



SCRUTINY BOARD (STRATEGY AND RESOURCES)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Monday, 17th July, 2023 at 10.00 am

(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)

MEMBERSHIP

Councillors

- G Almass - Beeston and Holbeck;
- H Bithell - Kirkstall;
- S Burke - Middleton Park;
- D Chapman - Rothwell;
- B Flynn - Adel and Wharfedale;
- T Hinchcliffe - Bramley and Stanningley;
- A Khan (Chair) - Burmantofts and Richmond Hill;
- W Kidger - Morley South;
- A Parnham - Armley;
- M Robinson - Harewood;
- E Thomson - Guiseley and Rawdon;

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

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

To remotely observe this meeting, please click on the '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.

[Council and democracy \(leeds.gov.uk\)](https://www.leeds.gov.uk/council-and-democracy)

Principal Scrutiny Adviser:
Rob Clayton
Tel: 37 88790

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A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p>No exempt items have been identified.</p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p>LATE ITEMS</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>DECLARATION OF INTERESTS</p> <p>To disclose or draw attention to any interests in accordance with Leeds City Council's 'Councillor Code of Conduct'.</p>	
5			<p>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p>MINUTES - 19 JUNE 2023</p> <p>To confirm as a correct record, the minutes of the meeting held on 19 June 2023</p>	7 - 14
7			<p>LEEDS 2023 PROGRESS UPDATE</p> <p>To consider a report from the Chief Officer Economy and Culture setting out progress on Leeds 2023 as it delivers cultural events throughout the city.</p>	15 - 104
8			<p>PEOPLE MANAGEMENT UPDATE</p> <p>To consider a report from the Chief Officer HR providing an overview of the Councils approach to staff performance management currently and work taking place to develop a supportive performance management framework – Let's Talk Openly About Performance.</p>	105 - 114
9			<p>2022/23 FINANCIAL AND TREASURY MANAGEMENT OUTTURN REPORTS</p> <p>To consider the 2022/23 Financial and Treasury Management Outturn reports.</p>	115 - 202

Item No	Ward/Equal Opportunities	Item Not Open		Page No
10			<p>WORK PROGRAMME</p> <p>To consider the Scrutiny Board’s work schedule for the 2023/24 municipal year.</p>	203 - 222
11			<p>DATE AND TIME OF NEXT MEETING</p> <p>The next public meeting of the Board will take place on 18 September 2023 at 10.00am. There will be a pre-meeting for all board members at 9.30am.</p> <p>THIRD PARTY RECORDING</p> <p>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 on the front of this agenda.</p> <p>Use of Recordings by Third Parties – code of practice</p> <ul style="list-style-type: none"> 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. 	

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 19TH JUNE, 2023

PRESENT: Councillor A Khan in the Chair

Councillors G Almass, H Bithell, S Burke,
D Chapman, B Flynn, T Hinchcliffe,
W Kidger, A Parnham and E Thomson

1 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

2 Exempt Information - Possible Exclusion of the Press and Public

There were no items excluded from the public domain.

3 Late Items

There were no late items.

4 Declaration of Interests

There were no declarations of interest.

5 Apologies for Absence and Notification of Substitutes

Councillor M Robinson sent his apologies.

Additionally, the Deputy Leader of Council and Executive Member for Economy, Culture and Education, Councillor J Pryor was unable to attend as a visitor to the Board.

6 Minutes - 27 March 2023

Councillor S Burke moved, and Councillor G Almass seconded;

RESOLVED – That the minutes of the meeting held on the 27th March 2023 be confirmed as a correct record.

7 Matters Arising

The Principal Scrutiny Advisor provided the following updates to the Scrutiny Board (Strategy & Resources).

Minute 103 – Reference to the HR update sent to Board members on 13th June and the planned report from HR in July will give further information on this subject area.

