decrease	448	454	467	311	414	556	+19%	+34%
Fatalities	Decrease	15	26	22	11	19	27	+23%	+42%
Casualties seriously injured	Decrease	433	428	445	300	395	529	+19%	+34%
All casualties	Decrease	2203	1994	1905	1243	1773	2044	+7%	+15%

**Summary.**

The closure of City Square to general traffic was a key success alongside the delivery of more measures which have enhanced public transport and reclaimed roads for the people of Leeds to use.

The launch of the Leeds City e-Bikes scheme in September, which is the largest of its kind in the UK and will help encourage more people to make the switch to cycling for some of their journeys taking advantage of the high-quality infrastructure delivered by the Council.

Detail mode split analysis in the city centre, coupled with mode share data obtained from the LCC Travel to Work Survey is now starting to show a decline in car use with evidence of modal shift to alternative modes.

## Appendix 1 – Data Sources

Indicators	Objectives
1	Reducing the need for travel and the number of car journeys
2	Leeds Carbon Neutral by 2030
3	Encouraging people to choose active travel and public transport.
4	Encouraging and leading the uptake of zero emissions vehicles
5	Support individuals to access more employment opportunities through a comprehensive transport network
6	Develop and regenerate places through continued investment in transport infrastructure
7	Improve productivity by investing in more time and cost-efficient transport system
8	Lower the cost of mobility, ensuring transport is affordable and accessible for everyone
9	Ensure walking and cycling are the first choice for the shortest journeys improving physical and mental health
10	Reduce the negative effects of transport on our local communities, improving air quality and reducing CO2 emissions
11	Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all
12	Eliminate road deaths and serious injuries by adopting a Vision Zero approach to road collisions

### Objective 1 Tackling Climate Change

Indicator	Dataset source link (if available)	Source Organisation	Specific datasets used	Comments
KPI 1: Reducing the need for travel and the number of car journeys.	<a href="https://www.gov.uk/government/statistical-data-sets/road-traffic-statistics-travel">https://www.gov.uk/government/statistical-data-sets/road-traffic-statistics-travel</a>	Department for Transport (DfT)	TRA8904, TRA8905, TRA8906	
KPI 2: Leeds Carbon Neutral by 2030	<a href="https://www.data.gov.uk/dataset/723c243d-2f1a-4d27-8b61-cdb93e5b10ff/uk-greenhouse-gas-emissions-local-authority-and-regional">https://www.data.gov.uk/dataset/723c243d-2f1a-4d27-8b61-cdb93e5b10ff/uk-greenhouse-gas-emissions-local-authority-and-regional</a>	Department for Transport (DfT)	Local Authority greenhouse gas emissions dataset	
KPI 3: Encouraging people to choose active travel and public transport	<a href="https://dataportal.orr.gov.uk/statistics/usage/estimates-of-station-usage">https://dataportal.orr.gov.uk/statistics/usage/estimates-of-station-usage</a>	Office of Rail and Road (ORR)	table-1415-time-series-of-passenger-entries-and-exits-and-interchanges-by-station	
KPI 3: Encouraging people to choose active travel and public transport.	<a href="https://dataportal.orr.gov.uk/statistics/usage/estimates-of-station-usage">https://dataportal.orr.gov.uk/statistics/usage/estimates-of-station-usage</a>	Office of Rail and Road (ORR)		
KPI 3: Encouraging people to choose active travel and public transport.	<a href="https://www.gov.uk/government/statistical-data-sets/walking-and-cycling-statistics-cw">https://www.gov.uk/government/statistical-data-sets/walking-and-cycling-statistics-cw</a>	Department for Transport (DfT)	CW0307	



KPI 3: Encouraging people to choose active travel and public transport	Internal LCC – Transport Policy Monitoring	LCC		
KPI 4: Encouraging and leading the uptake of zero emissions vehicles	<a href="https://www.gov.uk/government/collections/electric-vehicle-charging-infrastructure-statistics">https://www.gov.uk/government/collections/electric-vehicle-charging-infrastructure-statistics</a>	Department for Transport (DfT)	Electric vehicle charging device statistics	
KPI 4: Encouraging and leading the uptake of zero emissions vehicles.	<a href="https://www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-tables">https://www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-tables</a>	Department for Transport (DfT)	VEH0142	
KPI 4: Encouraging and leading the uptake of zero emissions vehicles.	Internal LCC - Sustainability Team	LCC		

### Objective 2 Delivering Inclusive growth.

KPI	Dataset source link (if available)	Source Organisation	Specific datasets used	Comments
KPI 5: Support individuals to access more employment opportunities through a comprehensive transport network.		Internal LCC - Influencing Travel Behaviour Team		
KPI6: Develop and regenerate places through continued investment in transport infrastructure.				Data not available
KPI 7: Improve productivity by investing in more time and cost-efficient transport system.	<a href="https://www.gov.uk/government/collections/road-congestion-and-reliability-statistics">https://www.gov.uk/government/collections/road-congestion-and-reliability-statistics</a>	Department for Transport (DfT)	cgn0504	
KPI 8: Lower the cost of mobility, ensuring transport is affordable and accessible for everyone	<a href="https://www.westyorks-ca.gov.uk/improving-transport/transport-projects/west-yorkshire-public-perceptions-of-transport-survey/">https://www.westyorks-ca.gov.uk/improving-transport/transport-projects/west-yorkshire-public-perceptions-of-transport-survey/</a>	WYCA		
KPI 8: Lower the cost of mobility, ensuring transport is affordable and accessible for everyone.	LCC Employment and Skills	LCC		

### Objective 3 Improving health and wellbeing.

KPI	Dataset source link (if available)	Source Organisation	Specific datasets used	Comments
KPI9: Ensure walking and cycling are the first choice for the shortest journeys improving physical and mental health.	<a href="https://activelives.sportengland.org/Home/AdultData">https://activelives.sportengland.org/Home/AdultData</a>	Sport England	<a href="https://activelives.sportengland.org/Result?queryId=9696">https://activelives.sportengland.org/Result?queryId=9696</a>	
KPI 10: Reduce the negative effects of transport on our local communities, improving air quality and reducing CO2 emissions.				Data not available

KPI 11: Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all.	Internal LCC - Influencing Travel Behaviour Team			
KPI 11: Help make Leeds the best city to grow old in and a child friendly city through making streets accessible to all.	<a href="https://www.bikeability.org.uk/about/funding-and-delivery/">https://www.bikeability.org.uk/about/funding-and-delivery/</a>	The Bikeability Trust	LHA Delivery Statistics 2006-2023	
KPI 12: Eliminate Road deaths and serious injuries by adopting a Vision Zero approach to road collisions	<a href="https://www.leeds.gov.uk/plans-and-strategies/vision-zero-2040-strategy">https://www.leeds.gov.uk/plans-and-strategies/vision-zero-2040-strategy</a>	LCC		

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. In all appropriate instances we will need to carry out an equality, diversity, cohesion, and integration impact assessment.

This form:

- can be used to prompt discussion when carrying out your impact assessment
- should be completed either during the assessment process or following completion of the assessment
- should include a brief explanation where a section is not applicable

<b>Directorate: City Development</b>	<b>Service area: Highways &amp; Transportation</b>
<b>Lead person: Finn Campbell</b>	<b>Contact number: 0113 37 89803</b>
<b>Date of the equality, diversity, cohesion, and integration impact assessment: 07/09/21</b>	

<b>1. Title: Connecting Leeds Transport Strategy</b>
Is this a:
<input checked="" type="checkbox"/> <b>Strategy / Policy</b> <input type="checkbox"/> <b>Service / Function</b> <input type="checkbox"/> <b>Other</b>
<b>If other, please specify</b>

**2. Members of the assessment team:**

<b>Name</b>	<b>Organisation</b>	<b>Role on assessment team For example, service user, manager of service, specialist</b>
Finn Campbell	Leeds City Council	Day to Day Lead
Paul Foster	Leeds City Council	Manager of service
Kasia Speakman	Leeds city Council	Independent Reviewer

### 3. Summary of strategy, policy, service, or function that was assessed:

Transport effects everyone across the district, whether you live, work, or visit Leeds. It is acknowledged that there may be some negative impact because of the strategy. The strategy sets out a strategic transport policy for Leeds and the actions that we propose to take. As schemes and policies develop because of the strategy there is the potential for these to have a negative impact on certain groups. The Connecting Leeds Transport Strategy sets out our proposed vision for mobility for Leeds, to be a city where you don't need a car. It details our overarching objectives of tackling climate change, delivering inclusive growth and improving health and wellbeing and how we need transport to respond in order to achieve these. There are four target areas

- Climate Emergency – Carbon net-zero by 2030.
- Vision Zero – for Zero people to be killed or seriously injured on our roads by 2040.
- Modal shift targets
  - Increase in Walking +33%
  - Increase in cycling + 400%
  - Increase in Bus +100%
  - Increase in rail
  - Decrease in car trip by 30%
- 30% reduction in distance travelled by private car by 2030

The strategy sets out the challenges and opportunities faced by transport as well as the proposed six focus areas:

- Decarbonising Transport – Reducing the need to travel, re-mode how we travel away from private car use and encouraging the further uptake of Alternative Fueled vehicles and associated infrastructure.
- Creating healthier streets and communities – ensuring walking and cycling are the first choice for the shortest trips, creating places and spaces where people want to spend time which are inclusive and accessible to all.
- Transform the city centre – continue to deliver and develop transformational change in the city centre, from world- class gateways to ensuring all modes are integrated, supporting Leeds' role as a local, regional, and national transport hub.
- Enhance public transport – build on the successes we have had in recent years at improving the bus network and working with partners to expand and enhance the offering in the future.
- New mobility solutions – thinking about transport differently, encouraging the use of shared transport, paying for transport differently and the use of technologies to improve mobility in the city.
- Deliver a mass transit network –delivering a low carbon mass transit in Leeds, enhancing the transformational work already going on in the city centre through partnership with the Combined Authority.

The strategy also acknowledges that further work is required if we are to achieve our objectives and outline future considerations.

An action plan has been produced to cover the next three years until 2024. This has been included within the assessment.

**4. Scope of the equality, diversity, cohesion, and integration impact assessment**  
 (complete - 4a. if you are assessing a strategy, policy, or plan and 4b. if you are assessing a service, function, or event)

**4a. Strategy, policy, or plan**  
 (please tick the appropriate box below)

The vision and themes, objectives, or outcomes	<input checked="" type="checkbox"/>
The vision and themes, objectives or outcomes and the supporting guidance	<input checked="" type="checkbox"/>
A specific section within the strategy, policy, or plan	<input type="checkbox"/>

**Please provide detail:**  
 The scope of this Equality, Diversity, Cohesion, and Integration Impact Assessment is to cover the Connecting Leeds Transport Strategy and first Action Plan.

**4b. Service, function, event**  
 please tick the appropriate box below

The whole service (including service provision and employment)	<input type="checkbox"/>
A specific part of the service (including service provision or employment or a specific section of the service)	<input type="checkbox"/>
Procuring of a service (by contract or grant)	<input type="checkbox"/>

**Please provide detail:**

**5. Fact finding – what do we already know**  
 Make a note here of all information you will be using to carry out this assessment. This could include: previous consultation, involvement, research, results from perception surveys, equality monitoring and customer/ staff feedback.  
 (priority should be given to equality, diversity, cohesion, and integration related information)

A three-month Transport conversation in the Autumn of 2016, generated 8,169

questionnaire responses, (along with feedback from 100 workshops, meetings, and presentations) demonstrating a keen interest in engaging with the city on issues of transport, both now and in the longer term. The results of the Transport Conversation show a potential differential impact on women, older people, and disabled people, potentially also on ethnically diverse communities. The results indicated that almost all respondents felt it was important for future transport strategy to ensure that everyone had access to the transport system (98%) – accessibility and inclusion are key components of this strategy.

Subsequently, the Leeds Public Transport Investment Programme was developed from the Leeds Transport Conversation and has continued the extensive engagement with a wide range of groups such as Voluntary Action Leeds, Child Friendly Leeds, Cultural Diversity Hub, Disability Hub, LGBT Hub, Leeds Society for the Deaf and Blind, Physical and Sensory

Impairment (PSI) Network, Womens' Live Leeds, Elderly Action groups and various groups representing accessibility and usability.

Through the previous Transport Conversation and subsequent engagement on Leeds Public Transport Investment Programme, transport has the potential to have a differential impact on equality groups with regard to:

**Gender:** Research shows that women and men have persistent different transportation needs, travel behaviors and levels of access to services and infrastructure. Women tend to travel shorter distances, closer to the home, and make more trips; they travel for a wider variety of purposes; they walk more; they have less access to a car and are the main users of public transport, they make more chained trips; their travel patterns tend to be shaped as polygons as compared to the more frequent commuting trips made by men. Women are more sensitive to safety concerns and tend to self-limit their movements and activities because of perceptions of risk, in the UK, they are less likely to cycle. Women are also overrepresented in social groups with specific transport needs and greater transport disadvantage: older people, people with special needs, single parents, and working parents who take responsibility for most caretaking tasks. Women's overall comparative disadvantage in terms of access to transportation negatively affects their professional development, economic status, leisure time, and personal wellbeing. [Source: genderSTE]

**Disability:** Differential access to the transport system and the effect of transport policies, particularly (but not restricted to) for those with physical and sensory impairments, mental health issues or learning disabilities. Disabled people travel more frequently by bus than others, so public transport plays a vital role in ensuring that they can participate in community life and avoid social exclusion. They also may be affected to a greater extent by issues of reliability of public transport, modal integration (or lack thereof) and interchange and by issues such as overcrowding/ space availability. The availability of accessible infrastructure and walkable, level routes and access to information, including on board and at stops, will also have a differential impact on this equality group.

Disability can lead to a greater reliance on private transport (own car or taxi, or lifts from friends/ relatives etc). Disability can also have a differential impact on journey times, distance, and destinations, as well as modal choice.

**Race:** Differential access to the transport system and the effect of transport policies, particularly for ethnically diverse communities are around impacts on access to employment, education, and training, which are vitally important issues for culturally diverse backgrounds communities as a means of overcoming disadvantages.

in the job market. Studies have also shown a differential impact in terms of the impact of traffic and road safety. They are also underrepresented among cyclists –this impact may be compounded by race, age, and gender.

It is thought that enabling travel by active modes may particularly benefit ethnically diverse communities in addressing health inequalities, including Type II diabetes and cardio-vascular health.

**Age:** Both younger and older people are more at risk of being involved in a road traffic collision and suffer greater consequential effects – initiatives that contribute to road safety, especially of active modes, will have a beneficial impact on these sections of the population.

Young people rely very much on public transport, although many have personal security concerns when using public transport and this is coupled with the fact that in terms of actual risk, they are the age group which are most likely to be the victims of violence and/or assault. Children exposed to traffic related air pollution are more at risk of asthma and child inactivity is a cause for future health concerns, which can be addressed through enabling the use of active travel modes.

Many older people are not able to drive because of health conditions related to their age or find the cost of running a car prohibitive. Older women are less likely to hold a driving license so may lose access to a car when widowed. Like with disabled people, there will be a differential impact in terms of distance travelled (including to access public transport in the first place), reliability, overcrowding and the need to interchange or change modes. The presence and availability of evening and weekend services and infrastructure at stops/ stations will also have a differential impact in terms of the ability to access activities and leisure opportunities. The inter-district connectivity enabling access to local services has also been found to be particularly important to older people and disabled people.

**Are there any gaps in equality and diversity information**  
Please provide detail: N/A

**Action required:**  
N/A

**6. Wider involvement – have you involved groups of people who are most likely to be affected or interested**



Please provide detail:

Extensive Consultation and Engagement on the draft Transport Strategy was undertaken

between December 2020 and April 2021. This built upon the consultation undertaken as part of the Transport Conversation and subsequent Leeds Public Transport Investment Programme. A range of promotion techniques were adopted which include but not limited to dedicated consultation webpage, Webinars, and dedicated meeting with stakeholder groups.

Building on previous consultation feedback specific action was taken to engage with groups with protected characteristics. Leeds Involving People (LIP) were engaged to help reach seldom-heard groups within the community and utilised their links with existing groups, partnerships, networks, members, workers, and volunteers. They built upon the nine protected characteristics under the Equality Act and were expanded to cover a fuller range of seldom heard groups. Due to the Coronavirus pandemic, LIP organised a series of three focus groups and a strategy reading group. All sessions were held virtually and could be accessed online or via a telephone. The strategy reading group read through the strategy page by page over several sessions, to obtain detailed feedback on the proposals. The focus groups were 1-hour long sessions, to specifically go through points raised by attendees.

The Access and Usability Group have been consulted on the draft strategy who suggested further amendments, including a dedicated page recognising and highlighting the needs of disabled people and older people. The draft page was then re-consulted with the group to ensure it accurately represented the feedback received.

**Action required: N/A**

**7. Who may be affected by this activity?**

please tick all relevant and significant equality characteristics, stakeholders and barriers that apply to your strategy, policy, service, or function

**Equality characteristics**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> <b>Age</b>                  | <input checked="" type="checkbox"/> <b>Carers</b>  | <input checked="" type="checkbox"/> <b>Disability</b> |
| <input type="checkbox"/> <b>Gender reassignment</b>             | <input checked="" type="checkbox"/> <b>Race</b>    | <input type="checkbox"/> <b>Religion or Belief</b>    |
| <input checked="" type="checkbox"/> <b>Sex (male or female)</b> | <input type="checkbox"/> <b>Sexual orientation</b> |   |
| <input type="checkbox"/> <b>Other</b>                           |  |   |

**(Other** can include – marriage and civil partnership, pregnancy and maternity, and those areas that impact on or relate to equality: tackling poverty and improving health and well-



being)  
Please specify: N/A

**Stakeholders**

- |  |   |                                       |
|--|---|---------------------------------------|
| <input checked="" type="checkbox"/> Services users | <input checked="" type="checkbox"/> Employees | <input type="checkbox"/> Trade Unions |
| <input checked="" type="checkbox"/> Partners       | <input type="checkbox"/> Members              | <input type="checkbox"/> Suppliers    |
| <input type="checkbox"/> Other please specify      |   |                                       |

**Potential barriers**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Built environment  | <input type="checkbox"/> Location of premises and services |
| <input type="checkbox"/> Information and communication | <input type="checkbox"/> Customer care                     |
| <input checked="" type="checkbox"/> Timing             | <input type="checkbox"/> Stereotypes and assumptions       |
| <input checked="" type="checkbox"/> Cost               | <input type="checkbox"/> Consultation and involvement      |
| <input type="checkbox"/> Financial exclusion           | <input type="checkbox"/> Employment and training           |

specific barriers to the strategy, policy, services, or function  
Please specify

**8. Positive and negative impact**

Think about what you are assessing (scope), the fact-finding information, the potential positive and negative impact on equality characteristics, stakeholders, and the effect of the barriers

**8a. Positive impact:**

**Targets**

Net-zero by 2030

Climate change effects everyone and if no action is taken the predicted increase in world temperature will have a detrimental impact on the planet and to human life as we know it. Ongoing research has shown that several equality characteristics groups will be disproportionately affected by the climate emergency. People with

lower income and ethnically diverse communities are more likely to live in locations which are susceptible to climate change impacts, such as flooding. The strategy aims for Leeds to be a net-zero carbon district by 2030 and proposes key actions to meet this target. This will have a positive impact on all equality groups.

### Vision Zero

Older people, children, and people with lower incomes (which can also affect ethnically diverse communities) have been shown to be disproportionately impacted by traffic collisions. Setting a target, subsequent strategy, and action plan for no one to be killed or seriously injured on our road network by 2040 will have a positive impact on these groups. Therefore, this target will have a beneficial impact on these groups specifically alongside the wider population.

### Modal Shift

The desired modal shift away from private car to active travel and public transport will have a positive impact on equality groups. It is shown that children, older people, people on lower income, ethnically diverse communities and women are more likely to be reliant on public transport and for some women from ethnically diverse backgrounds there may be specific cultural barriers around active modes such as cycling.

Specifically focusing on these modes will positively impact these groups reducing the negative effects that currently impact them such as spending a disproportionate amount of time and money on travel and restriction to opportunities. There is a likely positive impact on lower income and ethnically diverse groups who have been shown to reside in areas of lower air quality through a reduction of car traffic.

### Reduction in overall distance travelled by private car

Lowest income households have higher levels of non-car ownership, 40% still have no car access – female heads of house, children, young and older people, ethnically diverse communities, and disabled people are concentrated in this quintile. As the lowest income households have fewer cars, and fewer drivers, it is not surprising that they also travel much less and travel over much shorter distances than higher income households. They make 20% fewer trips and travel 40% less distance than the average household. Private vehicles dominate our landscape; by targeting the distance travelled by private car, there is likely to be a reduction in the number of cars on our streets. This is likely to have a positive impact on equality groups such as disabled people, older people, young children. There is recognition that disabled people and parents of young children are disproportionately affected by illegal parking blocking the footway. The reduction of cars would lead to quieter streets, and this would have a positive impact on equality groups.

## **Big Moves**

### Decarbonising transport

The evidence is strong that, despite lower distances travelled, poorer people, those from ethnically diverse communities, children, and disabled people are more exposed to air pollution. There is also strong evidence that greater exposure to air pollution is correlated with a greater risk of long-term conditions. Poor health is linked to time off work and reduced productivity – and can contribute to lower income. The decarbonisation of the transport system will also deliver air quality improvements providing direct positive impact.

### Creating healthier streets, places, and communities

Creating healthier streets, spaces and communities will have a positive impact on equality groups. Included within this big move is the promotion of Active Travel neighbourhoods (ATN) concept. In terms of the positive impacts of ATNs, earlier EDCI assessments have identified that disabled people reported easier or more pleasant journeys; an increase in

independence; a decrease in traffic danger and benefits to physical and mental health. The traffic danger offers substantial safety positive impacts to several groups. There are benefits around creating safer crossing points near modal filters that will lead to reduced crossing times.

Reduced levels of traffic are associated with more 'neighbourliness' (studies have shown

that in streets with low levels of traffic people have more contact with their neighbours). There is potential for active travel neighbourhoods to facilitate more people-centred streets and reduce the feeling of social isolation and loneliness. This has a benefit to all equality groups.

Ethnically diverse communities are also underrepresented among cyclists. It is thought that enabling travel by active modes through quieter and safer streets this may particularly benefit some members from ethnically diverse communities in addressing health inequalities, including Type II diabetes and cardio-vascular health. The promotion of active travel has the potential to significantly improve health in ethnically diverse communities across Leeds.

Better integration between the land-use planning and transport, reducing the need to travel longer distances will have a positive impact on equality groups who are reliant on multi-purpose journeys, such as females and parents, disabled people and lower incomes who may benefit from reduced travel costs.

#### Transforming the city centre

The proposals detail improvements for walking and cycling in the city centre through the provision of dedicated facilities, wider pavements, and better crossing points. The consultation identified that older people, disabled people require more seating the provision of wider spaces and more public footway give the opportunity for new seating to be created. Scheme specific proposals implemented to date have been done in partnership with equality groups and future schemes should adopt this approach.

Background knowledge and studies have shown equality groups have greater reliance on public transport and are negatively impacted by longer journey times, poorer connections, and hours of operation. Transforming the City Centre big move will likely have positive impacts by the efficient saving generate by investment in public transport priority reducing journey times and improving reliability.

#### Enhancing public transport

This is focused on investment in public transport infrastructure creating a more reliable public transport network. It is identified that many equality groups are more reliant on public transport than the wider public. Investment in infrastructure will reduce barriers to employment, education, and social needs targeting the most disadvantage groups. Increased hours of operation of public transport will have a positive impact on lower-income workers and encourage greater use of public transport. This has the potential to open greater opportunities for employment and education. More reliable services will also have a positive impact on these groups.

Disabled people may travel more frequently by bus than others, so public transport plays a vital role in ensuring that they can participate in community life and avoid social exclusion. The inclusion of new technology including visual and audio displays both at bus stops and on-board buses will have a positive impact on these groups.

#### New Technologies

As this assessment has detailed, certain groups are disproportionately reliant on public transport. An Action within this big move is to bring forward a trial of Demand Responsive Transport, a flexible bus services, that better serve communities and provide orbital services, a current gap within the transport network. This will positively impact disabled people, older people, women, and children who are more reliant on the public transport

network.

### Deliver Mass Transit

The delivery of a new form of transport provides the opportunity to ensure the needs of users are met from the outset. Early engagement with all equality groups will ensure the needs of the groups are identified and fed into the development work. At this current time there is the opportunity to ensure any negative impacts are overcome. Potential to benefit groups once operational through more efficient travel and more direct travel (lower journey times).

### **Action required:**

- Continued engagement with all groups and stakeholders through the implementation of the strategy and development of specific schemes and policies to ensure consideration is given to all protected characteristics. This includes ensuring all groups are represented in the development of the projects and policies.
- Supporting the West Yorkshire Combined Authority and the newly elected Mayor to review the costs of public transport, ensuring everyone is able to access reasonably priced fares.

### **8b. Negative impact:**

#### **Targets**

##### Carbon net-zero city by 2030

The limitation of available funding may have a negative impact on equality characteristics as we may be unable to deliver the strategy as proposed. This would be of potential greater detriment to equality groups who as outlined above, are more reliant on the actions proposed as part of the strategy.

##### Vision Zero

Measures brought forward to meet this target may impact on journey length and availability, this may impact public transport users and essential car users through an increase in congestion. This may affect older people and disabled people who may be reliant on private cars for their personal mobility.

##### Modal Shift

Feedback from Disabled People during the consultation identified an issue between the Disabled People and cyclists and scooter users. The promotion of a cycling target will result in a greater number of interactions between different street users. This has the potential to have a negative impact on these groups and action should be taken to ensure designs are carefully considered to reduce conflict between different road users.

##### Reduction in distance travelled by private car

Disabled people may use the car more than others and may not have a choice in how they travel. Other groups such as female and lower income groups can be reliant on private

vehicles to access their employment needs due to limitations of public transport and active travel alternatives. Groups which are reliant on private vehicles may be negatively impacted by the target to reduce the distance travelled by private vehicle each year.

## **Big Moves**

### Decarbonising transport

As identified, certain groups are disproportionately reliant on public transport. If the strategy does not deliver public transport enhancement these groups will be further impacted. The impact may result in greater social isolation and prevent certain groups from accessing opportunities. Lack of public transport integration also has specific negative impacts on older people and disabled people as well as women and carers who may not find interchanging modes easy due to physical distance and physical barriers (steps, gradients, lack of crossings) choice of ticketing, price, and information availability.

The consultation identified that older people and disabled may struggle to change behaviour to walking and cycling. This may have a negative impact on these groups and their needs should be met with other solutions as proposed in the strategy. Action should be taken to engage with these groups to overcome the barriers to walking and cycling where possible and identify alternative options to meet the needs of groups and the objectives of the strategy.

### Creating healthier streets, places, and communities

Previous studies and the outcomes of this consultation has identified a potential negative effect on older people, children, and disabled people because of an increase in walking and cycling and greater use of shared spaces.

Assessment of ATN's identified criticisms included longer journey times for residents, as well as their visitors who provide care and support. This leads to travel becoming more exhausting, expensive, complicated, or difficult for disabled people. There were also cases of a negative impact on mental health, issues with taxis and a perceived rise in traffic danger.

This consultation has identified that disabled people, older people, people with mobility issues including wheelchair users and parents with young children can be negatively impacted by the lack of dropped crossing points.

Disabled groups felt that they would negatively be impacted as part of the strategy and greater emphasis was required to recognise their needs. Action has already been taken whereby the strategy has been updated identifying the specific issues for disabled people and the content has been shared with the Access and Usability Group to ensure it was reflective of this feedback and met the needs.

### Transforming the city centre

The potential loss of Disabled parking bays within the city centre could have a detrimental impact in relation to access for Disabled People and older people to spaces has been identified as a potential negative impact of the proposals. Routes to access disabled parking bays can become even more complicated through the introduction of bus lanes and bus gates. Timings of operation can offset some of the negative impacts, but also can add a layer of complexity that can have a detrimental impact on older people, especially those affected by some age-related conditions (Alzheimer's, Dementia) and those less able to absorb, assimilate and retain complex information.

Additionally to disabled parking bays, there is a similar potential negative impact on

disabled people, older people and those reliant on taxis, if ranks are to be relocated or reduce in size this could reduce permeability of spaces notably the city centre. The reduction of through traffic into the city centre environment and the subsequent widening of footways and re-allocation of roadspace offer substantial benefits to user groups. However there are potential impacts on older people, disabled people and children who may struggle with the walking distances involved within these pedestrianised spaces.

#### Enhancing public transport

Consultations to date have indicated that women tend to rely on public transport more than men. This may result in greater safety concerns raised and greater conflict between groups. There may be a negative impact

Bus re-routing may have specific negative impacts on older people and some disabled people (learning difficulties, dementia, blind and partially sighted people) as changes are often confusing and unsettling. This may result in missed buses, being taken to an unknown destination, and may affect loss of confidence to go out independently.

#### New Technologies

Studies have evidenced that certain equality groups, notable Older People and Children are reliant on cash as a form of payment. The development of mobile payment systems could further exasperate exclusion from public transport and result in disproportionate costs being burdened on the lowest income individuals.

The uptake of Electric Vehicles may impact blind people particularly who may struggle to hear an Electric Vehicle approaching. This may have a negative impact for blind people crossing the road who currently rely on vehicle noise to assist with crossing. There are also specific risks for older people and disabled people due to the introduction/ or lack of/ on highway electric vehicle charging infrastructure (risk of cables across footways, competing uses of kerbside parking and adding street clutter.

#### Deliver Mass Transit

The construction of any Mass Transit scheme may disproportionately affect lower income groups who tend to reside within inner city suburbs. The impact of the schemes should be fully assessed as part of the development of the proposals.

#### **Action required:**

- Continue to engage with key stakeholders such as Central Government to identify further funding sources to enable the full delivery of the strategy and action plan.
- Consideration should be given to signage to better inform users of shared walking and cycling routes of potential conflict and to be considerate to pedestrians.
- Ensure through consultation and engagement is maintained throughout the lifetime of the strategy. An Equality, diversity, cohesion and integration screening or assessment should be undertaken of individual schemes and policies brought forward because of the strategy.
- Feedback to Mass Transit development team the outcomes of this screening assessment.
- To ensure healthier streets, spaces and communities are inclusive to a there is ongoing development of a street charter is proposed which will overcome barriers to

active travel that disproportionately affects older people and people with a disability. In depth engagement is also needed when introducing schemes such as streets for people and Active Travel Neighbourhoods, Mini-Hollands, 20 min neighbourhoods etc.

- Action should be taken to engage with these groups to overcome the barriers to walking and cycling where possible and identify alternative options to meet the needs of groups and the objectives of the strategy.

**9. Will this activity promote strong and positive relationships between the groups/communities identified?**

Yes

No

**Please provide detail:**

It is often the case that the challenges or negative impacts of transport are similar across the protected groups. By addressing these challenges and impacts this may promote strong and positive relationships between all transport users.

**Action required: None**

**10. Does this activity bring groups/communities into increased contact with each other? (for example, in schools, neighbourhood, workplace)**

Yes

No

**Please provide detail:**

The promotion of public transport and active travel may bring different groups into increased contact when travelling, this may be on the streets or on public transport. The assessment has identified that this may result in greater conflict between groups but it may bring about benefits for social inclusion and cohesion within communities.

**Action required:**

None

**11. Could this activity be perceived as benefiting one group at the expense of another? (for example where your activity or decision is aimed at adults could it have an impact on children and young people)**

Yes

No



**Please provide detail:**

It could be perceived that the Strategy is benefitting people who are able to use public transport and active travel. This may be perceived as having an impact on Older and Disabled people. Whilst our vision is for Leeds to be a city where you don't need a car, we are clear that there is still a lifeline role for private vehicles in the city. For disabled and older people or those with a mobility impairment, a private vehicle can be the only choice for their mobility needs.

**Action required:**

- Continually work with impacted equality groups to ensure those who have a lifeline role for a private vehicle are represented and not differentially effected by the proposals.
- Work with transport operators (bus, rail, and taxi) to overcome barriers for groups using the transport network and ensure facilities are accessible.

## 12. Equality, diversity, cohesion, and integration action plan

(insert all your actions from your assessment here, set timescales, measures and identify a lead person for each action)

Action	Timescale	Measure	Lead person
Continued engagement with all groups and stakeholders through the implementation of the strategy and development of specific schemes and policies to ensure consideration is given to all protected characteristics. This includes ensuring all groups are represented in the development of the projects and policies.	Ongoing	Meetings held with groups and individuals Public acceptance of schemes	Kate Morris, Paul Foster
Supporting the West Yorkshire Combined Authority and the newly elected Mayor to review the costs of public transport, ensuring everyone is able to access reasonably priced fares.	Ongoing	Number of people using public transport	Gary Bartlett
Continue to engage with key stakeholders such as Central Government to identify further funding sources to enable the full delivery of the strategy and action plan.	Ongoing	Securing further funding for the delivery of the strategy and action plan	Gary Bartlett

Action	Timescale	Measure	Lead person
Consideration should be given to signage to better inform shared space users of potential conflict and to be considerate to pedestrians.	As schemes are implemented.	Reduction in the number of conflicts between different street users.	Scheme promoters
Ensure through consultation and engagement is maintained throughout the lifetime of the strategy. An Equality, diversity, cohesion and integration screening or assessment should be undertaken of individual schemes and policies brought forward because of the strategy.	Ongoing	Individual EDCI assessments of each scheme.	Scheme Promoters Policy colleagues Gary Bartlett
Feedback to Mass Transit development team the outcomes of this screening assessment.	On completion of assessment.	N/A	Finn Campbell
To ensure healthier streets, spaces and communities are inclusive there is ongoing development of a street charter is proposed which will overcome barriers to active travel that disproportionately effect older people and people with a disability.	1 year	Adoption of Street Charter	Paul Foster
Action should be taken to engage with impacted groups	Ongoing	Additional meeting held with equality groups to overcome	Kate Morris

Action	Timescale	Measure	Lead person
to overcome the barriers to walking and cycling where possible and identify alternative options to meet the needs of groups and the objectives of the strategy.		barriers to walking and cycling. Consultation should be	
Work with transport operators (bus, rail, and taxi) to overcome barriers for groups using the transport network and ensure facilities are accessible.	Ongoing	Reduction in barriers to travel	LCC / WYCA / Public transport operators

**13. Governance, ownership, and approval**

State here who has approved the actions and outcomes from the equality, diversity, cohesion, and integration impact assessment

Name	Job title	Date
Gary Bartlett	Chief Officer Highways and Transportation	
<b>Date impact assessment completed</b>		<b>07/09/21</b>

**14. Monitoring progress for equality, diversity, cohesion, and integration actions (please tick)**

- As part of Service Planning performance monitoring
- As part of Project monitoring
- Update report will be agreed and provided to the appropriate board  
Please specify which board: Executive Board or IISG Scrutiny Board
- Other (please specify)

**15. 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 impact assessment 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 impact assessments that are not to be published should be sent to [equalityteam@leeds.gov.uk](mailto:equalityteam@leeds.gov.uk) for record.

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

For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent:
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:

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## Eastgate and Harewood Quarter (Phase 2)

Date: 22<sup>nd</sup> November 2023

Report of: Director of City Development

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

Phase 2 of the Eastgate and Harewood development, is a key gateway site into Leeds city centre. Along with now completed Phase 1, which delivered the John Lewis store alongside the wider Victoria Gate scheme, the Council used Compulsory Purchase powers in 2007 to promote suitable development.

Phase 2 has remained undeveloped for many years, despite the existence of a development agreement between the Council and Hammerson, which was tied into the rationale and purpose of the use of Compulsory Purchase powers. Changing property market conditions have rendered the envisaged retail led development scheme no longer viable.

The report seeks approval to the termination of the existing development agreement and the simultaneous completion of a new sale (splinter development) agreement.

The terms provisionally agreed would provide for the development of phase 2, in accordance with the rationale and purpose of the 2007 Compulsory Purchase Order and be compliant with the 2021 Planning Brief.

### Recommendations

Approval be granted to:-

- a) Progress the heads of terms outlined within the report and
- b) Delegate to the Director of City Development (in consultation with the Executive Member for Resources) the ratification of the final details and any further amendments to the terms agreed and to the developer selected by Hammerson.

## What is this report about?

- 1 This report provides Executive Board with an update on plans for development of the Eastgate Phase 2 site (extent of land shown in Appendix 2 and 3), one of the largest and longest standing underutilised sites within the core of Leeds City Centre. It also sets out the key next steps requiring the Council's approval to ensure this important regeneration opportunity can proceed in a deliverable way reflecting and responding to changing economic and market conditions.
- 2 The report sets out the necessary actions to ensure the delivery of a revised scheme to the original concept that formed part of the Eastgate Compulsory Purchase Order (CPO), whilst maintaining deliverability and continuing to satisfy the rationale and purposes of the CPO. This includes the termination of the Development Agreement originally entered into with the Council to enable the transfer of acquired land for the development, and entering into a new sale (splinter development) agreement which reflects current economic context and proposed delivery arrangements.
- 3 The Eastgate Phase 2 site forms part of an area originally known as the Eastgate and Harewood Quarter and has long been a focus of city development ambitions, with a 2005 Supplementary Planning Document setting out guidance for the scope and range of development that would be in keeping with adopted Local Plan policies at the time.
- 4 The two parts of the Quarter sit north and south of Eastgate. The first phase of this area to the south, was developed and opened in 2016, following several years of collaborative work between the Council and developer Hammerson, as the retail-led Victoria Gate anchored by a new John Lewis store, with the wider development containing several high-end clothing stores, a food and beverage offer and a casino, This was underpinned by the Council's proactive use of its statutory compulsory purchase powers, which enabled full assembly of both phases of the site under a CPO, and disposal of the Phase 1 land to Hammerson to enable its development.
- 5 Phase 1 was assembled from a former surface car park in Council ownership, the former Millgarth Police Station and a range of smaller land interests and was at the time a major commitment and mark of confidence in the city from the developer and retail occupiers during a period of economic uncertainty affecting city centres.
- 6 Since the delivery of Phase 1, market conditions have continued to evolve, with changes in the way people shop, work and spend their leisure time amplified and accelerated by the Covid pandemic and reshaping of the economy with related societal changes following this. The role of Leeds city centre has changed accordingly, with a diversification away from previously dominant retail uses, towards leisure and hospitality alongside its increasing role as a residential neighbourhood. Some of the country's most recognisable High Street brands of even 5 years ago have now gone, leaving space for new occupiers and diverse repurposing. In Leeds the former Debenhams, House of Fraser and Arcadia branded outlets are all being refurbished (or demolished and rebuilt) with an array of new uses including smaller retail footplates, student housing, food and beverage, and leisure.
- 7 Footfall in Leeds city centre has accordingly settled into new patterns. Fewer people are counted in the main shopping areas Monday to Friday than pre-pandemic, driven by the popularity of working from home in the traditionally office-based sectors that have a strong presence in the city, with footfall at weekends bouncing back to pre-pandemic levels and on occasion exceeding this.



- 8 A report to Executive Board in September 2021 ('Future trends and opportunities in our city and local centres') outlined the changing role of the city centre and ways in which the Council might help shape responses to ensure its continued success – including by working in a collaborative and agile way and securing delivery of transformational projects and investments. The revised Leeds Inclusive Growth Strategy approved by Executive Board in September 2023 (LIGS) reflects this and has clear aims to maximise the potential of the city centre with a focus on developing a liveable, attractive and exciting place with clear opportunities for growth, and to increase the benefits of city centre growth into surrounding communities.
- 9 The spatial footprint and influence of the city centre is also evolving. The planning and development of the South Bank has played a significant role in this, but city centre uses and the related scale of investment and development are now moving beyond the traditionally compact city centre in all directions. In the north eastern part of the city centre this is particularly evident in the development of Quarry Hill through the SoYo scheme and the Leeds Playhouse where recent investment has created a new front entrance on St Peters Street along with the recently completed Leeds City College Quarry Hill campus, with new public realm, and the active pipeline of higher density residential developments in areas such as Mabgate with further investment planned in new Leeds City College facilities, immediately adjoining the Eastgate Phase 2 site.
- 10 Leeds City Centre has demonstrated resilience and adaptability, with continued potential for dynamic growth. The Council is playing an active role in working with key partners across sectors and continued to see the benefits of public and private investment as investors, developers and occupiers have evolved and flexed plans in responding to changing circumstances and identified new locations for growth, in many cases re-appraising mix, quantum and types of uses being brought forward in new developments, including the emergence of new 'asset classes' such as purpose built student accommodation, co-working, and co-living.
- 11 In a similar fashion the original plans for development of Eastgate Phase 2 have required reconsideration against changing demands, market dynamics and the needs of investors and occupiers. In 2021 the Council produced an updated and revised planning brief for the Eastgate Phase 2 site in consultation with Hammerson, which reflected the updated policy environment of the Leeds Local Plan since 2005 and the changed economic circumstances. The brief states that the development of the site should 'contribute towards Leeds' position as a major regional capital', and comprise 'a genuine mix of uses that will contribute towards the ambition for a site that is vibrant and active and contributes towards the daytime, evening and night-time economies of Leeds'.
- 12 Hammerson has more recently followed this with proposals to rebalance the original scheme away from the retail-dominant development that informed the original site assembly, CPO and related Development Agreement with the Council, towards a scheme with a wider mix of uses that will deliver the intentions of the Planning Brief. Hammerson has also proposed to appoint a new developer partner to deliver the scheme, reflecting shifts in its own corporate strategy, as detailed in the Exempt Appendix.
- 13 The Exempt Appendix provides more detail on the background and purpose of the Eastgate Compulsory Purchase Order (CPO), as intended, the proposed termination of the existing Development Agreement and its replacement with a new sale (splinter development) agreement.
- 14 An EIA screening has been carried out and highlights the importance of this approach in supporting inclusive growth across the city centre and surrounding neighbourhoods and recognises the development of the site will be guided by the 2021 Planning Brief.

- 15 This report and its recommendations therefore follow a number of previously implemented decisions that have reflected transparent governance related to the Council's attempts to secure regeneration of this site:-
- a) On the 21st of October 2005 the Supplementary Planning Document (SPD) for the Eastgate and Harewood Quarter was approved and adopted, setting the development framework for delivery of Phase 1.
  - b) On 19th April 2006 Executive Board agreed that the Director of Legal & Democratic Services complete the legal documentation relating to the Eastgate & Harewood Quarters development. This authorised the making of the CPO and the completion of the Development Agreement and the CPO Indemnity Agreement, between LCC, Hammerson UK Properties PLC. (HUK) and Town Centre Securities (TCS) on the 21<sup>st</sup> December 2006.
  - c) The CPO was confirmed by the Secretary of State for Communities and Local Government in June 2008 and the associated Stopping Up Order confirmed by the Secretary of State for Transport in July 2008.
  - d) The Council and Hammerson PLC entered into a varied Development Agreement dating from 2014. This relates to Phase 2 of the development of the Eastgate & Harewood Quarter site, north of the Headrow. The extent of the land included in the 2014 Development Agreement is shown at Appendix 2.
  - e) On 15th April 2021 a Planning Brief was approved, effectively updating the development scope and guidance for the Phase 2 site. It was prepared jointly by Leeds City Council (LCC) as the Local Planning Authority (the LPA) and Hammerson as the majority landowner.
  - f) The recommendations in this report and the Exempt Appendix will move this project into a revised position that will enable delivery of the original regeneration intent, through an agreed updated scope of development and partner arrangements.

### **What impact will this proposal have?**

- 16 Enabling a revised approach to Eastgate Phase 2 is part of maintaining resilience in our city centre and ensuring it is fit for purpose for today and any future requirements. The impact of the development of Eastgate site will be transformative, strengthening the city centre's position and supporting diversification, capitalising on the attractiveness of Leeds for continued investment in housing, commercial and retail sectors; recognising its economic and social importance, harnessing the strength of its markets and places, and connecting success with adjoining neighbourhoods
- 17 The location of this site is extremely important to sustained growth in this part of the city centre and the surrounding communities. A diverse and strong city centre offer, particularly where the city centre core and inner neighbourhoods meet, creates opportunity for transformational regeneration. Increased confidence through the development of the Eastgate Phase 2 site has the potential to support the connectivity and placemaking ambitions across this part of the city centre, into Mabgate and adjoining neighbourhoods such as Lincoln Green, in keeping with our LIGS, Best City Ambition and the three pillars. This is a genuine opportunity to 're-stitch' the city and join up recent and future investments to a key 'city rim' area of growth.
- 18 The scheme, as set out in the 2021 Planning Brief, details refreshed approach for the development which could include (but not be limited to) circa 1000 homes, 47,000sq metres of

office space and 18,500 sq. metres of retail and leisure uses in addition to student accommodation, a hotel, an educational facility, and public open space. This will further diversify the city centre offer and is complementary to the changes already underway - where the city centre now is more typically a mix housing, retail, leisure and office.

- 19 Phase 2 contains the cultural assets of Templar House (Grade II listed) and Lyons Works (Certificate of Immunity expires 27-Oct-2024, which prevents Listing for a temporary period). Retention and improvement of these assets along with new complementary public realm will be integral in realising the placemaking and connectivity ambitions in this area of the city. A developed Eastgate Phase 2 forms part of a cultural axis in the city centre connecting the Leeds Arena, Grand Theatre, Howard Assembly Rooms and Opera North to the north-west with the Leeds Playhouse, Conservatoire, BBC Yorkshire and Yorkshire Dance/Northern Ballet to the east and a range of locally driven creative and cultural uses based in Mabgate.
- 20 The Mabgate Regeneration Framework (consulted on in 2022) considers the opportunities for Lincoln Green and Mabgate and identifies the delivery of the Eastgate site as being instrumental in realising positive change, connecting communities and addressing market failure in the vicinity of the site.
- 21 Completing the transfer of land assembled under the CPO and terminating the existing Development Agreement and entering into a new sale (splinter development) agreement for Eastgate Quarters Phase 2 will create the conditions to unlock and accelerate the development of site. This will generate a capital receipt to the Council as set out in the Exempt Appendix 1.