Minute 104 – EDI Information – some of this has been shared with last year's board with work ongoing with colleagues and Councillor S Burke on the actions noted. There was a suggestion of an EDI training session for this Board, and it was agreed that the Principal Scrutiny Advisor will follow up on this .

Minute 107 – The suggested work items raised from the last board in the previous municipal year listed under this minute have been incorporated in the draft work programme at appendix 1 to item 12.

8 Co-Opted Members

The Board received the report of Head of Democratic Services, which invited the Board to consider appointing co-optees.

The Board noted that it is not legally obligated to appoint co-opted members.

RESOLVED – That the appointments of co-opted members to the Scrutiny Board (Strategy & Resources) are noted.

9 Scrutiny Board Terms of Reference

The Board received the report of the Head of Democratic Services, which presented the terms of reference for the Scrutiny Board (Strategy & Resources).

In attendance for this item;

- Councillor James Lewis – Leader of Council
- Councillor D Coupar - Executive Member for Resources
- Rob Clayton - Principal Scrutiny Advisor
- Mariana Pexton - Director of Strategy and Resources
- Eve Roodhouse - Chief Officer Culture and Economy
- John Mulcahy - Chief Officer Elections and Regulatory

Mariana Pexton, the recently appointed Director of Strategy and Resources, provided a presentation which introduced the services that are in the Directorate and fall under the Board's remit.

Challenges and opportunities for the Directorate were identified as: Demographic changes, ongoing impacts of Covid-19, continuing increases in cost of living pressures, financial challenges and efficiencies, embedding digital approaches, improving customer experience, recruitment and retention, workloads and burnout, collaboration between services and organisations including anchor network, managing major risks, safeguarding, cyber threats and major incidents.

The Director of Strategy and Resources provided the strategic context for the work delivered within the Directorate. The Best City Ambition underpins the city's work and includes the three pillars; inclusive growth, health & wellbeing and zero carbon. With the Organisational Plan (later on the agenda) being the main planning document for the council.

The Director of Strategy and Resources provided an oversight into how the Directorate works, as the Board has had several new members in the new municipal year.

The following services are delivered from within the Strategy & Resources Directorate's;

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- Front line services often provided to the most vulnerable, alongside organisational leadership for key support services.
- Civic Enterprise – facilities management, passenger transport, catering, fleet, building and cleaning
- Integrated Digital Service – digital & technology strategy, information governance, digital change & inclusion and data analytics.
- Legal & Democratic - legal advice across council democratic and governance services including member support, committee support and the Lord Mayor's office
- Financial - budget, monitoring, treasury management, internal audit, council tax, business rates, core business transformation
- Freedom to Speak Up Guardian
- Human Resources

The Chief Officer Elections and Regulatory provided an overview of services that fall under the Board's remit;

- Entertainment licensing – licensing committee sets policy, licensing subcommittees make majority of decisions where representations received, personal licence holders, premises licenses, TENS, gambling and other licensable activities such as scrap metal
- Registrars – births, marriages and civil partnerships, deaths, citizenships
- Elections – conducting all polls, maintaining the register of electors
- Taxi and private hire licensing – licencing committee agrees policy, most decisions made by officers, PH operators, PH vehicle proprietors, PD drivers, HC proprietors, HC drivers
- Land and property search services – local land charges, searches, street registration

The Chief Officer Culture and Economy provided an overview of the areas of the City Development portfolio which are within the Board's remit;

- Culture programmes – culture strategy, Leeds cultural investment programme, Leeds Inspired.
- Leeds museums and galleries - 9 sites. 1.2 million objects, three collections of national significance – fine and dec art, natural sciences, industrial history. Key partners include arts council England, Henry Moore Foundation, University of Leeds and Royal Armouries
- Leeds arts events and venues – programmes on millennium square. £2.8million income generated. There were 76,000 visitors at free events in Millennium Square in 2022/23
- Leeds 2023 – a year of culture delivered by Leeds culture trust in response to disqualification from European capital of culture competition. Three seasons, awakening, playing and dreaming. Three strands – produce, partner, promote.
- Inward investment service – 1 manager for the service. Major investments recently supported include JP Morgan, Bank of England, FCA, Cubo, Snowflake, Cognizant, EMI north, PEXA, BBC and Pandox. The service has an active investment pipeline representing over 3,000 jobs in the Leeds area.