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

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 22 Facilitating the development of the site directly contributes to the 2023-30 Inclusive Growth Strategy which highlights the opportunity at Eastgate to deliver new and refreshed city centre uses. Additionally, the strategy sets out the ambition to continue transformative development of the city centre and extending its benefits to surrounding communities – Eastgate has a major role in this in relation regeneration in Mabgate and Eastside.
- 23 The proposal contributes to Zero Carbon and Health and wellbeing through facilitating connected communities and supporting active travel.

### What consultation and engagement has taken place?

Wards affected: Little London & Woodhouse

Have ward members been consulted?       Yes       No

- 24 The Executive Member for Sustainable Development and Infrastructure and Executive Member for Resources and have been briefed.
- 25 Ward Members (Little London and Woodhouse) have been consulted and no objections have been received.
- 26 Further consultation will take place as part of the statutory planning process when a planning application is submitted.

### **What are the resource implications?**

27 The Council will secure a capital receipt from the disposal of land within its ownership and there will be additional reimbursement of fees and costs incurred by the Council as outlined in the Exempt Appendix.

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

28 Property market conditions are currently challenging despite initial recovery following the pandemic particularly due to high finance costs and high inflation impacting on construction costs. These have been partly caused and exacerbated by the war in Ukraine and the current conflict in the Middle East. Should market conditions worsen, this could represent a risk to the development coming forward by a developer on the terms recommended. It is difficult to mitigate and manage such global conditions. However, this is a large site and a developer will have certain flexibility in the timing and phasing of development to minimise the risk.

29 There is a risk that planning permission will not be granted. There is strong mitigation against this as any application brought forward is required by the Council in its capacity as landowner, to satisfy the adopted 2021 Planning Brief.

30 There is a risk to Leeds' Economic Growth if this site remains under utilised and undeveloped as the site is a key gateway into the city centre.

### **What are the legal implications?**

31 The proposal constitutes a Key Decision. The recommendation will provide the Authority with income in excess of £500,000. It is also considered that this will have a significant effect on communities living or working in an area comprising one or more wards.

32 The information contained within the Exempt Appendix 1 attached to this report relates to the financial or business affairs of a particular person and affected parties (including the authority holding that information). Release of this information is likely to be prejudicial to the commercial interests of both the Council and affected parties and could have a negative impact on negotiations on this matter and/or matters of a similar nature. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4(3) of the Access to Information Procedure Rules. In the circumstances of this case and the information provided in this paragraph, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in line with the Council's Access to Information Procedure Rules.

33 Land acquired by the Council under CPO powers (if sold) must be disposed of at the best price or on the best terms that can reasonably be obtained in order to achieve the authority's planning purposes.

34 Under section 233(1) of the TCPA 1990, a local authority can dispose of land compulsorily acquired for planning purposes to such person, in such manner and subject to such conditions as appear to the local authority to be expedient to secure one of the following:

- a) The best use of that or other land and any buildings or works which have been, or are to be, erected, constructed or carried out on it (whether by the authority or by any other person)  
OR  
b) The erection, construction or carrying out on it of any buildings or works appearing to the authority to be needed for the proper planning of its area

35 The proposed Development Agreement will ensure that the best price is obtained and that the development of the site will be in accordance with the adopted Planning Brief.

36 The Council has the power to dispose properties already owned by the Council and not acquired by CPO under Section 123 of the Local Government Act. The Chief Officer Asset Management and Regeneration, Head of Asset Management, Technical Lead of Land and Property and Deputy Head of Land and Property have authority to take decisions in relation to Asset Management as delegated in the Director of City Development's sub delegation scheme. The Deputy Head of Land and Property confirms that the proposed method of disposal set out in the report is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972.

37 This is a Key Decision and subject to Call In.

## **Options, timescales and measuring success**

### **What other options were considered?**

38 Options – there are two options available:

Option 1 - Do nothing:

- This option does not complete the purpose of the CPO as intended.
- This existing Development Agreement for phase 2 is currently undeliverable and this key gateway site will remain undeveloped.

Option 2 – Current proposal

- This will enable the delivery of the purpose of the CPO as intended
- This will ensure that the appropriate legal agreements are in place to promote delivery of development of the site.

39 Timescales – this is a large complex site so the timetable is only indicative at this stage. Should the recommendations be approved, it is intended that the new legal agreements are completed in the coming months to provide for a planning application to be prepared and submitted in 2024. It is likely that the actual transaction of the Council owned land will complete in 2025.

### **How will success be measured?**

40 Completion of the necessary changes to the legal agreement.

41 The Council securing a capital receipt for the disposal of its land.

42 Development of the site takes place in accordance with the planning strategy for this part of the city.

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

43 Should the recommendations be approved, they will be implemented by the Executive Manager (Land and Property, Asset Management).

## **Appendices**

- Appendix 1- designated as being exempt from publication under Access to Information Procedure Rule 10.4(3). This contains legal and financial information relating to the Council and third parties.
- Appendix 2 Plan - Extent and status of land in Eastgate Phase 2
- Appendix 3 Plan – Council ownership across Phase 1 and 2
- Appendix 4 Equality, Diversity, Cohesion and Integration screening

## **Background papers**

- None

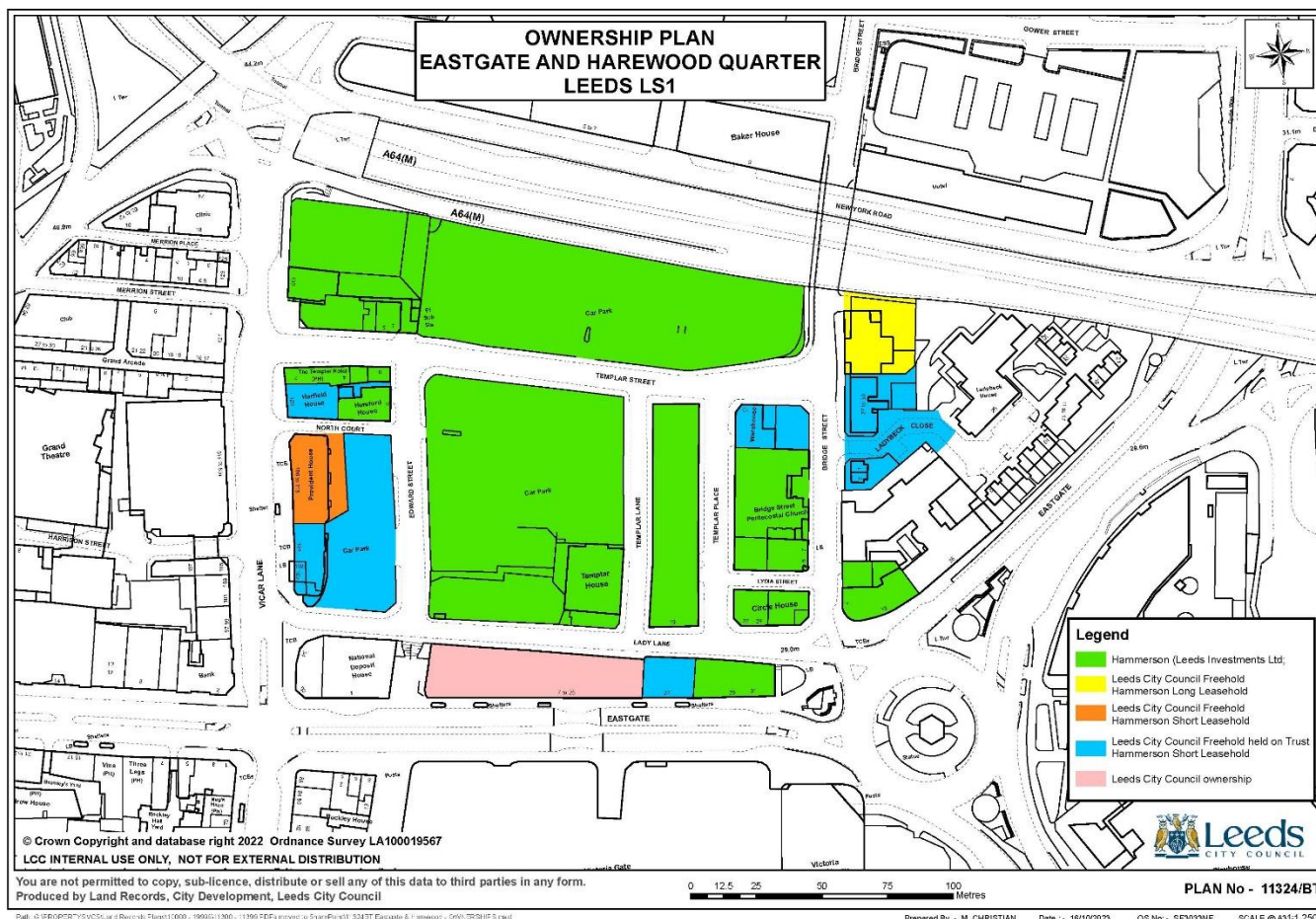
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## Appendix 2 - Extent and status of land Eastgate Phase 2

1. Plan must be viewed in colour
2. Extent of Phase 2 land included in the 2006/2014 development agreement, landownership and proposed transfer

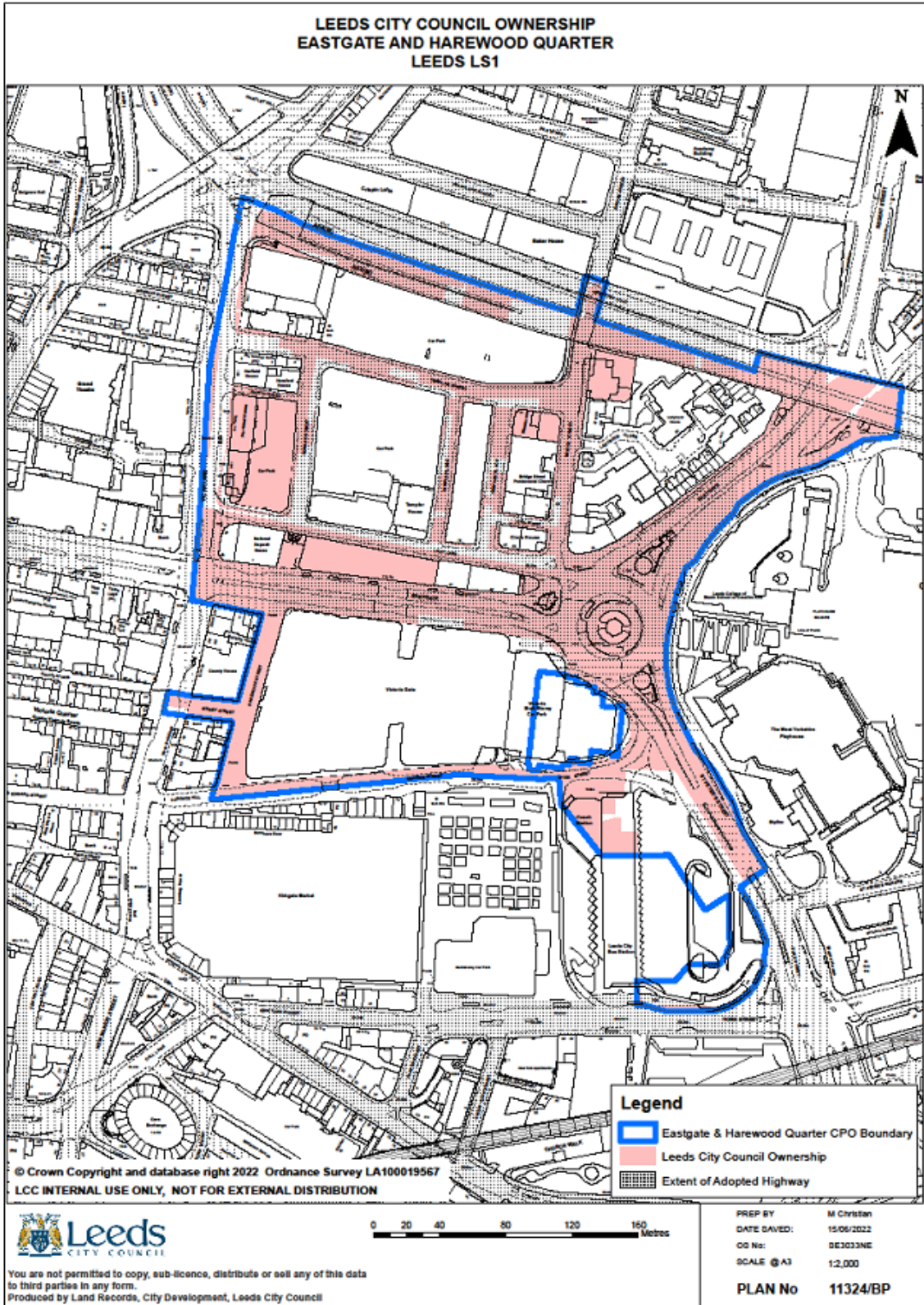


## Legend

- Hammerson (Leeds Investments Ltd)
- Leeds City Council Freehold  
Hammerson Long Leasehold
- Leeds City Council Freehold  
Hammerson Short Leasehold
- Leeds City Council Freehold held on Trust  
Hammerson Short Leasehold
- Leeds City Council ownership

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Appendix 3: LCC Ownership across phase 1 and phase 2



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## Appendix 4

### 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.

<b>Directorate: City Development</b>	<b>Service area: Asset Management and Regeneration</b>
<b>Lead person: Fiona Moore</b>	<b>Contact number:0113 3787752</b>

#### 1. Title: EASTGATE AND HAREWOOD QUARTER (PHASE 2)

Is this a:

**Strategy / Policy**

**Service / Function**

**Other**

**If other, please specify** - Ensure the delivery of a revised Eastgate Phase 2 scheme to the original concept that formed part of the Eastgate Compulsory Purchase Order (CPO), whilst maintaining deliverability and continuing to satisfy the rationale and purposes of the CPO. This includes the termination of the Development Agreement originally entered into with the Council to enable the transfer of acquired land for the development, and entering into a new sale (splinter development) agreement.

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

This a conclusion and updating of existing work which has previously been approved by Executive Board. The work will be concluded as agreed or ensuring any update still facilitates the delivery of a scheme which aligns with the purpose of the Eastgate Compulsory Purchase Order (CPO).



This report confirms the conclusion of the CPO as envisaged in 2006 (the CPO was set out and agreed at Executive Board in April 2006). The report also deals with the creation of a new sale (splinter development) agreement, ensuring the scheme is still viable and aligns with the CPO.

### 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"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>	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)

This is an update to Executive Board on existing work.

The work creates the conditions for physical change in the north-eastern section of the city centre. The existing Eastgate Quarters planning brief (approved in April 2021) is unchanged under the current scope of work and will be a material consideration for any planning application on the site and the scope of this will include equality and diversity.

The conclusion of the CPO and agreeing a new development agreement will give the optimum conditions for timely delivery on the Eastgate and Harewood phase 2 site. The site is set out in the 2023 inclusive growth strategy as making a positive contribution refreshed retail growth. Additionally, the strategy sets out the transformation of the city centre, including Eastgate, has a role in stimulation new neighbourhoods with Quarry Hill, Eastside and Mabgate all of which are adjacent to Eastgate.

The proposal contributes to Zero Carbon and Health and wellbeing through facilitating connected communities and supporting active travel.

The development of the site will be guided by the 2021 Planning Brief and will be subject to planning permission.

• **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)

This work creates the conditions to enable the future development of the Eastgate site. The future development fosters better connectivity with the city rim and city centre core, bringing positive change to area which is home to some of the city's most deprived communities. The development of Eastgate Phase 2 will support the achievement of new homes in the city. The development of the site will contribute to reducing market failure and viability issues in the area. However, the direct impact of any scheme will be picked up through the planning process when planning permission is submitted.

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

Ensure the remaining work related to the CPO follows the legal process and delivered as envisaged in 2006.

The development of the site will be guided by the 2021 Planning Brief and will be subject to planning permission.

**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:	n/a
--	-----

Date to complete your impact assessment	n/a
---	-----

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

**6. Governance, ownership and approval**

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

Name	Job title	Date
Adam Brannen	Head of Regeneration	27 <sup>th</sup> Oct 2023
<b>Date screening completed</b>		1 <sup>st</sup> Oct 2023

**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](mailto: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 <b>Governance Services</b>	Date sent: 27 <sup>th</sup> Oct 2023
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent: n/a
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent: n/a



## Financial Reporting 2023/24 Quarter 2

Date: 22<sup>nd</sup> November 2023

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

1. The purpose of this report is to update the Executive Board of the financial position at the end of the first six months of this financial year. The report comments on performance against the 2023/24 Budget which targets resources in support of the council's strategic priorities as set out in the Best City Ambition, whilst also supporting our ongoing journey to strengthen the authority's financial resilience and sustainability. It also updates the Board on the latest position on the Housing Revenue Account (HRA), Council Tax and Business Rates Collection Fund, the Capital Programme Quarter 2 update and the Treasury Management Strategy Update. For full details, please refer to **Appendices A-C**.

#### **Financial Health Monitoring 2023/24 – Month 6 (September) (Appendix A)**

2. As at the end of September 2023, we are forecasting an overspend of £30.5m for the General Fund (5.3% of the 2023/24 approved net revenue budget), an adverse movement from the previous month's £29.6m overspend reported to this Board in October. Where known, pressures have been incorporated into the reported financial position, including those due to increased inflation and the resulting cost of living crisis, demand and demography in social care, and the employer's final pay award for 2023/24 (the NJC offer having been accepted on 1<sup>st</sup> November 2023).
3. The budget for 2023/24 requires delivery of £58.6m of savings and as at Month 6, it is anticipated that most of these budgeted savings will be delivered or mitigating actions found. However, an £11.6m shortfall has been identified, primarily due to the significant pressures within Children's social care. This shortfall is included within the £30.5m overspend being reported today, with further details provided in the appended directorate positions.
4. The overspend needs to be understood within the wider national context: local government finances are in a critical state and there is growing concern as an increasing number of councils are reporting overspends in the current financial year and significant estimated budget gaps in future financial years which provide a challenge to their financial sustainability. The increasing cost of social care, particularly within Children's Services where the significantly higher costs resulting from increasing numbers of children in care, combined with the impact of pay and price pressures which are in excess of the level of government resources provided, has not yet been recognised. As a result, a number of local authorities issuing or raising the possibility of issuing Section 114 notices, effectively giving notice that a council cannot balance its budget. This current and future financial climate for local government represents a significant risk to Leeds City Council's priorities and ambitions.
5. Within Leeds, work continues to review the highest cost / spend areas (notably Children Looked After, Transport and Leeds Building Services) and all services are continuing to explore opportunities to secure in-year savings (such as holding vacancies where this will not have a detrimental effect on critical services and on staff wellbeing) and maximising income. Asset reviews are underway to ensure the council has the right numbers and mix of assets.

6. The freeze on recruitment, agency and overtime spend introduced in 2022/23 within a framework of agreed exceptions remains in place, as does the freeze on non-essential spend, with further controls brought in to strengthen oversight and monitoring. Using our Team Leeds approach, working across the council and with partners, we will continue to take all action necessary to meet our legal requirement to deliver a balanced budget.
7. Any adverse variation to a balanced budget position at the year-end will require further savings to be identified for 2024/25. In addition, any Collection Fund income shortfall arising this year will impact on next year's revenue budget.
8. October's Executive Board noted that the West Yorkshire Combined Authority (WYCA) was proposing a refund of transport levy reserves to the five West Yorkshire local authorities, in recognition of the critical funding pressures being faced. At its meeting on 12th October, WYCA members approved the proposal with a refund to Leeds of £17.7m. As one-off funding, this has been added to the Strategic Contingency Reserve. (For further information, please see the WYCA report, 'Budget and Funding' available online here: Item 9 Budget and Funding.pdf ([modern.gov.co.uk](https://modern.gov.co.uk).)
9. The budget assumes planned use of capital receipts, Invest to Save and Innovation funding and Covid backlog funds to support transformation and the delivery of savings and to support services with the ongoing impact of COVID-19. Appendix A updates the Board on planned spend in 2023/24.
10. With regard to the council's Housing Revenue Account (HRA), an overspend of £1.9m (0.7% of the approved gross HRA expenditure budget) is forecast. Further work is required to balance this position.

#### **Capital Programme 2023/24 to 2027/28 – Quarter 2 Update (Appendix B)**

11. Appendix B sets out the updated capital programme for 2023-2028, split between General Fund and HRA, with a forecast of resources available over that period. A specific update of the 2023/24 programme is also provided. The Council continues to deliver significant capital investment across the city which will provide improved facilities and infrastructure, whilst ensuring the impact on debt costs within the revenue budget is managed.
12. The cost of the capital programme is projected to remain affordable within available resources identified in the Medium Term Financial Strategy.
13. The updated capital programme for 2023-2028 requires injections of £22,526.9k.
14. The appendix sets out recent Capital Receipts Incentive Scheme (CRIS) allocations to wards and community committees.
15. Appendix B also details that the spending priority for investment of the Community Infrastructure Levy (CIL) Strategic Fund will be as matched funding contributions for Strategic Highways and Transportation Schemes.

#### **Treasury Management Strategy Update 2023/24 (Appendix C)**

16. Appendix C provides a review and update of the treasury management strategy for 2023/24. The Council's level of net external debt at 31st March 2024 is now forecast to be £2,548m, £28m lower than approved in February 2023. This lower forecast is due to a lower capital programme borrowing requirement (£41m), partly offset by lower MRP (£1m) together with balance sheet movements (£12m).
17. Cash resources were used in lieu of external long-term borrowing during 2022/23 and this has continued into 2023/24. However, £2.8m of new long-term borrowing has been taken in 2023/24.
18. The investment of surplus monies will continue to be carried out with due regard for security of capital in accordance with the Council's approved investment strategy.
19. The updated Treasury Management Strategy 2023/24 is currently forecast to deliver a saving of £200k against the budget. This is largely due to lower than forecast borrowing need, offset by higher

interest rates than were forecast when the budget was set. Whilst there remains a risk that interest rates have not yet peaked, there is also scope for the council's borrowing requirement to further reduce during the remainder of the year, and thus some improvement in the current level of savings remains possible.

## Recommendations

In respect of **Financial Health Monitoring 2023/24 – Month 6 (September) (Appendix A)**, Executive Board is asked to:

- a) Note that at Month 6 (September) the authority's General Fund revenue budget is forecasting an overspend of £30.5m for 2023/24 (5.3% of the approved net revenue budget) within a challenging national context, and that a range of actions are being undertaken to achieve a balanced budget position.
- b) Note that at Month 6 (September) the authority's Housing Revenue Account is forecasting an overspend of £1.9m for 2023/24 (0.7% of the approved gross expenditure budget).
- c) Note that known inflationary increases, including demand and demographic pressures in Social Care and known impacts of the rising cost of living, including the NJC pay settlement of £1,925 and the JNC pay settlement of 3.5%, have been incorporated into this reported financial position. These pressures will continue to be reviewed during the year and reported to future Executive Board meetings as more information becomes available. Proposals would need to be identified to absorb any additional pressures.
- d) Note that where an overspend is projected, directorates, including the Housing Revenue Account, are required to present action plans to mitigate their reported pressures and those of the council's wider financial challenge where possible, in line with the [Revenue Principles](#) agreed by Executive Board in 2019 (details at Appendix 11 of the linked document).
- e) Note the Month 6 positions with regard to the use of Invest to Save, Covid Backlog and Flexible Capital Receipt resources and also note the additional planned use of £1m of capital receipts in 2023/24 to support transformation projects and deliver savings in addition to the budgeted use approved by the Board in September.

With reference to **Capital Programme 2023/24 to 2027/28 – Quarter 2 (Appendix B)**, Executive Board is asked to:

- f) Approve the following injections into the capital programme, as detailed at Appendix B1 (iii):
  - £15,325.8k of grant funding from West Yorkshire Combined Authority (WYCA) for Active Travel Tranche 3 and 4 Schemes;
  - £3,998.0k of DFE Post 16 Capacity Fund Grant for Pudsey Grammar School;
  - £1,474.8k of Disabled Facilities Grant re Additional Allocations for 23-24 and 24-25; and
  - £1,728.3k of other secured external funding contributions.

The above decision to inject funding of £22,526.9k will be implemented by the Chief Officer - Financial Services.

- g) Note the latest position on the General Fund and HRA capital programme as at quarter 2 2023/24.
- h) Note the additional Capital Receipts Incentive Scheme (CRIS) allocations to wards and community committees for the period April 2023 to September 2023 of £144.1k.
- i) Agree the spending priority for investment of the Community Infrastructure Levy (CIL) Strategic Fund as matched funding contributions for Strategic Highways and Transportation Schemes.

With reference to **Treasury Management Strategy Update 2023/24 (Appendix C)**, Executive Board is asked to:

j) Note the update on the Treasury Management borrowing and investment strategy 2023/24.

## What is this report about?

### Financial Health Monitoring 2023/24 – Month 6 (September) (Appendix A)

- 1 Appendix A updates the Board on financial performance against the council's 2023/24 General Fund revenue and Housing Revenue Account budgets for the first 6 months of the financial year. Budget monitoring is a continuous process throughout the year, and this appendix reviews the position of the budget and highlights potential key risks and variations as at the end of Month 6 (September 2023).
- 2 Executive Board will recall that the net revenue budget for 2023/24 was set at £573.4m. The Medium-Term Financial Strategy (refreshed for the period 2024/25 to 2028/29 and considered at September's Executive Board meeting) assumes a balanced budget position for 2023/24 after the application of Government funding, the delivery of savings and the utilisation of earmarked reserves.
- 3 Following the closure of the 2022/23 accounts, the Council's general fund reserve stood at £33.2m. The 2023/24 budget assumes a £3m contribution to this reserve as part of measures taken to ensure financial robustness and sustainability in the future.
- 4 At Month 6 directorates are reporting an overspend of £30.5m (5.3% of the approved 2023/24 net budget), an adverse movement against the Month 5 position (£29.6m, 5.2% of the net budget) and the HRA is forecasting an overspend of £1.9m. As noted in the summary at the start of this report, this reflects a national picture whereby local government finances are in a critical state.
- 5 Directorate positions are summarised in Table 1:

**Table 1:** Summary position Month 6 (September), financial year 2023/24

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	Caroline Baria	(451)	20,260	(20,261)	0	0
Children and Families	Julie Longworth	932	29,032	(1,183)	27,848	27,848
City Development	Martin Farrington	(1,439)	(5,677)	5,521	(155)	(682)
Communities, Housing & Environment	James Rogers	2,215	15,450	(11,588)	3,861	3,621
Strategy & Resources	Mariana Pexton	6,456	514	3,615	4,129	4,046
Strategic	Victoria Bradshaw	(58)	(2,031)	(3,155)	(5,186)	(5,186)
<b>Total Current Month</b>		<b>7,654</b>	<b>57,549</b>	<b>(27,050)</b>	<b>30,497</b>	<b>29,647</b>

<b>Previous reported (under)/over spend</b>	<b>10,073</b>	<b>57,291</b>	<b>(27,640)</b>	<b>29,647</b>
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- 6 This position reflects the forecast 2023/24 pay increase and the demand and demographic pressures being experienced in social care. It also reflects the latest projections with regard to known inflationary pressures in respect of the costs of electricity, gas, fuel and the impact of the cost-of-living pressures on our residents and businesses which has significantly affected the cost of goods and services the council procures, demand for support and welfare services the council provides, and the activity levels that

support a wide range of income streams. These will continue to be monitored throughout the year, as will any further increases in interest rates and their impact on the council's financial position.

- 7 Four key messages have been reiterated to staff in 2023/24 to remind everyone of the part we all have to play in supporting the financial position:
  1. **Stay within budget** – reduce discretionary spend and minimise recruitment, including agency and overtime.
  2. **Absorb in-year pressures** – directorates required to absorb all in-year pressures.
  3. **Highlight issues early** – use the budget monitoring process to raise issues with Financial Management as soon as possible.
  4. **Robust monitoring is essential** – includes detailed discussion at relevant monitoring meetings.
- 8 In addition, given the significant forecast revenue overspend position reported here, the council's Corporate Leadership Team (comprising the Chief Executive and five directors) agreed to continue the freeze on recruitment, agency and overtime spend introduced in 2022/23 and further strengthen the controls through a post-by-post review to identify which posts meet agreed exceptions and can be excluded from the freeze. Unless an identified vacancy is for an excluded post, services are required to identify how they will cover the costs of the post.
- 9 It has also been agreed to continue the non-essential spend freeze introduced in 2022/23. The directorate positions reported reflect the impact of an initial review of areas of non-essential spend and further work is expected in this area. Following Executive Board's approval in September through the previous Financial Health report, relevant non-essential spend budgets totalling £1.85m have been moved out of respective Chief Officer budgets to specific strategic cost centres within each directorate to prevent further spend where it has been identified that this reduction in spend is not detrimental to the delivery of services.
- 10 Cross-directorate work continues to support and challenge the highest cost/spend areas, such as Children Looked After, Transport and LBS and all services are continuing to explore opportunities to maximise income. Asset reviews are underway to ensure the council has the right numbers and mix of assets and directorates continue to consider where future year savings options identified as part of the Financial Challenge to meet the MTFs funding gap could be brought forward to generate savings during 2023/24. Updates on further in-year savings to contribute towards reducing the current projected overspend will be incorporated into future Financial Health reports. These will include income generation, additional non-essential spend savings and savings resulting from reviews of key areas of expenditure which will both reduce activity levels and rationalise service provision.
- 11 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 deemed to be at risk, for example the implementation of budget action plans and 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 key budget actions plans. It is due to the robustness of this monitoring that the projected overspend was identified so early in the financial year, enabling action to be taken.
- 12 Appendix A also updates the Board on the performance of the projects being funded through use of Flexible capital Receipts, Invest to Save and Innovation funding and the Covid backlog funds.  
**Capital Programme 2023/24 to 2027/28 – Quarter 2 (Appendix B)**
- 13 Appendix B provides the Board with an update on the capital programme as at quarter 2, including updates on capital resources and progress on spend.

### **Treasury Management Strategy Update 2023/24 (Appendix C)**

- 14 The 2023/24 treasury management strategy was approved by Executive Board on 8th February 2023. Appendix C provides a review and update of the strategy for 2023/24.

### **What impact will this proposal have?**

#### **Financial Health Monitoring 2023/24 – Month 6 (September) (Appendix A)**

- 15 The budget proposals contained in the 2023/24 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 [2023-24 Revenue Budget and Council Tax Report](#).

#### **Capital Programme 2023/24 to 2027/28 – Quarter 2 (Appendix B)**

- 16 The capital programme sets out a plan of capital expenditure over future years and further spending decisions are taken in accordance with capital approval processes, as projects are developed. This is when more detailed information will be available as to where in the city capital spending will be incurred, the impact on services, buildings and people and equality considerations as part of the rationale in determining specific projects from capital budgets.

#### **Treasury Management Strategy Update 2023/24 (Appendix C)**

##### **Borrowing Limits for 2023/24, 2024/25 and 2025/26**

- 17 The Council is required to set various limits for 2023/24, 2024/25 and 2025/26 in accordance with the Local Government Act 2003, having regard for CIPFA's Prudential Code (as amended 2021). These limits including prudential indicators are detailed in Appendix A.
- 18 It is anticipated that the Council will continue to remain within the Authorised Limit for 2023/24. Both the Authorised Limit and Operational Boundary are made up of a limit for borrowing and a limit for other long-term liabilities.
- 19 The Chief Officer Financial Services has delegated authority to adjust between the two separate limits for borrowing and other long-term liabilities, provided that the overall limit remains unchanged. No adjustments between the limits have been made, and any such adjustments would be reported to the next available Council meeting following the change.
- 20 Borrowing limits for 2023/24 were approved by Council on 8th February 2023 and remain unchanged.

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

- Health and Wellbeing       Inclusive Growth       Zero Carbon

- 21 The Best City Ambition is the strategic plan which sets out the 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. The Best City Ambition is the strategic plan which sets out the 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.
- 22 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. This report needs to be seen in the context of the



requirement for the authority to be financially sustainable and deliver a balanced revenue budget position in 2023/24 so that resources can continue to be targeted at the council's priorities.

- 23 The Treasury Management strategy secures funding to support the Council's Policies and City Priorities as set out in the Council capital programme and is consistent with the Best City Ambition and 3 pillars.

#### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?

Yes

No

- 24 This is a factual report and is not subject to consultation. Public consultation on the Council's revenue and capital budget proposals was carried out between December 2022 and January 2023 and is detailed in the [2023-24 Revenue Budget and Council Tax Report](#) presented to this Board in February 2023.
- 25 Appendix C is an update on the Treasury Management Strategy as presented to Executive Board in February 2023. As such no consultation has taken place, however consultation with the Council's treasury advisors takes place regularly throughout the year. The borrowing requirement is an outcome of the capital programme, where consultation is undertaken by individual services in relation to capital investment schemes.

#### **What are the resource implications?**

- 26 This is a financial report and as such resource implications are detailed in both the report and the accompanying appendices.

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

- 27 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.
- 28 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 2023/24.

#### **Capital Programme 2023/24 to 2027/28 – Quarter 2 (Appendix B)**

- 29 One of the main risks in managing the capital programme is that insufficient resources are available to fund the programme. As the capital programme is fully funded this risk lays within the treasury management of the debt budget. Monthly monitoring procedures are in place for expenditure, resources and capital receipts and debt monitoring to ensure that this risk can be managed effectively.
- 30 In addition, the following measures are in place:
- ensuring written confirmation of external funding is received prior to contractual commitments being entered into.
  - quarterly monitoring of the council's VAT partial exemption position to ensure that full eligibility to VAT reclaimed can be maintained.
  - provision of a central contingency within the capital programme to deal with unforeseen circumstances. Individual programmes and schemes will also contain a risk provision for unexpected circumstances.

- compliance with both financial regulations and contract procedure rules to ensure the Council's position is protected; and
- ensuring all major programmes are supported by programme boards.

31 The Chief Officer - Financial Services will continue to ensure that:

- the introduction / start of new schemes will only take place after completion and approval of a full business case and identification of the required resources.
- promotion of best practice in capital planning and estimating to ensure that scheme estimates and programmes are realistic; and
- the use of departmental unsupported borrowing for spend to save schemes is based on individual business cases and in the context of identifying the revenue resources to meet the borrowing costs.

### **Treasury Management Strategy Update 2023/24 (Appendix C)**

32 The execution of the Treasury Management Strategy and associated risks are kept under regular review through:

- Monthly reports to the Finance Performance Group
- Quarterly strategy meetings between the Chief Officer Financial Services and the Council's treasury advisors
- Regular market, economic and financial instrument updates and access to real time market information

33 The above monitoring mitigates the directorate level risk of "Failure to recover money invested in other financial institutions." In addition, the Treasury Management Strategy is linked to the corporate risk on 'Financial Forecasting'.

### **What are the legal implications?**

- 34 The council has a statutory duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.
- 35 Section 28 of the Local Government Act 2003 provides that the council has a statutory duty to periodically conduct a budget monitoring exercise of its expenditure and income against the budget calculations during the financial year. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such remedial action as it considers necessary to deal with any projected overspends. This could include action to reduce spending, income generation or other measures to bring budget pressures under control for the rest of the year. The council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend.
- 36 In addition, the council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The authority's Chief Finance Officer has established financial procedures to ensure the council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Executive Board to receive information about the revenue and capital budgets as set out in this report.
- 37 The monitoring of financial information is also a significant contributor to meeting the council's Best Value legal duty and, therefore, this report also demonstrates compliance with that legal duty.
- 38 Under Section 1 of the Local Government Act 2003 ("LGA") ("Power to borrow"), a local authority may borrow for any purpose relevant to its functions or for "the prudent management of its financial affairs".
- 39 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) made pursuant to the Local Government Act 2003 require the Council to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities ("The Prudential Code"). Regulations 23 and 24



provide respectively that capital receipts may only be used for specified purposes and that in carrying out its capital finance functions, a local authority must have regard to the code of practice in “Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes” (“The Treasury Code”) issued by CIPFA.

- 40 In relation to the Annual Investment Strategy, the Council is required to have regard to the Guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 entitled “Statutory guidance on Local Government Investments 3rd Edition” which is applicable from and effective for financial years commencing on or after 1 April 2018.
- 41 In addition, the Prudential Code and the Treasury Management Code contain investment guidance which complements the Statutory Guidance mentioned above.
- 42 Local authorities are required to have regard to the current editions of the CIPFA codes by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended.
- 43 Under the provisions of Section 3(1) and (8) of the Local Government Act 2003, the Council must determine and keep under review how much money it can afford to borrow, and the function of determining and keeping these levels under review is a full Council, rather than an executive function.
- 44 The Council must also have regard to the Guidance issued by the Secretary of State under Section 21(1A) of the Local Government Act 2003 entitled “Statutory guidance on minimum revenue provision.”
- 45 The Prudential Code requires authorities to prepare a capital strategy.

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 46 Not applicable

#### **How will success be measured?**

- 47 Treasury Management continues to adhere to its governance framework including the CIPFA Code of Practice, the Prudential Codes 2021 and the revised CIPFA guidance notes issued in 2022. All borrowing and investments undertaken have been compliant with the governance framework. Success will therefore be the continued optimal performance of the Treasury Management function within this framework.
- 48 Benchmarking of Treasury Management activity is only undertaken on an ad-hoc basis as the structure of debt portfolios and balance sheets of similar authorities often reflect the timing of past spending and financing decisions and therefore can lead to anomalies. The CIPFA Prudential Code makes it clear that prudential indicators should not be used for benchmarking purposes for this reason. The latest benchmarking exercise was undertaken in January 2021 as at the balance sheet date of 31/03/2020 for a comparison of external debt in relation to fixed assets for the core cities and significant variations in the resultant metrics were noted. Not applicable

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

- 49 Work is ongoing to address the financial challenges outlined in this report and to identify savings to reduce the level of projected overspend. Further updates will be provided in future Financial Health Monitoring reports to this Board.
- 50 The responsibility for identification and actioning of the necessary measures to ensure the delivery of a balanced budget are the responsibility of the Chief Officer - Financial Services, working in conjunction

with departmental directors. A balanced budget must be delivered at Financial Outturn 2023/24, with the outturn position due to be reported to the June 2024 meeting of this Board.

51 This report is to confirm the successful operation of the Treasury Management strategy within the established legal and operational framework and is a continuous and on-going process.

## Appendices

52 The following appendices are attached to this report:

- **Appendix A – Financial Health Monitoring 2023/24 – Month 6 (September):** detailed narrative regarding the projected financial positions for directorates, Dedicated Schools Grant (DSG) and the HRA, update on Council Tax and Business Rates including collection performance.
- **Appendix A1** – Individual financial dashboards for directorates, DSG and the HRA
- **Appendix A2** – Directorate Budget Action Plans
- **Appendix A3** – Expenditure funded through Flexible Use of Capital Receipts
- **Appendix B – Capital Programme 2023/24 to 2027/28 – Quarter 2** – sets out the updated capital programme for 2023-2028, with a forecast of resources available over that period, and a specific update of the 2023/24 programme including progress on spend. Also provided are details of the latest funding allocations from the Capital Receipts Incentive Scheme (CRIS), the Capital Programme Review process and the 10 Year Plan, and details of the spending priority for investment of the Community Infrastructure Levy (CIL) Strategic Fund.
- **Appendix B1** – Capital Programme Funding Statement 2023/24 to 2027/28
- **Appendix B1(i)** – Annual Programmes
- **Appendix B1(ii)** – Major Programmes & Other Directorate Schemes
- **Appendix B1(iii)** – Net Increase in Funding Since February 2023 to end of September 2023
- **Appendix B2** – Capital Receipts Incentive Scheme (CRIS) Funding Statement
- **Appendix B3** – 10 Year Capital Programme
- **Appendix C – Treasury Management Strategy Update 2023/24** - review and update of the treasury management strategy for 2023/24
- **Appendix C1** - Prudential indicators 2023/24 to 2025/26
- **Appendix C2** - Liability Benchmark - Debt
- **Appendix C3** - Prudential Code Monitoring 2023/24 - Debt

## Background papers

53 None

## Financial Health Monitoring 2023/24 – Month 6 (September)

### 1. Directorate Positions at Month 6 (September)

- 1.1 The major Directorate variations are summarised in **Table 1** and outlined below, with additional detail provided on the Directorate dashboards at **Appendix A1**.

**Table 1: Summary position as at Month 6 (September), financial year 2023/24**

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	Caroline Baria	(451)	20,260	(20,261)	0	0
Children and Families	Julie Longworth	932	29,032	(1,183)	27,848	27,848
City Development	Martin Farrington	(1,439)	(5,677)	5,521	(155)	(682)
Communities, Housing & Environment	James Rogers	2,215	15,450	(11,588)	3,861	3,621
Strategy & Resources	Mariana Pexton	6,456	514	3,615	4,129	4,046
Strategic	Victoria Bradshaw	(58)	(2,031)	(3,155)	(5,186)	(5,186)
<b>Total Current Month</b>		<b>7,654</b>	<b>57,549</b>	<b>(27,050)</b>	<b>30,497</b>	<b>29,647</b>
<b>Previous reported (under)/over spend</b>		<b>10,073</b>	<b>57,291</b>	<b>(27,640)</b>	<b>29,647</b>	

### 1.2 Adults & Health

#### Adult Social Care 2023/24 Budget

##### Budget Overview

At Month 6 Adults Social Care is projected to deliver a balanced budget. The Net Managed Budget (NMB) for 2023/24 is £198.8m, comprised of £422.5m Gross Expenditure offset by £223.7m income. Reflected in the 2023-24 budget are Budget Action Plans totalling £16.19m of which £5.1m are still to be delivered; an improvement of £0.1m from Month 5. Significant risks remain to deliver this position as outlined in Table 2, particularly around the demand and income budgets for Adult Social Care.

**Table 2: Adults & Health 2023-24 Month 6 financial risks potentially impacting on delivery of a balanced budget:**

	£'000s	£'000s
<b><u>Pay</u></b>		
Agency savings		150.0
<b><u>Demand:-</u></b>		
Month 6 reflects rolling 12 month average for OP Residential settings. Should the trend follow 2022-23 then further demand pressure.		1,500.0
Month 6 removal of inflation not yet passported to providers in OP, WAA PI and Other		720.0
Actions plans around demand led pressures still to be delivered in FMS ( <b><i>Relevant BAP owner committed to these actions</i></b> )		
	Mid Price Range Review LD	500.0
	Individualisation of Block Contracts WAA	250.0
	Direct Payment Supported Bank Account	50.0
	Homecare Performance Management	1,500.0
	CHC Eligibility	150.0
	Social Work review (Front Door & Reassessment)	990.0
	Newton Europe Part year saving	500.0
	Develop a Direct Payment Plan	200.0
<b>Total Demand Budget Actions Plans to deliver</b>		<b>4,140.0</b>
<b><u>Other</u></b>		
Passenger Transport costs. Month 5 has a shortfall on the advised pressure from CEL of £1.238m (£7.303m -v- £6.065m budget):-		274.0
Further CEL pressures (Catering, Fleet and Cleaning). Based on previous outturns		150.0
<b><u>Income:-</u></b>		
Budget Action Plan for review of mental health replacements still to be reflected in FMS. Also risk around higher demand budget payments. Relates to WAA. Service Manager committed to delivery in full.		850.0
<b>Total Potential Risks</b>		<b>7,634.0</b>

### **Social Care Grants**

Included in the Adult Social Care budget for 2023/24 is additional social care grant funding of £27.6m. On 28<sup>th</sup> July the DHSC announced £5.04m of new in-year grant funding titled 'Market Sustainability and Improvement Fund – Workforce Fund Grant Determination (2023 to 2024)'. Subject to confirmation later, Leeds City Council are in line for further funding for 2024/25 of £2.83m. This funding comes with tight restrictions around use of the grant, with it being targeted specifically at three target areas:

- Increase fee rates for providers in local areas.
- Increase adult social care workforce capacity & retention.
- Reducing adult social care waiting times.

### **Reserves**

The 2023/24 Budget assumes the use of £4.5m of Adult Social Care & Public Health reserves. At Month 6 the directorate is projecting to utilise an additional £4.153m, comprising of £2.6m Newton Europe Home First programme, £0.8m Leeds Older People's Forum for delivery of the Enhance programme which is funded by Health and delivered by the Third Sector and £0.754m for investment in additional social work capacity. This brings total use of reserves to £8.674m.

### **Budget Action Plans**

At Month 6 there are concerns around the delivery of five Budget Action Plans with a forecast impact of £0.74m, comprising of £0.29m relating to the strategic review for Social Work due to slippage in recruiting staff, £0.12m relating to slippage in the budget action plan for the refurbishment of the 3 LCC run residential homes and their delayed refurbishment and £0.33m slippage in the delivery of commissioning savings. Offsetting this are two actions plans which are over-recovering: £0.5m

Homecare commissioning programme and £0.24m additional income from the roll out of 'billing engine' and the recovery of client income contributions.

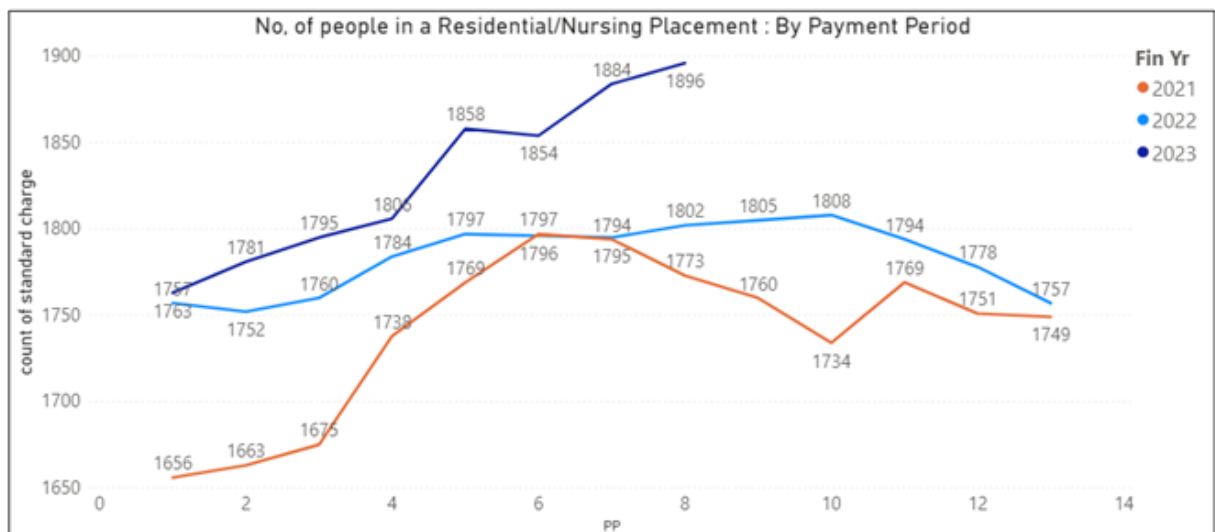
**Demand Budgets**

The 2023-24 demand related budgets reflect £29.83m additional funding for price, inflation, and demand & demography growth, taking the overall size of the demand led budgets up to £280.17m before reducing to £277.33m after netting off the £2.84m savings target reflected in the delivery of the 2023-24 budget action plans. The Month 6 projection is a pressure of £8.0m, a split of £3.8m Learning Disability and £4.2m Older People and Working Age Adults Physical Impairment. This projection assumes delivery of £4.14m of the action plans without which the position will be worse off than outlined above. This is an adverse movement of £0.9m from the Month 5 position, principally in residential settings shown below:

- +£1.7m (-£0.5m from Month 5) Working Age Adults and Learning Disability
- -£2.0m (+£0.3m from Month 5) Homecare
- +£9.6m (+£1.7m from Month 5) Residential and Nursing settings.
- -£1.3m (-£0.6m from Month 5) for Direct Payments and Individualised Care.

This pressure will be covered by staff savings and additional income. It should be noted that the projection for older people residential & nursing settings is based on a rolling twelve-month average. Should trend be in line with 2022-23 then there would be a further in-year pressure of +£1.5m. This will not come through in the data until month 7 / 8 reporting. See graph below noting the current high numbers.

**Graph 1: No. of people in a Residential/Nursing Placement April 2021 to date**



There are further risks around:

- providers challenging the percentage uplift in fees, particularly within the Working Age Adult settings for Learning Disability and Mental Health. This position assumes £0.7m savings on provider inflation uplifts.
- The impact of the Newton Europe Home First programme on demand budgets for both residential and homecare still to be quantified.
- Risk of increasing numbers and winter pressures in the health system.

## Income

At Month 6 we are projecting:

- Additional government grant income £8.5m; utilising £1.8m of the £5.0m Market Sustainability Improvement Fund grant mentioned above.
- Additional Health income £9.4m (of which £5.2m for Newton Europe programme mentioned in 'Other' below).
- Additional Income from Service Users £2.4m; £1.6m additional residential & nursing income (excluded from table below), £1.3m additional community-based income, £0.3m shortfall Telecare (offset by staff savings) and £0.2m shortfall Learning Disability income.

**Table 3: Income Recovery Highlight Report Month 6**

Income Recovery Board (finance) - highlight report								
Financial position reported : period 6 2023-24								
Description	Previous Year Total	Budget 2023-24	Actual YTD	Projection (period 6 2023-24)	Variance to Budget + pressure/- Saving	Assumption (remaining periods)	Projection (period 5 2023-24)	Movement in projection from previous period
Community Based Income (excluding LD & Telecare)	(11,059,067)	(14,540,000)	(6,404,692)	(11,769,850)	2,770,150	Based on latest period + increase in recovery in 2023-24 based on uplift in rates (FNC)	(12,072,741)	302,891
Community Based Income - Billing Engine (Older People & WAA PI)			(977,973)	(4,090,910)	(4,090,910)	Action Plan value excluded from projection - overall reported position for community based income to budget.	(3,788,020)	(302,890)
Telecare	(577,742)	(2,291,000)	(1,344,584)	(1,986,000)	305,000	Income pressure matched to staffing savings reported. Actual income reduced in latest month due to credit notes	(1,986,000)	0
LD	(8,267,970)	(10,482,000)	(3,197,212)	(10,258,806)	223,194	Based on latest periods data.	(10,133,445)	(125,361)
<b>Total</b>	<b>(19,904,779)</b>	<b>(27,313,000)</b>	<b>(11,924,461)</b>	<b>(28,105,566)</b>	<b>(792,566)</b>		<b>(27,980,206)</b>	<b>(125,360)</b>

## Pay

The impact of the 2023/24 pay award is a pressure of £1.1m over and above the 4% pay award built into the 2023-24 pay budget. This will be covered by additional social care grant that was not reflected in the Adult Social Care budget.

Adult Social Care at Month 6 is projecting pay savings of £0.5m. Leeds City Council employee pay savings (-£5.7m), principally around social worker recruitment & retention reflecting the national position and pay savings in Provider Services, are offset by additional use of Agency staff (+£4.4m) and Overtime (+£0.8m). Some of the pressures in Agency are covered by income from Health and DHSC grant funding for specific short-term intervention programmes.

Other staffing issues are around retention payments for Social Workers (£1,220k) to be funded from the DHSC MSIF Workforce Development grant.

## Other

Additional CEL charges of £1.2m have been reflected in the Month 6 projection – of which £1.0m is for passenger transport, £0.1m for catering charges and £0.1m vehicle hire.

The Newton Europe, Home First programme commenced in 2023/24. The cost of this programme is £7.8m, £2.6m is from Leeds City Council (funded from reserves above) and £5.2m from Health. Within the Month 6 projection we are assuming

£0.5m of savings from this programme. Significant future savings will be built into the Medium Term 2024/25 to 2028/29 programme.

Leeds City Council is the regional host for the Yorkshire & Humber International Recruitment fund. The grant awarded and received is £1.38m. The majority of funding allocated across the Yorkshire & Humber region is on a relative need's basis and Leeds's allocation is £0.14m.

### **Public Health 2023/24 Budget**

Public Health (PH) Grant funding for 2023/24 is £48.66m; this is an increase of £1.54m from 2022/23 (3.3%). After taking account of the Office for National Statistics population increase for Leeds, the actual increase per head of population is 3.1%. This is the first year of an announced two-year grant funding allocation for Public Health. For 2024-25 the Public Health funding increases by 1.3% to £49.31m, which will be a challenge in the current inflationary environment. Public Health grant is a ring-fenced account and limited to specific terms and conditions. At Month 6 we are projecting a balanced position.

In 2022/23 Leeds was awarded additional Public Health funding for three years for 'Substance misuse funding for drug and alcohol treatment'. Leeds City Council received £2.79m for 2022/23 and is due to receive £4.45m for 2023/24 and £8.45m for 2024/25. It should be noted that 2023/24 is the second year of the programme and there are specific terms and conditions attached to this grant award.

On 5<sup>th</sup> October 2023 the Government announced additional investment of £70m per annum to support local authority-led stop smoking services (SSS), covering financial years 2024-25 to 2028-29 (five-years). Leeds City Council will receive additional funding of £980,296 per annum. As part of the conditions existing public health funds earmarked for SSS must continue as well, taking the annual investment up to £1,389,392 per annum.

- 1.3 Children and Families** – The current year-end forecast for the Children and Families directorate is an overspend of £27.848m. This position remains the same as reported at Month 5.

Overall, the main variations included within the Month 6 position are:

	<b>£m</b>
CLA: External Residential Placements	15.498
CLA: Semi Independent / Leaving Care	4.611
IFA Placements	2.854
Little Owls Nurseries	1.046
Secure Welfare	0.388
Transport	1.442
Projected Net Staff savings	(1.640)
Cost of additional pay award	1.225
Mitigation of pay award	(1.225)
Social Worker Retention Payment (allowance)	1.324
Foster Carer fee Uplift (allowance)	1.833
Learning Inclusion	0.747
EHCP Review	(0.200)
Reprofiling of School Balances	(0.500)

Non-Essential Spend Savings	(0.500)
Non-Delivery of Action Plans	0.719
Other Variances	0.226
<b>Total</b>	<b>27.848</b>

Whilst the Month 6 position reflects a General Fund forecast overspend of £27.8m, there remains a significant element of volatility in the number of children in high-cost residential placements and the cost of those placements. This reflects a national position of demand and demography challenges along with increasing costs, in part reflecting the wider cost of living challenges experienced more broadly in the economy.

- There has been a national increase in social care placements and costs for children and young people, especially since COVID-19.
- In Leeds the rate per ten thousand of Children Looked After (CLA) has remained lower than statistical neighbours since 2017, demonstrating the continued success of the Leeds approach to early help and prevention, in line with the Outstanding Ofsted rating. Although Leeds has still experienced the national increase in numbers and costs, the impact would have been higher without the continued focus and investment in prevention.
- The sequencing of cost increases for Leeds shows that whilst costs have increased by some £46m over 12 years more than half of that increase (£28m) has occurred over the two years since 2021/22. This reinforces the point that recent increases are in part due to growing demand and complexity of need, which is influenced by societal factors and increased pressures on families due to COVID-19 and the cost of living. There are also inflation pressures and market challenges resulting in significant price increases, most notably in the external residential market where demand often exceeds supply, resulting in an increasingly broken market and at times a provider focus on profit.

Work continues within the Directorate on seeking to deliver effective practice which results in a lower number of children being subject to these high-cost placements. This continuing work is subject to significant scrutiny and any potential change in the forecast position will be highlighted.

In addition, the Directorate is participating in the Council's overall response to mitigating costs pressures and is engaging in corporate processes which seek to identify savings in non-essential spend, vacancy control and minimising recruitment (where possible) and income maximisation.

For the main areas of forecast overspend, an additional commentary is set out below:

**External Residential Placements:**

The External Residential budget for 2023/24 is £14.617m. Due to known inflation and demand pressures over and above what was assumed in the budget for 2023/24 there is a projected overspend of £15.498m. External Residential placements have increased from 95 at the start of the year to 136 at Month 6. The



Month 6 position includes a further contribution from DSG of £821k to reflect the increased external residential placements and a further £3.238m of 2023/24 savings proposals. The projection also assumes the non-delivery of £2.966m of action plan savings against this budget including a proportion of Turning the Curve and the Commissioning Review which have experienced delays in delivery and a reassessment of potential deliverables.

**Care Leavers: Semi-Independent Living:**

The budget for Semi-Independent Placements is £6.78m. Currently there are 253 placements, including 108 placements for 16 and 17 year olds, which is an increase from previous years. A continued increase in demand and prices with particular reference to 16/17 year old's requiring higher support packages is seeing a pressure of £7.11m against this budget. Other Leaving Care costs including fees and allowances is projecting a saving of £27k. This pressure has been further mitigated with projected additional UASC income £1.8m and 23/24 saving proposals of £0.468m.

**IFA Placements:**

The number of Independent Fostering Agency placements have reduced from 209 to 206 since the beginning of 2023/24. The Month 6 projection assumes that £2m of action plan savings will not be delivered against this budget.

**Little Owls Nurseries:**

The Little Owls nursery settings are projecting a net pressure of £1,046k, a projected income pressure of £2,146k offset by projected staff savings of £1,100k. The COVID-19 pandemic had a significant impact on all Little Owls nurseries and whilst settings have reported increased recovery, 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 did increase by 5% in 2022/23 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. In addition to the increase in fees there is a more comprehensive review of the Little Owls provision ongoing.

**Transport:**

The overall transport budget is showing a projected overspend of £1,442k due to further increases in inflation and demand.

**Learning Inclusion:**

Within the Learning Inclusion service there is a projected budget pressure of £747k which mainly relates to the Education Psychologist Team. Due to increased demands on the statutory service and recruitment difficulties the service is projecting a reduction in its trading capacity and so a loss of trading income, in addition to increased locum costs.

**Pay Award:**

The projected differential between the 4% pay award assumed in the budget and the NJC pay award of £1,925k equates to £1,225k. This pressure will be mitigated from an additional contribution of £1,225k from the Social Care Grant.

**Social Care Worker Retention Payment:**

The latest estimated cost of the proposed social worker retention payments equates to £1,324k. It should be noted that this Month 6 forecast includes this as an allowance as currently no formal decision has been taken on the payment.

**Foster Carer Fee Uplift:**

The proposed cost of the Foster Carer fee uplift for 2023/24 is £1.833m, this is based on a fee uplift of 5% fee uplift and 7% allowance uplift. It should be noted that this Month 6 forecast includes this as an allowance as currently no formal decision has been taken on the uplift.

**Additional Savings Proposals 2023/24:**

The Month 6 position assumes that all additional savings proposals put forward for 2023/24 will be delivered. The additional savings reflected in the Month 6 projections equate to £5.249m as summarised below:

**Table 4: 2023/24 In Year Savings Proposals - Children & Families**

<b>Title</b>	<b>Description</b>	<b>£000s</b>
<b>Social Care costs</b>	Placements - numbers/costs	(2,118)
	Financial support - S17 etc.	(67)
	Emergency accommodation	tbc
<b>SEND</b>	EHCP review	(200)
<b>Other costs</b>	Restrict budgets: Non-essential spend/transport/miscellaneous property budget	(570)
	Partnership contributions	(16)
<b>Staffing/service changes</b>	Staffing Reductions	(450)
	Restructure (Workforce Development)	(45)
	Service rationalisation (Little Owls)	(100)
<b>Funding</b>	Placements - ICB funding	(1,588)
	DSG funding for posts	(95)
<b>Total</b>		<b>(5,249)</b>

**Budget Action Plans**

The budget for 2023/24 included action plan savings of £18.486m, the Month 6 position assumes that £11.792m of these action plans will not be achieved as below:

- Diversifying Children's Residential and Fostering provision £3.479m: it has been agreed that the slippage in this action plan will be funded corporately and so is not included as a C&F pressure in the Month 6 position.
- Review of Placement Commissioning £2.715m: only £1.285m of the £4m action plan saving is currently expected to be delivered; however work continues on this workstream.
- Turning the Curve £3m
- Review of Childrens Centres £0.350m
- Review of Contracts £0.369m
- Efficiencies across the directorate £1.556m
- Transport Efficiencies £0.323m

## Dedicated Schools Grants

The approved DSG budget for 2023/24 assumed a balanced in year budget. The position at Month 6 projects an in-year pressure of £0.924m. This projected pressure is within the high needs block and equates to 0.18% of the total estimated DSG funding.

With regards to the surplus balance brought forward from 2022/23 of £9.010m, proposed options to passport a proportion of this balance back out to schools were considered at the Schools Forum held in July.

A proportion of the surplus came from previous contributions from maintained mainstream schools for de-delegated services. As a result, it was agreed £0.5m would be used to fund de-delegated services, thereby reducing contributions required from those schools. In addition, it was agreed £1.25m would be refunded to maintained mainstream schools pro-rata to their original contributions.

Other options were also considered for increasing school funding by effectively reversing the £3.127m schools block to high needs block transfer in 2022/23, which would need to be actioned within the 2024/25 funding formula.

However, the projected overspend in 2024/25 means that a proposed reversal of the 2022/23 transfer from the schools block is no longer recommended.

Taking into account the proposals for using £1.75m de-delegated contributions, plus the Month 6 pressure of £0.924m, DSG reserves at the end of 2023/24 are projected to be a surplus of £6.569m. This comprises £6.136m for general DSG and £0.433m contingency for de-delegated contributions.

- 1.4 City Development** – the financial position for City Development at Month 6 is a projected underspend of £0.16m. This position includes the anticipated additional cost of the local government pay award which is currently estimated at £1m (net of amounts charged to capital and grant schemes) over and above the budgeted amount, as well as other identified service pressures, but it also includes additional savings which have been identified as part of the in-year directorate wide savings programme.

There are still some areas of risk within individual service areas, but it is anticipated that these will largely be mitigated through the implementation of action plans to achieve the reported position at the year end.

The main variations forecast at this stage of the year are:

- **Active Leeds** – the service is projecting an underspend of £1.04m which reflects the cost of the additional pay award of £0.48m offset by vacancies and expected running cost savings of £1.5m. Income receivable is subject to a degree of variability, but current projections assume that it will be in line with the budget.
- **Arts & Heritage** – the forecast underspend of £0.78m reflects the anticipated additional cost of the pay award of £0.27m, as well as projected income shortfalls mainly in respect of Breeze pass charges and Pudsey Civic Hall car parking (£0.2m). These are offset by savings from vacant posts (£0.06m) and

refunds received in respect of Business Rates appeals totalling £1.2m in respect of Heritage Assets.

- **Asset Management & Regeneration** – a shortfall to budget of £0.24m is currently projected which mainly reflects pressures in respect of the Strategic Investment Fund £0.66m and Estate Rationalisation savings targets £0.55m, partially offset by staffing savings of (£0.3m) and other one-off sources of income of (£0.7m) such as release of restrictive covenants and fees relating to capital receipts.
- **Employment and Skills** – a projected underspend of (£0.32m) reflects final balances in respect of programmes which have now concluded and vacant posts.
- **Highways and Transportation** – the overall balanced position includes staffing vacancies offset by the associated loss of income recoveries and additional external spend required to deliver the work programs. In addition, there is an anticipated shortfall in income from operating licences at Park and Ride sites and from the major schemes' contractor procurement framework as well as inflationary Plant and Material costs in the DLO and additional fleet costs across the service. However, further savings of (£900k) in respect of the capitalisation of Highways minor works have been identified as part of the directorate wide savings programme, meaning that the overall reported position for the service is a balanced position.
- **Markets and City Centre Management** – a variation to budget of £0.7m for the Markets service mainly reflects an estimated shortfall of £0.65m in Markets income which reflects vacant units mainly within the Kirkgate and Outdoor markets, partially offset by an assumption of additional income from the Block Shops redevelopment in the latter part of the financial year. In addition, income shortfalls of £0.3m are projected within City Centre Management in respect of city centre advertising income, income from street café licences and from hiring of event spaces in the city centre, which are partially offset by additional income anticipated from the Christmas market.
- **Planning & Sustainable Development** – the forecast position is an overspend of £1.3m which reflects staffing pressures of £0.44m due to the impact of the assumed pay award and a projected shortfall in meeting the budgeted vacancy factor. In addition, based on income received to date there is a significant risk that the budgeted level of planning fee income will not be achieved due to a reduction in planning applications and the forecast position assumes a shortfall of planning fee income of £1m, partially offset by (£0.1m) of additional income in other areas.
- **Resources and Strategy** – the forecast underspend of (£0.59m) relates to further savings identified as part of the in-year directorate wide savings programme. This includes (£0.09m) of anticipated savings from the implementation of tighter vacancy release controls across the directorate (in addition to those reported in individual service areas) and a further (£0.5m) in respect of tighter restrictions on non-essential spending across the directorate.
- **Staffing** – within the overall reported position described above, there is an overall staffing underspend of (£1.4m) reflecting vacant posts offset by the additional cost of the pay award.

### **Budget Action Plans**

The 2023/24 budget contained £10.9m of new savings plans. At this stage of the year, it is anticipated that most have been delivered or are on track to be delivered, with only minor shortfalls forecast at this stage within the overall directorate

position. There remains a risk around the achievement of the £250k savings assumption relating to the national planning fee increase that is subject to confirmation by Government of the implementation timeframe.

In addition, there are also a number of savings plans relating to previous years which need to be delivered, in particular, as referred to above, the existing Strategic Investment Fund, Estate Rationalisation and Highways major scheme procurement framework budget savings plans. Although these may not be achieved within the current financial year as originally envisaged, mitigating savings will be identified where possible to offset these pressures.

**1.5 Communities, Housing & Environment** - At Month 6, an overspend of £3.861m has been projected for the directorate. This is £0.2m higher than the position reported at Month 5. However, there is an additional (£0.3m) forecast saving to the corporate contingency fund relating to Parking income. The position includes (£1.0m) of new savings within Safer Stronger Communities following a review of charges to grants and balances held, however also adverse movements of +£0.2m on Housing Benefit subsidy income shortfalls, £0.4m for additional waste tonnes attracting higher disposal costs under Persistent Organic Pollutant (POPs) legislation, £0.2m of transport pressures in Green Spaces and further recycling income price/disposal cost pressures +£0.2m.

The projected overspend at Month 6 includes the anticipated additional cost of the local government pay award which is currently estimated at £3.8m, which can be netted down by £1.1m by passing on the impact of the pay award to capital schemes, HRA and grant funding. Other significant pressures have arisen due to changes in Waste Management legislation +£2.1m and Housing Benefits where the Council is unable to claim subsidy +£2.4m alongside other inflation and demand led service pressures.

The staffing projections are primarily based on maintaining existing staffing levels with exceptions around the filling of grant funded/income generating posts. Actions over holding posts vacant, reducing non-essential spend (and other line by line savings), additional use of reserves and maximisation of income have been projected to deliver savings of £8.8m and are embedded within the projections for each service area.

The main variations anticipated are:

- **Waste Management +£3.9m** – The service is facing a significant number of pressures, most of which only became known after the 2023/24 budget was approved.

New guidance has been received that the Environment Agency (EA) will regulate the disposal of upholstered furniture that contain POPs. These materials are now required to be separated and disposed of in accordance with the new EA regulations, resulting in significantly higher disposal costs. Higher disposal charges are now being incurred for all collections (typically collections of bulky waste and the general waste skips at Household Waste sites) that contain any POPs materials. To mitigate the in-year cost to a forecast +£2.1m a temporary sorting solution has been identified.

In late June 2023 the Government announced an intention to remove the ability

of Council's to charge for the disposal of inert waste (typically soil and rubble) at Household Waste Recycling Centres, possibly in the winter of this year – although no date has been confirmed as yet. The in-year pressure is projected to be a minimum of £0.1m, with a greater FYE in 2024/25.

Net income from Green Bin waste is now forecast to be £1.1m lower because the ongoing market price of recycled materials has dropped. Residual and trade waste demand led pressures are expected to be £0.8m for the year based on activity levels during the first four months of the year. An NNDR pressure of £0.1m is anticipated relating to the PFI contract. The impact of the pay award and pressures on staffing is forecast at £1.6m.

Offsetting these pressures is an additional £1.2m income relating to the Veolia RERF contract, £0.3m of which relates to a rebate from 2022/23 following the annual reconciliation of the PFI contract. A further £0.4m can be saved by utilising the Waste Strategy reserve to fund some cost pressures and £0.2m additional recycling income is now expected.

- **Cleaner Neighbourhoods Teams & City Centre +£1.1m.** The variation reflects the impact of the pay award at £0.5m, although there are significant pressures on overtime and achievement of vacancy factor targets within the service.
- **Welfare and Benefits +£1.7m.** Pressures arising from placement of people in Supported Accommodation with providers who are not registered and placement of people in temporary accommodation. The forecast subsidy pressure is £3.7m, with assumed one off recovery of benefit overpayment income of £1.3m. Whilst this projection shows the continuing demand pressures on benefits subsidy income, it does reflect the fact the service has already delivered £0.25m of the budgeted action plan saving of £0.6m at Quarter 1, with a FYE of this action being £0.39m. In addition, there is £0.3m of non-essential spend and income maximisation savings assumed; along with £0.3m from use of the Homelessness reserve to cover Temporary Accommodation subsidy shortfalls.
- **Climate, Energy and Greenspaces +£0.3m.** The service is experiencing pressures across several areas, which are mitigated by staff savings and non-essential spend savings. The key variances are inflationary pressures of +£0.2m on the cultural events programme, net pressures on estates and attractions +£0.3m, Bereavement services income pressures of +£0.4m, transport pressures of £0.2m and Parks operations income maximisation savings of -£0.3m. Within the figures above, the impact of the pay award is £0.7m, but this can be offset with charges to capital and management of vacancies within the service.
- **Elections, Licensing and Registration and Environmental Health +£0.0m –** No significant variations are expected across these services. Operational spend savings and additional registrars income are offsetting the impact of the pay award.
- **Car Parking Services £0m.** Income has continued on a recovery trajectory since COVID-19 lockdowns, and at Month 6 the projected receipts are now in line with budget. This is a £0.3m improvement from the expected £0.3m use of the corporate contingency reported at Month 5. Staffing costs are £0.1m under after pay award and £0.1m of non-pay award related staffing pressures have

been identified.

- **Safer Stronger Communities (£1.1m)** – Staffing pressures +£0.3m are projected. However, has been fully offset by a combination of additional grant and balances and passporting the pay award on to the HRA/grants.
- **Statutory Housing Services (£0.7m)** Staffing savings are projected to cover the cost of the pay award and deliver an overall underspend on employees of £0.5m. It is expected an additional (£0.2m) can be delivered by maximising charges of existing staffing into new grant income and maximise collection from other income streams.
- **Customer Access (£1.5m)** – Review of non-essential spend and grant income maximisation are projected to deliver net savings of £1.7m in 2023/24. NNDR costs are now expected to come in £0.2m below budget. The pay award pressure of £0.4m has been offset by charges to grant/HRA and holding posts vacant.

### **Budget Action Plans**

£6.6m of budget action plans are being monitored each month with an overall positive variance against the plans reported at Month 6 and savings embedded in the projections above. £0.9m of plans have been marked as delivered in full.

- 1.6 Strategy & Resources** - Based on an examination of key risk budgets, the Strategy and Resources Directorate is forecasting a pressure of £4.129m at this reporting period.

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

### **Finance £38k**

A staffing overspend of £762k, including £208k to reflect the additional unbudgeted pay pressure based on the pay award, is being offset by £487k additional income from the maximisation of grant funding, £125k from the COVID-19 recovery reserve and £63k savings from across operational budgets.

### **Integrated Digital Services (£1,248k)**

Staffing underspends of £82k, including pay award £1.05m, contractor projected costs of £1.6m and an assumed vacancy factor of £0.9m. Overspends across supplies and services of £1.1m are being set off by additional income of £1.3m, which includes £1.5m use of unbudgeted Capital Receipts, and a reallocation of £1m equipment costs from revenue to the Essential Services Programme capital scheme.

### **Procurement £98k**

Staffing overspends of £98k to reflect the additional unbudgeted pay pressure based on the pay award.

### **Legal Services £49k**

By not recruiting to posts, a staffing underspend of £273k is now forecast. An agency locum pressure of £207k, and other additional pressures of £206k are partly offset by additional reimbursement income from a legal case of £91k.

### **Democratic Services £40k**

Staffing overspends of £53k, including £37k to reflect the additional unbudgeted pay pressure based on the pay award, are being offset by expenditure savings of £13k.

### **Shared Services £1,576k**

Staffing overspends of £2,585k including the pay award, income pressure of £180k on electronic goods salary sacrifice scheme, are being offset by income mitigations of £573k, additional funding of £250k and other expenditure savings of £365k.

### **Strategy and Improvement (£40k)**

A review of staffing has led to a forecast underspend of £81k, including the pay award pressure. A pressure of £150k of budgeted savings on communications and marketing are being offset by £109k savings on expenditure and additional income.

### **Human Resources £8k**

The staffing overspend of £620k includes provision for the pay award. This is a reduction of approximately £250k on the previously reported month and follows a review of vacant posts. £233k expenditure pressures are being offset by additional funding from Adults and Health for HR support of £81k, income mitigations of £367k and use of reserves of £397k.

### **Leeds Building Services (LBS) £1,375k**

The pressure reflects the current understanding of the level of work likely to be commissioned by clients (£75.4m) relative to the £80.9m required turnover and the consequent impact on the rate of return.

The £147k increase from last month is attributable to a review of the accruals position from the previous two years. Enhanced reporting, developed as a result of the LBS improvement review, has established an additional pressure. This has been partly mitigated by the service through an improvement in chargeable time as a result of the successful recruitment of skilled operatives and an expected reduction in overheads and efficiencies in waste removal.

There remains a risk that any variance from the current understanding of client budget will impact to the LBS business plan.

LBS are also working to forecast all the inflationary pressures which have been seen throughout the industry which may further adversely impact the position.

### **Corporate Property Management £512k**

The £512k projection reflects pressures from construction inflation, an increased volume of repairs due to a backlog of jobs during COVID-19, a reduced budget and staffing overspends to reflect the additional unbudgeted pay pressure based on the pay award. The service will continue to seek to mitigate the pressure where possible.



### **School Crossing Patrol (£50k)**

Staffing savings of £50k.

### **Catering £444k**

The additional unbudgeted pay pressure based on the pay award results in a projected staffing overspend of £712k, also an increase in food costs of £46k, which the service is partially mitigating through additional income of £314k.

### **Cleaning £223k**

The additional unbudgeted pay pressure based on the pay award results in a projected staffing overspend of £173k, and an increase in transport charges of £50k. This is the net pressure after actions taken by the service to mitigate the overall pressure through increased charges.

### **Fleet £650k**

The Fleet position reflects the ongoing 2022/23 pressure of an aging fleet consequently, increased demand and inflation resulting in increased occasional hire costs to maintain front line service operations. The use of vehicles across the authority is subject to review.

The 2023/24 Fleet Services budget contains a savings target of £1.3m, the achievement of which has been overshadowed by a combination of the impact of inflation on vehicle parts, fuel, and occasional hire together with the impact of maintaining an ageing fleet. In addition, increased demand for services such as passenger transport has resulted in the requirement for more vehicles and hence greater maintenance costs. Together these factors have impacted on the capacity for directorates to absorb the £1.3m savings target. Executive Board have approved the use of £1.3m from the Strategic Contingency Reserve to address this in year pressure and the reported position reflects this contribution from reserve.

### **Security £70k**

The additional unbudgeted pay pressure based on the pay award results in a projected staffing overspend of £70k.

### **Presto £240k**

Staffing overspends of £20k reflect the additional unbudgeted pay pressure based on the pay award as well as £120k income pressure on the Meals at Home service; the service is seeing a reduction in demand following an increase during COVID-19. There is a £100k income pressure on the Civic Flavour service.

### **Facilities Management £184k**

Staffing overspends of £74k to reflect the additional unbudgeted pay pressure based on the pay award, £75k pressure for additional security and £50k pressure for front of house staffing costs, offset by £15k saving due to a reduction in drivers.

### **Budget Action Plans**

A total of £9.2m of budget action plans are being monitored each month. A shortfall of £0.230m is forecast against these plans in respect of; Communications & Marketing synergies £0.15m and BSC Shared Cost Salary Sacrifice £0.08m.

**1.7 Strategic & Central Accounts** - At Month 6 the projection for the Strategic and Central Accounts is an underspend of £5.2m. The most significant factor within this position is a projected £5.1m of savings which reflects corporate actions identified where the incidence across directorates has not yet been determined.

The Strategic and Central Accounts position also includes a projection that the debt budget will underspend by £0.2m. Although interest rate rises have been higher than was anticipated when the budget was approved, the borrowing requirement has reduced due to anticipated capital programme slippage and the fact that revenue balances have remained robust. This projection assumes that short term borrowing will be obtainable at an average of 5.25% during the year. However, although some recent data on inflation has been encouraging and the Bank of England chose not to raise interest rates at its September meeting, there does remain a risk that interest rates could peak at a higher rate than this, which could further increase the Council's borrowing costs.

A pressure of £0.3m has been recognised in the levy payable to WYCA (the West Yorkshire Combined Authority). This arises because, although WYCA's overall budget has remained unchanged, the proportion which is charged to the Council has increased due to changes in the relative population sizes of the five West Yorkshire councils. This pressure has been partly offset by the recognition of £0.2m of residual COVID-19 sales, fees and charges compensation grant income, which had previously been uncertain but is now expected to be received during the current year. The position also reflects a projected loss of £2.4m in the net retained income position in relation to business rates, comprising S31 grants receivable less the levy payable to the regional pool. This is to be funded by a transfer from the S31 grants reserve and so has no impact on the bottom line.

## **1.8 Budget Action Plans**

The budget for 2023/24 requires the delivery of £58.6m of savings. In addition, directorates have identified a further £7.2m of savings actions since the Budget was agreed. Detailed budget action plans have been developed to identify how these savings will be achieved and progress against these action plans will continue to be monitored and reported throughout the year. Further detail is provided at **Appendix A2**.

At Month 6 it is anticipated that most savings will be delivered in full through the identified saving plans or through mitigating actions identified by directorates, however an overall shortfall of £11.6m has been identified and is reflected in the reported directorate positions except where noted:

- Children & Families - £11.8m shortfall on the budgeted level of savings from the following projects: diversifying Children's Residential and Fostering provision £3.479m; review of Placement Commissioning £2.715m; Turning the Curve £3m; review of Children's Centres £0.350m; review of Contracts £0.369m, Transport £0.323m and efficiencies across the directorate £1.556m. More detail is provided at paragraph 1.3, where it is noted that the target for Children's Residential and Fostering provision £3.479m, which is included in the £11.8m shortfall reported, will be funded corporately and so does not appear in the projected Month 6 position.

- Strategy and Resources – £0.2m shortfall in the budgeted level of savings from the following projects: £0.15m Communications & Marketing synergies and £0.08m BSC Shared Cost Salary Sacrifice.

As discussed at paragraph 1.6, the Strategy and Resources savings position outlined here reflects the use of £1.3m from the Strategic Contingency Reserve to fund budgeted fleet savings which are not deliverable across the Council in year due to the impact of inflation, costs of maintaining an ageing fleet and increased demand for services, as approved at September Executive Board.

As discussed above, where other directorates have indicated shortfalls in regard to fully meeting their targeted budget action plans, they have identified other mitigating measures to offset these shortfalls.

## 2. Inflationary Pressures

**2.1** At the end of Month 6 an overspend of £30.5m is projected against the Council's 2023/24 revenue budget.

**2.2 Pay Inflation** – The 2023/24 budget allows for £38.9m of pay inflation. 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; £18.2m for an assumed 2023/24 pay award incorporating a 4% pay award for all other staff and the Real Living Wage of £10.90 at pay scale points 1 and 2 announced in September 2022; £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. The forecast position reflects the agreed 2023/24 NJC pay award of £1,925 and JNC pay award of 3.5%. Directorates have included any identified pay award mitigation measures in their 2023/24 budget action plans.

**2.3 Energy** – The Government's Energy Bills Discount Scheme, which runs for 12 months from 1 April 2023 to 31 March 2024 for businesses and other non-domestic energy users (including charities and public sector organisations), sets a much higher price threshold above which organisations become eligible for relief than was in effect over the Winter 2022/23, and, for the most part, the Council does not expect to benefit from any discounts based on its forward purchases and current market forecasts. However, the Government has set a lower threshold for relief for what they term as 'energy trade intensive industries', which include libraries, museums, historical sites and botanical and zoological gardens, and there may therefore be some eligibility for the Council.

The 2023/24 budget allows for a £10.7m or 53.21% increase in energy costs for gas and electricity. Since the budget was set in February 2023 energy prices have stabilised, with short term commodity prices currently around twice the historical levels prior to the energy crisis on average, which, although still high, are much lower than the extremes seen over the last two years. Advice from the Council's energy advisors during this time has therefore largely been to hold off temporarily from forward purchasing energy as the markets have continued to ease, and as such the LCC unsecured volume over recent months has been attracting lower spot market prices to the benefit of overall final unit prices (although recent events in the Middle East have introduced a level of volatility in global market prices). Alongside

the purchasing strategy, actions continue to be taken to review energy usage and implement measures across the Authority's estate in order to reduce the pressures associated with increased energy costs.

Whilst acknowledging the ongoing volatility of energy prices, recent forecasts indicate that costs could be as much as £3.2m lower than allowed for in the 2023/24 General Fund budget. At July's meeting Executive Board approved in principle that any underspend on energy would be transferred to the Strategic Contingency Reserve to support the Council to deal with pressures in other areas.

- 2.4 Fuel** – The average UK pump prices for diesel and unleaded petrol saw decreases of 11% and 5.2% respectively between September 2022 and September 2023. The 2023/24 budget has allowed for an increase of £1.2m, largely attributable to the significant price increases in 2022/23. Fuel costs will continue to be monitored throughout the year.
- 2.5 Cost of Living Pressures** – Further to the inflationary pressures detailed here, there has been a wider inflationary impact to the Council due to the severity of increased cost of living on our residents and businesses. As expected, we have seen 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. The position will continue to be closely monitored.

### **3. Reserves**

#### **General Reserves**

- 3.1** Following the closure of the 2022/23 accounts, the Council's general fund reserve stands at £33.2m. The 2023/24 budget assumes a £3m Strategic Contingency Reserve contribution to this reserve during the current financial year.

#### **Strategic Contingency Reserve**

- 3.2** The 2023/24 budget includes use of reserves to support the Council's General Fund, including use of 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.
- 3.3** The opening balance on the Strategic Contingency Reserve for 2023/24 was £19.9m with budgeted use of the reserve being £14.3m and a further £0.6m committed to support COVID-19 backlog recovery. As discussed at paragraph 1.6, September's meeting of the Executive Board approved the use of £1.3m from this reserve to fund budgeted fleet savings. A further £3.5m has been allocated against slippage in the Children's Residential and Fostering provision action plan and £0.2m will provide Internship funding in Strategy and Resources.
- 3.4** At its meeting of 12th October 2023, the West Yorkshire Combined Authority (WYCA) confirmed a one off refund of transport levy reserves to member authorities aimed at reducing the financial pressures faced in the region, with Leeds to receive £17.7m. As agreed at the October meeting of this Board, this will be added to the

Strategic Contingency Reserve. This will bring the total projected balance on this reserve to £17.7m as at 31<sup>st</sup> March 2024.

#### 4. Funding from other Resources

##### 4.1 Flexible Use of Capital Receipts

Under guidance issued in March 2016 and updated in 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”.

**Table 5: Expenditure funded through flexible use of capital receipts Month 6**

2023/24- EXPENDITURE FUNDED THROUGH FLEXIBLE USE OF CAPITAL RECEIPTS						
Directorate	2023/24 Planned Spend £m	2023/24 Projected Outturn £m	Variation to Budget £m	2023/24 Planned Savings £m	2023/24 Projected Outturn £m	Variation to Budget £m
Adults & Health	2.32	2.04	(0.28)	(4.00)	(4.00)	0.00
Children & Families	1.40	1.40	0.00	0.00	0.00	0.00
City Development	0.63	0.63	0.00	0.00	0.00	0.00
Communities, Housing & Environment	0.12	0.00	(0.12)	(0.12)	0.00	0.12
Strategic & Resources	9.50	9.50	0.00	(2.03)	(2.03)	0.00
Strategic/ Corporate	11.40	10.73	(0.67)	(1.40)	(1.40)	0.00
	<b>25.36</b>	<b>24.30</b>	<b>(1.06)</b>	<b>(7.54)</b>	<b>(7.43)</b>	<b>0.12</b>

Full Council approved allocation of £19m of capital receipts in the 2023/24 budget to support further transformational work/ projects. At the September meeting, the Executive Board approved an additional capital receipts use of £5.3m, of which £2.4m reflects slippage against budgeted use in 2022/23 and £2.9m relates to new transformation spend. In addition, at Month 6 £0.63m has been allocated to additional PACS staff to support transformation projects across the Council and an additional £0.4m to meet in year ELI costs, bringing the total planned spend for 2023/24 to £25.4m, as shown in **Table 5**. The Capital Programme report at Appendix B does not reflect the £0.4m additional use for ELI costs and the position will be updated for the next update to the Board. Further details are provided at **Appendix A3**.

At Month 6 the estimated use of capital receipts for transformational projects is £24.3m and this spend is projected to achieve £7.4m of savings in 2023/24, with further savings in future years.

**4.2 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. 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. Any savings generated will be reflected in the directorate positions.

As summarised in **Table 6**, the total funds available for Invest to Save and Innovation Fund schemes at the start of 2023/24 were £3.529m, of which £0.941m relates to funds committed before 2022/23 and £0.318m relates to funds committed in 2022/23. £0.238m of the £0.318m is projected to be spent this year. At the end of Month 6, a further £0.482m has been committed leaving an uncommitted and available balance of £1.788m. It is projected that £0.234m will be spent in year. The most significant uses of the fund approved in 2023/24 relate to a feasibility study on a youth facility in Hunslet (£150k) and the replacement and refurbishment of filtration equipment at Lotherton Wildlife World (£111k). Although no in year savings are currently anticipated, this targeted expenditure will result in savings realised in future years.

**Table 6: Invest to Save/Innovation Fund Month 6**

	£k	£k	Year End Projected Spend £k	Year End Projected Savings £k
Total Funds at start of 2023/24		(3,529)		
Less Funds Committed before 2022/23		941		
Less Funds Committed in 2022/23:				
City Development	0		0	0
Communities, Housing & Environment	245		165	0
Strategy & Resources	73		73	0
		318	238	0
Less Funds Committed 2023/24 to Qtr 2:				
Children & Families	346		98	0
Strategy & Resources	136		136	0
		482	234	0
<b>Therefore Funds uncommitted and available</b>		<b>(1,788)</b>		

**4.3 COVID-19 Backlog Recovery Fund** – This fund was established to meet costs related to clearing backlogs caused by the COVID-19 Pandemic. The total funds at the start of 2023/24 were £0.623m. At the end of Month 6, £0.619m has been committed leaving an uncommitted and available balance of £0.004m. It is projected that £0.521m of the £0.619m will be spent in 2023/24. This position is summarised in **Table 7**.

The most significant uses of this Fund relate to Business Administration support to the Children and Families directorate (£0.250m) and additional staffing resource for Debt Recovery (£0.146m).

**Table 7: COVID-19 Backlog Recovery Fund Month 6**

	£k	£k	Year End Projected Spend
Total Funds at start of 2023/24		(623)	
Less Funds Committed to 2023/24 Qtr 2*:			£k
City Development	146		48
Communities, Housing & Environment	66		66
Strategy & Resources	407		407
		619	521
<b>Therefore Funds uncommitted and available</b>		<b>(4)</b>	

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

## 5. Other Financial Performance

### 5.1 Council Tax

The Council Tax in-year collection rate at the end of September 2023 was 52.58%. Whilst this is a slight decrease from the September 2022 in-year collection rate of 53.11% it should be noted that this can be attributed to application of around £4m in £150 cost of living 'rebates' to Council Tax accounts in July 2022, thereby artificially increasing the amount collected at that point in the year and impacting on the comparison.

The current collection rate is still lower than the September 2019 in-year collection rate of 54.43%, however the profile of taxpayers' payments has changed significantly since the pandemic, with many more residents choosing to pay their council tax over twelve months rather than ten. Due to the challenging conditions following the pandemic, the target collection rate in the fullness of time was reduced for 2022/23 to 98.5%, at a cost to the Council's share of the Collection Fund deficit of £2.0m. It has been assumed collection rates will return to the normal 99% recovery rate from 2023/24 onwards.

The opening deficit on the Collection Fund is £8.901m, which includes the deficit from 2022/23 and the final instalment of the deficit from 2020/21, which the Government mandated had to be spread over three years. At the time of declaration these elements were estimated to be £8.778m and are to be repaid by the Council, the Fire Authority and the Police in 2023/24.

This repayment of the 2020/21 and 2022/23 deficits would be expected to generate a surplus on the collection fund, however current projections, based on historical trends of growth and movements in discounts and local council tax support, are that an in-year surplus of only £6.671m will be generated in 2023/24 leaving of projected closing deficit on the collection fund of £2.230m. Leeds share of this projected closing deficit would be £1.873m, with the remainder being paid by the Fire Authority and the Police.

New charges in addition to the original billing at the start of the year have been lower than assumed in projections, which, if repeated throughout the year, will be the most significant underlying cause generating the projected deficit. However, this

projected position only reflects six months of data and close monitoring of the growth in council tax liabilities in the city will be required in the coming months.

## **5.2 Business Rates**

The Business Rates collection rate at the end of September 2023 is 55.83% which is significantly higher than the September 2022 in-year collection rate of 53.11% but slightly lower than the August 2019 in-year collection rate of 56.22% before the pandemic. As with Council Tax, the profile of ratepayers' payments has changed after the pandemic with many more local businesses choosing to pay their rates bill over twelve months rather than ten. The budgeted collection rate for business rates is to achieve an in-year collection target of 97.8%, collecting £347.4m of business rates income. The collection rates will continue to be closely monitored in the current year and into future years.

The total rateable value of business properties in Leeds has decreased from £954.44m at the time of the 2023/24 budget to £951.66m as at 27<sup>th</sup> September 2023, a decrease of £2.78m. Around £840k of this reduction is due to hereditaments undergoing redevelopment or major works and so it is anticipated that in time the rateable value of these properties will increase. The 2023/24 budget includes an expected increase in Rateable Value of £2.5m for the full year. The size of the Business Rates tax base in Leeds continues to be monitored closely.

Leeds' share of the declared Business Rates deficit from 2022/23 (at 31<sup>st</sup> December 2022) has been incorporated into the 2023/24 budget. The total declared deficit on the Business Rates Collection Fund was £7.16m. 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 final of the three repayments of £12.2m will be paid in 2023/24 and is fixed and included in the £7.16m declared deficit.