The Committee sought clarity on the evaluation statistics to be gathered for Leeds 2023, and the Chief Officer Culture and Economy confirmed that these will be provided to the Board as part of the planned July report.

RESOLVED – That the Terms of Reference be noted.

10 Sources of Work

The Head of Democratic Services submitted a report which invited the Board to consider and discuss potential areas of work in the 2023/24 municipal year.

The Board considered the work of last year as relevant to the continuing programme of work for the Board, with key previous work programme items such as Equality, Diversity and Inclusion (EDI), procurement, Leeds 2023 and Elections updates remaining a priority for the Board.

The Board identified HR policy on sick leave for mental health as a priority and it was noted that a report from HR is planned for July that will cover some aspects of this.

The Board requested that the work programme could consider an item on the role of commissioned services and the pay and conditions of staff working for those services, who are not directly employed by the Council but who deliver key services on behalf of the council. During discussion of this, Councillor Parnham drew the Board's attention to the fact that he was employed as a Support Worker for a charity, which was commissioned to provide similar services. In response it was undertaken that further consideration would be given to how this matter could potentially be scoped within the remit of this Scrutiny Board.

The efficiency of the Council in utilising traineeships, especially as it relates to the Not in Education, Employment or Training (NEET) agenda was identified as a possible area for work in 2023/24.

The Board considered the impact of artificial intelligence and how staff perceive this technology as a further possible item for the work programme.

RESOLVED – That the sources of work information and guidance provided are reflected upon for the Scrutiny Board (Strategy and Resources) for the 2023/24 municipal year.

11 Performance Report

The Board received a report from Director of Strategy and Resources which provided a summary of performance against the on the 17 KIPs covered by the Strategy & Resources Scrutiny Board.

In attendance for this item;

- Councillor James Lewis – Leader of Council
- Councillor D Coupar - Executive Member for Resources
- Mariana Pexton - Director of Strategy and Resources

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- Mike Eakins - Head of Policy
- Andy Dodman - Chief Officer HR

The 17 KPIs, which fall in Strategy & Resources remit are drawn from five service areas:

- Human Resources
- Financial Services
- Customer Access
- Information Management & Governance
- Procurement & Commercial Services

It was noted that KPI number 5 as listed within the appendix included a mean hourly rate of 4.5%, with the correct figure being 3.8%.

The Board requested that the statistical breakdown of women working within the Council is replicated with other protected characteristics.

Board Members considered the various ways in which the pandemic has impacted the ability to accurately compare different datasets over different years.

The Board expressed concern at the number of complaints coming from families who have children with SEND. The Director of Strategy and Resources noted that this matter is for the Directorate of Children and Families, but that a note would be supplied to Members of the Board examining the detail of this issue.

The Head of Policy clarified that the ways in which customer service complaints had been recorded has changed, and therefore providing a year-on-year analysis has been complicated. There will be further analysis provided to the Board where possible.

Responding to a question on prompt payment of invoices the Director of Strategy and Resources considered ensuring 100% of due payments from the Council to be paid on time may not be possible logistically and considered the current statistics to be relatively high.

The Board considered the issues with disclosing staff happiness and mental health results due to staff confidentiality and privacy, especially for those within smaller teams. The Director of Strategy and Resources informed the Board of some of the ways in which the Council supports staff with their mental health including;

- Mental health first aiders across the organisation
- Counsellors in the workplace
- Additional training and support for managers
- Freedom To Speak Up Guardian

Board Members noted that in addition to staff without digital access, there are staff without regular and sustained digital access, and that their needs ought

to be identified and supported so that they can fully access the Council's mental health offer.