After reassessing the level of the bad debt and appeals provisions for end-of-list appeals and reduction in the multiplier cap compensation, the actual closing deficit for 2022/23 was £9.08m; a worsening of £1.93m from the position declared. This will be carried forward as a loss to the 2024/25 budget.

In 2023/24, an in-year deficit of £1.41m is projected, driven mainly by a recent increase in reductions to Rateable Value on the 2017 ratings list, which have resulted in backdated repayments to ratepayers that have exceeded the provisions held for those appeals, although this is partially offset by an improvement in bad debt provisions due to improved collection rates and a reduced demand for Empty Rate Relief compared to the years immediately after the pandemic. When combined with the £1.93m worsening in the closing position for 2022/23 it is currently forecast that there will be a total closing deficit of £3.33m, which will have to be repaid to the collection fund by the Council in 2024/25.

## **5.3 Business Rates Appeals**

The opening appeals provisions for 2023/24 are £36.8m, made up of £4.6m relating to appeals received against the 2010 ratings list and £32.3m 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 30th September 2023, there were 10 appeals outstanding against the 2010 ratings list and 48 appeals relating to 2010 have been settled in this financial year. No new appeals have been received in 2023/24.

Before the COVID-19 public health crisis, the introduction of the new Check Challenge Appeal system on 1<sup>st</sup> 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 thirteen appeals have so far been submitted to the Valuation Tribunal, the final stage of the new process.

The 2017 ratings list came to an end on 31<sup>st</sup> March 2023. In most cases this sees the end of the ratepayers' right to appeal against their Rateable Value on that list. As such the number of Checks received by the Valuation Office Agency increased significantly in the last few months of 2022/23. The increase was even greater than expected and although an allowance had been included in the forecast of the declared deficit further provisions were made to outturn at an additional cost of £4.2m to the General Fund and £1.93m worse than projected at declaration.

As at 30th September 2023, the Council is providing for a net of 618 Checks and Challenges against the 2017 ratings list. The position will be monitored closely over the coming months to ensure that the Council's provisions for the 2017 list remain adequate. There are also 222 Checks and Challenges against the new 2023 ratings list. It is anticipated that because of the move to 3 yearly revaluations from 2023 (previously 5 years) the valuation lists will necessarily be more representative of the current commercial property market, and it is expected that there will be fewer challenges to the lists going forward. The level of appeals against the 2023 ratings list, and the losses incurred, will also continue to be closely monitored in the coming months.

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 which will be reassessed quarterly.

#### **5.4 Impact of COVID-19 and cost of living on the Collection Fund in 2023/24 and beyond**

Collection of Business Rates can be seen to be improving following the lifting of restrictions in place due to the COVID-19 crisis. However, the pressures of the cost of living crisis and the long-term impact on collection rates and the tax base will require close monitoring.

### **6. Housing Revenue Account (HRA)**

#### **6.1 At Month 6 the HRA is projecting a pressure of £1.904m or 0.7% of gross budget.**

As a result of significant pressures on the repairs budget a virement was input at period 3 to reduce the capital investment programme in 2023/24 to fund these pressures.

At this stage the HRA is not able to produce a balanced budget. The position on repairs and capital budgets is being closely monitored and an action plan will be worked up to bring the budget into balance should this position remain.

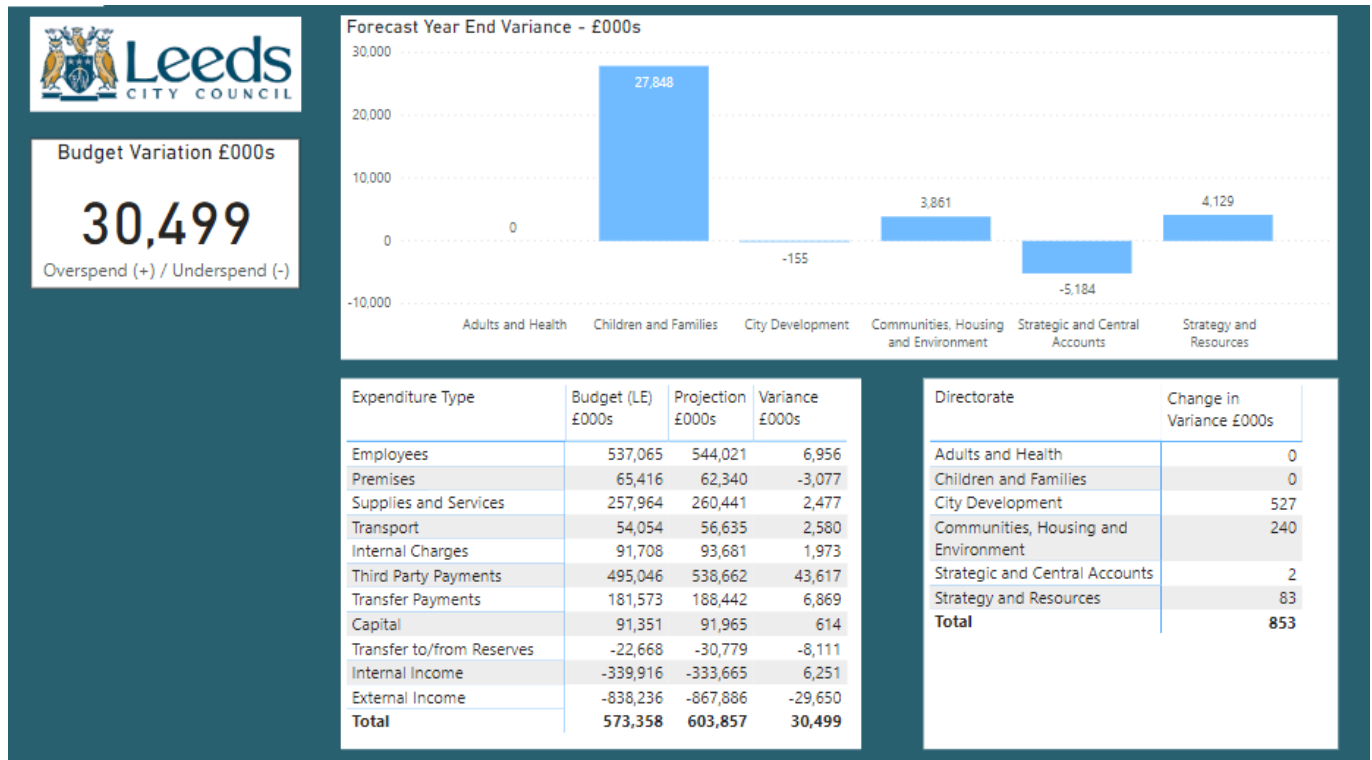
## 6.2 The key projected variations are:

- Dwellings Rent £709k– a forecast reduction in rental income due to the number of void properties being higher than budgeted and an increase in the projected number of Right to Buy sales compared with the budget.
- Service Charges (£106k) – an additional £106k mainly reflecting the impact of Gascoigne House.
- Employees Net £75k - there is a forecast underspend against the employee budget of (£1,075k) due to vacant posts, this position includes a projection for the pay award. However, this underspend on employee costs is offset with a reduction in capitalised salaries of £934k and a £217k pressure regarding internal services for recharged staff in the Council House Growth Programme.
- Premises (£161k) – reflects the projected costs of utilities following recent reductions in energy costs.
- Internal Services £102k – This pressure reflects the impact of the pay award of £1925 per FTE on charges from internal LCC services.
- Contribution to the capital programme £1,180k – the current forecast level of overprogramming on the capital programme 2023/24.

## Overall Summary Sheet

Month 6 (September 2023)

## Financial Dashboard 2023/24 Financial Year



Financial Dashboard 2023/24 Financial Year

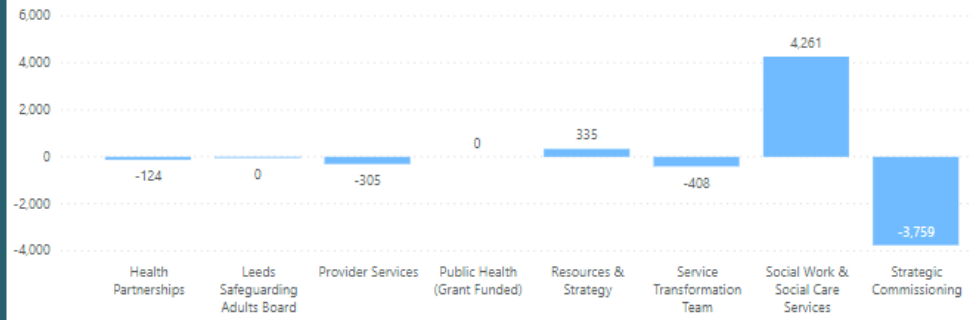


Budget Variation £000s

0

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	70,451	70,000	-451
Premises	1,381	1,375	-6
Supplies and Services	5,987	14,300	8,313
Transport	1,011	1,026	15
Internal Charges	14,119	15,273	1,153
Third Party Payments	320,681	337,428	16,747
Transfer Payments	13,488	12,130	-1,358
Transfer to/from Reserves	-4,521	-8,674	-4,153
Internal Income	-4,972	-4,717	255
External Income	-218,776	-239,292	-20,516
<b>Total</b>	<b>198,849</b>	<b>198,849</b>	<b>0</b>

Directorate	Change in Variance £000s
Adults and Health	0
<b>Total</b>	<b>0</b>

Financial Dashboard 2023/24 Financial Year

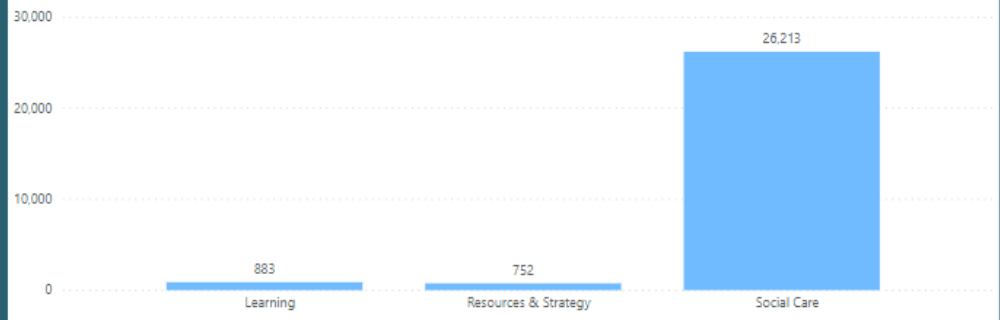


Budget Variation £000s

**27,848**

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	110,978	111,211	233
Premises	4,734	4,670	-64
Supplies and Services	65,667	66,225	558
Transport	11,794	11,941	147
Internal Charges	36,206	37,637	1,431
Third Party Payments	113,911	140,379	26,469
Transfer Payments	3,882	3,437	-445
Capital		0	0
Transfer to/from Reserves	-819	-916	-97
Internal Income	-35,733	-35,334	399
External Income	-169,214	-169,996	-782
<b>Total</b>	<b>141,405</b>	<b>169,253</b>	<b>27,848</b>

Directorate	Change in Variance £000s
Children and Families	0
<b>Total</b>	<b>0</b>

Financial Dashboard 2023/24 Financial Year

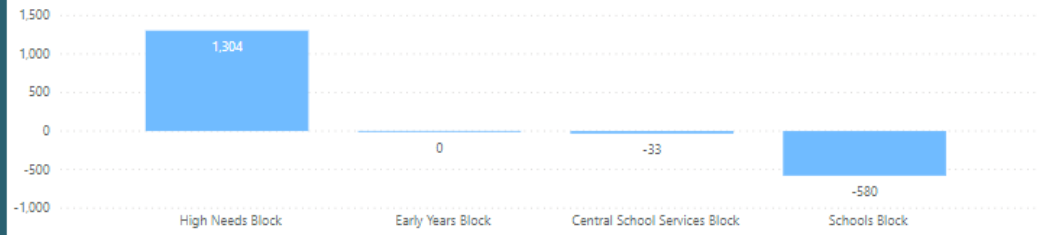


DSG Variation £000s

**691**

Overspend (+) / Underspend (-)

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



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	-341,721	-339,322	2,399	341,721	338,742	-2,979	0	-580	-580
High Needs Block	-117,035	-117,171	-136	117,035	118,475	1,440	0	1,304	1,304
Early Years Block	-57,538	-61,989	-4,451	57,538	61,989	4,451	0	0	0
Central School Services Block	-5,106	-5,106	0	5,106	5,073	-33	0	-33	-33
<b>Total</b>	<b>-521,400</b>	<b>-523,588</b>	<b>-2,188</b>	<b>521,400</b>	<b>524,279</b>	<b>2,879</b>	<b>0</b>	<b>691</b>	<b>691</b>

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
De-delegated	-1,950	500	-1,450	-233	1,750	-433
General	-7,060	0	-7,060	924	0	-6,136
<b>Total</b>	<b>-9,010</b>	<b>500</b>	<b>-8,510</b>	<b>691</b>	<b>1,750</b>	<b>-6,569</b>

Financial Dashboard 2023/24 Financial Year

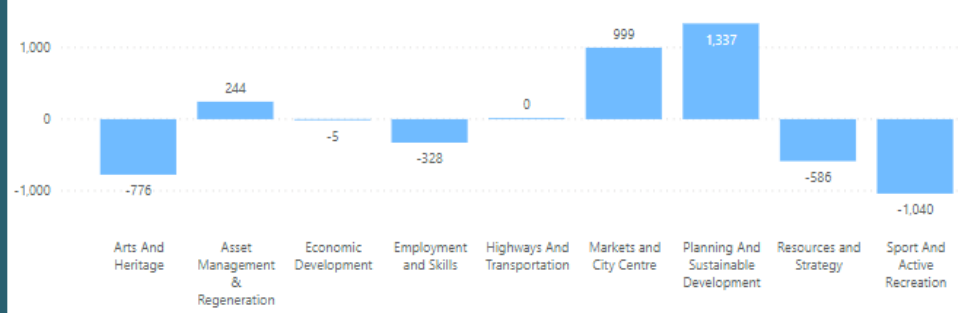


Budget Variation £000s

**-155**

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	75,723	74,284	-1,439
Premises	31,499	28,406	-3,093
Supplies and Services	49,487	47,916	-1,570
Transport	6,827	8,417	1,590
Internal Charges	10,566	10,689	123
Third Party Payments	188	188	0
Transfer Payments		0	0
Capital		0	0
Transfer to/from Reserves	-3,550	-4,837	-1,288
Internal Income	-46,364	-42,553	3,811
External Income	-81,981	-80,271	1,710
<b>Total</b>	<b>42,394</b>	<b>42,239</b>	<b>-155</b>

Directorate	Change in Variance £000s
City Development	527
<b>Total</b>	<b>527</b>

Financial Dashboard 2023/24 Financial Year

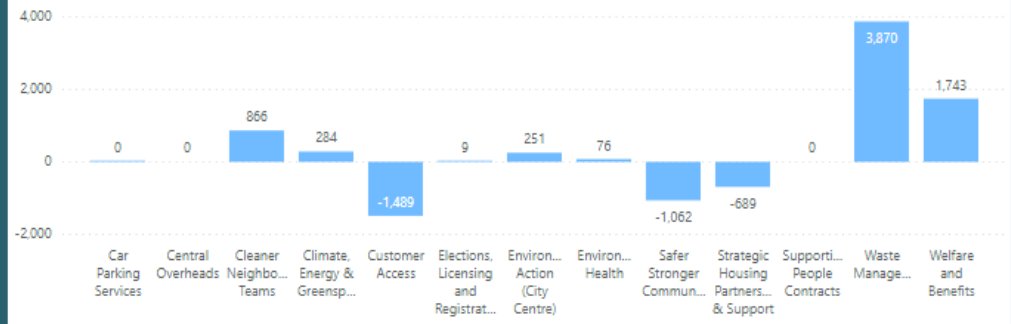


Budget Variation £000s

**3,861**

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	108,703	110,918	2,215
Premises	11,825	11,392	-433
Supplies and Services	70,051	75,167	5,116
Transport	11,343	11,712	369
Internal Charges	20,924	20,377	-547
Third Party Payments	23,032	23,131	99
Transfer Payments	163,007	171,786	8,778
Capital		0	0
Transfer to/from Reserves	-1,768	-1,915	-147
Internal Income	-44,974	-45,403	-428
External Income	-267,851	-279,011	-11,160
<b>Total</b>	<b>94,292</b>	<b>98,153</b>	<b>3,861</b>

Directorate	Change in Variance £000s
Communities, Housing and Environment	240
<b>Total</b>	<b>240</b>



Financial Dashboard 2023/24 Financial Year



Surplus (-) / Deficit (+) £000s

1,904

HRA Income	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲				
Dwelling Rents	-230,240	-229,531	709	0
Non Dwelling Rents	-3,347	-3,300	47	5
Service Charges	-9,551	-9,660	-109	-4
Internal Income	-9,349	-8,467	882	212
Grants	-21,385	-21,385	0	0
External Income	-1,778	-1,678	100	0
<b>Total</b>	<b>-275,650</b>	<b>-274,021</b>	<b>1,629</b>	<b>214</b>

HRA Expenditure	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲				
Disrepair Provision	4,500	4,500	0	0
Repairs to Dwellings	65,103	65,103	0	0
Employees	33,708	32,633	-1,075	-124
Premises	11,732	11,571	-161	0
Supplies and Services	5,185	5,225	40	0
PFI Unitary Charge	12,662	12,783	122	0
Transport	304	304	0	0
Internal Services	39,315	39,633	318	-222
BITMO Management Fee	3,524	3,524	0	0
Provision for Doubtful Debts	1,136	1,136	0	0
Capital Charges	46,666	46,640	-26	-26
Contribution to Captial Programme	51,891	53,071	1,180	-935
<b>Total</b>	<b>275,726</b>	<b>276,123</b>	<b>397</b>	<b>-1,307</b>

Surplus (-) / Deficit (+)	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▼				
Net Position	76	2,102	2,026	-1,094
Appropriation: Sinking Funds	-326	-448	-122	0
Appropriation: Reserves	250	250	0	0
<b>Total</b>	<b>0</b>	<b>1,904</b>	<b>1,904</b>	<b>-1,094</b>

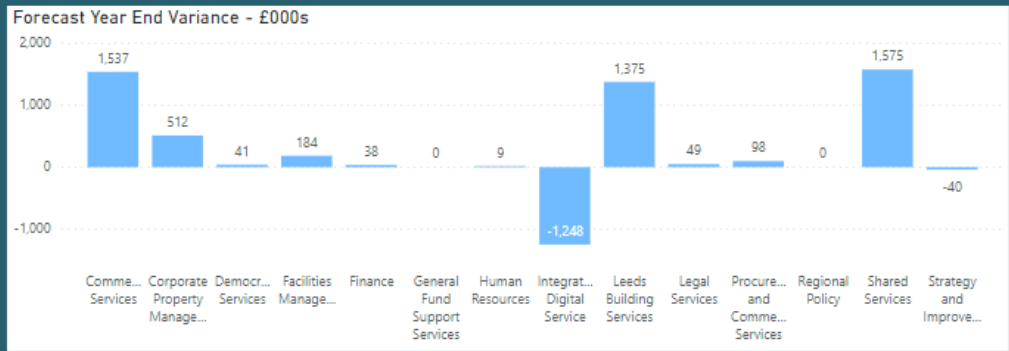
Financial Dashboard 2023/24 Financial Year



Budget Variation £000s

**4,129**

Overspend (+) / Underspend (-)



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	166,481	172,937	6,456
Premises	15,977	16,496	519
Supplies and Services	63,447	57,516	-5,931
Transport	23,080	23,540	460
Internal Charges	4,931	4,684	-247
Third Party Payments	28	28	0
Transfer Payments	66	66	0
Transfer to/from Reserves	-74	-817	-743
Internal Income	-172,701	-168,881	3,820
External Income	-17,938	-18,143	-205
<b>Total</b>	<b>83,297</b>	<b>87,426</b>	<b>4,129</b>

Directorate	Change in Variance £000s
Strategy and Resources	83
<b>Total</b>	<b>83</b>

Financial Dashboard 2023/24 Financial Year

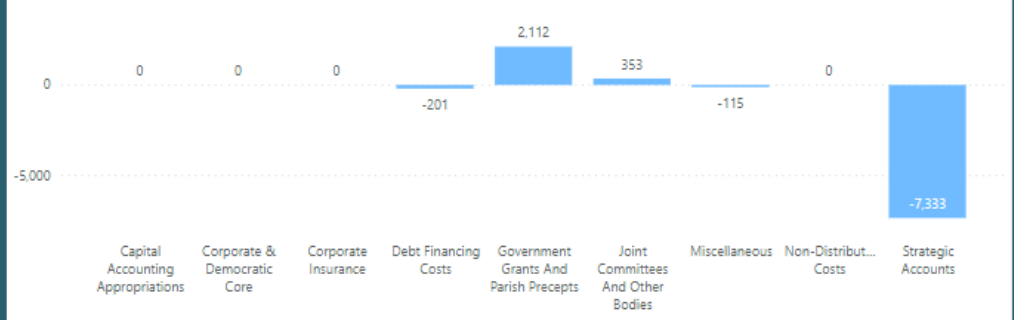


Budget Variation £000s

**-5,184**

Overspend (+) / Underspend (-)

Forecast Year End Variance - £000s



Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	4,729	4,671	-58
Premises		0	0
Supplies and Services	3,325	-683	-4,008
Internal Charges	4,962	5,022	60
Third Party Payments	37,207	37,508	302
Transfer Payments	1,130	1,023	-107
Capital	91,351	91,965	614
Transfer to/from Reserves	-11,936	-13,619	-1,683
Internal Income	-35,171	-36,778	-1,607
External Income	-82,476	-81,172	1,303
<b>Total</b>	<b>13,121</b>	<b>7,937</b>	<b>-5,184</b>

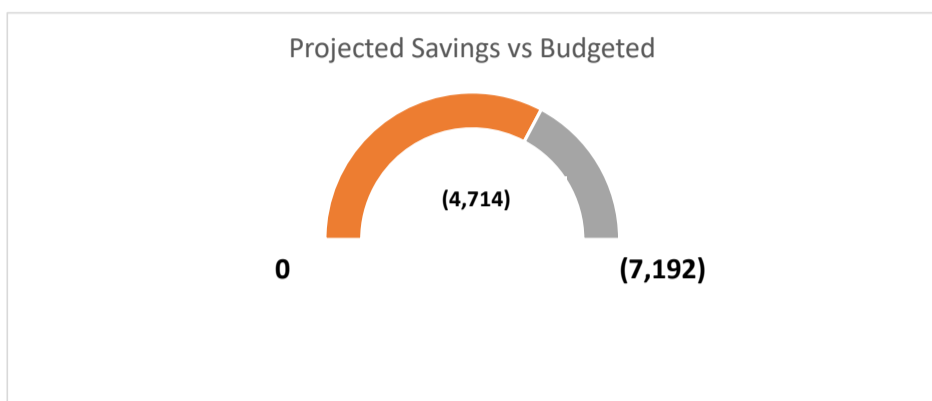
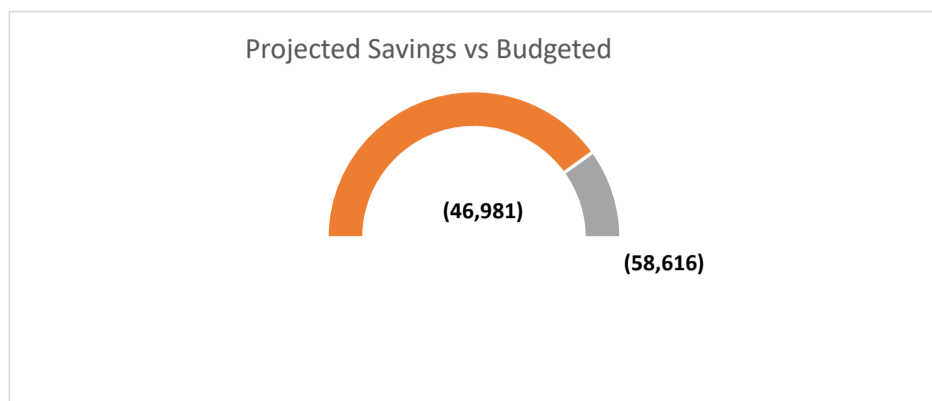
Directorate	Change in Variance £000s
Strategic and Central Accounts	2
<b>Total</b>	<b>2</b>

**LEEDS CITY COUNCIL - SUMMARY**

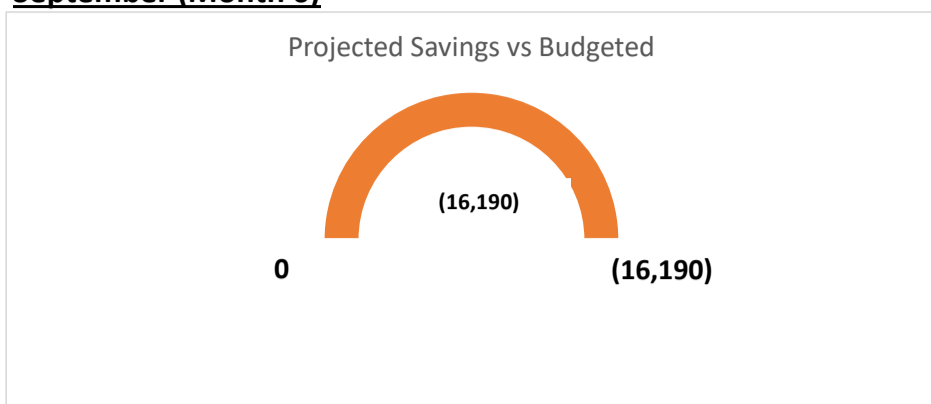
RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	(14,482)	(14,482)	0
On track, no issues	(16,424)	(17,959)	(1,535)
Some risk	(11,802)	(11,431)	371
High risk	(15,908)	(3,109)	12,799
Cancelled	0	0	0
<b>Total</b>	<b>(58,616)</b>	<b>(46,981)</b>	<b>11,635</b>

**LEEDS CITY COUNCIL - Other Savings Measures**

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	(4,545)	(4,545)	0
Some risk	0	0	0
High risk	(2,647)	(169)	2,478
Cancelled	0	0	0
<b>Total</b>	<b>(7,192)</b>	<b>(4,714)</b>	<b>2,478</b>



**September (Month 6)**



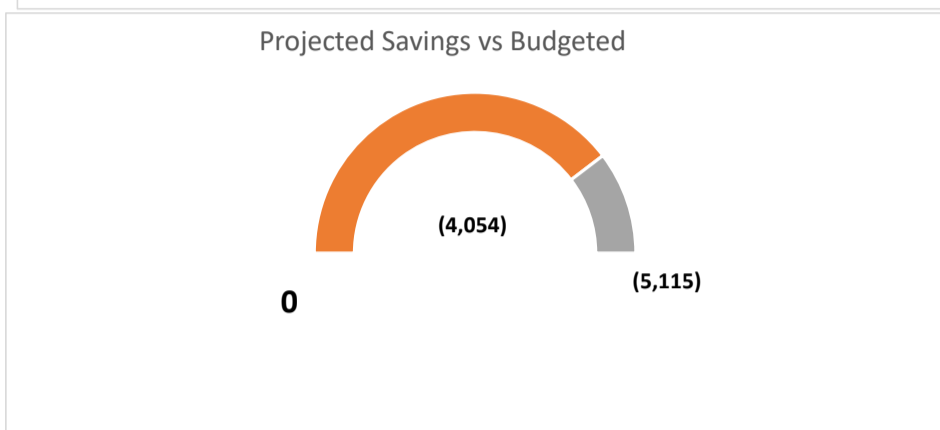
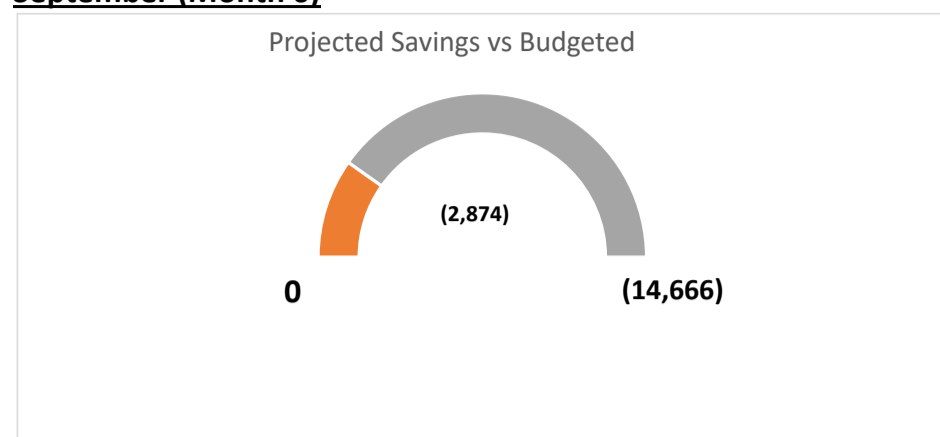
**ADULTS & HEALTH - SUMMARY**

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	(9,685)	(9,685)	0
On track, no issues	(2,475)	(2,710)	(235)
Some risk	(2,150)	(2,625)	(475)
High risk	(1,880)	(1,170)	710
Cancelled	0	0	0
<b>Total</b>	<b>(16,190)</b>	<b>(16,190)</b>	<b>0</b>

**Amber & Red Risk Areas**

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	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	(160)	(40)	120	LBS struggling to let contracts re low interest. One of three properties will have f.y.e. one, half year effect and one little impact next year. Detailed action plan can only be completed once details of works have been obtained. Shortfall will be contained within budget or via reserves as this is slippage and not non-delivery (JC 15/2/23). Spring Gardens complete Q1 23-4. Dolphin & Knowle Manor still to start but both will commence at the same time. Final quotes received and on-line with approved budget. Complete late autumn.
Budgeted Savings	BAU	Impact of telecare growth plan	Shona McFarlane	Some risk	(200)	(200)	0	0
Budgeted Savings	BAU	Invest to save proposal for Direct Payments Audit team	John Crowther	Some risk	(100)	(100)	0	only risk is seen as recruitment to the role. DDN approved and recruitment on-going.
Budgeted Savings	BAU	Invest to save proposal for Deputy and appointeeship's team	John Crowther	Some risk	(50)	(50)	0	only risk is seen as recruitment to the roles. DDN approved and recruitment on-going.
Budgeted Savings	SR	Strategic Review of Adult Social Work provision	Shona McFarlane	High risk	(1,120)	(830)	290	risk associated with social work and OT recruitment and therefore f.y.e. Aiming for new model to start May. Potential to be impacted by getting the service ready for the CQC inspection. At Q1 assume 25% non-delivery but in all likelihood could be more.
Budgeted Savings	BAU	Review mid-price range Learning Disability packages	Shona McFarlane	Some risk	(500)	(500)	0	0
Budgeted Savings	BAU	Develop a direct payment plan that is easy to administer for social workers to become the default option; will improve client contributions and reduce instances of incorrect billing	Shona McFarlane	Some risk	(200)	(200)	0	Plan shared with Max & Nyoka. Target setting session with front line social work and targets set for each team.
Budgeted Savings	BAU	Review of mental health placements (s117 health contribution)	Caroline Baria	Some risk	(100)	(75)	25	Alternative savings of £65k identified, Touchstone and their outreach offer which is expensive. WRAP?
Budgeted Savings	BAU	Individualisation of block contracts	Caroline Baria	High risk	(500)	(250)	250	Slow progress re individualisation of block contracts with Aspire and LYPFT. Assume 50% non-delivery Q1.
Budgeted Savings	BAU	Invest to save proposal for Home care - performance management	Caroline Baria	Some risk	(1,000)	(1,500)	(500)	Report approved to recruit 2 new staff. Expected to overachieve against BAP. Awaiting delivery from DIS of software to analyse Home Care provider data.
Budgeted Savings	BAU	Review supported bank account contract (direct payments)	Caroline Baria	High risk	(100)	(50)	50	contract renewal late than originally thought. Sum will be contained within budget - or use of reserves as this is slippage and not non-delivery

## September (Month 6)



## CHILDREN & FAMILIES - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	(212)	(212)	0
Some risk	(1,396)	(723)	673
High risk	(13,058)	(1,939)	11,119
Cancelled	0	0	0
<b>Total</b>	<b>(14,666)</b>	<b>(2,874)</b>	<b>11,792</b>

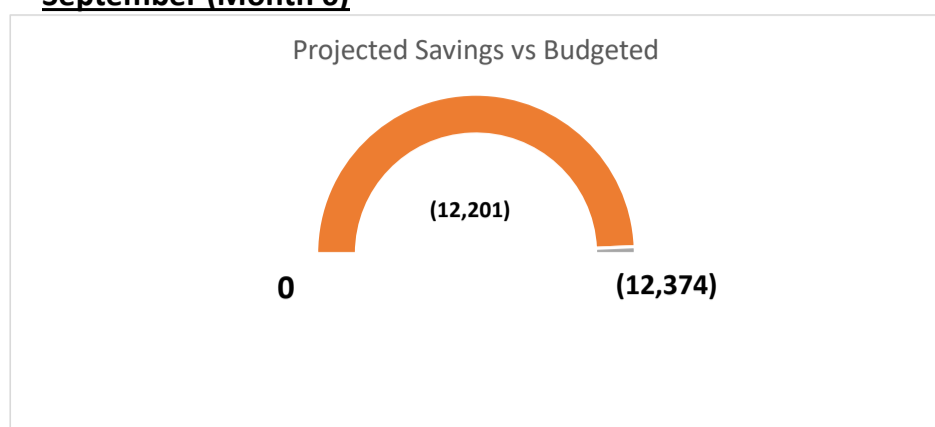
## CHILDREN & FAMILIES - Other Savings Measures

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	(3,915)	(3,915)	0
Some risk	0	0	0
High risk	(1,200)	(139)	1,061
Cancelled	0	0	0
<b>Total</b>	<b>(5,115)</b>	<b>(4,054)</b>	<b>1,061</b>

## Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted	SR	Diversifying children's residential and fostering provision	Farrah Khan	High risk	(3,479)	0	3,479	While the project still delivers savings over the longer term, the timing has changed and the original 23/24 savings are likely to be delivered later. This is to be cashflowed to reflect change in phasing of savings.
Budgeted	SR	Contracts: reduce costs and build on LCC's regional 'lead' role to maximise opportunities for income generation through additional investment in commissioning, contract management and placement reviews.	Phil Evans	High risk	(4,000)	(1,285)	2,715	Original savings plans assumed delivery of £4,750k savings with £750k investment in staffing. Savings plans are in place. However significant risk for delivery due to scale of savings and likely lead in period for delivery.
Budgeted	SR	Turning the curve – range of workstreams to reduce the forecast increase in Children Looked After number	Farrah Khan	High risk	(3,000)	0	3,000	Original plans required investment in an Edge of Care service to deliver the net savings of £3,000k. However this savings target overlaps with the fostering and residential plans, so is not expected to lead to additional savings in 23/24.
Budgeted	BAU	Transport: Including independent travel training, personal transport allowances, use of private hire, commissioning an external review	Tim Pouncey	some risk	(946)	(623)	323	High risk budget due to level of control over demand and inflation and data available for projections. Therefore savings could be overtaken by additional costs. However progress is being made by C&F and CEL on implementation of savings proposals.
Budgeted	SR	Review of Children's Centres and Commissioned Family Services	Farrah Khan	some risk	(450)	(100)	350	Unlikely the full £450k will be achieved in 23/24.
Budgeted	SR	Efficiencies in commissioned services through review of a range of contracts.	Phil Evans	High risk	(500)	(131)	369	Work ongoing to identify further savings
Budgeted	SR	Efficiencies across the Children & Families directorate, potentially including staffing reductions	Julie Longworth	High risk	(1,710)	(154)	1,556	Details being worked through, including a review of vacant posts
Budgeted	BAU	Staffing efficiencies: Social Care - Attendance and performance management	Farrah Khan	high risk	(369)	(369)	0	Reduced use of agency staff
Other	0	Little Owls	Farrah Khan	High risk	(1,200)	(139)	1,061	Review ongoing to identify savings

## September (Month 6)

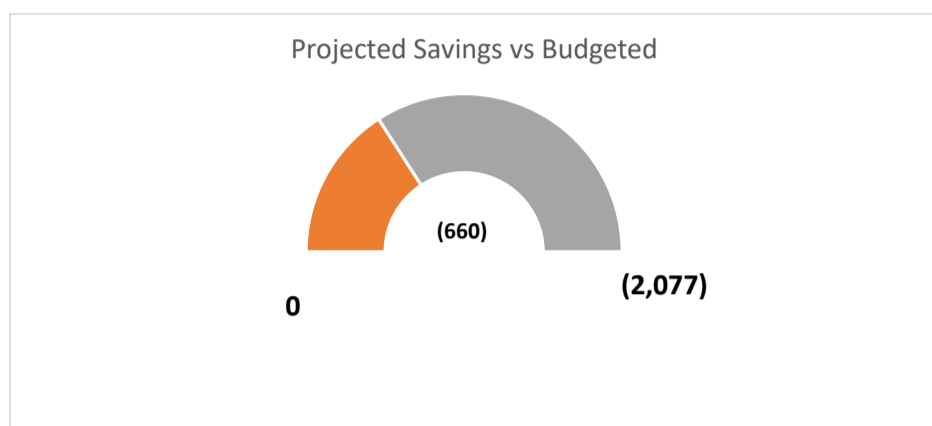


## CITY DEVELOPMENT - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	(3,760)	(3,760)	0
On track, no issues	(7,206)	(7,206)	0
Some risk	(1,408)	(1,235)	173
High risk	0	0	0
Cancelled	0	0	0
<b>Total</b>	<b>(12,374)</b>	<b>(12,201)</b>	<b>173</b>

## CITY DEVELOPMENT - Other Savings Measures

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	(630)	(630)	0
Some risk	0	0	0
High risk	(1,447)	(30)	1,417
Cancelled	0	0	0
<b>Total</b>	<b>(2,077)</b>	<b>(660)</b>	<b>1,417</b>

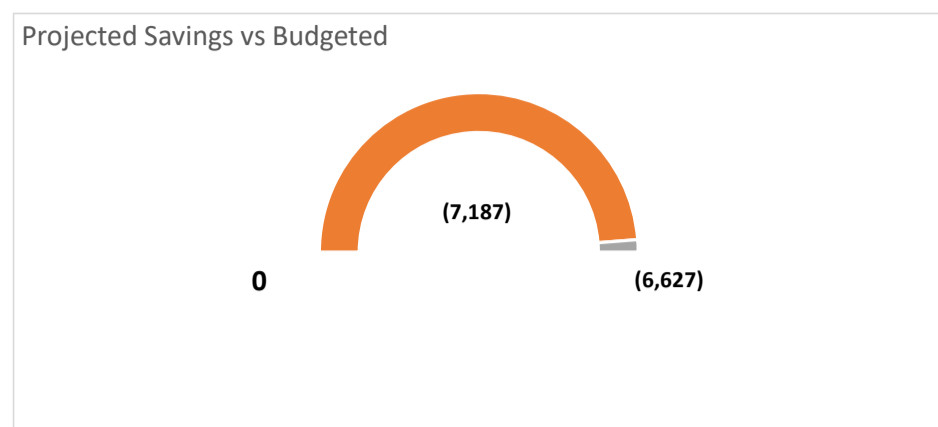


## Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted	BAU	1% increased vacancy provision	Phil Evans	Some risk	(677)	(677)	0	0
Budgeted	SR	Leeds Museums & Galleries Invest to Save: relocation of Café	Eve Roodhouse	Some risk	(90)	(67)	23	0
Budgeted	BAU	Additional income from new contractor framework implemented in 22/23	Gary Bartlett	Some risk	(25)	(25)	0	0
Budgeted	SR	Street Lighting: Adaptive lighting via a Central Management System (CMS)	Gary Bartlett	Some risk	(166)	(166)	0	0
Budgeted	BAU	Development Management - generation of additional income from pre-app advice service	David Feeney	Some risk	(100)	(50)	50	0
Budgeted	BAU	Strategic Planning - consultancy advice (e.g. to other local authorities)	David Feeney	Some risk	(50)	0	50	0
Budgeted	BAU	Building Control - additional income through providing expert technical services to other local authorities	David Feeney	Some risk	(50)	0	50	0
Budgeted	BAU	Planning & Levelling Up Bill: National fees	David Feeney	Some risk	(250)	(250)	0	0
Other	BAU	Estate Rationalisation	Angela Barnicle	High risk	(583)	(30)	553	0
Other	BAU	Strategic Investment Fund	Angela Barnicle	High risk	(664)	0	664	0
Other	BAU	Contractor Procurement Framework	Gary Bartlett	High risk	(200)	0	200	0

**September (Month 6)**

**COMMUNITIES, HOUSING & ENVIRONMENT - SUMMARY**



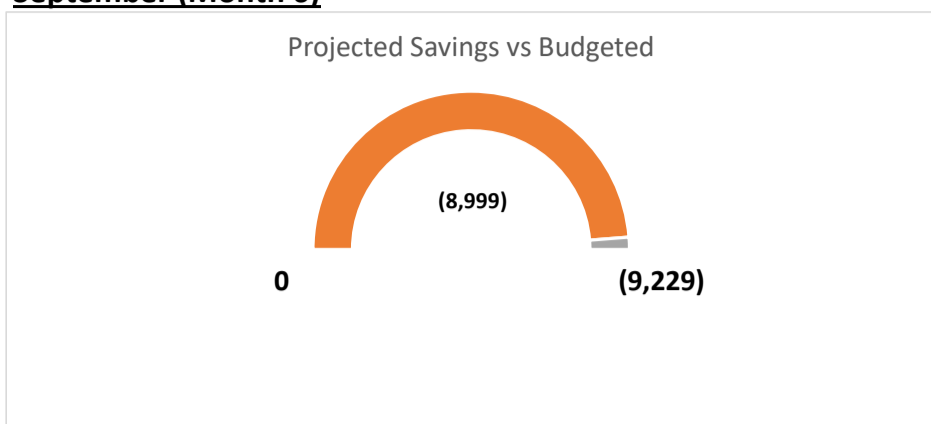
RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	(922)	(922)	0
On track, no issues	(4,108)	(5,408)	(1,300)
Some risk	(857)	(857)	0
High risk	(740)	0	740
Cancelled	0	0	0
<b>Total</b>	<b>(6,627)</b>	<b>(7,187)</b>	<b>(560)</b>

**Amber & Red Risk Areas**

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted	BAU	Parks attractions income	Polly Cook	Some risk	(192)	(192)	0	Attractions income is trending towards a pressure at Lotherton where £100k of budgeted savings targeted. However café income is projected to exceed the budget at the three sites with attraction income.
Budgeted	BAU	Benefits - Subsidy - target Supported Accommodation	Lee Hemsworth	Some risk	(600)	(600)	0	Action plan in place with the aim is to reduce or maintain existing pressure. However this is dependent on scale of new growth in legitimate supported accommodation claims. £350k delivered at period 4. No additional progress identified at P5 although measures still continue to be implemented
Budgeted	BAU	Community Centres - strategy to reduce the current subsidy to nil	Lee Hemsworth	Some risk	(32)	(32)	0	Amended charges have been approved - one major client (LCHT) and dependant upon them accepting the increase.
Budgeted	BAU	Recycling Disposal costs	Paul Money	Some risk	(33)	(33)	0	Reduced income. Consideration as to whether Net Nil strategy is right. Linked to wider locality asset review.
Budgeted	BAU	Review existing fees and charges beyond those assumed within the MTFS: Increase charge for replacement bins and Weighbridge	John Woolmer	High risk	(740)	0	740	The risk of significant volatility of market price of recycling income was is known when the budget was set. All disposal budgets are monitored each month and due to a reduction in the market price of recyclable materials the actions plan does not look like it will be achieved in 2023/24. This cost pressure has been partially offset by £238k of additional income on the recycling contract prices from October 2023.