The Chief Officer HR offered to request colleagues in other cities exchange mental health statistics within their organisation so that Leeds City Council can assess its performance compared to others. The Leader of the Council clarified that Leeds City Council directly employs a larger number of employees than some other councils, for example three times the number as Sheffield City Council despite not having three times the population, which can make comparison difficult.

Responding to a board member's question it was noted that mental health waiting lists for NHS GP services were not considered possible for the Council to access for its staff, however Council occupational health service statistics will be examined.

Cross city analysis on the gender pay gap was also requested by the Board.

RESOLVED – That the performance information contained in Appendix 1, be noted.

12 Being Our Best - Our Organisation Plan for 2023 onwards

The Board received a report from the Head of Democratic Services which provided an opportunity to scrutinise and influence the implementation of the 'Being Our Best – our organisation plan for 2023 onwards'

The Plan when linked to the Best City Ambition, sets out the vision for Leeds City Council to be the best Council in the best City.

The plan is aimed at the 2000+ managers that work at Leeds City Council to support and assist them in bringing the best out of their teams to deliver the best services for residents of Leeds. A key priority in the plan relates to the values and refreshed behaviours which provides the framework for how managers and staff should approach working for the Council.

The Director of Strategy and Resources informed the Board of the challenges involved with creating consistency across our managers given the wide variety of services and circumstances of council teams.

Responding to a question on support for the menopause, the Director of Strategy and Resources was of the view that empathy and support would be something general good managerial practice would facilitate and also agreed to provide a link to the guidance available on Insite.

It was also noted that the recent LGA Corporate Peer Challenge is a linked work item to the Being Our Best Organisational Plan and that further agenda items on the Peer Challenge and the recommendations that came from it are likely to come to the Board later in the municipal year.

RESOLVED – That the contents of the report be noted.

13 Work Programme

The Board received the report of the Head of Democratic Services which set out the draft 2023/24 work programme for the Scrutiny Board. The report took into consideration suggestions made by the Board in 2022/23 for items to be carried forward into the current municipal year.

The Principal Scrutiny Advisor presented the item and noted that much of the discussion held under the Sources of Work item earlier in the meeting will need to be reflected in the work programme when it comes to the Board in July. The Work Programme item is the last item on each meeting agenda to enable Board members to shape the work programme for the Board.

The work programme is iterative and often changes and develops over the municipal year.

A request was made for budget action plans for each directorate to be brought to the Board for scrutiny as part of the work the Board does on the budget each year.

Contact Centre performance was also identified as an area of interest and whilst performance has improved, the Board believed that there is still an issue regarding online queries not being tracked for length of time to be resolved. The Advisor to the Board note that the Contact Centre will come back as an agenda item in 2023/24.

RESOLVED – That the contents of the report are noted, and a revised work programme is brought back to the Board in July.

14 Date and Time of Next Meeting

The next public meeting of the Board will take place on 17 July 2023 at 10.00am. There will be a pre-meeting for all board members at 9.30am.

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LEEDS 2023 update to Scrutiny Board

Date: 17 July 2023

Report of: Chief Officer, Culture and Economy

Report to: Strategy and Resources Scrutiny Board

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

LEEDS 2023 is the city's Year of Culture, delivered by the Leeds Culture Trust (LCT), an independent charity set up in 2019 by Leeds City Council as part of its Culture Strategy and as a response to the cancellation of the UK's participation in the European Capital of Culture competition.

On 7th November 2022, Scrutiny Board provided feedback on progress made by LCC and LCT towards LEEDS 2023 Year of Culture. In response to the Scrutiny Board discussion, this paper follows up on specific areas of interest and provides an update on progress made six months into the year and after the delivery of the first few Signature Projects.