## September (Month 6)



## STRATEGY & RESOURCES - SUMMARY

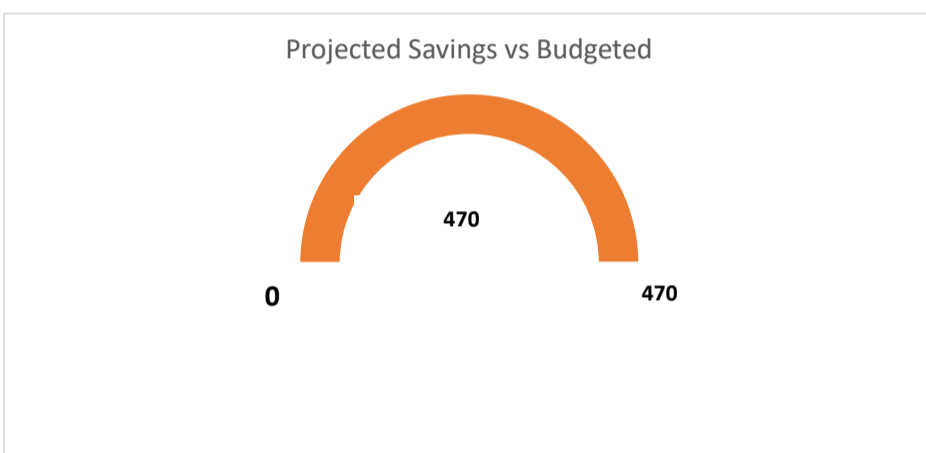
RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	(115)	(115)	0
On track, no issues	(2,893)	(2,893)	0
Some risk	(5,991)	(5,991)	0
High risk	(230)	0	230
Cancelled	0	0	0
<b>Total</b>	<b>(9,229)</b>	<b>(8,999)</b>	<b>230</b>

## Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted	BAU	Additional LBS turnover as a result of capital work in the civic estate	Sarah Martin	Some risk	(1,500)	(1,500)	0	Will need to ensure future years' capital programme provision is recurrent in order to sustain the surplus.
Budgeted	BAU	Corporate Property Management - Various initiatives including: maximising Salix funding & review of building maintenance funding.	Sarah Martin	Some risk	(250)	(250)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Cleaning / Facilities Management/Security: Review of cleaning materials procurement, pricing, Presto offer and insourcing.	Sarah Martin	Some risk	(200)	(200)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Catering: Before and After School Clubs, target increased take up, review high school offer to include cross border training, procurement.	Sarah Martin	Some risk	(165)	(165)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Fleet Services' efficiencies: including reduction in maintenance spend, introduction of new vehicle types, greater utilisation of existing fleet and an enhanced focus on supplier spend and emerging markets.	Sarah Martin	Some risk	(488)	(488)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	CEL Increased Productivity	Sarah Martin	Some risk	(345)	(345)	0	0
Budgeted	BAU	Cleaning/Facilities Management/Security - Increased productivity	Sarah Martin	Some risk	(30)	(30)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Civic Flavour - Armley Sports Centre Café	Sarah Martin	Some risk	(20)	(20)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Civic Flavour - Weddings	Sarah Martin	Some risk	(20)	(20)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Staffing efficiencies: CEL: Corporate Property Management / Facilities Management	Sarah Martin	Some risk	(163)	(163)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Commercial Services: Improving attendance	Sarah Martin	Some risk	(225)	(225)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Passenger Transport: Improving attendance	Sarah Martin	Some risk	(110)	(110)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Passenger Transport: Review all routes to ensure contracted hours aligned with routes to give maximum efficiency	Sarah Martin	Some risk	(75)	(75)	0	To be regulary reviewed as part of ongoing internal budget strategy review.
Budgeted	BAU	Staffing efficiencies: Finance	Victoria Bradshaw	Some risk	(414)	(414)	0	0
Budgeted	BAU	Staffing efficiencies: Human Resources	Andy Dodman	Some risk	(440)	(440)	0	0

Budgeted	BAU	Staffing efficiencies: Integrated Digital Services: additional 2% vacancy factor	Leonardo Tantari	Some risk	(500)	(500)	0	Both IDS DAPs to be consolidated into one.
Budgeted	SR	Review of Network Management Centre	Leonardo Tantari	Some risk	(370)	(370)	0	This is a full year's cost - any delay will be mitigated by further IDS vacancy factors.
Budgeted	BAU	BSC Shared Cost Salary Sacrifice- This would generate Employer NI savings (as well as savings for the individual).	Andy Dodman	High risk	(80)	0	80	0
Budgeted	BAU	Staffing efficiencies: Business Support Centre	Gemma Taskas	Some risk	(276)	(276)	0	0
Budgeted	BAU	Staffing efficiencies: Contact Centre	Gemma Taskas	Some risk	(125)	(125)	0	0
Budgeted	BAU	Staffing efficiencies: Business Administration Service: additional 2% vacancy factor	Gemma Taskas	Some risk	(275)	(275)	0	0
Budgeted	BAU	Communications & Marketing: Synergies from a co-ordinated approach to marketing and promotion	Jane Maxwell	High risk	(150)	0	150	0

### September (Month 6)



### STRATEGIC - SUMMARY

RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	470	470	0
Some risk	0	0	0
High risk	0	0	0
Cancelled	0	0	0
<b>Total</b>	<b>470</b>	<b>470</b>	<b>0</b>

### Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	RAG Status	Budgeted Savings £'000s	Achieved Savings to date £'000s	Savings Achieved %	Including mitigating actions for Reds & Ambers

2023/24 - Expenditure funded through Flexible Use of Capital Receipts							Appendix A3		
Quarter 2 (Month 6)									
Project Description	Directorate	HOFs/ Contact	Planned Spend	Projected Spend	Variation to	Planned Savings	Projected Savings	Variation to	
			2023/24	2023/24	Planned Spend	2023/24	2023/24	Planned Savings	
			£m	£m	£m	£m	£m	£m	
Adults and Health Service Transformation team (including management) supporting the delivery of key projects	Adults & Health	Alun Ellis	1.98	1.70	(0.28)	(4.00)	(4.00)	0.00	
Adults and Health - specific IDS staff supporting transformation.	Adults & Health	Alun Ellis	0.10	0.10	0.00	0.00	0.00	0.00	
Adults - Service Transformation- Chief Officer	Adults & Health	Alun Ellis	0.24	0.24	0.00	0.00	0.00	0.00	
Children& Families transformation team	Children & Families	Lucie McAulay	1.40	1.40	0.00	0.00	0.00	0.00	
IDS - Highways Enterprise Architecture system	City Development	Michael Everitt	0.63	0.63	0.00	0.00	0.00	0.00	
Providing resources to deliver transformation activity within the Communities Directorate	Communities, Housing & Environment	Kevin Mulvaney	0.12	0.00	(0.12)	(0.12)	0.00	0.12	
IDS - Driving a digital approach across the Council	Strategy & Resources	Patrick McGuckin	0.50	0.50	0.00	(0.50)	(0.50)	0.00	
IDS - Planned recruitment of specialists supporting the delivery of key projects across the Authority	Strategy & Resources	Patrick McGuckin	4.98	4.98	0.00	0.00	0.00	0.00	
Council Tax Atomisation-digitising transactional activity	Strategy & Resources	Patrick McGuckin	0.13	0.13	0.00	0.00	0.00	0.00	
PACS staff delivering innovative solutions to realise Procurement savings	Strategy & Resources	Patrick McGuckin	0.81	0.81	0.00	0.00	0.00	0.00	
CEL staff time spent on Transformational projects	Strategy & Resources	Patrick McGuckin	0.10	0.10	0.00	(1.53)	(1.53)	0.00	
BSC - Staff who supporting the delivery of system changes within the Shared Services.	Strategy & Resources	Patrick McGuckin	0.47	0.47	0.00	0.00	0.00	0.00	
IDS - Additional funding for driving a digital approach across the Council	Strategy & Resources	Patrick McGuckin	0.70	0.70	0.00	0.00	0.00	0.00	
LBS - Service Transformation - supporting the delivery of various projects	Strategy & Resources	Patrick McGuckin	0.24	0.24	0.00	0.00	0.00	0.00	
Legal - Staff supporting the Delivery of DAT (Documents and Time recording system)	Strategy & Resources	Patrick McGuckin	0.06	0.06	0.00	0.00	0.00	0.00	
Corporate Transformation Capacity Team	Strategy & Resources	Patrick McGuckin	0.52	0.52	0.00	0.00	0.00	0.00	
Recruiting to the structure of Corporate Transformation Capacity Team	Strategy & Resources	Patrick McGuckin	0.10	0.10	0.00	0.00	0.00	0.00	
LBS Work Streams	Strategy & Resources	Patrick McGuckin	0.27	0.27	0.00	0.00	0.00	0.00	
Additional PACS staff to support transformation projects across the Council	Strategy & Resources	Patrick McGuckin	0.63	0.63	0.00	0.00	0.00	0.00	
Statutory redundancy payments	Strategic/ Corporate	Naomi Eastwood	1.40	1.40	0.00	(1.40)	(1.40)	0.00	
Driving a digital approach to the delivery of Core Business Transformation Programme	Strategic/ Corporate	Mark Barrett	10.00	9.33	(0.67)	0.00	0.00	0.00	
<b>Total</b>			<b>25.36</b>	<b>24.30</b>	<b>(1.06)</b>	<b>(7.54)</b>	<b>(7.43)</b>	<b>0.12</b>	

## Capital Programme 2023/24 to 2027/28 – Quarter 2

### What is this report about?

- 1 The purpose of the report is to provide Members with an update on the capital programme as at quarter 2, including updates on capital resources and progress on spend.

### Overall Capital Programme 2023/24 – 2027/28

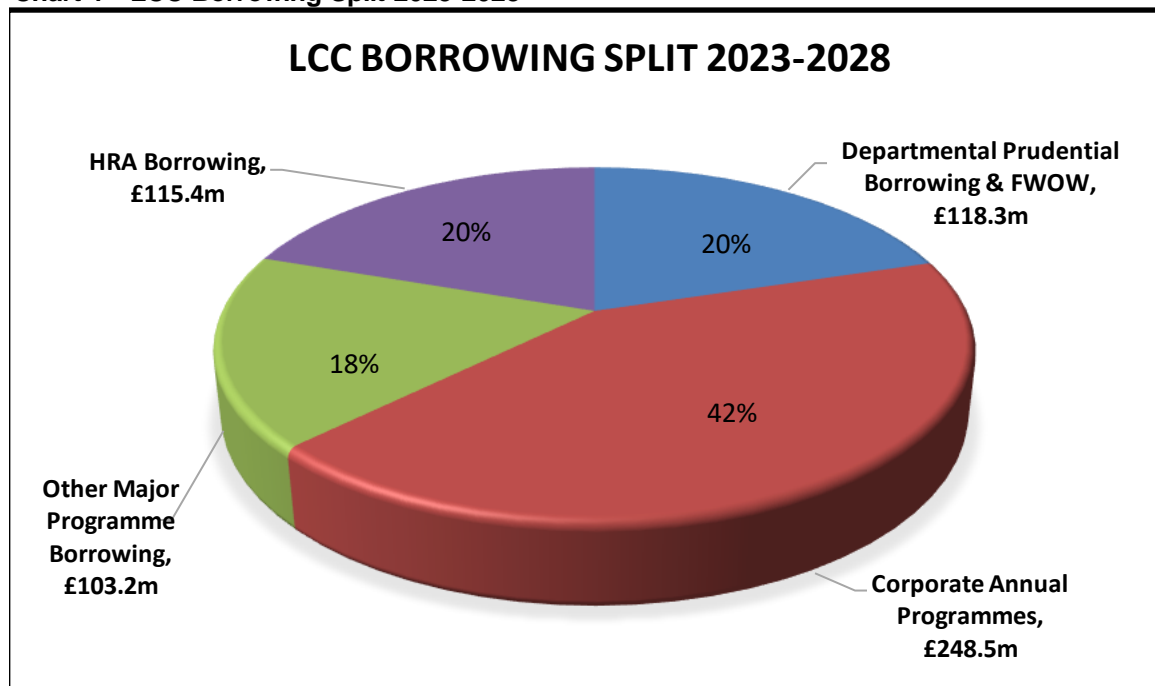
- 2 Table 1 shows the revised capital programme for 2023/24 to 2027/28 as at quarter 2. It totals £1,622.5m, a decrease of £16.4m since the Q1 Capital Programme Update report was reported to July 2023 Executive Board. The decrease relates to:
  - a reduction in the HRA of -£45.7m; primarily relating to a reduction in the Housing Leeds Programme (-£51.0m) following a review of the overall affordability of the HRA - the reduction in capital investment has allowed resources to be redirected to fund revenue void and responsive repairs, offset by an increase in secured grants and matched funding (+£5.3m).
  - An increase in the General Fund of +£ 29.3m; primarily relating to additional secured external funding; +£15.3m for Active Travel Tranche 3 and 4 Schemes, +£6.4m for Public Sector Decarbonisation Schemes, +£6.2m School Schemes.

**Table 1 - Restated Capital Programme as at Quarter 2 2023/24 to 2027/28**

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
Forecast Expenditure	<b>461.4</b>	<b>522.1</b>	<b>308.1</b>	<b>206.1</b>	<b>124.8</b>	<b>1,622.5</b>
<b>Funded By;</b>						
Borrowing	150.0	212.3	110.4	73.0	39.7	<b>585.4</b>
Government Grants	165.7	179.5	87.0	57.6	16.2	<b>506.0</b>
Gen Fund Capital Receipts	23.9	14.7	10.4	0.0	0.0	<b>49.0</b>
Other Grants & Contributions	30.9	8.6	10.7	2.1	0.8	<b>53.1</b>
HRA Self Financing	51.8	58.7	56.9	57.0	55.3	<b>279.7</b>
HRA Right to Buy Receipts	39.1	48.3	32.7	16.4	12.8	<b>149.3</b>
<b>Total Forecast Resources</b>	<b>461.4</b>	<b>522.1</b>	<b>308.1</b>	<b>206.1</b>	<b>124.8</b>	<b>1,622.5</b>

- 3 The programme is further analysed between General Fund and HRA. The General Fund capital programme currently stands at £1,063.5m across the five years 2023/24 to 2027/28. It provides for investment in improved facilities and infrastructure and also has an impact on the Leeds economy through supporting jobs, income, and business throughout the city. The HRA capital programme provides for capital investment of £559.0m.
- 4 The overall level of borrowing required to fund the 2023-28 capital programme is £585.4m, a decrease of £0.6m since the Q1 report. This level of borrowing remains affordable within available resources identified in the Medium Term Financial Strategy. Borrowing of £482.2m (82%) relates to capital expenditure that is funded by additional income, generates revenue savings or ensures that our assets are maintained to an acceptable standard. The remaining £103.2m (18%) supports the Best City Ambition objectives. The split of LCC borrowing for the full programme is shown in the pie chart below.

Chart 1 - LCC Borrowing Split 2023-2028



- 5 Capital priorities were set out as part of the February 2023 budget process and the capital programme approved in February 2023 is structured to show schemes under these priorities. This is summarised in **Appendix B1**, with an analysis across Annual and Major Programmes provided at **Appendix B1 (i)** and **Appendix B1 (ii)**.
- 6 **Appendix B1 (iii)** details a net increase in funding of £87.2m since the approval of the Capital Programme in February 2023 and the specific injections this report seeks which total £22,526.9k:
- £15,325.8k of grant funding from West Yorkshire Combined Authority (WYCA) for Active Travel Tranche 3 and 4 Schemes;
  - £3,998.0k of DFE Post 16 Capacity Fund Grant for Pudsey Grammar School;
  - £1,474.8k of Disabled Facilities Grant re Additional Allocations for 23-24 and 24-25; and
  - £1,728.3k of other secured external funding contributions.

### Capital Programme 2023/24 Update

- 7 The latest capital programme resources position for General Fund and HRA in 2023/24 is shown in Table 2.

Table 2 - Capital Resources Position 2023/24

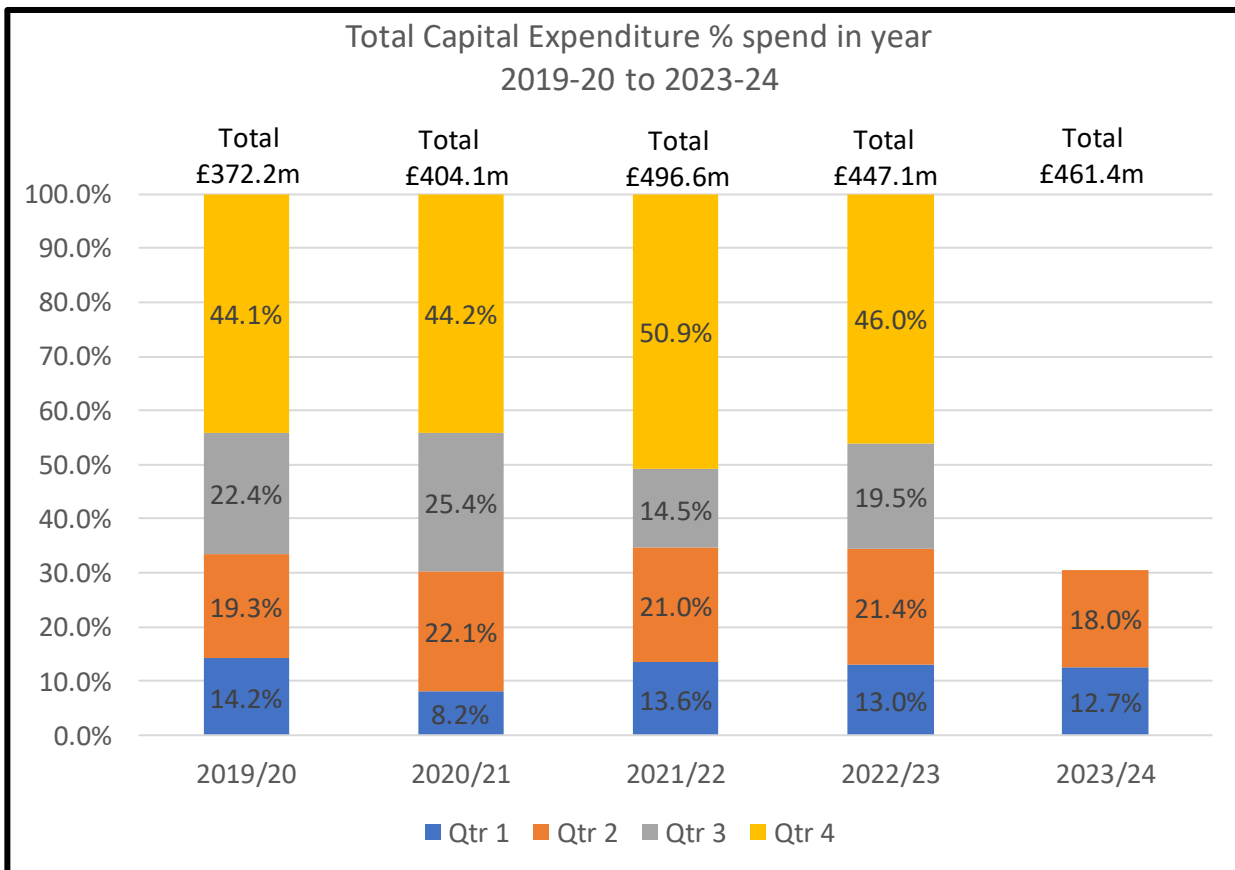
	2023/24				
	February 2023 Capital Programme £m	Restated Capital Programme as at 2022/23 Outturn £m	Capital Programme Q1 £m	Capital Programme Q2 - This Report £m	Variance - This Report to Q1 £m
Forecast Expenditure	518.8	517.4	496.7	461.4	(35.3)
<b>Funded By;</b>					
Borrowing	173.6	193.6	182.4	150.0	(32.4)
Government Grants	189.2	175.4	176.2	165.7	(10.5)
Gen Fund Capital Receipts	19.2	19.8	18.5	23.9	5.4
Other Grants & Contributions	29.5	27.4	29.1	30.9	1.8
HRA Self Financing	65.2	64.6	51.3	51.8	0.5
HRA Right to Buy Receipts	42.1	36.6	39.2	39.1	(0.1)
<b>Total Forecast Resources</b>	<b>518.8</b>	<b>517.4</b>	<b>496.7</b>	<b>461.4</b>	<b>(35.3)</b>

- 8 Table 2 shows that since the Q1 report there has been a decrease of £35.3m from £496.7m to £461.4m in the overall programme to be delivered in 2023/24. This has reduced the use of

borrowing in 23/24 by £32.4m and Government Grants by £10.5m, offset by an increase in the use of General Fund Capital Receipts of £5.4m for Transformational Change. There has been significant reprofiling to the following Major Programmes since Q1; LUF - Connecting West Leeds -£9.3m, Parks & Countryside Schemes -£8.9m, Leeds Integrated Station Masterplan - £7.2m, Morley Town Fund -£5.5m, Kirkgate Market Strategy -£4.2m.

- 9 The level of borrowing has decreased by £32.4m since the Q1 Report. The 2023/24 revenue debt budget is currently projected to underspend by £200.0k as a result of higher than predicted increases in interest rates offset by the lower overall external borrowing requirement and larger than anticipated revenue balances available to defray external borrowing.
- 10 Chart 2 shows the rate of spend compared to previous years. Spend at quarter 2, having been adjusted for unmatched accruals, of £141.1m (30.7%) is low compared with most financial years (2020/21 spend was affected by the initial Covid pandemic lockdown). The current 2023/24 programme value of £461.4m is also high compared with previous years outturn positions (apart from 2021/22). The rate of spend will be closely monitored to challenge the need for programme slippage.

**Chart 2 - Percentage Spend Rates per Quarter**



- 11 In line with the Capital Receipts Incentive Scheme (CRIS), **Appendix B2** details the additional CRIS allocations to wards and community committees for the period April 2023 to September 2023 of £144.1k and identifies a total balance available of £2,529.8k. A further CRIS injection will be made at final outturn for October 2023 to March 2024 disposals.
- 12 Members will note that there are other reports with capital implications elsewhere on the agenda.

**Capital Programme Review**

- 13 The annual Capital Programme Review process considers the affordability of the programme and the capital spending requirements over a 10 year time period, better reflecting a more coordinated approach to capital investment requirements whilst ensuring that affordability

remains within the Medium Term Financial Strategy. Executive Board considered the ['Medium Term Financial Strategy 2024/25 – 2028/29'](#) report, which included specific details of the review process, at its September 2023 meeting (details at section 3.1 of the linked document)..

- 14 The review has been undertaken under the direction of the Best Council Team - Strategic Investment Board with final approval to be sought from Executive Board and Full Council in February 2024. Savings proposals to address the current Financial Challenge are also being reviewed to ensure that any interdependencies between capital and revenue are given due consideration.
- 15 The 10 year plan identifies annual programmes across the Council that aim to provide investment in assets to ensure that the Council can continue to operate effectively. The updated 10 year plan is attached at **Appendix B3**. It currently identifies the need to inject £12,646.4k to current annual programmes covering the period 2023/24 to 2026/27 and £66,422.0k to roll forward annual programmes into 2027/28.

### **Community Infrastructure Levy (CIL) Strategic Fund**

- 16 The demand for infrastructure across Leeds is inevitably wide ranging. The Community Infrastructure Levy (CIL) provides one component that contributes to the delivery of infrastructure within Leeds. Executive Board (February 2015), made key decisions around spending of future CIL income, directing it into two main funding streams, a Strategic Fund and a Neighbourhood Fund, plus up to 5% for administrative costs. National planning policy sets out a requirement for Local Authorities to publish an annual Infrastructure Funding Statement (IFS). The IFS sets out current spending details relating to CIL and developer contributions received via Section 106 Agreements, as well as forthcoming infrastructure priorities. The strategy proposed by Strategic Investment Board is to utilise Strategic CIL funding as matched funding contributions for Strategic Highways and Transportation Schemes.
- 17 There are some Strategic Highways and Transportation Schemes within the capital programme with existing matched funding contributions. CIL funding could be utilised for these, allowing resources to be redirected to release Leeds Borrowing to deal with any unforeseen circumstances, ensure sufficient resources are available to fund the capital programme or contribute savings to the overall Financial Challenge by reducing calls on the revenue debt budget.

	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£000	£000	£000	£000	£000	£000
<b>EXPENDITURE</b>						
<b>GENERAL FUND (GF)</b>						
IMPROVING OUR ASSETS	137,849	195,205	90,782	60,387	21,763	505,986
INVESTING IN MAJOR INFRASTRUCTURE	72,028	39,601	18,241	9,182	0	139,051
SUPPORTING SERVICE PROVISION	40,254	38,938	22,925	16,946	3,233	122,296
INVESTING IN NEW TECHNOLOGY	13,391	6,653	4,214	3,300	0	27,558
SUPPORTING THE LEEDS ECONOMY	14,140	27,590	11,171	5,268	691	58,860
CENTRAL & OPERATIONAL EXPENDITURE	53,499	51,563	40,900	32,855	30,961	209,778
<b>TOTAL ESTIMATED SPEND ON GF</b>	<b>331,160</b>	<b>359,549</b>	<b>188,234</b>	<b>127,938</b>	<b>56,649</b>	<b>1,063,528</b>
<b>HOUSING REVENUE ACCOUNT (HRA)</b>						
IMPROVING OUR ASSETS - COUNCIL HOUSING	130,256	162,505	119,899	78,173	68,186	559,018
<b>TOTAL ESTIMATED SPEND ON HRA</b>	<b>130,256</b>	<b>162,505</b>	<b>119,899</b>	<b>78,173</b>	<b>68,186</b>	<b>559,018</b>
<b>TOTAL ESTIMATED SPEND</b>	<b>461,415</b>	<b>522,053</b>	<b>308,132</b>	<b>206,111</b>	<b>124,835</b>	<b>1,622,546</b>
<b>RESOURCES</b>						
<b>GENERAL FUND (GF)</b>						
<b>Specific Resources</b>						
GOVERNMENT GRANTS	155,651	178,747	87,006	57,617	16,207	495,229
OTHER GRANTS & CONTRIBUTIONS	27,160	8,552	10,651	2,164	822	49,349
RCCO / RESERVES	-49	0	0	0	31	-18
CAPITAL RECEIPTS - Transformational Change	23,900	14,711	10,380	0	0	48,992
<b>Corporate Resources</b>						
BORROWING - Corporate	102,195	130,205	68,243	65,317	37,543	403,503
BORROWING - Departmental	22,302	27,333	11,953	2,840	2,045	66,474
<b>CAP. RESOURCES REQD FOR GF</b>	<b>331,160</b>	<b>359,549</b>	<b>188,234</b>	<b>127,938</b>	<b>56,649</b>	<b>1,063,528</b>
<b>HOUSING REVENUE ACCOUNT (HRA)</b>						
<b>Specific Resources</b>						
HRA SELF FINANCING	51,819	58,665	56,944	57,019	55,300	279,747
R.T.B. CAPITAL RECEIPTS	39,102	48,325	32,736	16,350	12,821	149,334
GOVERNMENT GRANTS	10,068	705	0	0	0	10,773
RCCO / RESERVES	0	0	0	0	0	0
OTHER GRANTS & CONTRIBUTIONS	3,765	0	0	0	0	3,765
BORROWING - Departmental	25,502	54,810	30,219	4,804	65	115,399
<b>CAP. RESOURCES REQD FOR HRA</b>	<b>130,256</b>	<b>162,505</b>	<b>119,899</b>	<b>78,173</b>	<b>68,186</b>	<b>559,018</b>
<b>TOTAL CAP. RESOURCES REQD</b>	<b>461,415</b>	<b>522,053</b>	<b>308,132</b>	<b>206,111</b>	<b>124,835</b>	<b>1,622,546</b>
<b>BORROWING REQUIRED TO FUND THIS PROGRAMME</b>						
	<b>149,998</b>	<b>212,348</b>	<b>110,415</b>	<b>72,961</b>	<b>39,654</b>	<b>585,376</b>
Average Interest rate (subject to change)	<b>5.25%</b>	<b>4.50%</b>	<b>3.50%</b>	<b>3.50%</b>	<b>3.50%</b>	



## Annual Programmes

## Appendix B1 (i)

	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£000	£000	£000	£000	£000	£000
<b>Improving Our Assets</b>						
Highways Maintenance	26,263	25,506	24,028	20,894	0	96,691
Corporate Property Management	8,849	11,500	6,500	6,500	5,000	38,349
Highways Bridges & Structures Maintenance	7,513	5,805	4,705	5,429	0	23,452
Section 278	2,550	7,388	3,214	4,050	0	17,203
Highways Maintenance Capitalisations	3,700	2,800	1,800	900	0	9,200
Climate Emergency	1,055	850	900	950	0	3,755
Demolition Programme	401	500	500	0	0	1,401
Library Books	450	300	200	100	0	1,050
Sports Maintenance	137	100	100	100	0	437
	50,917	54,750	41,948	38,923	5,000	191,538
<b>Supporting Service Provision</b>						
Telecare ASC	600	1,117	600	600	0	2,917
Adaptation to Private Homes	647	470	470	470	0	2,057
Childrens Centres	146	90	50	50	40	376
	1,393	1,677	1,120	1,120	40	5,350
<b>Investing In New Technology</b>						
Digital Development	4,620	3,000	2,500	2,500	0	12,620
Essential Services Programme	6,623	3,100	1,700	800	0	12,223
	11,243	6,100	4,200	3,300	0	24,843
<b>Supporting The Leeds Economy</b>						
Project Support Fund - Groundwork	70	70	70	70	70	350
<b>Central &amp; Operational Expenditure</b>						
Vehicle Programme	10,773	18,815	13,241	16,508	22,530	81,867
PFI Lifecycle Capitalisations	11,980	12,895	13,395	13,504	0	51,774
Transformational Change	14,568	10,504	10,380	0	0	35,452
General Capitalisations	3,300	2,700	1,800	900	0	8,700
Capital Programme Management	541	541	541	543	0	2,167
Capitalisation of Interest	600	500	142	0	0	1,243
	41,762	45,956	39,500	31,455	22,530	181,203
<b>Total Annual Programmes 2023-2028</b>	<b>105,385</b>	<b>108,552</b>	<b>86,838</b>	<b>74,868</b>	<b>27,640</b>	<b>403,283</b>

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
<b>Improving our assets - Council Housing</b>						
HRA Housing Leeds & BITMO & Other	76,334	74,367	70,733	69,971	68,078	359,484
HRA Council Housing Growth Programme	53,921	88,138	49,166	8,201	108	199,534
<b>Improving our assets - General Fund</b>						
Capital Maintenance / School Condition Allocation	5,168	5,132	7,091	6,866	13,582	37,838
City Centre Package & Armley Gyrratory	22,272	10,142	0	0	0	32,414
Strategic Investment Fund Acquisitions	200	11,216	10,364	0	0	21,780
Parks & Countryside Schemes	9,606	10,226	728	478	606	21,645
Highways Transport Package	8,735	4,735	3,860	3,860	0	21,190
A660 Woodhouse Lane Gateway (Uni)	960	8,225	8,225	3,025	0	20,435
LUF - Connecting West Leeds	7,397	11,755	0	0	0	19,152
Parklife Programme	682	16,034	0	0	0	16,715
Leeds Town Hall Restoration / Other Heritage Assets	4,626	12,010	0	0	0	16,636
Corridor Improvement Programme (CIP)	4,197	10,454	460	0	0	15,111
Beckett Street Bus Priority Transformation	1,246	6,250	5,250	2,250	0	14,996
Fearnville Wellbeing Centre	913	9,000	3,000	0	0	12,913
Devolved Formula Capital Grant	2,661	2,578	1,478	1,478	2,337	10,534
A6110 Elland Road South Churchwell Hill	577	1,034	5,312	1,087	0	8,010
Streetlighting Replacement LEDs	5,492	2,500	0	0	0	7,992
Dawsons Corner & Staningley Bypass	2,409	4,000	0	0	0	6,409
Creating Healthier Streets, Spaces & Communities	189	825	2,695	2,420	50	6,179
Assisted Living Leeds	481	5,659	0	0	0	6,140
Community Hubs Programme	1,208	1,200	0	0	0	2,408
Future Ways of Working and Estate Realisation	329	0	0	0	0	329
Other smaller schemes within the objective	7,585	7,480	372	0	189	15,625
	217,187	302,960	168,734	99,637	84,949	873,466
<b>Investing in Major Infrastructure</b>						
Leeds Integrated Station Masterplan	13,267	21,186	12,610	0	0	47,063
Sustainable Active Travel	11,984	10,449	4,952	0	0	27,385
Flood Alleviation Schemes	20,280	5,686	525	525	0	27,017
Decarbonisation Programme & Energy Efficiency	14,814	75	75	499	0	15,463
Clean Air Zone	567	0	0	8,158	0	8,725
Other smaller schemes within the objective	11,115	2,205	79	0	0	13,399
	72,028	39,601	18,241	9,182	0	139,051
<b>Supporting Service Provision</b>						
Learning Places Programme / Basic Need Grant	22,280	25,399	12,376	3,538	751	64,344
Private Sector Renewal - Adaptations / Equity Loans	10,696	9,132	8,564	8,564	1,633	38,589
Childrens Homes	3,402	1,709	50	0	0	5,161
Other smaller schemes within the objective	2,484	1,020	815	3,724	810	8,852
	38,861	37,261	21,805	15,826	3,193	116,946
<b>Investing in New Technology</b>						
Other smaller schemes within the objective	2,148	553	14	0	0	2,715
	2,148	553	14	0	0	2,715
<b>Supporting the Leeds Economy</b>						
Morley Town Fund	2,870	11,212	9,019	0	0	23,102
Kirkgate Market Strategy	2,246	6,353	855	0	0	9,453
British Library at Temple Works	500	4,500	0	0	0	5,000
East of Otley Relief Road	375	0	0	4,218	0	4,593
Local Centres Programme & THI	2,745	1,440	0	0	0	4,185
Other smaller schemes within the objective	5,334	4,016	1,227	980	621	12,178
	14,070	27,520	11,101	5,198	621	58,510
<b>Central &amp; Operational Expenditure</b>						
General Contingencies	1,631	1,400	1,400	1,400	8,431	14,262
Core Systems Review	9,333	4,207	0	0	0	13,540
Other smaller schemes within the objective	774	0	0	0	0	774
	11,737	5,607	1,400	1,400	8,431	28,575
<b>Total Major Programmes &amp; Other Directorate schemes</b>	<b>356,030</b>	<b>413,501</b>	<b>221,295</b>	<b>131,242</b>	<b>97,195</b>	<b>1,219,263</b>
<b>Annual Programmes - See Appendix B1 (i)</b>	<b>105,385</b>	<b>108,552</b>	<b>86,838</b>	<b>74,868</b>	<b>27,640</b>	<b>403,283</b>
<b>Total Annual &amp; Major Programmes</b>	<b>461,415</b>	<b>522,053</b>	<b>308,132</b>	<b>206,111</b>	<b>124,835</b>	<b>1,622,546</b>

	Corporate Borrowing £000	Borrowing Supported by Revenue £000	Specific Resources £000	Total Resources £000
WYCA Grant Injections re Active Travel Tranche 3 and 4 Schemes			15,325.8	15,325.8
DFE Post 16 Capacity Fund Grant Injection re Pudsey Grammar School			3,998.0	3,998.0
Disabled Facilities Grant Injection re Additional Allocations for 23-24 and 24-25			1,474.8	1,474.8
S106 and Other External Injections to Various Highways Schemes			853.3	853.3
Additional CRSTS Grant Injection re UTMC Telecoms Infrastructure			625.0	625.0
Network Rail injection re Morley Town Fund			250.0	250.0
<b>Net Injections sought as part of this report</b>	<b>0.0</b>	<b>0.0</b>	<b>22,526.9</b>	<b>22,526.9</b>
Net Injections with approvals in place	13,565.9	11,997.8	43,053.8	68,617.5
<b>Total Net Injections in place since February 2023</b>	<b>13,565.9</b>	<b>11,997.8</b>	<b>65,580.7</b>	<b>91,144.4</b>
Slippage Movements as at 2022/23 Outturn				-3,982.1
<b>Net Increase in funding since February 2023 to September 2023</b>				<b>87,162.3</b>

Ward Based Initiative (WBI) Allocations							
	Initial WBI Allocation from 2008	Total CRIS Injection to Mar '23	CRIS Injection Apr '23 - Sep '23	Total WBI Allocation	Spent / Committed (as at Sep '23)	Total Balance Available	Scheme ref
	£000	£000	£000	£000	£000	£000	
ADEL AND WHARFEDALE	40.0	107.7	0.0	147.7	57.1	90.6	14236\ADL\000
ALWOODLEY	40.0	95.9	0.0	135.9	135.9	0.0	14236\ALW\000
ARDSLEY AND ROBIN HOOD	40.0	57.0	0.0	97.0	75.8	21.2	14236\ARD\000
ARMLEY	40.0	167.5	1.4	208.9	127.8	81.1	14236\ARM\000
BEESTON AND HOLBECK	40.0	116.5	0.0	156.5	128.7	27.8	14236\BEE\000
BRAMLEY AND STANNINGLEY	40.0	98.9	0.0	138.9	104.3	34.6	14236\BRA\000
BURMANTOFTS AND RICHMOND HILL	40.0	116.3	45.9	202.2	113.7	88.5	14236\BUR\000
CALVERLEY AND FARSLEY	40.0	45.3	0.0	85.3	85.0	0.3	14236\CAL\000
CHAPEL ALLERTON	40.0	189.7	0.0	229.7	140.3	89.4	14236\CHA\000
HUNSLET & RIVERSIDE	40.0	552.8	0.0	592.8	461.0	131.8	14236\CIT\000
CROSSGATES AND WHINMOOR	40.0	97.9	0.0	137.9	70.9	67.0	14236\CRO\000
FARNLEY AND WORTLEY	40.0	174.7	0.0	214.7	192.0	22.7	14236\FAR\000
GARFORTH AND SWILLINGTON	40.0	20.8	13.8	74.6	56.1	18.5	14236\GAR\000
GIPTON AND HAREHILLS	40.0	194.3	2.1	236.4	224.8	11.6	14236\GIP\000
GUISELEY AND RAWDON	40.0	0.0	0.0	40.0	40.0	0.0	14236\GUI\000
HAREWOOD	40.0	114.9	0.0	154.9	61.0	93.9	14236\HAR\000
HEADINGLEY AND HYDE PARK	40.0	327.8	0.0	367.8	311.6	56.2	14236\HDN\000
HORSFORTH	40.0	180.3	0.0	220.3	193.3	27.0	14236\HOR\000
LITTLE LONDON AND WOODHOUSE	40.0	497.5	16.8	554.3	275.6	278.7	14236\HYD\000
KILLINGBECK AND SEACROFT	40.0	85.1	0.0	125.1	73.2	51.9	14236\KIL\000
KIPPAX AND METHLEY	40.0	50.7	0.0	90.7	42.7	48.0	14236\KIP\000
KIRKSTALL	40.0	129.8	28.1	197.9	70.1	127.8	14236\KIR\000
MIDDLETON PARK	40.0	94.5	0.0	134.5	116.9	17.6	14236\MID\000
MOORTOWN	40.0	45.9	0.0	85.9	82.2	3.7	14236\MOO\000
MORLEY NORTH	40.0	57.8	0.0	97.8	78.8	19.0	14236\MON\000
MORLEY SOUTH	40.0	30.6	0.0	70.6	63.1	7.5	14236\MOS\000
OTLEY AND YEADON	40.0	183.2	0.0	223.2	43.7	179.5	14236\OTL\000
PUDSEY	40.0	177.2	0.0	217.2	163.7	53.5	14236\PUD\000
ROTHWELL	40.0	168.2	0.0	208.2	65.6	142.6	14236\RTH\000
ROUNDHAY	40.0	62.7	0.0	102.7	76.7	26.0	14236\ROU\000
TEMPLE NEWSAM	40.0	293.2	0.0	333.2	115.1	218.1	14236\TEM\000
WEETWOOD	40.0	165.8	0.0	205.8	160.4	45.4	14236\WEE\000
WETHERBY	40.0	150.0	0.0	190.0	181.6	8.4	14236\WET\000
<b>TOTALS</b>	<b>1,320.0</b>	<b>4,850.5</b>	<b>108.1</b>	<b>6,278.6</b>	<b>4,188.7</b>	<b>2,089.9</b>	

Community Committee Allocations							
	Percentage	Total CRIS Injection to Mar '22	CRIS Injection Apr '22 - Sep '23	Total Community Committee Allocation	Spent / Committed (as at Sep '23)	Total Balance Available	Scheme ref
	%	£000	£000	£000	£000	£000	
INNER SOUTH	14.83%	222.3	5.3	227.6	181.0	46.6	16933\000\000
OUTER SOUTH	9.60%	160.5	3.5	164.0	122.1	41.9	16934\000\000
OUTER EAST	8.83%	153.9	3.2	157.1	63.1	94.0	16935\000\000
INNER WEST	13.02%	181.0	4.7	185.7	164.0	21.7	16936\000\000
INNER NORTH WEST	8.33%	149.9	3.0	152.9	137.1	15.8	16937\000\000
OUTER WEST	8.66%	140.0	3.1	143.1	109.2	33.9	16938\000\000
OUTER NORTH WEST	7.24%	130.0	2.6	132.6	67.4	65.2	16939\000\000
INNER NORTH EAST	7.64%	133.7	2.7	136.4	104.1	32.3	16940\000\000
INNER EAST	16.70%	254.3	6.0	260.3	205.7	54.6	16941\000\000
OUTER NORTH EAST	5.15%	91.3	1.9	93.2	59.3	33.9	16942\000\000
<b>TOTALS</b>	<b>100.00%</b>	<b>1,616.9</b>	<b>36.0</b>	<b>1,652.9</b>	<b>1,213.0</b>	<b>439.9</b>	

Total CRIS Injection Apr '23 - Sep '23 **144.1**

Total CRIS Balance Available **2,529.8**

# 10 Year Capital Programme

# Appendix B3

## Annual Programme

	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,	2032/33 £000,	Total £000,
Highways Maintenance	13,000.0	13,000.0	13,000.0	10,889.1	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	13,000.0	127,889.1
Highways Maintenance - supported by external funding	13,262.5	12,506.2	11,028.2	10,005.0	11,369.3	11,369.3	11,369.3	11,369.3	11,369.3	11,369.3	115,017.7
Highways Maintenance Capitalisations	3,700.0	2,800.0	1,800.0	900.0							9,200.0
Highways Bridges & Structures Maintenance	1,273.3	1,600.0	500.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	17,373.3
Highways Bridges & Structures Maintenance - supported by external funding	6,239.6	4,205.1	4,205.1	3,428.9	4,205.1	4,205.1	4,205.1	4,205.1	4,205.1	4,205.1	43,309.3
Highways Section 278	2,550.0	2,350.0	1,400.0	700.0							7,000.0
Highways Section 278 - external contributions / supported by external funding	0.0	5,038.4	1,814.2	3,350.0	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	31,202.6
General Capitalisation	3,300.0	2,700.0	1,800.0	900.0							8,700.0
Childrens Centres	146.4	90.0	50.0	90.0	50.0	50.0	50.0	50.0	50.0	50.0	676.4
Vehicle Programme	10,189.6	18,815.3	13,241.0	39,038.0							81,283.9
Vehicle Programme - supported by external funding	582.9										582.9
Adaptation to Private Homes	646.6	470.0	470.0	470.0	470.0	470.0	470.0	470.0	470.0	470.0	4,876.6
Telecare ASC	600.0	1,116.7	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	6,516.7
Library Books	450.0	300.0	200.0	100.0							1,050.0
Sports Maintenance	137.2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	1,037.2
Project Support Fund (Groundwork)	0.0	0.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	560.0
Project Support Fund (Groundwork) - supported by external funding	70.0	70.0		70.0							210.0
Essential Services Programme	6,622.5	3,100.0	1,700.0	800.0							12,222.5
Digital Development	4,620.0	3,000.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	27,620.0
Corporate Property Management	8,849.3	11,500.0	6,500.0	11,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	47,349.3
Capital Programme Management	541.4	541.4	541.4	542.8	541.4	541.4	541.4	541.4	541.4	541.4	5,415.4
Demolition Programme	400.9	500.0	500.0	0.0	500.0	500.0	500.0	500.0	500.0	500.0	4,400.9
Capitalisation of Interest	600.3	500.0	400.0	300.0	200.0	200.0	200.0	200.0	200.0	200.0	3,000.3
Climate Emergency	258.6	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	5,658.6
Climate Emergency - supported by external funding	795.9	250.0	300.0	350.0	350.0	350.0	350.0	350.0	350.0	350.0	3,795.9
Transformational Change to LCC (excl Core Systems Review)	14,567.8	10,503.9	11,607.2	10,471.2	10,471.2	10,471.2	10,471.2	10,471.2	10,471.2	10,471.2	109,977.3
PFI Lifecycle Capitalisations	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	16,895.0	146,035.0
<b>Total Annual Programmes</b>	<b>105,384.8</b>	<b>108,552.0</b>	<b>88,322.1</b>	<b>113,670.0</b>	<b>66,422.0</b>	<b>66,922.0</b>	<b>67,422.0</b>	<b>67,922.0</b>	<b>68,422.0</b>	<b>68,922.0</b>	<b>821,960.9</b>
<b>23/24 - 26/27 Required Annual Programme Injections:</b>											
Transformational Change	0.0	0.0	1,226.8	10,471.2							27/28 Annual Programme Injections 66,422.0
PFI Lifecycle Capitalisations	0.0	0.0	0.0	390.7							23/24 - 26/27 Annual Programme Injections 12,646.4
Capitalisation of Interest	0.0	0.0	257.7	300.0							<b>Total Injection 79,068.4</b>
<b>Total Annual Programmes Variance</b>	<b>0.0</b>	<b>0.0</b>	<b>1,484.5</b>	<b>11,161.9</b>							

**Treasury Management Strategy Update 2023/24****1. Review of Strategy 2023/24**

## 1.1. The current borrowing forecasts are shown in Table 1:

**Table 1**

	<b>2023/24 Feb 23 Report £m</b>	<b>2023/24 This Report £m</b>
<b>ANALYSIS OF BORROWING 2023/24</b>		
<b>Net Borrowing at 1 April</b>	2,402	<b>2,397</b>
New Borrowing for the Capital Programme – Non HRA	134	<b>124</b>
New Borrowing for the Capital Programme – HRA	40	<b>26</b>
Debt redemption costs charged to Revenue (Incl HRA)	(65)	<b>(64)</b>
Reduced/(Increased) level of Revenue Balances	65	<b>65</b>
<b>Net Borrowing at 31 March*</b>	2,576	<b>2,548</b>
<b>Capital Financing Requirement</b>		<b>2,886</b>
* Comprised as follows		
Long term borrowing Fixed	2,141	<b>2,214</b>
Variable (less than 1 Year)	95	<b>15</b>
New Borrowing	174	<b>139</b>
Short term Borrowing (Previous years)	206	<b>220</b>
Total External Borrowing	2,616	<b>2,588</b>
Less Investments	40	<b>40</b>
Net External Borrowing	2,576	<b>2,548</b>
% borrowing funded by short term and variable rate loans	18%	<b>14%</b>

**Note: The Capital Financing Requirement (CFR) is the maximum level of debt** (i.e. borrowing PFI and finance leasing) that the Council can hold for its current year capital purposes. The Council is also allowed to borrow in advance for up to two future years capital programmes. The above reflects only the borrowing element of the CFR

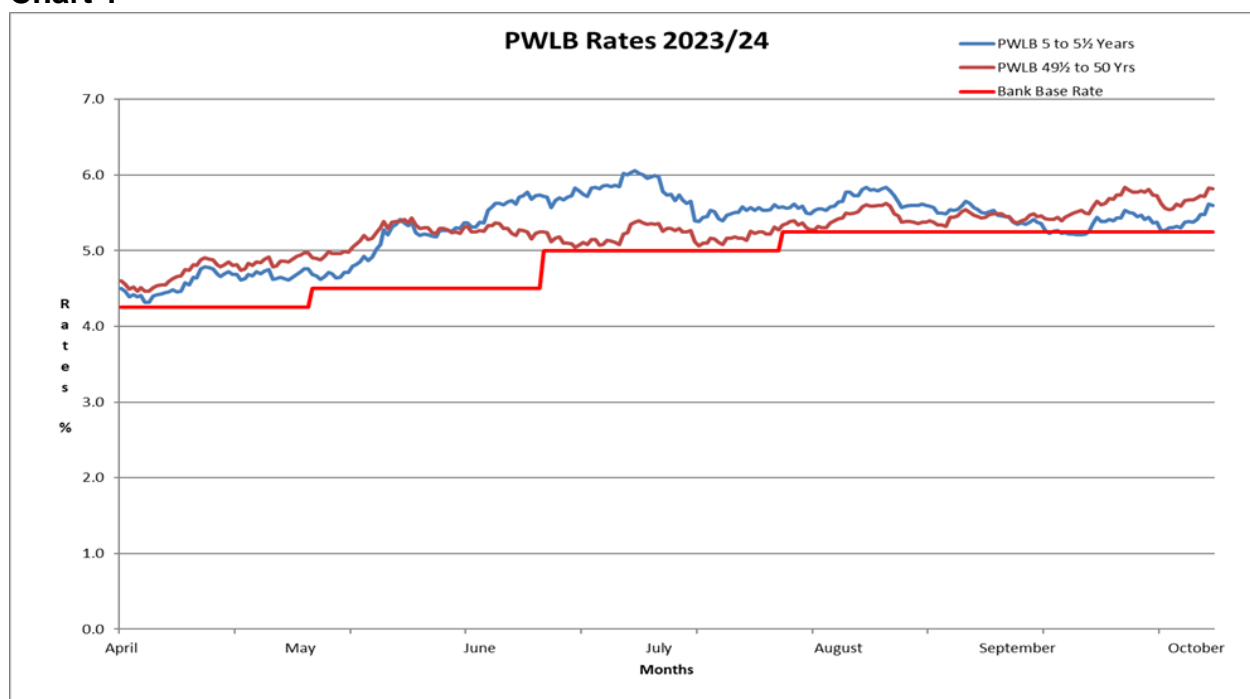
- 1.2. Table 1 above shows that net external borrowing is now forecast at the end of 2023/24 to be £2,548m, £28m lower than in the report to Executive Board on 8th February 2023. The outturn position at 31st March 2023 was £5m lower than forecast, however this was due to 2 factors: slippage in new borrowing for the capital programme into the 2023/24 financial year of £17m and lower revenue balances of £12m. Cumulatively the lower forecast for net borrowing at 31st March 2024 of £28m is due to a lower capital programme borrowing requirement (£41m) partly offset by lower MRP (£1m) together with balance sheet movements of (£12m).
- 1.3. The global economic position and its effect on UK interest rates and therefore on the cost of new borrowing for the Council continues to be uncertain and volatile.
- 1.4. The UK's unemployment rate has risen steadily over the last year from a low point of 3.5% in August 2022 to 4.3% in July 2023. Employment levels have declined by £207k to £32.88m, the biggest such fall since the 3 months to October 2020. Average earnings growth excluding bonuses fell from 7.9% to 7.8% in August, however industrial action in several sectors may result in upward pressure on this statistic.
- 1.5. The UK's Gross Domestic Product (GDP) contracted by 0.5% month on month in July and some of this weakness is thought to be driven by the lost working days due to

industrial action in that month. However, the 2nd quarter posted a small increase of 0.6% year on year indicating a more general cooling in the economy during the year so far. Generally, the economy appears to be losing momentum and a mild recession cannot be ruled out.