The update focuses on:

- Programme structure
- Signature projects
- Partner projects
- Research and Evaluation
- Impact
- Beyond 2023
- Fundraising and sponsorship
- Consultation and engagement with elected members

Recommendations

- a) Scrutiny Board is requested to note and provide comments on the information provided in this report and the progress made.

What is this report about?

- 1 LEEDS 2023 is run by the **Leeds Culture Trust** or LCT, an independent charity set up in 2019 by Leeds City Council as part of its Culture Strategy and as a response to the cancellation of the UK's participation in the European Capital of Culture competition. Leeds City Council recognises in a number of its key strategies the difference culture and creativity can make to a city, its economy and its residents and is the principal funder of LEEDS 2023. Our work delivering the city's culture strategy and the successful delivery of LEEDS 2023 are crucial components of achieving our Best City Ambition.
- 2 With 3 seasons, a number of Signature projects of original work and hundreds of partnerships, LEEDS 2023 is of **national and international significance** and a major cultural milestone on Leeds' major events calendar. This report provides an introduction to LEEDS 2023 to new members of Scrutiny Board, follows up on several areas which Scrutiny Board requested to explore in more depth and informs members on progress made since the last Scrutiny Board report in November 2022.
- 3 Leeds Culture Trust is led by a **board of trustees** which is described in detail in section 2 of the November 2022 Scrutiny Board report (see background papers). The council representatives on this board are Cllr Jonathon Pryor and Cllr Daniel Cohen.
- 4 The **City Readiness Board** is the council led governance structure bringing together LCC and Leeds Culture Trust to help ensure that the Year of Culture maximises its benefits and impacts across the city and the wider region. The way in which this Board operates, and its associated sub-groups are described in detail in sections 19-23 of the March 22 Scrutiny Board report (see background papers). The membership of the sub-groups has evolved over time and will continue to do so as the focus of LEEDS 2023 shifts from planning to delivery and then from delivery to legacy planning. A review of the City Readiness Board and its sub-groups took place in February 2023, led by the council's Executive Manager for the LEEDS 2023 Partnership. A further review will take place this year to ensure that sub-groups are building in legacy planning to their work.

Programme structure

- 5 The LEEDS 2023 programme is of both national and international significance and consists of three Seasons which shape the year, with '**Awakening**' influencing Part One (January to April), '**Playing**' the focus of Part Two (May to August), and '**Dreaming**' a forward-looking end to the year (September to December).

Guides are being produced for each of the 3 seasons which are being widely distributed throughout the city at cultural venues, community hubs, sport centres, libraries etc, as well as at LEEDS 2023 events. All events and projects are also promoted on the LEEDS 2023 website and social media, with a collaboration with both Leeds Inspired and Visit Leeds helping to promote events to their audiences.

The LEEDS 2023 store in Trinity shopping centre is also key to promoting the programme to visitors and has branded merchandise on sale, as well as serving as a space for events and workshops.

- 6 There are three strands of activity in the programme – Produce, Partner and Promote.

The "**Produce**" strand consists of major signature projects, original works produced by LEEDS 2023. Each of the projects aim to be something special which would not take place without LEEDS 2023.

The “**Partner**” strand entails working in partnership with local, national and international partners to showcase the wealth of diverse talent and cultural infrastructure to be found in Leeds. The aim of the Partner Programme is to increase the capacity of the city by working with and through others, to collaborate and champion interdisciplinary partnerships and increase Leeds’ international profile. Through this programme LEEDS 2023 plays an active role in helping to realise a project’s ambitions, be this by contributing financially or with support through marketing platforms, the volunteer programme and in-house expertise.

The “**Promote**” strand focuses on using LEEDS 2023’s platform and visibility to promote other cultural / artistic / sporting events and projects taking place across the city. The Promote strand is made possible through a collaboration with Leeds Inspired, the what’s on website managed by LCC’s Culture Programmes team.

- 7 Running alongside “Produce, Partner and Promote” is LEEDS 2023’s **Creative Learning programme** which is offering every child and young person of school age in Leeds the chance to take part in the Year of Culture. The programme features free activities for learners in all key stages, including classroom resources, facilitated workshops, participatory activities, and opportunities for learning outside the classroom. With links to the various key stages of the curriculum, the programme supports teaching across a variety of subject areas and helps learners develop their creativity. Learning resources for schools can be found on the LEEDS 2023 website <https://leeds2023.co.uk/learning-resources>. By working closely with Child Friendly Leeds, LCC’s Voice Influence and Change team and the Leeds Cultural Education Partnership (LCEP) LEEDS 2023 is working to bring together cultural provision across the city to promote child and youth voice and co-creation, with the participation of larger numbers of young people that are also representative of the city.
- 8 Also running alongside and supporting “Produce, Partner and Promote” is LEEDS 2023’s **volunteer programme** which is a flexible programme allowing participants to choose their shifts according to their own individual interests and availability. Following an online application, the applicants are given an opportunity to meet the team and find out more about the programme from other volunteers and finally they have an induction whereby they are given their branded uniforms. The volunteers are key to the success of LEEDS 2023 events, as well as helping out at partner events, by providing a warm welcome, information and general interaction with audiences, helping out backstage supporting artists and event teams or undertaking tasks in the LEEDS 2023 office. LCT have a target of attracting 1000 volunteers over the year and there are currently almost 700 volunteers confirmed from across all wards and over 200 in the next recruitment phase.

Signature Projects

- 9 Currently halfway through the year, a number of signature projects have already been delivered and this section of the report looks at each of these projects as well as plans which have already been revealed for the rest of the year.
- 10 The opening event of the Year of Culture was “**The Awakening**” a huge performance celebrating Leeds past, present and future. The event took place at Headingley Stadium with an audience of over 5000 people after selling out the 10,000 tickets available and with over 500 people on the waiting list. The Scrutiny report from November 2022 describes in section 7 the approach to the ticket ballot for The Awakening involving the submission of artwork and public engagement sessions called “Creation Stations” held in shopping centres / schools / community organisations to encourage submissions from different parts of the city.

- 11 The artworks submitted by members of the public as part of the ticket ballot led to the “**Waking the Artist**” exhibition which was successfully delivered in April through an exhibition in Wade House, accessed through the Merrion shopping centre. The preview night included all featured ballot artists and their guests invited alongside the media and the artists were very excited to see their work showcased in this way. The artworks were also displayed on the concourse and walkways at Headingley Stadium for the Awakening and subsequently around the city, displayed on railings surrounding the city’s parks and public spaces.
- 12 In collaboration with the Women of the World Foundation, “**The WOW Barn**” was an impressive structure which was “raised” in 24 hours over May Day Bank Holiday by a community of 300 women and non-binary people in a performative action to challenge assumptions which limit access, imagination and opportunity. Sponsored by WYCA, 300 professionals and novices came together to build the barn, with around 200 women and non-binary people having been trained in the construction and technical skills needed to prepare, assemble, and erect this structure. The WOW Barn then became a festival site for 2 weeks in May hosting cultural events, school workshops with a focus on STEAM education and receptions, including a reception hosted by the Mayor of West Yorkshire for women in the property and construction industries, as part of UKREiIF (the UK’s Real Estate Investment and Infrastructure Forum which brings together thousands of representatives from the property sector to Leeds annually). The wooden frame making up the structure of the Barn has now been gifted to Kirkstall Valley Farm who intend to use it as an outdoor classroom.
- 13 “**Making A Stand**” is a sculptural forest in City Square designed by Michael Pinsky and Studio Bark Architects, an installation launched in June and inspired by the Forest of Leodis. Provoking conversations around climate change, the use and re-use of sustainable materials and the importance of trees in carbon capture, “Making A Stand” is both a physical installation as well as having an online “digital twin” which features illustrations and education information on the project’s themes. Within the installation is an event space which will be used for tours, classes, workshops, and events, including several events co-created by Leeds Beckett University students.
- 14 Funded by the Paul Hamlyn Foundation, the National Lottery Heritage Fund and Arts Council England, “**My LEEDS 2023**” is the signature project with the strongest focus on co-creation and the widest geographical reach throughout the city, a celebration of the people and stories that make up Leeds. The project has a **co-creation approach** through the appointment of 33 Neighbourhood Hosts, one for each ward and each attached to a local organisation already well embedded in the community which can offer support, referred to as an “anchor” organisation. This approach is enabling Leeds residents and community / cultural organisations to shape the programmes which are relevant to where and how they live. Since September 2022, the Neighbourhood Hosts – active members of their communities – have been participating in a paid training scheme, developing skills in engagement, producing, production and funding. Each Host is connected to a ward in which they live or to which they have a strong connection. All of the Neighbourhood Hosts have been introduced to their local ward councillors in order to encourage a supportive and collaborative approach to the My LEEDS project.
- 15 Since the start of the project, the hosts have been engaging with each other and their local communities to co-create cultural activity that celebrates their ward and enables participation by residents. The programme of events they co-created – **My LEEDS Summer** – includes 36 events taking place between June and September, within each ward of the city. To enable participation in My LEEDS Summer, the Hosts were provided with £99,000 to allocate as grants. Following workshops with funders, the Hosts opted to split this fund equally across the wards and designed the grant programme. Applications for grants opened in Spring and the grant scheme was widely published through citywide and hyperlocal channels, and the Hosts ran engagement sessions to promote the opportunity and over 500 applications were received.