- 1.6. CPI inflation continued to ease, falling from 8.7% in April to 6.7% in August and remained at this level in September despite economists expecting a further small reduction. Core inflation however did post a small reduction from 6.2% to 6.1% in September. Oil prices have been volatile during the year with international concerns regarding Ukraine and latterly the Middle East driving markets. Prices had fallen to below \$75 per barrel on the Brent Crude index however this has now spiked back up to the \$95 per barrel level. OPEC+ have also announced production cuts during the year which has resulted in prices remaining elevated.
- 1.7. The Monetary Policy Committee (MPC) have continued steadily increasing the base rate with the current level now at 5.25%, which is an increase of a full 1% since the start of 2023/24. Although the Council's advisors are now predicting this may represent the peak in this rate cycle, further increases cannot be ruled out. The pound started the year at around \$1.24 but did peak above \$1.30 during the summer before falling back to around \$1.21 driven in large part by inflation concerns.
- 1.8. Outside the UK the US has increased its policy interest rates range to 5.25% - 5.50% whilst its inflation rate now stands at 3.70% after falling to 3.0% in June 2023. Non-farm payrolls continue to outperform and indicate the economy is performing well with GDP growth posting a 2.4% increase year on year in the second quarter. The Federal Open Markets Committee (FOMC or the Fed) have issued narrative that rates are likely to remain higher for longer than previously anticipated, and this is being echoed by other central banks including the BOE and ECB. The ECB has continued to increase policy rates and is now at 4.5% although GDP continues to fall and posted 0.5% growth year on year in the second quarter. It should be noted that Germany, the biggest economy in the euro area, has posted negative GDP growth for the first two quarters of 2023/24. Lastly the war in Ukraine remains a major disruption event to the global economy with impact not just on oil but on the global supply of other commodities. This uncertainty has been added to by the events in Israel and the Gaza Strip and fears that the conflict could spread further. The world economy appears to be heading towards a significant slowdown and continues the trend seen since 2021.
- 1.9. During 2023/24, no new PWLB borrowing has been taken. A lender's option to propose an increased interest rate on a Lenders option Borrowers option (LOBO) loan was exercised, which resulted in a £10m loan being repaid without penalty, as detailed in Table 4 below (paragraph 1.14). This has been refinanced by temporary borrowing in the short term. The markets continue to be monitored for further opportunities to secure long term borrowing.
- 1.10. The Council has however taken advantage of 0% long term funding in 2023/24 for energy efficient capital investments and £2.752m of SALIX finance is anticipated to be drawn down during 2023/24. The Council will continue to seek longer term funding opportunities from both the PWLB and other sources.

1.11. The general trend in interest paid on debt is an increase in rates for short term and long term, and this steady increase in rates is proving exceptionally volatile. Chart 1 shows how the cost of longer term borrowing from the Government through Public Works Loan Board (PWLB) loans has performed since the start of the financial year. Long term rates shown by 50-year PWLB have sharply spiked up this year from around the 4.5% mark to approximately 5.80%. Medium term rates as shown by 5-year PWLB have likewise increased from approximately 4.5% to around 5.60%. It should be noted that these are not the peak in these rates seen this year which is more volatile than has been seen in recent years. Please note that the Council is entitled to a reduction of 20bp on all PWLB rates, including those listed above, reflecting its eligibility for PWLB certainty rates. For HRA borrowing from the PWLB a further discount of 40bp is also accessible from June 2023, a discount rate which will be reviewed by the Debt Management Office in June 2024. The Council anticipates a headroom for HRA external borrowing of £173m by the end of 2023/24.

Chart 1



1.12. Market expectations of Bank Rate movements in the UK are at or approaching a peak driven by domestic and international inflation concerns. The Council’s advisors are also now forecasting that the bank base rate is at or close to the peak in this cycle. As a result of these expectations the assumed borrowing rates within the treasury budget have been increased, however these increases have been contained within the overall debt budget due to assumptions already built into the projection, slippage in the capital programme and resilience in the level of revenue balances. Tables 2 and 3 show the Council’s advisors forecast for interest rates and the assumptions contained within the budget projections based on these market expectations, which will be kept under review as the economic situation evolves.



Table 2

25th September 2023	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
<b>BANK RATE</b>	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.00	2.75	2.75	2.75	2.75	2.75
<b>3 month Average</b>	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.00	2.80	2.80	2.80	2.80	2.80
<b>6 month Average</b>	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.10	2.90	2.90	2.90	2.90	2.90
<b>12 month Average</b>	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.20	3.00	3.00	3.00	3.00	3.00
<b>5 yr PWLB</b>	5.10	5.00	4.90	4.70	4.40	4.20	4.00	3.90	3.70	3.70	3.60	3.60	3.50
<b>10 yr PWLB</b>	5.00	4.90	4.80	4.60	4.40	4.20	4.00	3.80	3.70	3.60	3.60	3.50	3.50
<b>25 yr PWLB</b>	5.40	5.20	5.10	4.90	4.70	4.40	4.30	4.10	4.00	3.90	3.80	3.80	3.80
<b>50 yr PWLB</b>	5.20	5.00	4.90	4.70	4.50	4.20	4.10	3.90	3.80	3.70	3.60	3.60	3.60

Table 3

Budget Rate Assumptions	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Exec Board Feb 23</b>	4.25	3.50	3.00	n/a	n/a
<b>Now</b>	5.25	4.50	3.50	3.50	3.50

- 1.13. Due to the significant and substantial increase in rates experienced since late 2021/22 and the forecast for rates and assumptions in the budget, the borrowing strategy was revised in 2022/23. It is now clear that taking further long-term borrowing at current rates may lock in higher than necessary interest costs in the future, and therefore managing the Council's borrowing need through its balance sheet strength and from short-term borrowing activity will be employed. This strategy is supported by the Council's Treasury advisors, considering its forecast for rates shown in Table 2. This will of course be subject to constant review, to lock in long-term borrowing as favourable opportunities arise. It should also 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 but this increased to £170m at 31/03/2023. This places the Council in a good position to manage the current volatile interest rate environment.

Table 4

Repayments and Funding 2023/24							
Date	Repayments			New / Replacement Borrowing			
	Amount (£m)	Original Rate (%)	Discount Rate	Date	Amount (£m)	Term (Years)	Interest Rate (%)
PWLB				PWLB			
29/07/2023	26.436	4.19%	n/a				
02/04/2023	15.000	3.38%	n/a				
<b>Sub Total</b>	<b>41.436</b>				<b>0.000</b>		
Market Loans				Market Loans			
03/04/2023	0.618	0.00%		Salix	1.376	8 year	0.00%
03/04/2023	0.315	0.00%		Salix **	1.376	8 year	0.00%
01/09/2023	0.024	0.00%					
02/10/2023	0.315	0.00%					
02/10/2023	0.619	0.00%					
02/10/2023	0.321	0.00%					
17/10/2023	10.000	4.50%	Option call				
01/03/2024	0.024	0.00%	*				
<b>Sub Total</b>	<b>12.236</b>				<b>2.752</b>		
<b>Total</b>	<b>53.672</b>			<b>Total</b>	<b>2.752</b>		

\* know n maturities that are yet to occur

\*\* Facility Committed not Draw ndow n at this time

- 1.14. Table 4 details the long-term funding activity undertaken during 2023/24 which includes a SALIX finance facility of £2.752m, which is being drawn in tranches during the year.
- 1.15. The Council's current long-term debt of £2.229bn has an average maturity of just over 35 years if all debts run to maturity. Approximately 10% of the Council's long-term debt has lender options for repayment, and if all these options were exercised at the next option date, then the average maturity of long-term debt would be lowered to approximately 31 years. This compares favourably, for example, with the average maturity of the UK Government debt portfolio of 14.3 years. The existing profile of the Council's debt provides considerable certainty of funding costs. Prudential Indicators for the maturity of debt in Appendix C1 show the maturity profile of the Council's debt and highlights that approximately 69% or £1,778m matures in periods greater than 10 years.
- 1.16. The management of the revenue debt budget is currently forecast to deliver a saving against budget of £200k in 2023/24. This is largely due to lower than anticipated MRP offset by marginally higher net interest costs. These net higher interest costs are because of increased interest rates assumed for the remainder of 2023/24 which is offset by lower forecast borrowing need. Whilst on the one hand there remains a risk that interest rates have not yet peaked, there is also scope for the council's borrowing requirement to further reduce during the remainder of the year, and thus some improvement in the current level of savings may be achieved.

## 2. Investment Strategy & Limits

- 2.1. The Council's external debt is reduced by the availability of revenue balances. The Treasury policy also allows for the external investment of these balances at advantageous rates but with due regard for security of capital invested. At present the Council's surplus monies continue to be held in short periods until required. As market sentiment to counter-party risk improves, together with enhanced returns, surplus monies will be invested in accordance with the approved lending list. This lending list is based upon the assessment of the financial standing of counterparties as determined by international credit rating agencies and further refined and updated by the Council's advisors on a continual basis. The lending list is often further restricted based upon the Council's view of the credit worthiness of counterparties.
- 2.2. The investment strategy, as re-affirmed by Executive Board and full Council in February, allows for the Council to invest in only the most highly rated financial institutions around the world. The Council will only lend up to a maximum of £15m to financial institutions that are rated as excellent. There is also a limit of £5m for financial institutions that are rated as very good. These limits do not apply to deposits with the Council's own bankers, or to deposits with the Government's Debt Management office (the DMO).

## Appendix C1 Prudential Indicators 2023/24 to 20/25/26

### Financial Year 2023/24

	Notes		Budget	Current	Movement
			DM10e 2022/23	DM 7b 2023/24	
<b>PRUDENTIAL CODE INDICATORS</b>					
<b>CAPITAL EXPENDITURE</b>					
<u>Estimate of Capital Expenditure</u>	a				
General Fund		£k	362,601	331,159	-31,442
Housing Revenue Account		£k	156,153	130,256	-25,897
Total		£k	518,754	461,415	-57,339
<u>Capital Financing Requirement</u>					
Borrowing - General Fund	b	£k	2,129,023	2,100,701	-28,322
Borrowing - Housing Revenue Account		£k	793,847	783,238	-10,609
Sub Total Borrowing		£k	2,922,870	2,883,939	-38,931
Other Long Term Liabilities - GF		£k	386,110	386,110	0
Other Long Term Liabilities - HRA		£k	99,376	99,376	0
Sub Total Other Long Term Liabilities		£k	485,486	485,486	0
<b>Total Capital Financing Requirement</b>		£k	3,408,356	3,369,425	-38,931
<b>EXTERNAL DEBT</b>					
<u>Operational Boundary</u>	c				
External Borrowing		£k	2,850,000	2,850,000	0
Other Long Term Liabilities		£k	580,000	580,000	0
Total			3,430,000	3,430,000	0
<u>Authorised Limit</u>	c				
External Borrowing		£k	3,200,000	3,200,000	0
Other Long Term Liabilities		£k	600,000	600,000	0
Total		£k	3,800,000	3,800,000	0
<u>Actual External Debt (year end Forecast)</u>	d		2022/23	2023/24	
PWLB		£k	1,805,172	1,763,737	-41,435
Market (Inc LOBO)		£k	474,319	464,836	-9,483
Short term (Actual)		£k	0	0	0
Short term (Forecast)		£k	162,500	359,919	197,420
Total Gross External Debt		£k	2,441,991	2,588,492	146,502
Other Long Term Liabilities		£k	519,004	485,486	-33,518
Total Including OLTL		£k	2,960,995	3,073,978	112,984
<u>Gross Debt and the CFR</u>	e				
External Borrowing			ok	ok	
Other Long term Liabilities			ok	ok	
Total Gross Debt and the CFR			ok	ok	
<b>AFFORDABILITY</b>					
<u>Estimate of Financing Cost to Net revenue Stream</u>	f				
<u>External Borrowing Only - General Fund</u>					
Financing Cost		£k	123,089	123,715	626
Net Revenue Stream		£k	573,357	573,357	0
Ratio		%	21.47%	21.58%	0.11%
<u>Including Other Long Term Liabilities - GF</u>	f				
Financing Cost		£k	171,321	171,947	626
Net Revenue Stream		£k	573,357	573,357	0
Ratio		%	29.88%	29.99%	0.11%
<u>External Borrowing Only - Housing Revenue Account</u>	f				
Financing Cost		£k	30,006	30,267	262
Net Revenue Stream		£k	16,390	16,390	0
Ratio		%	11.24%	11.34%	0.10%
<u>Including Other Long Term Liabilities - HRA</u>	f				
Financing Cost		£k	46,396	46,657	262
Net Revenue Stream		£k	16,390	16,390	0
Ratio		%	17.37%	17.48%	0.10%

## Appendix C1 Prudential Indicators 2023/24 to 20/25/26

### INVESTMENTS

Non Treasury loans		80,000	80,000	0
Non Treasury investments		250,000	250,000	0
<u>Limit on non-Treasury Investments</u>	g	330,000	330,000	0
Estimate of Net Income from Investments for Commercial and Service Purposes	g			
<u>Income</u>	£k	6,710	6,710	0
Ratio of Income from Commercial and Service Purposes to Net revenue Stream	%	1.17%	1.17%	0.00%

### TREASURY MANAGEMENT CODE INDICATORS

<u>Liability Benchmark for Borrowing</u>	See attached
<u>Liability Benchmark for Investments</u>	Not Applicable

Maturity Structure of Borrowing 2023/24	h	Lower	Upper	At budget 31/03/2023	Current 31/03/2024	%
under 12 mths		0%	25%	314,171	427,628	17%
12 mths and within 24 mths		0%	20%	52,556	62,900	2%
24 mths and within 5 years		0%	35%	157,060	213,043	8%
5 years and within 10 years		0%	40%	142,782	106,477	4%
10 years and within 20 years				95,000	85,000	
20 years and within 30 years				174,123	223,469	
30 years and within 40 years		25%	90%	679,302	679,955	69%
40 years and within 50 years				715,000	665,000	
50 years and above				125,000	125,000	
				2,454,994	2,588,473	100.00%

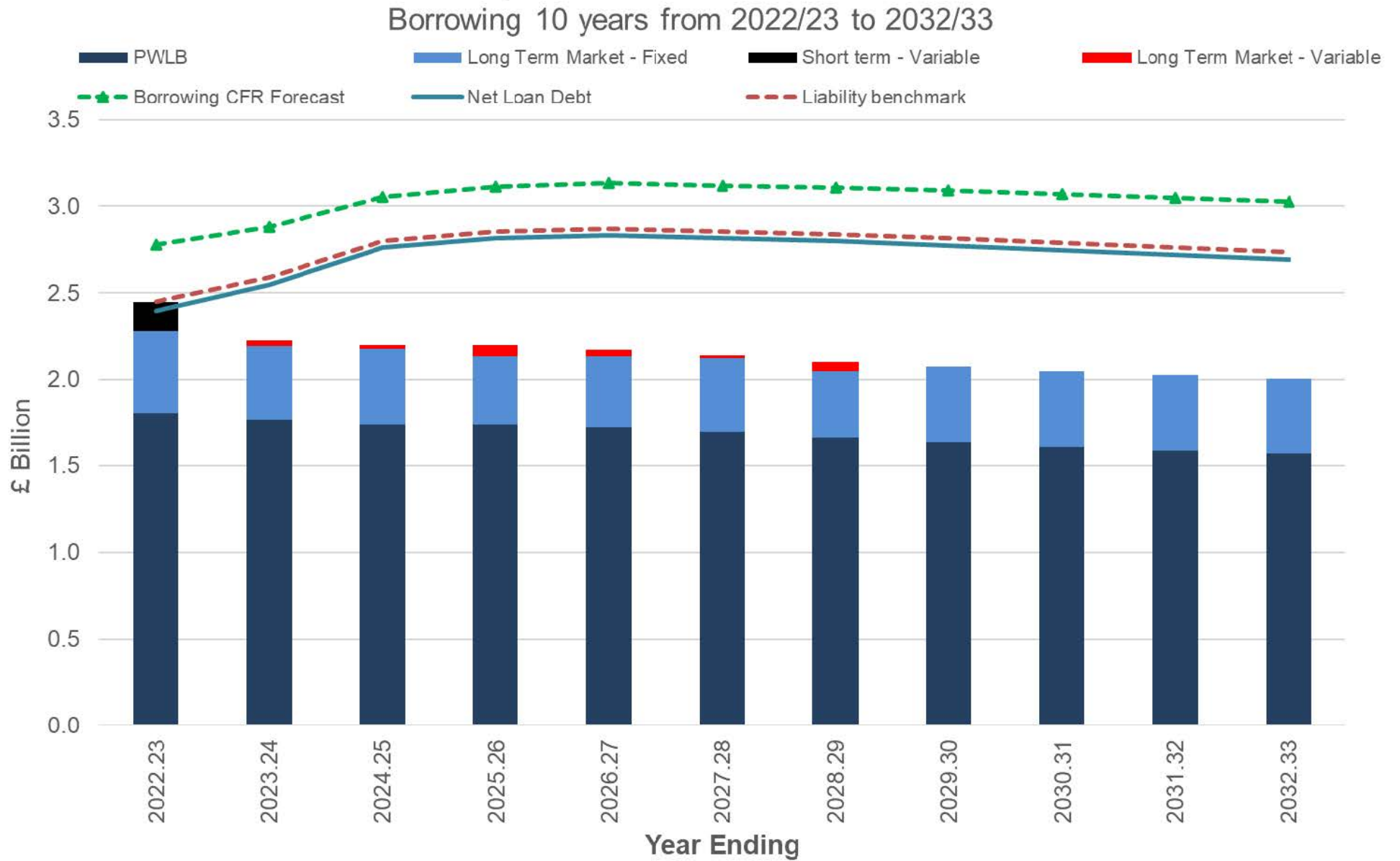
Upper Limit for Long Term treasury investments to mature in following years

<u>Year +1</u>	i	150,000	150,000
Year +2		150,000	150,000
Year +3		150,000	150,000

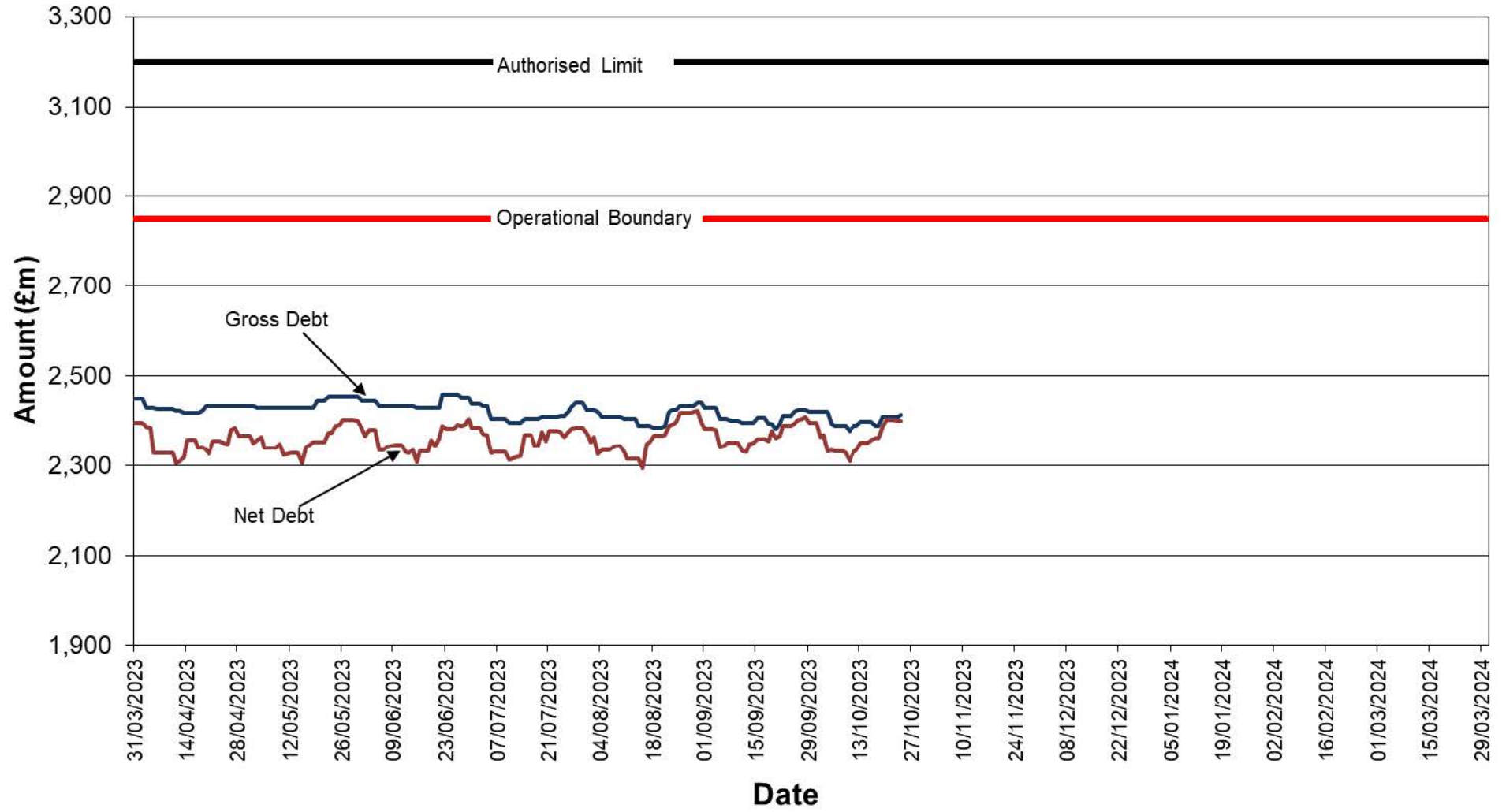
### Notes

- a Forecast of capital expenditure for year at period end, actual at year end outturn
- b Forecast of CFR for year end at period end, actual at year end outturn
- c Authorised limit and Operational Boundary as set at the Budget setting time should only change in exceptional circumstances
- d This is the year end forecast for DEBT and OLTL with Short term being the balancing figure
- e In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that total gross debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement, which is used for comparison with gross external debt. This is a key indicator of prudence. (This is shown as "OK" or "Breach" depending on the result of the above comparison)
- f Code only requires full comparison of debt costs including OLTL to Net revenue Streams however the Council have always reported the external borrowing metrics which are more informative.
- g This is all investments under the code for Service or Commercial purposes and excludes Investments for TM purposes
- h This now includes all external debt including variable and short term external debt
- i This is non specified Treasury Management investments typically with a duration of greater than 364 days

## Appendix C2 Liability Benchmark - Debt



# Appendix C3 Prudential Code Monitoring 2023/24 - Debt



## Friendship Oath with the City of Kharkiv

Date: 22 November 2023

Report of: Director of City Development

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

In June 2022, Leeds received a formal letter from the Ukrainian city of Kharkiv inviting our council to consider establishing “a comprehensive cooperation between our cities in spheres of common interest” as “a symbolic demonstration of solidarity and support of the British towards Ukraine and Ukrainian people in this challenging period”. Kharkiv is already twinned with Lille in France and Brno in Czechia which are both twinned with Leeds.

On 20<sup>th</sup> July 2022, following a debate, Council resolved that “Leeds has a long tradition of building strong international partnerships in a show of friendship and has a number of long-standing twinning agreements and sister city relationships across the world. Council continues to condemn the invasion of Ukraine, and welcome Ukrainian refugees, as the humanitarian situation worsens. Council requests officers to explore a twinning between Leeds and Kharkiv to support closer ties of friendship confirming the City’s commitment to show support and solidarity with Ukraine”.

This report seeks approval from Executive Board for Leeds City Council to sign a Friendship Oath with the City of Kharkiv in Ukraine to officially mark the development of a more formal link and negotiation between the two cities to form a Friendship Agreement.

It is recommended that the decisions from this report are exempted from Call In, for the reasons of urgency as detailed in the report.

### Recommendations

Executive Board is recommended to:

- a) Agree to the signing of a Friendship Oath between the city of Leeds and Kharkiv in Ukraine
- b) Support the proposal for the Lord Mayor of Leeds to sign the Friendship Oath in the presence of the Mayor of Kharkiv City Council on 2<sup>nd</sup> December 2023 in the city of Brno.
- c) Approve the start of negotiations with the city of Kharkiv on terms of a Friendship Agreement with a May 2024 deadline. The detail of any Friendship Agreement will be subject to securing external funds to support partnership activity.

- d) Approve that the decisions of the Board from this report are exempted from the Call In process pursuant to paragraph 5.1.3 of the Council's Executive & Decision Making Procedure Rules on the grounds of urgency, as set out in full at paragraph 10, 23 and 24 of the report

### **What is this report about?**

1. Since the start of the Russian invasion on 24<sup>th</sup> February 2022, Leeds has stood in solidarity with Ukraine. To continue to underline that support the signing of a Friendship Oath between the city of Leeds and the Ukrainian city of Kharkiv is proposed.
2. In June 2022, Leeds received a formal letter from the city of Kharkiv inviting our council to consider establishing "a comprehensive cooperation between our cities in spheres of common interest" as "a symbolic demonstration of solidarity and support of the British towards Ukraine and Ukrainian people in this challenging period". Kharkiv is already twinned with Lille in France and Brno in Czechia which are both twinned with Leeds.
3. Subsequently, a meeting was arranged on the 14<sup>th</sup> July, 2022 to explore Kharkiv's proposition. This meeting was attended by the Deputy Leader and Executive Member for Economy, Culture and Education, Chief Officer Culture and Economy, Head of Service Destination Marketing and International Relations, the International Relations (IR) Manager from Leeds City Council; and the First Deputy Mayor, the Deputy Director for International Cooperation, the Head of International Relations and European Integration from Kharkiv City Council.
4. On 20<sup>th</sup> July 2022, following a debate, Council resolved that "Leeds has a long tradition of building strong international partnerships in a show of friendship, and has a number of long-standing twinning agreements and sister city relationships across the world. Council continues to condemn the invasion of Ukraine, and welcome Ukrainian refugees, as the humanitarian situation worsens. Council requests officers to explore a twinning between Leeds and Kharkiv to support closer ties of friendship confirming the City's commitment to show support and solidarity with Ukraine".
5. 'Twinning' or 'sistering' arrangements are formal agreements of understanding between two cities, usually based on a written memorandum of understanding concluded through their mayors. These memoranda can be based on several things, ranging from broad declarations of friendship to more specific agreements on business cooperation or partnerships on issues such as education or the environment. All, however, are created to denote some form of special relationship between the two cities<sup>1</sup>.
6. Census 2021 data shows that an estimated 1,260 Ukrainian nationals were living in Yorkshire and the Humber before the Russian invasion of Ukraine on 24<sup>th</sup> February 2022 with the largest population concentrated in Leeds (300), Sheffield (160) and Bradford (140). Since the Home Office's Homes for Ukraine scheme was introduced Leeds' communities have welcomed over 900 refugees hosted by over 400 sponsors. New arrivals from Ukraine are also supported by a long-established Ukrainian-British community through Leeds Ukrainian Community Association based at the Ukrainian Community Centre.

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<sup>1</sup> Michele Acuto and all, 'City Diplomacy and Twinning: Lessons from the UK, China and Globally, City leadership Initiative, Department of Science, Technology, Engineering and Public Policy, University of London, Government Office for Science, 2016.



7. Leeds City Council Migration Team has also played a key role in supporting new arrivals settle in local communities in partnership with the Ukrainian Community Association and other third sector partners. Furthermore, the Council successfully raised over £150,000 through the #Together Leeds For Ukraine Appeal, which allowed funding of local charities and community groups to provide a range of support aiming to facilitate the integration and signposting to advice and support.
8. The proposed signing of a Friendship Oath between Leeds and Kharkiv will further underline to the Ukrainian Community in Leeds that the city continues to stand in solidarity with Ukraine and to be a place of welcome and safe haven for Ukrainian refugees.
9. Council officers from International Relations have been liaising regularly with counterparts in Kharkiv to identify areas of cooperation. In March 2023, International Relations colleagues initiated a poetry collaboration between Leeds' twinned cities: Lille in France, Brno in Czechia, and Kharkiv with the objective to build a closer relationship between Leeds and Kharkiv and raise awareness of the conflict through art across the four cities. The 'Write Across Line' poetry project is led by Seacroft based Chapel FM community radio and is an addition to their annual Writing on Air Poetry Festival. This new poetry initiative will take place between the 26<sup>th</sup> November and 2nd December 2023 and will involve poets from Leeds, Kharkiv, Lille and Brno performing from a variety of venues in their home cities, including theatres and radio stations.
10. Given the Council's increasing financial pressures, the International Relations Team is increasingly working in partnership with the Foreign, Commonwealth & Development Office (FCDO) and the Department for Levelling UP, Housing and Communities (DLHUC) in order to build our international profile and attractivity through maximising opportunities for partnership work, as part of our [Destination Marketing and International Relations Plan](#) whilst minimising costs. On 27<sup>th</sup> September 2023, the International Relations Team was informed that they had successfully secured some funding from the British Embassy in Prague to cover the full costs of a Mayoral visit to Brno on 1<sup>st</sup> -7<sup>th</sup> December 2023 to celebrate our 20<sup>th</sup> Anniversary of partnership. It is proposed that the official signing of the "Friendship Oath" takes place in Brno during this visit since Brno is already twinned with Kharkiv. This will reduce costs and carbon footprint associated with face-to-face meetings and underline the Council's alliance with its European twinned cities to stand up in solidarity with Kharkiv in the spirit of the 20<sup>th</sup> July, 2022 Full Council resolution.
11. The Friendship Oath indicates the initiation of consultations between the Leeds City Council and the City of Kharkiv to devise a Friendship Agreement that is compatible with the current resources and capacity and our inclusive approach. Both cities will endeavour to foster dialogue, exchange good practices and determine joint activities whenever feasible. The execution of cooperation projects will rely on our capacity to acquire external funding.

**What impact will this proposal have?**

12. Based on the results of an Equality, Diversity, Cohesion and Integration (EDCI) impact assessment (Appendix 2), we assert that establishing a new international partnership with the city of Kharkiv in Ukraine will demonstrate the city of Leeds' support and solidarity with Kharkiv in the face of the War in Ukraine. It will also convey a positive message to the Ukrainian community in Leeds.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

13. **Health and Wellbeing:** This proposal recognises the increasing size of our Ukrainian community in Leeds and the positive impact this Friendship Oath will have on their mental health and wellbeing by demonstrating further our city compassion and solidarity with Ukraine and by exploring possibilities to support the city of Kharkiv, where some refugees may still have family members and friends experiencing conflict.
14. **Inclusive Growth:** This new relationship will reinforce Leeds global status and reputation through its soft power and city diplomacy.

### What consultation and engagement has taken place?

Wards affected:		
Have ward members been consulted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

15. The declaration applies to the whole city and is expected to have no significant adverse impact on any individual ward, but rather to enhance the city-wide well-being, intercultural dialogue and cohesion.
16. The International Relations Team has consulted with the Ukrainian Community Association and representatives of Chapel FM in November 2023..

### What are the resource implications?

17. The British Embassy in Prague will bear the entire cost of the Lord Mayor of Leeds visit, which will not entail any financial burden on the Council.
18. The International Relations Team will develop and finalise a friendship agreement. It is anticipated that this can be managed through existing resources with support from local communities and third sector organisations in line with our inclusive growth strategy.
19. The Friendship Agreement will be drafted to reflect Leeds’s solidarity with Kharkiv and ability to support within current resources and capacity.

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

20. **Community tensions:** Leeds has a long established Russian and Ukrainian communities. In the wake of the Ukrainian conflict, some hate incidents against the Russian community were raised. Both Leeds City Council Safer Communities team and West Yorkshire Police advised that although some tensions were raised at the start of the conflict in Ukraine, there are currently no tensions that would impact on a friendship oath, however, we acknowledge that international events related to the war could affect this position.

Mitigation actions: the International Relations team will adopt a bottom-up approach and will work closely with communities to ensure our programme of work is inclusive.

The International Relations Team will also consult with the Safer Communities team regularly to monitor and assess impacts on social cohesion and equality.

21. **Effective cooperation in a conflict/post conflict context:** Due to the current context of conflict, we acknowledge that there might be some practical challenges that could impact on the effectiveness of our cooperation with the city of Kharkiv.

Mitigation actions: The International Relations team will endeavour to work on joint projects led by our twinned cities, Lille and Brno, European networks such as EURO CITIES and/or

reputable Non-Governmental Organisation (NGO) whenever possible pending the identification of additional funding for an additional FTE and project.

## 22. Resources and budget:

Leeds City Council is facing major financial challenges which means that future cooperation projects with Kharkiv will require external financial support.

Mitigation actions: The International Relations Team will work closely with local communities and third sector organisation in order to mitigate risks around limited resources and capacity. The International Relations team will also play a key role in identifying available external funding such as the '[Innovate Ukraine- Supporting Ukraine's Energy Recovery](#)' funding or the British Embassy in Kyiv '[Call for proposals under Small Projects Fund 2023 to 2024 in Ukraine](#)'. The funding from the British Embassy in Prague will support a Mayoral visit to Brno from 1st to 7th December 2023. This visit will enable the official signing of the Oath of Friendship between Leeds and Brno in person, without incurring any costs to the Council. It will also facilitate the participation of the Mayor of Kharkiv, our partner city in Ukraine, due to the proximity of Czechia and Ukraine.

## What are the legal implications?

23. The recommendations in this report are prompted by the receipt of a funding decision on 27th September 2023, which did not allow the IR team to make a decision request at an earlier date that would have been eligible for Call-in.
24. . Given the timeframes as outlined, the Board is requested to exempt the decisions arising from this report from the Call In process, as the operation of the Call In mechanism would prevent the signing from taking place within the given deadlines.
25. A Friendship Oath is a non-legally binding document. The intention is to mark our solidarity with the city of Kharkiv and formally start developing a Friendship Agreement for the purposes of establishing friendship, recognising bilateral relations, and promoting co-operation between the two parties.
26. The Local Government Act 2000, section 2(5) gives local authorities wide powers to promote the well-being of their area and this covers this activity. The Local Government (Overseas Assistance) Act 1993 also gives local authorities the specific discretionary power to provide advice and assistance as respects any matter in which they have skill and experience to a body carrying on local government activities overseas.

## Options, timescales and measuring success

### What other options were considered?

27. On 20<sup>th</sup> July 2022, Full Council approved a Motion that requested officers to explore a twinning between Leeds and Kharkiv to support closer-ties of friendship confirming the City's commitment to show support and solidarity with Ukraine.
28. Due to the Council current capacity and resources, the desire to demonstrate a council wide commitment, and the council's previous experience, it is felt that pursuing a less formal arrangement than a twinning agreement through a friendship agreement best meets this request.

### **How will success be measured?**

29. By the signing of the friendship oath in Brno in December 2023 and of a Friendship Agreement by May 2024.

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

#### **30. Timeline:**

**November 2023:** Executive Board Report

**December 2023:** signing of the Friendship Oath in Brno by Kharkiv Lord Mayor in presence of the Lord Mayor of Leeds

**January 2024:** negotiation of the terms of reference of the Friendship Agreement

**May 2024:** Signing of the Friendship Agreement

31. The International Relations Team will be responsible for facilitating the terms of the Friendship Agreement within the current protocols and available support from local communities and third sector organisations.

### **Appendices**

Appendix 1 – Friendship Oath

Appendix 2 - Equality, Diversity, Cohesion and Integration (EDCI) impact assessment

### **Background papers**

None

# **Appendix 1**

## **Friendship OATH**

*We, ..... (name) and ..... (name),*

*Mayors of ..... (country) and of ..... (country)*

*Freely elected representatives of our fellow-citizens,*

*Certain that we act on behalf of the sincere wishes and real needs of our populations,*

*Aware that our civilisations and peoples found their origins in our ancient free local communities, that the spirit of liberty was first recorded in the freedom won by them, and later, in the local self-governments they were able to found,*

*Considering that history shall continue in a wider world, but that this world will be truly humane only in so far as men and women live freely in free cities,*

*Convinced of the necessity of respecting the principle of subsidiarity, Affirming our value of respecting human rights, which we hold as inviolable and inalienable,*

*Recognizing that the growing interdependence of different national societies necessitates an international, global democratic order, the foundation for a real peace,*

*Convinced that the ties that bind the towns of our continent constitute a fundamental element upon the path towards developing European citizenship and thus promote a Europe of human dimensions*

### ***DO TAKE, ON THIS DAY, A SOLEMN OATH***

*According to the relationships established between our two countries,*

*To develop permanent ties between the governments of our municipalities in order to promote our dialogue, to exchange our experiences and to identify joint activities, according to our capacity and resources, which may foster mutual improvement*

*To encourage and support exchanges between our fellow citizens in order to ensure, through greater mutual understanding and efficient cooperation, the true spirit of European brotherhood for our now common destiny,*

*To act according to the rules of hospitality, with respect for our diversities, in an atmosphere of trust and in a spirit of solidarity,*

*To guarantee for all people the possibility of participating in the exchanges between our two communities without discrimination of any form,*

*To promote the universal values of liberty, democracy, equality and the rule of Law, through our exchanges and cooperation,*

*Focus our efforts using all the means at our disposal to supporting the success of this essential undertaking for peace, progress and prosperity, which is:*

### ***EUROPEAN UNITY***

*Place ..... Date .....*



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. In all appropriate instances we will need to carry out an equality, diversity, cohesion and integration impact assessment.

This form:

- can be used to prompt discussion when carrying out your impact assessment
- should be completed either during the assessment process or following completion of the assessment
- should include a brief explanation where a section is not applicable

<b>Directorate: City Development</b>	<b>Service area: International Relations</b>
<b>Lead person: Henriette Mahamane</b>	<b>Contact number: 07562439581</b>
<b>Date of the equality, diversity, cohesion and integration impact assessment: 02/11/2023</b>	

**1. Title: Leeds-Kharkiv Friendship Oath**

Is this a:

**Strategy / Policy**
                         
  **Service / Function**
                         
  **Other**

**If other, please specify:** set up a new international relationship for Leeds as part of our Destination Marketing and International Relations Plan and our Inclusive Growth Strategy

**2. Members of the assessment team:**

<b>Name</b>	<b>Organisation</b>	<b>Role on assessment team For example, service user, manager of service, specialist</b>
Henriette Mahamane	Leeds City Council	International Relations Manager

**3. Summary of strategy, policy, service or function that was assessed:**

This assessment relates to the signing of a Friendship Oath and Agreement between Leeds and Kharkiv, in Ukraine.

**What is a friendship Oath/Agreement:**

‘Twinning’ or ‘sister’ arrangements are formal agreements of understanding between two cities, usually based on a written memorandum of understanding concluded through their mayors. These memoranda can be based on several things, ranging from broad declarations of friendship to more specific agreements on business cooperation or partnerships on issues such as education or the environment. All, however, are created to denote some form of special relationship between the two cities<sup>1</sup>.

**Background information:**

In June 2022, Leeds received a formal letter from the Ukrainian city of Kharkiv inviting our council to consider establishing “a comprehensive cooperation between our cities in spheres of common interest” as “a symbolic demonstration of solidarity and support of the British towards Ukraine and Ukrainian people in this challenging period”. Kharkiv is already twinned with Lille in France and Brno in Czechia which are both twinned with Leeds.

On 20<sup>th</sup> July 2022, following a debate, Council resolved that “Leeds has a long tradition of building strong international partnerships in a show of friendship and has a number of long standing twinning agreements and sister city relationships across the world. Council continues to condemn the invasion of Ukraine, and welcome Ukrainian refugees, as the humanitarian situation worsens. Council requests officers to explore a twinning between Leeds and Kharkiv to support closer-ties of friendship confirming the City’s commitment to show support and solidarity with Ukraine”.

The proposed signing of a Friendship Oath between Leeds and Kharkiv will further underline to the Ukrainian Community in Leeds that the city continues to stand in solidarity with Ukraine and to be a place of welcome and safe haven for Ukrainian refugees.

**4. Scope of the equality, diversity, cohesion and integration impact assessment**  
(complete - 4a. if you are assessing a strategy, policy or plan and 4b. if you are assessing a service, function or event)

**4a. Strategy, policy or plan**

(please tick the appropriate box below)

The vision and themes, objectives or outcomes	<input type="checkbox"/>
The vision and themes, objectives or outcomes and the supporting guidance	<input type="checkbox"/>

<sup>1</sup> Michele Acuto and all, ‘City Diplomacy and Twinning: Lessons from the UK, China and Globally, City leadership Initiative, Department of Science, Technology, Engineering and Public Policy, University of London, Government Office for Science, 2016.



A specific section within the strategy, policy or plan	<input type="checkbox"/>
<b>Please provide detail:</b>	

<b>4b. Service, function, event</b> please tick the appropriate box below	
The whole service (including service provision and employment)	<input checked="" type="checkbox"/>
A specific part of the service (including service provision or employment or a specific section of the service)	<input type="checkbox"/>
Procuring of a service (by contract or grant)	<input type="checkbox"/>
<b>Please provide detail:</b>  City level agreement	

<p><b>5. Fact finding – what do we already know</b></p> <p>Make a note here of all information you will be using to carry out this assessment. This could include: previous consultation, involvement, research, results from perception surveys, equality monitoring and customer/ staff feedback.</p> <p>(priority should be given to equality, diversity, cohesion and integration related information)</p> <p>Leeds has a long established Russian and Ukrainian communities. In the wake of the Ukrainian conflict, some hate incidents against the Russian community were raised. Both Leeds City Council Safer Communities team and West Yorkshire Police advised that although some tensions were raised at the start of the conflict in Ukraine, there are currently no tensions that would impact on a friendship oath, however, we acknowledge that international events related to the war could affect this position.</p> <p>Leeds continues to show support for Ukraine in the aftermath of the Russian invasion. The Leeds Together for Ukraine Appeal Fund raised over £150,000, which highlights the city-wide support for Ukraine. In addition, the city welcomed over 900 Ukrainian refugees hosted by 400 sponsors. The council is delivering on the Homes for Ukraine scheme and is engaged with wider Ukrainian residents, including statutory partners and the third sector, as part of delivering the scheme and improving access to services and facilitating integration.</p> <p>A consultation has taken place on the 10<sup>th</sup> November 2023 involving representatives of the</p>
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Ukrainian Community Association and Chapel FM.
<p><b>Are there any gaps in equality and diversity information</b>  <b>Please provide detail:</b></p> <ul style="list-style-type: none"> <li>- building relationship between settled and Ukrainian communities in Leeds</li> <li>- financial challenges</li> </ul>
<p><b>Action required:</b></p>

<p><b>6. Wider involvement – have you involved groups of people who are most likely to be affected or interested</b></p>
<p> <input checked="" type="checkbox"/> Yes         <input type="checkbox"/> No       </p> <p><b>Please provide detail:</b></p> <p>Chapel FM based in Seacroft is a community radio which has been involved in an international poetry projects involving the cities of Lille, Brno and Kharkiv with the intention to develop our relationship the Ukrainian city. a more detailed consultation meeting took place on the 10<sup>th</sup> November.</p> <p>[Mention the Ukrainian community here too]</p>
<p><b>Action required:</b></p>

<p><b>7. Who may be affected by this activity?</b>          please tick all relevant and significant equality characteristics, stakeholders and barriers that apply to your strategy, policy, service or function</p>
<p><b>Equality characteristics</b></p> <p> <input checked="" type="checkbox"/> Age         <input checked="" type="checkbox"/> Carers         <input checked="" type="checkbox"/> Disability       </p> <p> <input checked="" type="checkbox"/> Gender reassignment         <input checked="" type="checkbox"/> Race         <input checked="" type="checkbox"/> Religion       </p>

or Belief

Sex (male or female)

Sexual orientation

Other

(Other can include – marriage and civil partnership, pregnancy and maternity, and those areas that impact on or relate to equality: tackling poverty and improving health and well-being)

Please specify:

### Stakeholders

Services users

Employees

Trade Unions

Partners

Members

Suppliers

Other please specify

### Potential barriers

Built environment

Location of premises and services

Information and communication

Customer care

Timing

Stereotypes and assumptions

Cost

Consultation and involvement

Financial exclusion

Employment and training

specific barriers to the strategy, policy, services or function

Please specify

### 8. Positive and negative impact

Think about what you are assessing (scope), the fact finding information, the potential positive and negative impact on equality characteristics, stakeholders and the effect of the barriers

<b>8a. Positive impact:</b>
Signing a friendship oath between Leeds and Kharkiv will help build relationships between the settled and Ukrainian communities improving the council work in terms of combating racism, facilitating local integration and supporting culturally diverse communities. It will also provide an opportunity to share best practices and exchange programmes, which will help to facilitate integration and reinforce Leeds' global status.
<b>Action required:</b>
Working in partnership with community groups and third sector organisations to ensure the council inclusive approach and maximise city-wide positive impact.

<b>8b. Negative impact:</b>
- no negative impact identified
<b>Action required:</b>

<b>9. Will this activity promote strong and positive relationships between the groups/communities identified?</b>
<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
<b>Please provide detail:</b>
Signing a friendship oath between Leeds and Kharkiv will help build relationships between the settled and Ukrainian communities improving the council work in terms of combating

racism, facilitating local integration and supporting culturally diverse communities.

**Action required:**  
Working in partnership with community groups and third sector organisations to ensure the council inclusive approach and maximise city-wide positive impact.

**10. Does this activity bring groups/communities into increased contact with each other?** (for example, in schools, neighbourhood, workplace)

Yes

No

**Please provide detail:**  
Signing a friendship oath between Leeds and Kharkiv will help build relationships between the settled and Ukrainian communities improving the council work in terms of combating racism, facilitating local integration and supporting culturally diverse communities.

**Action required:**

**11. Could this activity be perceived as benefiting one group at the expense of another?** (for example where your activity or decision is aimed at adults could it have an impact on children and young people)

Yes

No

**Please provide detail:**  
The friendship agreement between Leeds and Kharkiv is aimed at creating a lasting international bond between the two cities and showing solidarity and compassion following the Russian invasion. The city has already demonstrated its support for Ukraine through the Leeds Together for Ukraine Appeal Fund, which raised over £150,000 .  
The agreement is aimed at building relationships between the settled and Ukrainian communities, sharing best practices, and facilitating integration.  
In addition, the council is engaged with wider Ukrainian residents, including statutory partners and the third sector, as part of delivering the Homes for Ukraine scheme and improving access to services and facilitating integration.  
Therefore, the friendship agreement between Leeds and Kharkiv is a positive step towards building stronger relationships between the two cities and promoting international

cooperation and understanding.

**Action required:**

**12. Equality, diversity, cohesion and integration action plan**

(insert all your actions from your assessment here, set timescales, measures and identify a lead person for each action)

<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>
Engaging with the Ukrainian Community Association and other third sector	November 2023	Set up a meeting including the Executive Member for Culture, Economy and Education, representatives of the Safer Stronger Communities, the International Relations Team and representatives of the Ukrainian Community Association and Chapel FM	Henriette Mahamane

<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>



**13. Governance, ownership and approval**

State here who has approved the actions and outcomes from the equality, diversity, cohesion and integration impact assessment

Name	Job title	Date
Belinda Eldridge	Head of Destination Marketing and International Relations	09/11/23
<b>Date impact assessment completed</b>		<b>09/11/23</b>

**14. Monitoring progress for equality, diversity, cohesion and integration actions** (please tick)

- As part of Service Planning performance monitoring
- As part of Project monitoring
- Update report will be agreed and provided to the appropriate board  
Please specify which board
- Other (please specify)

**15. 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 impact assessment 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 impact assessments that are not to be published should be sent to [equalityteam@leeds.gov.uk](mailto:equalityteam@leeds.gov.uk) for record.

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

For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent: 10/11/23
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:09/11/23

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## Cost of Living- update report

Date: 22nd November 2023

Report of: Director of Communities, Housing and Environment

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

This report provides Executive Board with an updated position on the cost-of-living crisis, national policy interventions and the Leeds City Council's response to addressing the crisis.

The Leeds cost-of-living dashboard detailing key data and analysis is attached at **appendix 1**.

This update follows the report to Executive Board in July 2023 and sets out any new developments, their potential impact, and any additional response required.

It is recognised that current local action alone may not be enough to mitigate the impact, and that in the longer-term greater focus will be required across all three pillars of the Best City Ambition in sustainably addressing deep rooted poverty and inequality within the city.

### Recommendations

Members of Executive Board are recommended to;

- a) Note the content of this report and endorse the approach being adopted.
- b) Note that the Director, Communities, Housing and Environment will be responsible for overseeing and implementing any actions arising from this report.

## What is this report about?

- 1 This report provides an update on the cost-of-living crisis and the actions being undertaken by the Council and partners from a welfare and financial inclusion perspective. The report follows on from the report received by Executive Board in July 2023.

## Context

- 2 Poverty and financial exclusion have been deep-rooted challenges in Leeds for many years. Already exacerbated by the COVID-19 pandemic, and despite significant work to address these issues locally, financial pressures and widening inequalities continue to impact households in Leeds and across the country.
- 3 The Office for Budget Responsibility predicts the UK will avoid recession in 2023, but that the economy will still shrink by 0.2%
- 4 Attached as **appendix 1** to this report is the quarterly Cost-of-Living Dashboard Report for Leeds which brings together detailed data and analysis as of September 2023.
- 5 The latest CPI inflation figures published on 18th October reveal that the UK Inflation rate remained at 6.7% in September 2023. At 12.2%, food and drink prices were still the largest component to inflation, with the lowest contribution being transport at 0.7%.
- 6 In November 2023, Bank of England interest rates were maintained at 5.25%. In September, the Bank also kept rates unchanged at 5.25%, which had been the first hold decision for nearly two years.
- 7 Although inflation has reduced since earlier in the year, it remains higher than the 2% target. Combined with high interest rates, both mean that the cost of essential goods remains at an unaffordable level, and as stated by the JRF 'for those already skipping meals and going without hot water, the rate at which prices continue to rise is now secondary.'
- 8 Citizens Advice estimated that as of September 2023, 'One in four people in the UK are currently behind on at least one bill and the situation looks set to deteriorate in the coming months. Nationally, the level of household debt, covering things like essential bills and benefit repayments sits at £22bn'.
- 9 In a letter to the Prime Minister, health and care bodies including the Academy of Medical Royal Colleges, alongside the NHS Confederation, British Medical Association and The Royal College of Nursing expressed concerns that 'as the price of everyday essentials like food and housing persist, too many people are expected to live with what can be devastating knock-on consequences. As well as not being able to afford enough food and other essential items, health and care practitioners say they see people forced to miss hospital appointments because they can't afford the bus fare. Others observed people missing or reducing their medication because they can't afford the prescription'.
- 10 Although the rising cost of living is affecting everyone, low-income households face a higher effective inflation rate because they spend a higher share of their income on energy and food, meaning they are disproportionately impacted. National and local research has further identified that women, ethnically diverse communities, large families, single parent households and disabled people/people with a long-term health issue, are groups being more severely impacted in comparison to the wider population.

## Housing

- 11 Leeds Housing Options has seen an increase in customers approaching the service where their situation has worsened due to the cost-of-living crisis. Temporary accommodation placements have increased during the 2023/24 financial year, with 176 households in placements at the end of June 2023. Of these, 79 households were families with dependent children. Most families requiring a placement into temporary accommodation have been asked to leave accommodation by family and friends, partly due to the increased cost of utilities and food, with no other housing

available to them. The second highest reason for being placed into temporary accommodation is loss of private sector accommodation.

- 12 There has been a higher number of people experiencing rental liability increases, being unable to afford rent due to other essential living costs, and the housing market further stretching the gap between the average rent cost and the local housing allowance (the maximum a household can claim in a housing related benefit). Landlords are also reporting the impact of higher interest rates and the knock-on effect to tenants. According to the Royal Institute of Chartered Surveyors, 'the availability of homes to renters has already been squeezed, so higher costs – as well as the Renters Reform Bill<sup>1</sup> – is likely to continue that trend'.
- 13 This continuously changing backdrop is challenging the ability of Housing Options to prevent and relieve homelessness, particularly as the private sector has been a critical part of Leeds Housing Options' re-housing or staying put solution. In quarter 1 of 2023/24, Leeds Housing Options accepted duties to prevent or relieve homelessness for 1,117 households. 64% of these were threatened with homelessness where prevention options were still available. In 79% of these cases, homelessness was positively prevented.
- 14 Within Housing Leeds, the Housing Officer Income (HOI) team report that the cost-of-living crisis forms the basis for the majority of conversations they are having with tenants, with many stating they are finding it harder to make ends meet as neither benefit levels nor wages have increased. Issues of food and fuel insecurity are highlighted by most tenants the team engage with and an increase in referrals for tenants of pension age has also been noted.
- 15 During August and September 2023, the HOI team have worked with 841 Households in total and secured £233,186.74 in additional income with an average additional income per family of £277. This included 216 households with children (£69,720 of additional income, with an average of £323 per family).
- 16 **Key local statistics:**
  - 22% (178,630) of the Leeds population is living in relative poverty after housing costs are deducted from income<sup>2</sup>.
  - 22% (32,933) of children in Leeds, were estimated to be living in relative low-income families before housing costs.
  - 76,446 people were claiming Universal Credit in Leeds in July 2023 - continuing the steady increase since January 2022.

### **Cost of Living Support Package 2023**

- 17 As seen in 2022, the Cost-of-Living package of support from National Government for 2023 has focused on scheduled payments for eligible means-tested benefits claimants<sup>3</sup>. Some households receive a combination of payments, depending on their individual circumstances.
- 18 Cost of Living Payment Schedule:
  - £301 – First Cost of Living Payment – Spring 2023
  - £150 – Disability Payment – Summer 2023
  - £300 – Second Cost of Living Payment – Autumn 2023
  - £300 – Pensioner Payment – Winter 2023/4
  - £299 – Third Cost of Living Payment – Spring 2024
- 19 Energy support measures previously set by the Government in October 2022, ended in July 2023. This included:
  - The Energy Price Guarantee

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<sup>1</sup> For further details of The Renters Reform Bill, please see - [Renters' Reform Bill, Second Reading, House of Commons, 23 October 2023 | Local Government Association](#)

<sup>2</sup> Poverty Estimates for Leeds, [Leeds Observatory – Leeds Poverty Fact Book – Section 1: Relative and Absolute Poverty](#)

<sup>3</sup> For full details of Cost of Living Payment eligibility, please see - [Cost of Living Payments 2023 to 2024 - GOV.UK \(www.gov.uk\)](#)

- Energy Bill Support Scheme (EBSS)
  - Energy Bills Support Scheme Alternative Funding (EBSSAF)
  - Alternative Fuels Payment (AFP)
- 20 Low uptake of vouchers was reported across the various schemes, meaning some of the most vulnerable customers may not have accessed support they were entitled to.
- 21 From October 2023, the Ofgem energy price cap will be set at an annual level of £1,923 for a dual fuel household paying by direct debit based on typical consumption, which reflects recent falls in wholesale energy prices.
- 22 As the current price cap remains 60% higher than winter 2021, the average household is likely to pay the same, or more than last winter.
- 23 Cornwall Insight further predicts bills could increase in January 2024 to £1,996 under the official price cap set by the UK's energy regulator Ofgem.
- 24 Following an urgent enquiry by Ofgem into the practice of forced prepayment meter installations by energy suppliers, an updated Code of Practice was introduced in April 2023, banning the practice for highly vulnerable people i.e. those aged over 85 and living alone. Further to this, Ofgem has now expanded the vulnerability criteria and confirmed that from 8<sup>th</sup> November 2023, the Code of Practice will become a mandatory part of suppliers' licence conditions, subject to enforcement action and fines if breached. According to Ofgem, currently no suppliers are carrying out involuntary installations unless they meet strict criteria.
- 25 Many local and national organisations including think tanks, charities and advice services are calling for a new policy framework focusing on new social tariff arrangements, to ensure sustainable, targeted support is available to low-income households spending excessive proportion of their income on energy bills.

### **Universal Credit (UC)**

- 26 Universal Credit was first introduced in 2013, with the aim of streamlining and simplifying the benefits system and better supporting those on low incomes. The DWP plan to complete the implementation of UC with a three-track approach – natural migration, voluntary migration ('choose to move') and managed migration. Migration is essentially the process of moving a claimant from their legacy benefit onto Universal Credit. Legacy benefits include Housing Benefit. Pension Age benefit recipients are not impacted.
- 27 'Managed migration' (also known as 'Move to UC') is the final phase of the rollout of UC, wherein the DWP is gradually contacting working age legacy benefit claimants to notify them that those benefits will be ending and informing them of the need to claim UC instead.
- 28 The focus throughout the 2023/24 financial year is on migrating households claiming tax credits only (working tax credit and/or child tax credit).
- 29 The DWP began issuing Migration Notices to tax credit claimants in Leeds from August 2023, and Managed Migration activity is planned in all Jobcentre Districts nationwide by the end of the financial year.
- 30 Concerns have been raised nationally about the approach to Managed Migration, with Child Poverty Action Group's analysis of DWP figures showing 'of those sent a migration notice between November 2022 and March 2023, 28% did not claim UC and had their current benefit payments terminated. By the end of this financial year, the DWP plans to have sent 500,000 tax-credit claiming households a migration notice, requiring them to claim UC. If the proportion of 'no-claims' stays at 28%, 140,000 households could have their current benefits stopped'.
- 31 Research by Trussell Trust (September 2023), highlights 32% of working families receiving UC reported struggling to heat their homes in the last six months, and 21% were unable to make essential journeys (for example, travel to work or school) because they couldn't afford the cost of fuel or public transport.
- 32 In addition, analysis from Joseph Rowntree Foundation estimates the weekly UC standard allowance is £35 less than the cost of essential items for a single person, and nine out of ten households are going without at least one essential such as food or heating.

33 Both charities are now leading a petition calling for the introduction of an Essentials Guarantee within Universal Credit to ensure that the basic rate at least covers life's essentials, such as food and bills.

#### 34 **Local partner update**

35 Since the last Cost of Living Update report submitted in July 2023, the exceptional pressure on services, staff and customers has continued.

36 Advice partners locally have continued to report increased levels of safeguarding issues, particularly in respect to complex mental health issues and suicide. As reported in July 2023, customers affected by these issues are increasingly reliant and returning to advice services, with long waiting lists and difficulty accessing appropriate specialist support services cited as additional barriers.

37 Evidence from frontline advice services continues to demonstrate the growing trend of households approaching for help where there is no sudden or short-term emergency/crisis at play, but where the available income is simply not sufficient to meet the basic needs of the household. Being in a state of 'perpetual crisis' presents challenges to services as well as the individual as short term/emergency support is quickly exhausted and is not sustainable in the mid/long term as exemplified.

38 In addition to concerns raised nationally, health partners in Leeds recently provided evidence at strategic Cost of Living and Welfare Meetings of the increasing clinical impact of the cost of living.

39 Low-income working households, not entitled to support with prescription charges are being particularly impacted, as well as patients with multiple illnesses, that are unable to afford each separate prescription or the cost of prepayment cards. This has led to individuals trying to prioritise prescriptions i.e. short-term antibiotics or long-term medication.

40 Outbreaks of conditions such as scabies are indicative of deprivation and recent cases of a severe, recurrent and persistent nature has been directly attributed to people being unable to afford the necessary prescriptions and treatment.

41 While the links between specific issues such as money problems and mental health, fuel poverty, poor living conditions and respiratory health, as well as food poverty and malnutrition, are longstanding and well recognised, the cost of living is further compounding the situation and leading to locality related problems including:

- Correlations between cases of lead poisoning in areas of the city with poor housing stock, attributable to children ingesting peeling paint from old pipes.
- Increasing numbers of patients with malnutrition; unable to access hot meals except for takeaway food due to the cost of food and energy. This issue is particularly prevalent in areas densely populated by fast food takeaways offering cheap but nutritionally poor meals.

#### **Local Action**

42 As reported at March Executive Board and linked to the breakthrough priority to develop an integrated city-wide welfare support approach, strategic and operational groups have been meeting since September 2022 to coordinate actions to mitigate as far as possible the impacts of the cost-of-living crisis. The groups all have senior representatives from the Council, health, third sector and the Department for Work and Pensions and have expanded to include other key partners where appropriate, such as West Yorkshire Fire Service.

43 Regarding framing the response in the city, the work areas and actions emerging from the meetings have focussed on awareness and understanding of support available, developing practical support to enhance existing services, and ensuring funding available is coordinated and maximised. Please see **appendix 2** for full details of work undertaken, and **appendix 3** for the Equality, diversity, cohesion and integration screening.

44 As winter 2023/24 commences, these project areas are being reviewed and updated. Key upcoming workstreams include:

## Communications and engagement

45 Review and update of the Together Leeds campaign site to ensure all cost-of-living information and advice is up to date and accurate for winter 2023/24. Dedicated social media content will be deployed, including winter wellbeing guidance. Online content is complimented by a wide range of offline activity such as radio advertising, outdoor adverts, posters, and leaflets, which signpost to both the website and the Council's Community Hubs and Libraries.

## Information, Advice and Guidance

46 The Cost of Living google drive also continues to be shared with organisations across the city; containing up to date messaging, resources and training themed around money, energy, housing, food, and health etc.

47 Work to update the Leeds Money Information Centre (MIC) 'Managing your Money' booklet has now been completed. Printed copies have been distributed to all community hubs, libraries, and housing offices, and have also been made available to financial inclusion partners alongside the full range of MIC printed resources – posters, flyers, business cards and concertinas.

48 The Financial Inclusion Team are also continuing to provide training and awareness sessions for a range of frontline services including LCC children's services, customer services, as well as external partners and third sector volunteers. Future sessions are also being confirmed for LCC Gas Operatives and Housing Leeds.

## Practical Support

49 Following the success of the 'Warm Spaces' project in winter 2022/23, the project will be resumed from November 2023 to March 2024. After consultation with organisations who hosted services about their preferred name, the project will operate under the name 'Welcome Spaces'. Host organisations include LCC Community Hubs and Libraries as well as third sector and faith-based organisations supported by Voluntary Action Leeds and other strategic partners. Funding for the scheme has been secured from the Household Support Fund and West Yorkshire Combined Authority, and Leeds Community Anchor Network (LCAN) will take a central role in awarding grants to third and faith sector host organisations, helping to coordinate the network at the local level.

50 Building on the project delivered in 2022/23, Zero Waste Leeds' Winter Coat Appeal will also resume this winter, with delivery expected to run from October 2023 to March 2024. The scheme collects and distributes good quality, clean coats across selected community locations including community hubs and libraries. Additional work is also being undertaken to link the project with Welcome Spaces.

## Funding

51 Efforts have continued to focus on ensuring short term funding such as the Household Support Fund, Holiday Activity and Food Funding, the West Yorkshire Mayoral fund and allocations of the UK Shared Prosperity Fund are prioritised to support people most impacted by the cost-of-living crisis (including via third sector partners in the city), whilst adhering to the criteria of the different funds and differing timescales for delivery.

52 In terms of the Household Support Fund, which is part of the government's package of Cost-of-Living support focussed on providing food, fuel, and essential items to support vulnerable households, announcements are yet to be made on whether this will be continued beyond March 2023. The allocation for Leeds between April 2023 and March 2024 was £14.2m.

## Reporting

53 Attached as **appendix 1** to this report is the Cost-of-Living Dashboard for Leeds which brings together detailed data and analysis as of **September 2023**. The dashboard is hosted on the Leeds Observatory, and work to enhance the dashboard through migration and integration with an online interactive platform continues.



54 Since June 2023, the 'City Operational Group' provided thematic meetings, concentrating on the impact of the Cost of Living on the following areas:

- Housing
- Child Poverty
- Crime & Community Safety
- Health inequalities
- Migration/Immigration & support for ethnic/culturally diverse communities
- Local Crisis Support
- Third Sector, Advice & Support

55 From October 2023, additional meetings for the group are now being confirmed to ensure new and emerging issues, workstreams and updates are captured and shared throughout winter 2023/24.

### **What impact will this proposal have?**

56 The proposal sets out how the Council and partners are adopting a strategic, coordinated and collaborative response to the cost-of-living crisis. However, many of the projects and initiatives referenced are short term. The challenge for the council and partners is how this work can be used to make a substantial long-term difference to the people of Leeds, without significant change in national policy and adequate long term sustainable funding.

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

- Health and Wellbeing       Inclusive Growth       Zero Carbon

57 The Leeds Best City Ambition has at its heart the mission to tackle poverty and inequality and improve the quality of life for everyone who calls Leeds home. The actions and initiatives set out within the report to mitigate the impacts as far as possible of the cost-of-living crisis, impact all three pillars of the Best City Ambition. A greater focus will be required across all three pillars of the Best City Ambition in sustainably addressing deep rooted poverty and inequality within the city.

58 Poverty and inequality are protected characteristics, and Equality, Diversity, Cohesion and Integration screening are undertaken as appropriate for each measure, with the EDCI screening document for the 'Cost of Living and Welfare' strategic and operational arrangements attached as **appendix 3**.

### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?       Yes       No

59 Partner organisations referred to in this report have been consulted to provide relevant and up to date information about the projects, initiatives and services referenced.

### **What are the resource implications?**

60 All the projects and services referred to in this report are being undertaken within current budgets, there are no additional resource implications arising from this report.

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

61 The Corporate Risk Register houses the most significant and cross cutting risks facing the council and city. The register includes a risk on Escalating Poverty - 'The impact of poverty in the city escalates due to factors such as inflation, fuel, food and energy prices increases.' Should the council fail to play an effective part in tackling the risk, then the impact of the risk increases, and

it will have a more detrimental effect on the citizens and communities of Leeds. This could lead to a loss of public faith in the council and subsequent reputational damage.

62 The risk is managed through a range of activities as outlined in this report, including regular strategic and operational group meetings. The risk is regularly reviewed, updated and reported within the council, to the Communities, Housing and Environment Directorate Leadership Team and onto the Corporate Leadership Team.

63 An additional risk on Third Sector Organisation sustainability has been recently added the Corporate Risk Register – the risk that Third Sector Organisations will not be able to deliver due to reduced funding and increased demand. The key controls to manage this risk will be the development of a strategy based on the following principles:

- Working in a way that ultimately benefits people and communities living in Leeds
- The importance of delivering preventative measures where possible
- Investment in resilience
- The importance of working together in partnership
- A commitment to ‘one workforce’
- The third sector being an equal partner as part of both the West Yorkshire Health and Care Partnership, ‘Team Leeds’ approach and West Yorkshire Combined Authority

### **What are the legal implications?**

64 There are no specific legal implications or access to information issues with this report.

### **Options, timescales and measuring success**

#### **What other options were considered?**

65 No other options have been considered.

#### **How will success be measured?**

66 Success will be measured by update reports and the cost-of-living dashboard.

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

67 Implementation is immediate and continuous

### **Appendices**

- Appendix 1: Cost of Living Dashboard September 2023
- Appendix 2: Cost of Living Action Plan
- Appendix 3: Equality, Diversity, Cohesion & Integration Screening

### **Background papers**

None

# Cost of Living Crisis

## Leeds Dashboard

Leeds - September 2023

### Key Statistics:

The cost of living has been increasing across the UK since early 2021. Inflation reached 11.1% in October 2022, a 41-year high, before slowing to 6.7% in August 2023. Interest rates have remained at 5.25% since July 2023.

This dashboard brings together key national and local data to help provide an overview of how rising prices, particularly food, energy and fuel prices are having an impact in Leeds.

The data in this report is the latest available as of **26th September 2023**.



**6.7%**

Was the UK Inflation rate in August 2023, with food prices and household bills being key contributors to keeping inflation high.



**5.25%**

At its meeting on 20 September 2023, the MPC voted to maintain interest rates at 5.25%. Though it has stayed the same for 2 months, this is still the highest rate since 2008.



**£230,000**

The average house price in Leeds increased 6.9% between Mar 2022 to Mar 2023.



**£825**

Monthly Rental cost in Leeds up 19% to £825 in the 12 months to March 2023.



**£330**

Is the average weekly spend for low-income households, of which 25% is spent on fuel bills and rent and 14% on food and drink.



**67,616**

food parcels were given out informally without the need for referral in 2022/23, this is up 3% on last year.



**£443**

is the 2023 fuel poverty gap - the average additional income fuel poor households need be out of fuel poverty in 2023.



**7.1**

Full-time employees in Leeds earning £30,858 could expect to spend 7.1 times their annual earnings buying a home. The ratio has increased over time as wages have not risen in line with house prices.



**£1.54**

As of 18 September 2023, petrol was £1.54 per litre and diesel was £1.58 per litre.



**76,446**

people were claiming Universal Credit in Leeds in July 2023, this figure has increased steadily since January 2022.



**241**

Requests for benefit checks to maximise incomes to LCC's Welfare Rights Unit in August 2023, up 28% from 189 checks made in August 2022.



**76.4%**

Employment in Leeds has increased from 73.9% in the year to Mar 22 to 76.4% in the year to Mar 23.



**85%**

Increase in enquires to local Citizens Advice in relation to charitable and foodbank support in the 12 months to Mar 2023.



**10,337**

There were 10,337 applications to the Local Welfare Support Scheme in the 3 months to July 2023.



**29%**

Although employment levels are at their highest rate, 29% of adults are estimated to be in in-work poverty.



**13.6%**

Food and drink prices were 13.6% higher than in August last year and remains the largest component to high inflation.

## Inflation:

Consumer Prices Index inflation has slowed since its peak in October 2022 of 11.1%, standing at 6.7% in August 2023. This is still above the Bank of England's 2% target. High inflation affects the affordability of goods and services for households.

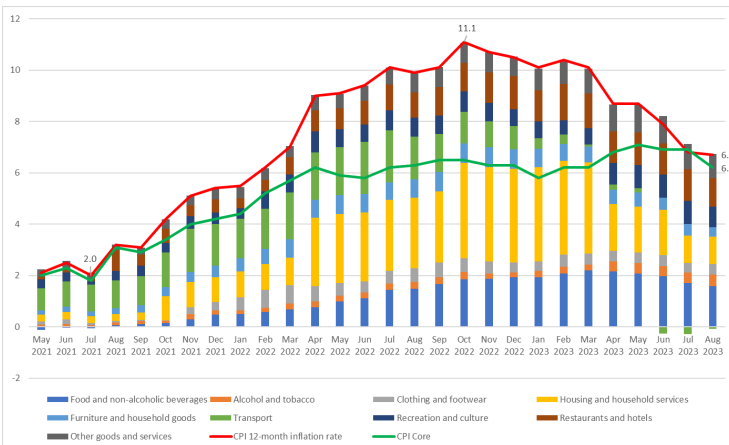
The chart below shows the monthly CPI rate along side the Core Inflation rate and also includes the component categories that make up the largest contributions to CPI.

CPI was last at its target rate in July 2021 as Lockdown rules were easing and spaces were starting to reopen. From that point supply and demand issues started to push up prices and the cost-of-living crisis began to take effect. In the 12 months to August 2023, food, housing and household services and restaurants and hotels have been the largest contribution to inflation increases.

Core inflation, which strips out the more volatile components such as energy, food prices and alcohol and tobacco prices, slowed slightly from its peak of 7.1% in May 2023 to 6.2% in August 2023. Higher core inflation is seen as a sign that price growth is more likely to remain persistently high.

SOURCE: ONS, CPI Inflation and Contributions, Monthly Data, September 2023

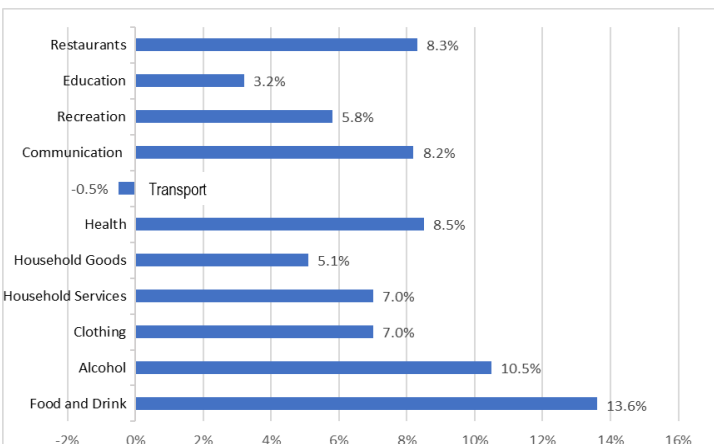
### Contributions to the annual CPI inflation rate over time



### Components of Inflation August 2023

At 13.6%, food and drink prices were still the largest component to inflation in August 2023. The lowest contribution was transport at -0.5%. However, rising motor fuel costs have meant that the low contribution from transport to inflation is up from -2% in July 2023 to -0.5% in August 2023.

SOURCE: ONS, CPI Inflation, Monthly Data, September 2023

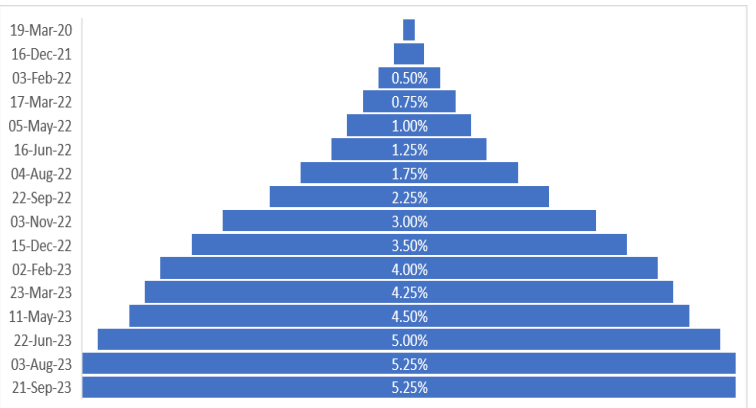


## Interest Rates:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet a 2% inflation target. At its meeting ending on 20 September 2023, the MPC voted to maintain Bank Rate at 5.25%. Although inflation is still more than three times the Bank's 2% target, the recent easing of inflation has influenced the decision to pause interest rate rises.

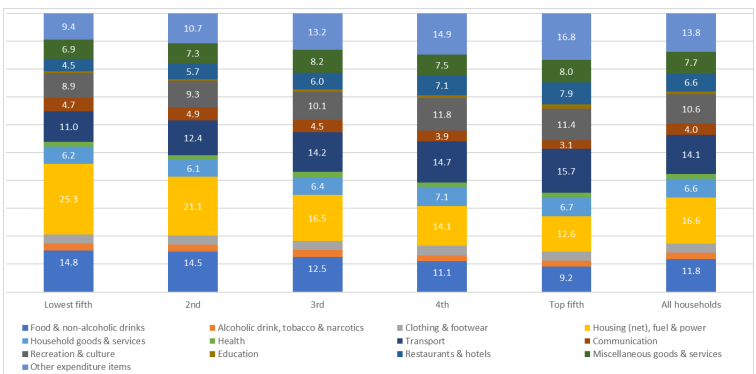
Higher interest rates will lead to higher repayments for people with loans and mortgages, but should also benefit savers if the rise is passed on. The economic intention behind the hike is to reduce spending, to reduce demand on goods and therefore bring down prices and bring inflation back down.

SOURCE: BoE, Bank Rate, Monthly data, September 2023



## Household Expenditure:

National average weekly household expenditure was £528.80 in the financial year ending (FYE) 2022. After adjusting for inflation, this was a real terms increase in average weekly household spend of £28.80 (6%) in FYE 2022.



Please note: spending is categorised using classification of individual consumption by purpose (COICOP) categories. As such, mortgage interest payments, Council Tax and Northern Ireland rates are categorised as other expenditure items rather than housing (net) fuel and power. Housing (net) refers to housing costs minus council tax and mortgage payments. Household goods and services include household appliances and goods and services for household maintenance.

On average, the top fifth of households with high incomes spent a total of £811.20 per week, while at the lower side of the income scale the lowest fifth of households spent £329.80 per week. The chart above displays how spending patterns vary across income distribution.

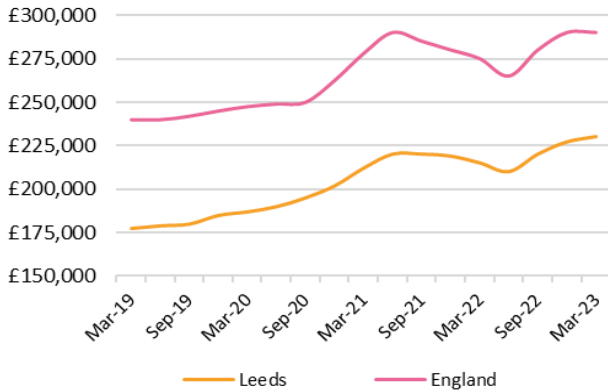
Out of the £329.80 per week, the ONS estimate that the lowest-income households spent around 25.3% on rent and fuel costs and 14.8% on food costs. When compared to the highest income group spending of the £811.20 per week, it's estimated 12.6% was spent on housing and fuel costs, 9.2% on food costs, but the highest proportion of spending for this income group was on Other expenditure items which mortgage and council tax at 16.8%.

SOURCE: ONS, Family Spending in the UK April 2021 to March 2022, May 2023

## House Prices:

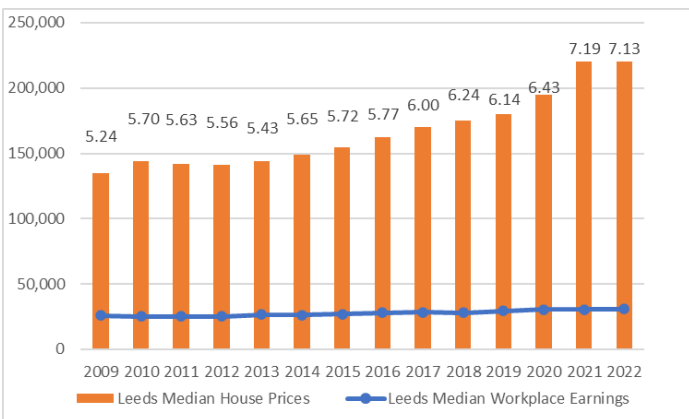
The ONS estimates that average house prices in Leeds rose above its previous peak of £220,000 in Jun 2021 to £230,000 in Mar 23, and up 6.9% on Mar 22. Average house prices across England rose 5.4% to £290,000.

SOURCE: ONS, House Prices, Quarterly Data, September 2023



## Housing Affordability Ratio:

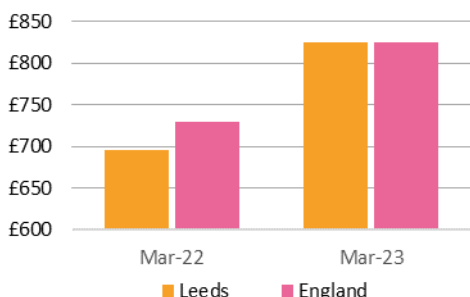
With data available to Sept 2022, the ONS produce a Housing Affordability Ratio. Full-time employees in Leeds earning £30,858/year could expect to spend around 7.1 times their annual earnings buying a home at £220,000. This is below the England and Wales rate where full-time employees spend up to 8.1 times their annual earnings buying a home. The chart below



## Housing Rentals:

The median rent in Leeds was £825/month in March 2023; up 19% on the same time last year, when rents were £795/month. The median rent in England was also £825/month, up 13% on the same period in 2022, when average rents were £730/month.

SOURCE: ONS, House Prices, Bi-annual Data, June 2023



**£825**  
Average Rental Cost in Leeds March 2023

## Housing Leeds Rent Arrears:

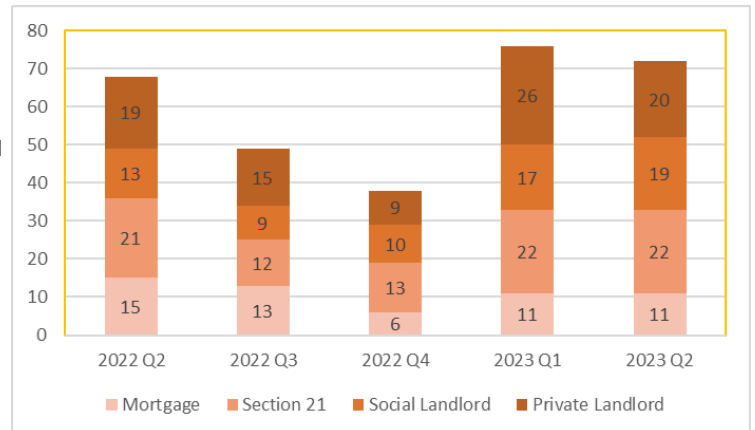
	Jul-22	Oct-22	Jan-23	Apr-23	Jul-23
Arrears	4.00%	4.26%	4.45%	4.40%	4.25%

As of July 2023, 4.25% of Housing Leeds Tenants were in arrears with their rent, increasing 0.25 percentage points on July 2022.

There were 52,348 council tenancies in Leeds, 35% of which are on Universal Credit and 33% on Housing Benefit. In July 2023, 18,412 Housing Leeds tenants were claiming Universal Credit, of which 46% (8,486) were on a managed payment to landlord. A managed payment to landlord is where the housing cost element of UC is paid direct to Housing Leeds as landlord, due to accruing rent arrears equal to, or more than two months or in defined circumstances to prevent arrears occurring. The proportion of tenants on a managed payment has increased 22% since July 2022. The figures are an indication of households in arrears or concerned they may fall into arrears and can partly be attributed to households struggling with the cost of living.

SOURCE: LCC Housing Leeds, Quarterly Data, August 2023

## Housing Evictions:



In Leeds rental evictions by all landlords have risen by 15.1% on the quarterly period of Apr-Jun last year—up from 53 repossessions in Quarter 2 2022 to 61 in Quarter 2 2023. Nationally, rental evictions have risen by 18.5% in the year.

Mortgage repossessions are generally lower in comparison to the rental picture. In Leeds there were 11 during Q2 2023, down from 15 in Q2 2022. Nationally, mortgage repossessions have fallen by 17.7% in a year.

The chart displays the trend in Mortgage and Landlord repossessions from Q2 2022 to Q2 2023 for Leeds. The Landlord data is broken down into Landlords repossessing homes under Section 21, Private Landlords and Social Landlords.

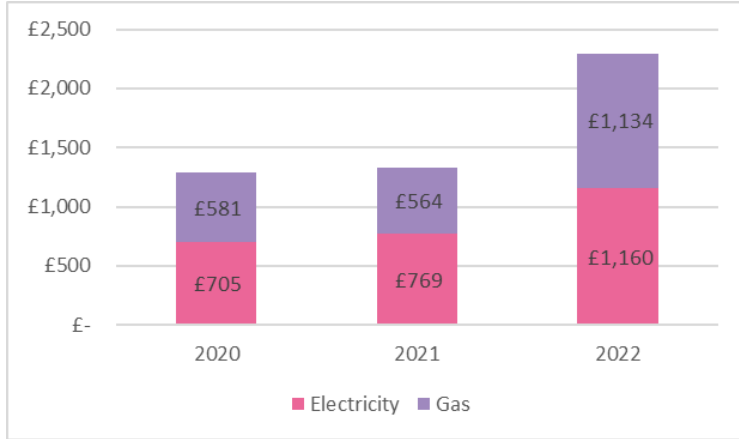
Section 21 evictions, also known as 'no fault' evictions currently allow landlords to evict tenants without providing any reason. Between April to June 2023; there were 22 Section 21 evictions. Across England and Wales these type of evictions have risen by 47% (up from 1,651 to 2,430).

Parliament is currently reviewing the Renters Reform Bill which proposes to transform the private renting sector, including plans to scrap section 21 evictions.

SOURCE: MoJ, Quarterly Data, August 2023

## Energy Bills:

Average UK energy bills based on fixed energy consumption in 2022 were estimated to be £2,294. This was an increase of 72% or £961 on 2021. The average Standard Electricity bill increased by 51% up £391 to £1,160 in 2022. The average Gas bill increased by 101% up £570 to £1,134 in 2022.



The 2022 combined electricity and gas bills are the highest on record. Households will have received around £200 (three payments of £66 / £67 in October, November and December) towards their bill from the Energy Bills Support Scheme (EBSS) in 2022. (These payments have not been included in or deducted from these bills estimates. Other cost of living support measures and payments are also not reflected in the bill estimates.)

SOURCE: DESNZ Quarterly Energy Prices Data September 2023

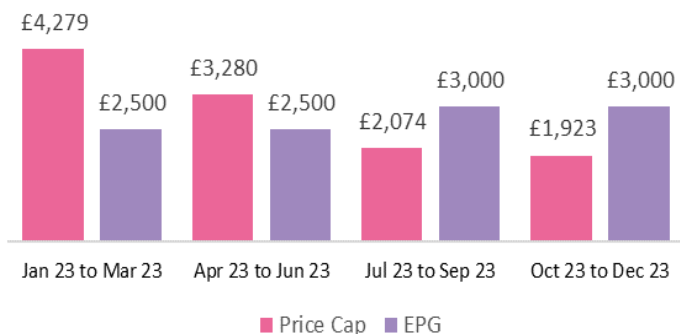
## Energy Price Cap and EPG:

The Ofgem energy price cap is announced quarterly and sets a maximum price that energy suppliers can charge consumers for each kilowatt hour (kWh) of energy they use. The cap is a government protection, calculated by Ofgem.

The Energy Price Guarantee (EPG) was a Government policy introduced on 1 October 2022 to protect households from rising prices and was due to increase from £2,500 to £3,000 from April 2023. However, it's since been confirmed the Ofgem price cap will fall below the EPG from July, meaning for most households, the EPG will not be needed as customers will pay the lower of the two.

From October 2023, the Ofgem energy price cap will be set at an annual level of £1,923 for a dual fuel household paying by direct debit based on typical consumption, which reflects recent falls in wholesale energy prices. The price cap for July sees a reduction in last quarter's cap, and a reduction in how much customers will pay on their bills.

SOURCE: Ofgem, Quarterly Energy Price Cap Data, August 2023



## Fuel Poverty:

An estimated 55,274 (15.8%) Leeds households were in fuel poverty in 2021 according to the Low Income Low Energy Efficiency (LILEE) measure.

The LILEE definition of fuel poverty states that a household is fuel poor if:

- They are living in a property with an energy efficiency rating of band D, E, F or G
- Their disposable income (income after housing costs and energy needs) is below the poverty line.

There is a two-year time lag for local fuel poverty data and the latest available data does not yet capture the impact of the energy crisis. The national fuel poverty rate for England just has a one year time lag and was at 13.4% during 2022.

### Fuel Poverty Gap

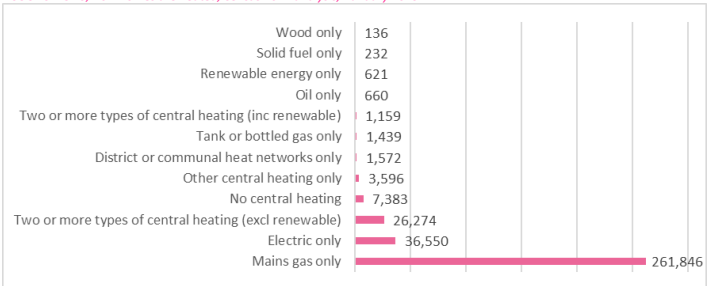
The LILEE definition also allows analysis of the depth of fuel poverty; known as the fuel poverty gap which measures the reduction in fuel costs a households would need to no longer be in fuel poverty. In 2022 the mean average fuel poverty gap was £338 per fuel poor household and is projected to increase to a record high of £443 in 2023 (previous record of £354 in 2010). This means in 2022, households in fuel poverty needed £338 more income to pay their fuel bills and forecasts expect this figure to be around £443 during 2023.

SOURCE: DBEIS and DESNZ Fuel Poverty data, Annual data, April 2023

### How homes are heated in Leeds

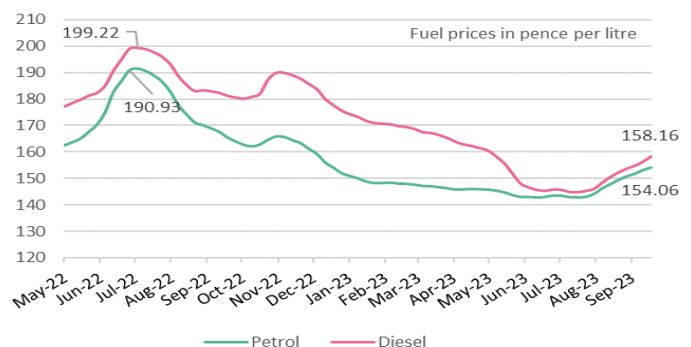
In Leeds, Census 2021 data reveals 77% of households used mains gas central heating, this compares to 74% of households nationally. 36,550 Leeds households had electric-only heating (10.7% of all Leeds households). 7,383 households in Leeds reported having no central heating at all (2.2% of Leeds households).

SOURCE: ONS, How homes are heated, Census 2021 analysis, January 2023



## Road Fuel Prices

As of 18 September 2023, Petrol was 154.06 pence per litre and diesel was 158.16 pence per litre. Although considerably lower than their peak reached in July 2022 (£1.91 for petrol and £1.99 for diesel), road fuel prices have started to rise and have lead experts to believe this will be a factor in seeing CPI inflation rates rise in August. However, inflation rates did not increase due to slowing food costs.





## People in Poverty

The Leeds Poverty Fact Book contains all the latest official data and insights relating to Poverty and its impact in Leeds. Key headlines from the latest Relative Poverty estimates published by the DWP in March 2023 reveal, after housing costs are deducted from income:

- 22% of people in the UK were in poverty in 2021/22 and is estimated to affect 178,630 people in Leeds.
- A couple with 2 children are in poverty if they earn £486/week or less
- A single adult with no children is in poverty on earnings of £174/week or less
- 71% of children in poverty are from working families
- 29% of working age adults in the UK live in households where at least one adult is in work but are still in poverty

Latest local estimates from HMRC & DWP estimate that 32,933 children under 16 in Leeds were in poverty in 2021/22 before housing costs are deducted from income.

SOURCE: DWP HBAI, Annual data, March 2023

## Employment/Unemployment:

In the year to Mar 2023, 391,600 people were estimated to be employed in Leeds, at a rate of 76.4% of the working age population. This was just above the national rate of 75.5%. Employment in Leeds has been increasing steadily on a quarterly basis since Jan-Dec 2021, and is higher than its pre pandemic rate in Jan-Dec 2019 of 74.6%.

In the year to Mar 2023, 11,600 people were estimated to be unemployed in Leeds, at a rate of 2.9%, which is below the national rate of 3.7%.

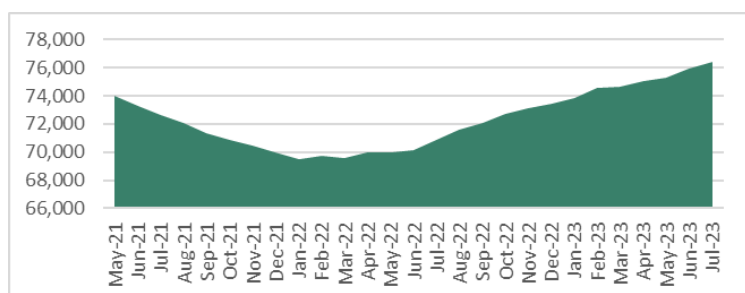
SOURCE: Nomis, Annual Population Survey, Quarterly data, August 2023



## Universal Credit:

Latest data for July confirm there were 76,446 claimants in Leeds, up 8% on July 2022. 62% of claimants to UC in July 2023 were not in work, and 38% - over 28,700 Leeds claimants are in-work.

SOURCE: DWP People on Universal Credit, Monthly data, September 2023



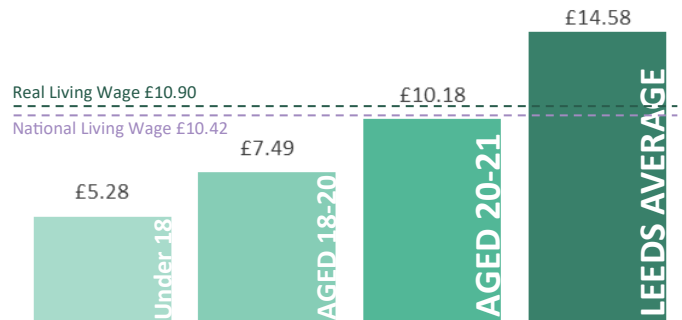
## Minimum/Living Wages:

The Living Wage Foundation recommend employers outside of London pay £10.90/hour from April 2023, currently the Government's National Living Wage is set at £10.42/hour for all employees aged 23 and over.

Although the median average wage for Leeds residents is £14.58/hour, an estimated 40,258 FTE Leeds residents earned less than the Living Wage Foundation's Living Wage in 2022 of £9.90/hour.

SOURCE: Living Wage Foundation, Annual data, Oct 2022, and Low Pay commission, Annual data Nov 2022

### Government National minimum wages



### Wages and impact of inflation

After the recent uplift to the National Living Wage to £10.42/hr; UK wages have risen at their fastest rate in 20 years, but are still lagging behind the rate of inflation. Pay failing to keep up with price rises has led to many households to come under financial pressure in recent months.

The table below provides the inflationary impact on median weekly earnings for Leeds residents from official data published in November 2022 (before the increase in National Living Wage). Real term estimates have also been provided for Leeds' lowest 10% earners and top 10% earners.

	Lower 10%	Median	Top 10%
2021 Weekly Earnings	£184.00	£500.40	£984.80
2022 Weekly Earnings	£189.00	£536.60	£1,060.90
Nominal Change	£5.00	£36.20	£76.10
Nominal % Change	2.7%	7.2%	7.7%
Real Change	£-11.93	£-9.84	£-14.50
Real % Change	-5.9%	-1.8%	-1.3%

Annual Survey of Hours and Earnings (ASHE) report that for full-time equivalent (FTE) employees in the UK, median weekly earnings in April 2022 increased to £532.50 by 5.6% (£28.10) from a year earlier on a nominal basis, and when adjusted for inflation, it fell by 2.1% (down £11.24 per week).

In Leeds; resident FTE employees, median weekly earnings increased to £536.60 up by 7.2% (up £36.20) from a year earlier on a nominal basis, and when adjusted for inflation, it fell by 1.8% (down £9.84 per week). The real term impact on the lower 10% of earners, estimates that Leeds residents saw a weekly loss of 5.9% (£11.93) and the top 10% of earners are losing 1.3% of their income in real terms, (down £14.50 a week). This analysis highlights how it is those on lowest income being hit the hardest by the inflationary impacts and the cost of living. Analysis of data due to be published in November 2023 should reveal the impact on the increase the National Living Wage on the more recent inflation data.

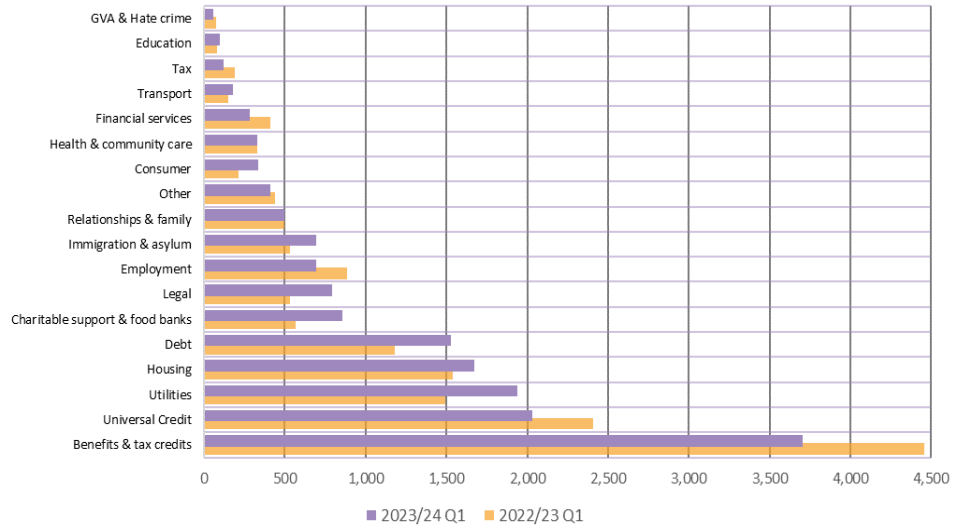
SOURCE: ONS, ASHE and the Leeds Poverty Fact Book, Annual data, Nov 2022

## Citizens Advice:

Client data from Citizens Advice Leeds and Chapelton provides an indication on the demand for advice services and the type of enquiries being seen. In the quarter ending June 2023; total enquiries increased by 2%; from 15,971 in Q1 2022/23 to 16,228 in Q1 2023/24. Enquiries on Benefits and tax credits, Universal Credit, Utilities, Housing, Debt, and Charitable support/foodbanks were the most sought areas of advice.

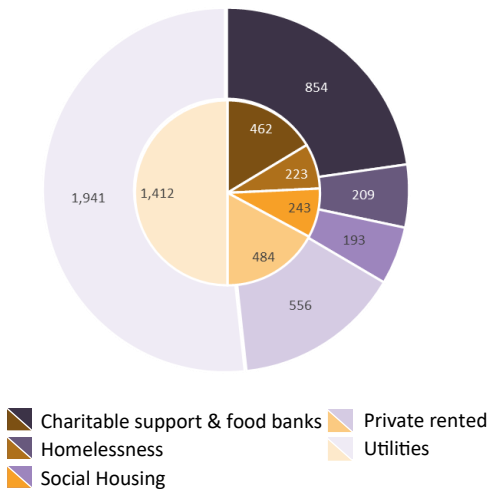
Although there has been a fall in benefits & tax credits enquiries in this quarter, it should be noted that this is due to the continued transitioning of new claims to Universal Credit. There is also a lower volume of Universal Credit enquiries compared to Q1 in 2022/23 due to staff training rather than a lack of demand.

Number of Clients and Advice Categories

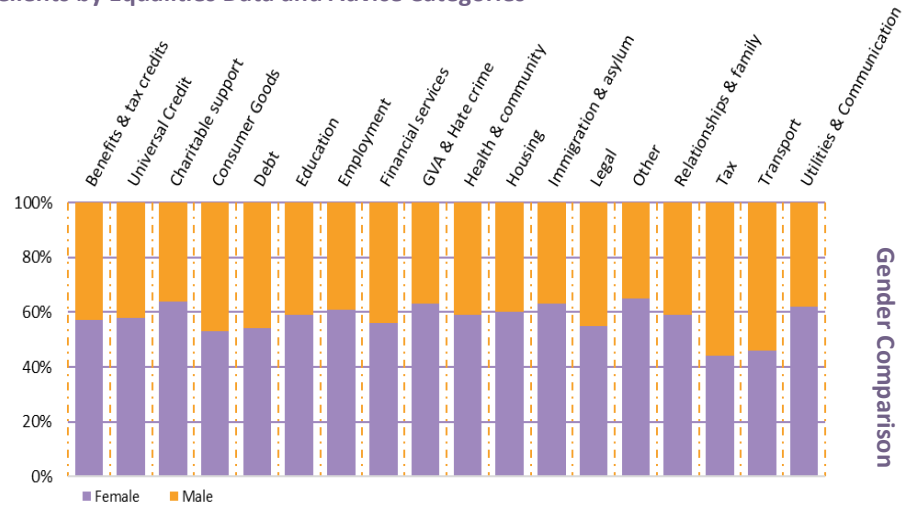


2022/23

2023/24



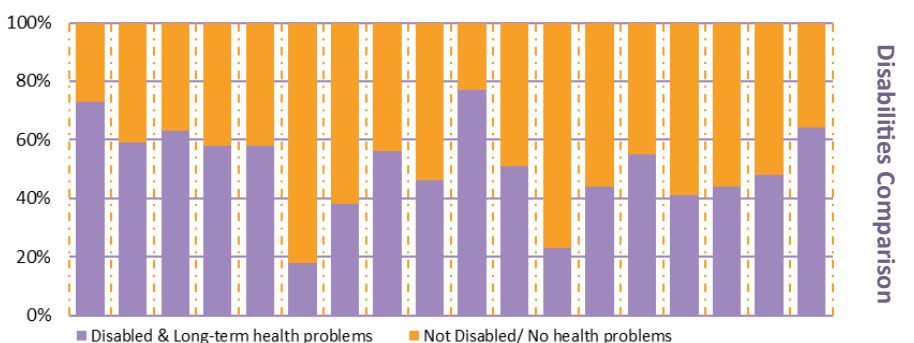
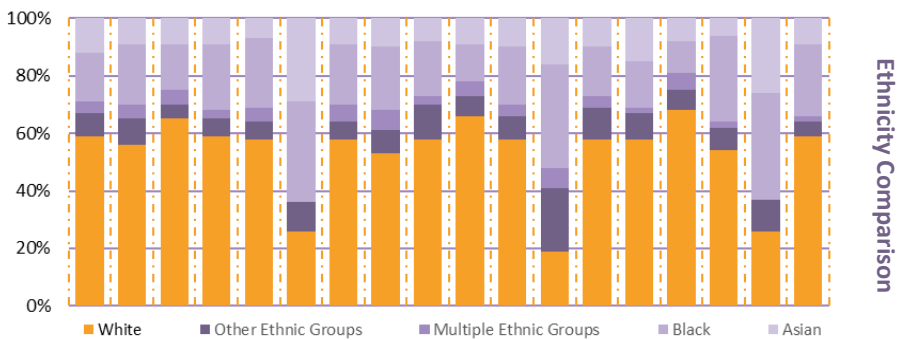
Clients by Equalities Data and Advice Categories



### Cost of Living Comparisons

The pie chart above demonstrates how key advice areas have increased considerably between Q1 2022/23 and Q1 2023/24 in relation to the cost of living. Enquiries relating to Utilities such as energy bills have increased by 37% and Charitable and foodbank support has increased by 85%.

The demography of local Citizens Advice data reveals that women, ethnically diverse communities and disabled people/people with a long term health issue are all representing for advice at higher proportions than they are in the wider Leeds population. This indicates that these groups are being more severely affected by the cost of living crisis than the overall population. 38% of all clients in Q1 2023/24 were from priority wards which include the 1% most deprived neighbourhoods according to the IMD 2019.



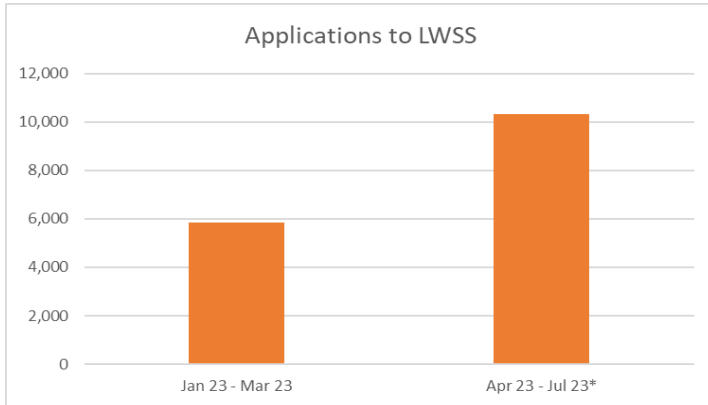
SOURCE: Citizens Advice Leeds and Chapelton, Quarterly data, August 2023



## Local Welfare Support Scheme:

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 support, supermarket vouchers, white goods, furniture and has recently trialled a cash grant scheme.

### Applications to LWSS



Between April—July 2023, there were 10,337 applications, this increased by 77% from the previous 3 months to March 2023 when 5,829 applications to the scheme were made. The criteria for the scheme changed on 25th July 2023 due to the significant increase in applications for LWSS which meant there was a risk of a overspend this financial year if the position remained unchanged. From July 23 onwards, it is anticipated that there will be a reduction in both applications and awards.

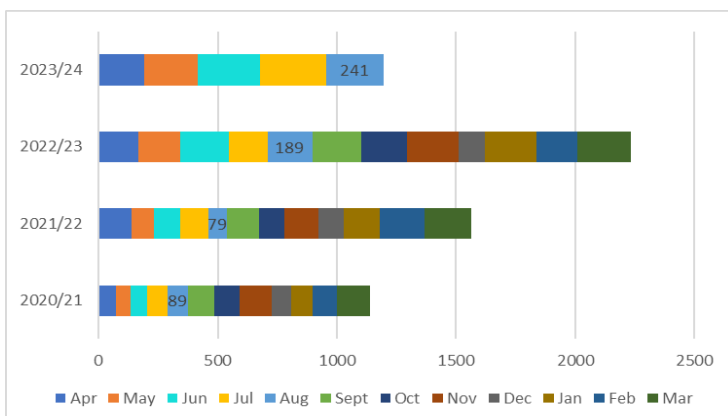
SOURCE: LCC LWSS Team, Monthly data, September 2023  
\*Please see notes and comments section about this quarter's data

## Welfare Rights Unit:

The Council's Welfare Rights Unit provide advice and support on benefit entitlements to check eligibility and help clients access and claim benefits to maximise income. The number of benefit checks carried out by this team has significantly increased year on year from 2020/21—reflecting the cost of living crisis everyone is facing. In August 2023, 241 benefit checks were made by the service, up 28% from 189 checks made in August 2022.

SOURCE: LCC Welfare Rights Unit, Monthly data request, August 2023

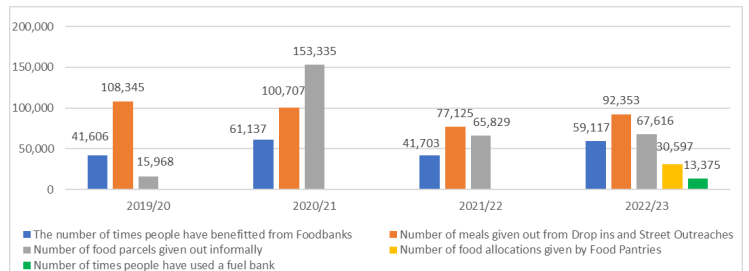
### Number of benefit checks carried out:



## Leeds Food Aid Network:

Leeds FAN helps bring different people, initiatives and institutions together who are involved in tackling food poverty in Leeds. This includes foodbanks, drop ins / soup kitchens, Street Outreaches, specialised services providing food for Asylum seekers / Refugees, informal parish pantries and certain forms of Social Enterprise run on a community café/pay as you feel models.

Latest figures reveal:

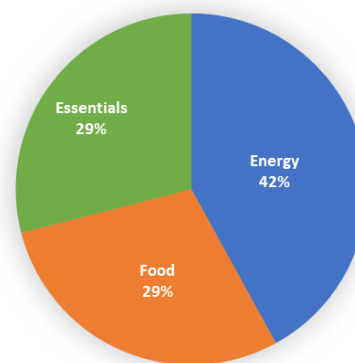


- 59,117 people have accessed a foodbank by referral in 2022/23. This is a 42% increase on the support level required during 2021/22.
- 92,353 meals were given out through a drop in or through Street Outreach, up 20% on last year.
- 67,616 food parcels were given out informally without the need for referral, this is up 3% on last year.
- New insights in 2022/23 also revealed that 30,597 allocations were accessed from Food Pantries, and Fuel Banks were used 13,375 times.

Source: Leeds FAN Annual Data, June 2023

## Household Support Fund

Leeds has been allocated Government funding of £14.2m to support vulnerable people with the costs of energy, food and essential items between 1st April 2023 and 31st March 2024. In Q1 (1st April 23 and 30th June 23), 17,973 households were supported. \*The spend over this period is £1,326,791 and reflects that work was being undertaken to evaluate proposed schemes through 3rd Sector and Council delivery partners including Housing Leeds, Housing Options, Public Health and Children's and Families. These schemes are now live or being established and many focus on the winter months which is accepted as the period of greatest pressure and need.



Of the 17,973 households supported in Q1, 75% were households with children, 2% were pensioner households, 14% had a disabled person within the household and 9% were households with working age adults without children.

42% was spent on energy, 29% on food and 29% on essential items.

25% of awards were in voucher form, 46% cash, and 29% received other/ tangible items.

SOURCE: LCC Financial Inclusion Team, September 2023

# Cost of Living Crisis Dashboard

## Data Sources

Leeds - September 2023

Data Source	Release Frequency	Latest Release	Next Release	Web link/access
ONS CPI Inflation and components	Monthly	20/09/2023	18/10/2023	<a href="https://ons.gov.uk/economy/inflationandcosts/tables/consumerpriceinflationtables">Consumer price inflation tables - Office for National Statistics (ons.gov.uk)</a>
Bank of England Base Rate	Monthly	21/09/2023	02/11/2023	<a href="https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate">https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate</a>
ONS Family Spending in the UK	Ad-hoc	31/05/2023	TBC	<a href="https://ons.gov.uk/economy/inflationandcosts/tables/familyspendingintheuk">Family spending in the UK - Office for National Statistics (ons.gov.uk)</a>
ONS House Prices	Quarterly	21/09/23	December 2023	<a href="https://ons.gov.uk/economy/inflationandcosts/tables/medianhousepricesforadministrativegeographies">Median house prices for administrative geographies: HPSSA dataset 9 - Office for National Statistics (ons.gov.uk)</a>
ONS Private Rental Market Summary Statistics	6 monthly	21/06/2022	20/12/23	<a href="https://ons.gov.uk/economy/inflationandcosts/tables/privaterentalmarketsummarystatisticsinengland">Private rental market summary statistics in England - Office for National Statistics (ons.gov.uk)</a>
Leeds City Council, Housing Leeds	Quarterly	May 2023	August 2023	LCC data request
Housing Affordability	Annually	22/03/2023	March 2024	<a href="https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningsforformerlocalauthorities">https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningsforformerlocalauthorities</a>
MoJ Repossessions Data	Quarterly	10/08/2023	November 2023	<a href="https://www.gov.uk/mortgage-and-landlord-possession-statistics">Mortgage and landlord possession statistics - GOV.UK (www.gov.uk)</a>
DESNZ Quarterly statistical publication on energy prices.	Quarterly	June/July 2023	Sept/Oct 2023	<a href="https://www.gov.uk/energy-and-climate-change-evidence-and-analysis">Energy and climate change: evidence and analysis - GOV.UK (www.gov.uk)</a>
Ofgem Price Cap	Quarterly	25/08/2023	25/11/2023	<a href="https://www.ofgem.gov.uk/information-consumers/energy-advice-households/check-if-energy-price-cap-affects-you">https://www.ofgem.gov.uk/information-consumers/energy-advice-households/check-if-energy-price-cap-affects-you</a>
BEIS Sub-regional fuel poverty 2022	Annually	27/04/2023	Feb-Apr 2024	<a href="https://www.gov.uk/sub-regional-fuel-poverty-2022">Sub-regional fuel poverty 2022 - GOV.UK (www.gov.uk)</a>
ONS Weekly Road Fuel Prices	Weekly	18/09/2023	25/09/2023	<a href="https://www.gov.uk/weekly-road-fuel-prices">Weekly road fuel prices - GOV.UK (www.gov.uk)</a>
DWP HBAI Poverty	Annual	March 2023	March 2024	<a href="https://www.leedsobservatory.org.uk/leeds-poverty-fact-book-section-1">Leeds Observatory – Leeds Poverty Fact Book – Section 1: Relative and Absolute Poverty</a>
DWP and HMRC Child Poverty	Annual	March 2023	March 2024	<a href="https://www.leedsobservatory.org.uk/leeds-poverty-fact-book-section-2">Leeds Observatory – Leeds Poverty Fact Book – Section 2: Child Poverty</a>
DWP Universal Credit	Monthly	12/09/2023	17/10/2023	<a href="https://stat-xplore.dwp.gov.uk">https://stat-xplore.dwp.gov.uk</a>
Annual Population Survey via Nomis - Employment	Quarterly	15/08/2023	17/11/2023	<a href="https://nomisweb.co.uk/nomis-official-census-and-labour-market-statistics">Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics (nomisweb.co.uk)</a>
Annual Population Survey via Nomis - Unemployment	Quarterly	15/08/2023	17/11/2023	<a href="https://nomisweb.co.uk/nomis-official-census-and-labour-market-statistics">Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics (nomisweb.co.uk)</a>
ASHE	Annual	November 2022	November 2023	<a href="https://ons.gov.uk/economy/inflationandcosts/tables/annualsurveyofhoursandearnings">Annual Survey of Hours and Earnings - Office for National Statistics (ons.gov.uk)</a>
ASHE and Leeds Poverty Fact Book	Annual	November 2022	November 2023	<a href="https://www.leedsobservatory.org.uk/leeds-poverty-fact-book-section-3">Leeds Observatory – Leeds Poverty Fact Book – Section 3: Wages, Household Income and Employment</a>
LCC Welfare Rights Unit	Monthly	September 2023	October 2023	LCC data request
Citizens Advice data from Leeds and Chapeltown	Quarterly	May 2023	August 2023	Local data request
LWSS	Monthly	September 2023	October 2023	LCC data request
Leeds FAN	Annually	May 2023	May 2024	Local data request
Household Support Fund	Quarterly	September 2023	December 2023	LCC data request

# Cost of Living Crisis Dashboard

## Glossary and Notes

Leeds - September 2023

### Abbreviations

AHC—After Housing Costs  
APS—Annual Population Survey  
ASHE—Annual Survey of Hours and Earnings  
BHC—Before Housing Costs  
BoE—Bank of England  
CPI—Consumer Price Inflation  
DESNZ—Department for Energy, Security and Net Zero  
DWP—Department for Work and Pensions  
FYE—Financial Year Ending  
HSF—Household Support Fund  
IMD—Index of Multiple Deprivation  
LCC—Leeds City Council  
Leeds FAN— Leeds Food Aid Network  
LWSS—Local Welfare Support Scheme  
MoJ—Ministry of Justice  
MPC — Monetary Policy Committee  
ONS—Office for National Statistics  
UC—Universal Credit

### Further information

#### *LWSS data*

Data between 1st—19th April 2023 was unavailable due to technical issues, these figures represent data from 20th April—25th July 2023.

For any queries or for further information on this report please contact [financial.inclusion@leeds.gov.uk](mailto:financial.inclusion@leeds.gov.uk)

### Useful Definitions

*Consumer price inflation* — the rate at which the prices of goods and services bought by households rise or fall. It is estimated by using price indices and used in the government's target for inflation.

*Relative poverty* — individuals who have household incomes below 60% of the median average in the current year.

*Absolute poverty*— individuals who have household incomes 60% below the median average at a fixed point in time (currently 2010/11), adjusted for inflation.

*Housing costs* - Both relative and absolute measures are available before housing costs (BHC) and after housing costs (AHC) are deducted from income. The after housing cost measure is useful in the current economic climate as rising rents and property prices are a growing contributor to poverty.

*Employment Rate*—The number of people in employment expressed as a percentage of all people aged 16-64

*Unemployment Rate*—Unemployed as a percentage of the economically active population (i.e. people who are either in employment or unemployed and not the full working age population of 16 to 64 used for the Employment Rate)

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## LEEDS STRATEGIC COST OF LIVING PLAN

This plan outlines the response to the Cost-of-Living crisis by Leeds City Council and partners. The aim of the plan is set out how as a city we are working together to harness the capacity and capability in Leeds, our communities and those with lived experience to develop a city solution to welfare provision and addressing the cost-of-living crisis.

This plan will ensure that the council maintains the infrastructure to respond to the immediate crisis and use collaborative approaches to build resilience for medium and long terms.

	Action Area	Progress update
<b>1</b>	<b>Governance and oversight</b>	
1.1	Strategic and Operational groups with cross sector representation	<p>The following strategic and operational groups with representatives from across Council, NHS, DWP, third sector and wider public sector, have been established and have been meeting since September 2022;</p> <ul style="list-style-type: none"> <li>• Strategic Cost of Living meeting- Directors and senior leaders meeting every quarter</li> <li>• Cost of Living and Welfare Board- Senior Officers and partners meeting every month. <ul style="list-style-type: none"> <li>○ Task and finish groups with specific focus on; integrated communication, information, advice and guidance, practical support, funding and reporting.</li> <li>○ From May 2023 themed meetings on key subject areas have been planned covering: Housing, child poverty, crime, policy and community safety, health, local crisis support, and third sector, advice and support.</li> <li>○ Additional meetings have now been planned from October 2023 to facilitate additional updates and planning for the winter months.</li> </ul> </li> <li>• Financial Inclusion steering group- to ensure wider partners and services experiences have been considered and key messages disseminated.</li> </ul>
<b>2</b>	<b>Communications and engagement</b>	
2.1	Webpages	<ul style="list-style-type: none"> <li>• Together Leeds Cost of Living webpage <a href="http://www.leeds.gov.uk/costofliving">www.leeds.gov.uk/costofliving</a> is being updated to link to more relevant housing and health advice.</li> <li>• Warm Spaces webpage will be re-published with new Welcome Spaces branding and updated assets.</li> </ul>

	Digital Promotions, PR and campaigns	<ul style="list-style-type: none"> <li>Promoting free and low-cost activities for families during October and Christmas school holidays.</li> <li>Forthcoming PR will be around the Zero Waste Leeds Winter Coats Appeal re-launch.</li> </ul>
2.5	Events	<ul style="list-style-type: none"> <li><b>Community events</b> being held across the city signposting people to relevant support and advice including via LCC Community Hubs, Local Care Partnership and Public Health teams in school settings</li> <li><b>Financial Wellbeing Week:</b> Held from 12<sup>th</sup> to 16<sup>th</sup> June, the weeklong programme of events aimed to give useful advice on a range of money to people working in Leeds. 13 sessions ran as part of the week with around 300 individuals signed up. Sessions were run by both Council services and partner agencies and covered a range of topics including money and mental health, menopause, and your money, reducing your energy bills and your carbon footprint and Yorkshire Water support schemes. Partnership work continues and plans are underway to prepare for another week of events early next year, alongside other partnership initiatives.</li> </ul>
2.6	Cost of living campaign Housing Leeds	<ul style="list-style-type: none"> <li>Communications campaign/ social media promoting partner agencies events and general financial advice/ money saving ideas.</li> </ul>
<b>3</b>	<b>Information, Advice and Guidance</b>	
3.1	Leeds Money Information Centre	<ul style="list-style-type: none"> <li>Leeds Money Information Centre website details of <b>free, independent, and confidential</b> advice and support in Leeds.</li> <li>All information reflects the current situation and is updated regularly.</li> <li>Integrated mapping- includes all advice points, food aid map, digital services, and Leeds School Uniform Exchange.</li> <li>Physical resources available including flyers (including translations), concertinas, posters and business cards. In addition, the comprehensive Managing Your Money printed booklet has been updated and redesigned, with 20,000 copies on order to be distributed to Community Hubs and Libraries, Housing Teams and external financial inclusion partners from October 2023.</li> <li>In addition to this, almost 40,000 printed resources have been distributed to organisations including council services, NHS and health settings, DWP, third sector and universities since January 2023.</li> </ul>

3.2	Google drive	<ul style="list-style-type: none"> <li>• To ensure there is awareness amongst frontline services of the support available in the city and key messages around the cost-of-living crisis a google drive which can be shared across organisations has been created.</li> <li>• There are themed folders on Communications, Money, Housing, Health, Food and Energy. There is also a folder with training and awareness videos on key themes and information on how to order physical resources. The link is sent out in the regular financial inclusion news bulletin.</li> </ul>
3.3	Training and awareness raising	<ul style="list-style-type: none"> <li>• Financial Inclusion Team continue to deliver training and awareness sessions to a wide range of council (including elected members) and health services, and city-wide partnerships since October 22 it is estimated that 4000 individuals have been reached. This has included; <ul style="list-style-type: none"> <li>○ Adult Social Care- Better Lives Board, Better Together, Forum for Race Equality in Social care and Health</li> <li>○ Childrens Services: Social care staff, Early Help &amp; Directors Development session</li> <li>○ Communities, Housing &amp; Environment: Leadership forum, Housing Associations, Migration Partnership, Housing Leeds, Gas and Electric operatives</li> <li>○ Resources: Shared services staff</li> <li>○ Health: Health and Wellbeing Board, Public Health Want to Know More About sessions, Public Health Conference, Local Care Partnership, Target conference video, Primary Care Network Fuel poverty and support</li> <li>○ Elected members: Community Committees Chairs, Inner North East workshop, All members session</li> <li>○ City partnerships: Leeds Debt Forum, DWP Leeds staff, Leeds Food Aid Network, Leeds Community Anchor Network, Age Friendly Board, Leeds Maternity Strategy Health and Wellbeing group, Armed Forces Covenant, LGBT+ hub</li> <li>○ Leeds employees as part of Financial Wellbeing week</li> </ul> </li> </ul>
3.4	Sharing practice	<ul style="list-style-type: none"> <li>• Council officers and partner organisations have had the opportunity to share our learning and practice in our response to the cost-of-living crisis with the following forums and organisations; <ul style="list-style-type: none"> <li>○ Local Government Association Peer Review</li> <li>○ Borough to Borough visit from Camden and Southwark Chief Executives</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Local Government Association- Cost of Living (Webinar 2) and upcoming session on Warm Spaces</li> <li>○ Bank of England Community Forum with the Chair of Court David Roberts, focussed on impact of the Cost-of-Living crisis on communities and third sector organisations.</li> </ul>
<b>4</b>	<b>Practical Support</b>	
4.1	Debt Relief Orders	<ul style="list-style-type: none"> <li>● A Debt Relief Order (DRO) helps low-income residents with unmanageable debts of up to £30,000 and often results in debts being written off completely. However, there is a £90 fee for the client to pay before they can apply for this process. During 2022, it was estimated that 47% of clients eligible for a DRO in Leeds disengaged with the application process and the £90 fee was believed to be a key factor in the disengagement.</li> <li>● The Financial Inclusion Team allocated £25,000 to Ebor Gardens Advice Centre to deliver the DRO pilot project, with the aim to reduce the disengagement of clients by providing the £90 fee.</li> <li>● Results from the third quarter of this project have revealed a positive impact, with clients accessing the funding to get their fee paid, leading to a reduction in housing repossessions and enforcement actions, ending harmful income deductions and relief to clients vulnerable to self-harm/suicide. As of Q3, 88 clients have had their DROs funded and over £1m in debts have been written off. The year to date disengagement rate by the third quarter was 5%. The average amount of debt owed across those being put forward for the DRO was £12,126.</li> </ul>
4.2	Home Plus Leeds (Affordable Warmth)	<ul style="list-style-type: none"> <li>● Home Plus Leeds service provides energy efficiency and fuel bill advice to lower income vulnerable residents across Leeds, as well as referrals to grants for heating and energy efficiency improvements.</li> <li>● The scheme is targeted at supporting 900 households experiencing fuel poverty.</li> </ul>
4.4	Welcome Spaces	<ul style="list-style-type: none"> <li>● In Winter 2022/23 over 200 organisations including all Leeds City Council Community Hubs and Libraries, faith-based, private and third sector stepped forward to become part of the Leeds Warm Space Project. At the project peak, over 200 Warm Spaces were registered on the Leeds Warm Spaces map, and over 65% of the Leeds population was within a 10-minute walk of a Warm Space.</li> <li>● The project has been re-established in winter 2023/24, drawing on learning from last winter and has been developed by LCC, Voluntary Action Leeds and the Leeds Community Anchor Network Based on consultation with organisations about their preferred name, the title of the project for 2023/24 has been changed to 'Welcome Spaces'.</li> </ul>



		<ul style="list-style-type: none"> <li>• We expect the majority of Welcome Spaces will be delivered by third sector and faith-based organisations, as well as Leeds City Council Community Hubs and Libraries.</li> <li>• Funding for the project has been secured via West Yorkshire Mayoral Fund and Household Support Fund. Voluntary Action Leeds are collating expression of interest from third sector and faith-based organisations interested in hosting a Welcome Space. This will then be shared with the Leeds Community Anchor Network (LCAN) who will play a lead role in both coordinating activity and distributing funding to support Welcome Spaces within their locality.</li> <li>• Further information on this year’s approach can be found here: <a href="#">Welcome Spaces - Guidelines for Winter 2023 organisations - Doing Good Leeds</a></li> </ul>
4.5	Winter Coat Appeal	<ul style="list-style-type: none"> <li>• Alongside Welcome Spaces, the Leeds Winter Coat Appeal, coordinated by Zero Waste Leeds aims to collect and redistribute winter coats. This year the appeal will run from Monday 16th October to the end February 2024.</li> <li>• Requested items: Coats for adults, children, and babies, Waterproofs, Fleece, Baby cot sleeping bags, Snow suits for babies and young children, Pram footmuffs, Hats, scarves, and gloves</li> <li>• Selected Community Hubs, Libraries, Welcome Spaces, and community groups (list TBC) will be operating as distribution and collection points.</li> </ul>
4.6	Housing Leeds – Housing Officer Income (HOI) Support	<ul style="list-style-type: none"> <li>• Housing Leeds Housing Officer Income (HOI) provide tenants with a range of financial support, including benefits and grant applications, as well as dealing with any rent arrears and referrals to other advice and support such as debt advice.</li> <li>• During August and September 2023, the HOI team have worked with 841 Households in total and secured £ £233,186.74 in additional income. with an average additional income per family of £277. This included 216 households with Children (£69,720 of additional income, with an average of £323 per family)</li> </ul>
<b>5</b>	<b>Funding</b>	
5.1	Household Support Fund	<ul style="list-style-type: none"> <li>• Government funding of £14.2m to support vulnerable people with the costs of energy, food and essential items between 1<sup>st</sup> April 2023 and 31st March 2024. In Leeds the fund provided the following support: <ul style="list-style-type: none"> <li>○ Direct support via council services- Welfare &amp; Benefits, Housing &amp; Childrens</li> <li>○ Applications via the Local Welfare Support Scheme</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Third sector support working citywide through a partnership approach involving Leeds Community Anchor Network (via Voluntary Action Leeds), Forum Central, Leeds Food Aid Network and advice organisations, with funding for Zarach and Leeds Baby Bank, and Hamara and Give a Gift for their work to coordinate the city’s cultural food hub offer.</li> <li>○ Winter support in collaboration with Public Health</li> </ul>
5.2	Holiday Activity and Food Funding	<ul style="list-style-type: none"> <li>● Funded by £3.5m from the Department for Education’s Holiday Activity Fund, the Healthy Holidays programme in Leeds provides activities and a healthy, hot meal for children in receipt of Free School Meals, over the Easter, Summer and Christmas school holidays.</li> <li>● Provision is a mix of third sector, schools based and through Community Hubs ensuring availability is varied and local to children and young people.</li> <li>● 107 providers have been funded in 2023, including schools, community hubs/ libraries and third sector organisations.</li> <li>● This summer 46 lead schools (65 schools in total), 48 third sector organisations and 16 council provisions took part, reaching 8768 primary, and 3100 secondary school- aged children, with 76,500 portions of food served.</li> </ul>
5.3	West Yorkshire Mayoral Fund	<ul style="list-style-type: none"> <li>● West Yorkshire Mayoral Fund (£323,950 November 2022-April 2023) - Funding was primarily used to support the citywide network of faith based and third sector warm spaces, focused on helping those most at risk during the cold weather.</li> <li>● The funding also provided a necessary uplift to organisations delivering the Leeds advice contract to help mitigate the impact of the cost of living and inflation on service delivery.</li> <li>● Funding from May 2023 to May 2024 will be provided as a one off from the WYCA Mayoral Fund to; <ul style="list-style-type: none"> <li>○ Maintain and enhance the Leeds Advice Contract, both in terms of meeting current inflationary pressures and supporting specialist housing, debt and benefits and immigration advisors to provide specialist and casework advice.</li> <li>○ Support for charities, and third sector organisations (including faith-based organisations with the delivery of Welcome Spaces in winter 2023/24 (in conjunction with funding allocated from Household Support Fund).</li> </ul> </li> </ul>

5.4	UK Shared Prosperity Fund	<ul style="list-style-type: none"> <li>• LCC Financial Inclusion team has been allocated around £800k in UKSPF funding to cover three financial years on projects relevant to the cost of living:</li> <li>• During 2022/23: £400k of the funding was allocated to the Local Welfare Support Scheme and assisted 6,682 households impacted by the cost-of-living crisis with white goods or energy support.</li> <li>• In 2023/24: £125k has been awarded to Money Buddies for delivery of outreach sessions across Leeds, supporting households with issues relating to the cost of living, particularly around emergency debts, money management and fuel bills.</li> <li>• For 2024/25, a further £125k will be made available for the provision of additional advice and guidance services and £150k to support food infrastructure projects.</li> </ul>
5.5	British Gas Energy Trust Funding	<ul style="list-style-type: none"> <li>• British Gas Energy Trust, through their corporate social responsibility commitments have worked with Housing Leeds to provide tenants with £100k of energy vouchers for allocation between November and December 2023.</li> <li>• Eligible tenants can receive up to £147 worth of energy vouchers.</li> </ul>
5.6	Home Upgrade Grant Funding	<ul style="list-style-type: none"> <li>• Leeds City Council has been granted funding to improve approximately 750 mainly private sector households without gas central heating, with energy efficiency measures and renewable heating. This scheme is due to take place throughout late 2023 and 2024.</li> </ul>
<b>6</b>	<b>Reporting</b>	
6.1	Cost of Living Dashboard	Please see appendix one

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# 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 or has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

<b>Directorate: Communities, Housing and Environment</b>	<b>Service area: Financial Inclusion</b>
<b>Lead person: Lee Hemsworth</b>	<b>Contact number: 0113 3789219</b>

## 1. Title: Cost of Living- Leeds response

Is this a:

- Strategy / Policy**
                         
  **Service / Function**
                         
  **Other**

**If other, please specify**

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

Linked to the Best City Ambition breakthrough priority to develop an integrated city-wide welfare support approach, strategic and operational groups have been meeting since September 2022 to coordinate actions to mitigate as far as possible the impacts of the cost-of-living crisis for low-income households. The groups all have senior representatives from the Council, health, third sector and the Department for Work and Pensions and have expanded to include other key partners where appropriate such as West Yorkshire Fire Service.

Regarding framing the response in the city, the work areas and actions emerging from the meetings have focussed on ensuring that there is awareness and understanding of the support available, developing practical support which enhances existing services, and ensuring the short-term funding available is coordinated and maximised. To achieve this the work in the short term has been organised into the following areas;

- Communications and engagement

- Information, Advice and Guidance
- Practical Support
- Funding
- Reporting

### 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"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>	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 focus of the work to mitigate the impact of the cost-of-living crisis is to ensure people and communities who will be most impacted are linked to support and advice in the city. The strategic and operational arrangements put in place have representation from across Council and Health services, and across the third sector. This ensures that the approach has been considered from a range of perspectives and concerns/ issues highlighted at the earliest opportunities. The approach to the cost-of-living crisis has also been presented and consulted upon at the Equalities Assembly, and a wide range of groups and forums including those specifically representing the equality characteristics groups.

- **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)

Key findings from the meetings, discussions and engagement sessions highlighted;

- Need for both online and offline communications, information, advice and guidance
- Consideration of language and accessibility for communications, information, advice and guidance.
- Ensure funding supports a wide range of Third Sector organisations both in terms of size, scale and focus.
- Continued engagement and discussion with partner organisations, city and community forums and groups
- Understanding of limitations of local actions within wider national context.

- **Actions**

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

The whole focus of the work is to ensure there is consistent and clear communications on the support and advice available to people to help throughout the cost-of-living crisis, and that actions are coordinated. This has resulted in the following;

- Communications- both online and offline campaigns
- Ensuring resources and information sources are up to date and available in a range of formats and languages
- Providing tailored information, awareness and training sessions
- Undertaking regular and wide ranging consultation on the approach
- In terms of practical support, that this is easily accessible such as through the Winter Coats scheme available across Community Hubs and Libraries, and community centres across Leeds.
- The Warm spaces network was focused on helping those most at risk during the cold weather – i.e. those affected by fuel poverty, low income and related issues. Over 65% of the Leeds population was within a 10-minute walk of a Warm Space during winter 2022/23. Targeted support and funding was made available to organisations working in and with underserved places and communities as well as funding to improve accessibility and tailored provisions for those with additional health needs.
- Ensuring the Household Support Fund has supported households on the lowest incomes with support for food fuel and essential items. A proportion of the funding has been directed through third sector organisations to ensure equality groups receive support, this has included funding organisations focused on health and social care, ethnically diverse communities and women.

**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

<b>Name</b>	<b>Job title</b>	<b>Date</b>
Lee Hemsworth	Chief Officer Community Hubs	03.07.23



<b>Date screening completed</b>	03.07.23
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## 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](mailto: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 <b>Governance Services</b>	Date sent: 04.07.2023
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:

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