Individuals over the age of 18 and not-for-profit organisations were eligible to apply. When the window for grant applications closed, the Hosts reviewed the applications in panels, which consisted of the Host and four other Hosts from neighbouring wards.

Grant applications were evaluated using the following criteria (which was made available to applicants when they applied).

- Does the proposal fit within the vision for the Ward event?
- Is it feasible within the plans for the event, including scale and budget?
- Is it suitable for the event's audience?
- Is it feasible within the grant budget requested?
- Will the activity be engaging, interesting and/or exciting in the context of the event?
- Does the applicant demonstrate a relationship with the ward?

A total of 295 grants have been made across all 33 wards, with an average of 9 grants awarded per ward.

Examples of My Leeds Summer events which have already taken place in different parts of the city include:

- Roundhay's World Food and World Music Festival on Soldiers' Field on 17 June which involved a live programme of musical artists from Leeds which ran alongside food traders and fairground attractions. It attracted a mixed audience of 2,500 people including families during the day and more adults in the evening.
- The Beeston & Holbeck Neighbourhood host programmed several acts as part of the Beeston Festival on 24 June, which attracted 3,500 very diverse participants including families and young children.
- Wetherby's Drovers Day attracted 2,350 participants across 3 sites on 1 July. The Town Hall and marketplace saw musical performances, craft stalls and history talks, Crossley Primary school held a summer fair and Wetherby hosted its first marching band competition with 15 bands competing.
- Kirkstall Moves and Makes community event organised by the Neighbourhood Host in conjunction with HAVA and Kirkstall Valley Development Trust on 11 June, which attracted 600 people. Part 1 of the event involved several stalls focused on arts and crafts, circus skills, sports and music, with part 2 held at KVDT's existing Kirkstall Jazz Festival event, which involved music and creative activities.

The full list of [My LEEDS Summer - LEEDS 2023](#) events can be viewed on the LEEDS 2023 website and ward councillors are receiving individual invitations alongside requests to help publicise them to residents.

16 To enable schools and learners to participate in My LEEDS 2023, 33 **My LEEDS School Grants** of £300 were made available for schools. Schools were invited to submit a proposal on behalf of their learners for a grant to add additional activity to an existing cultural event in their summer term, such as a summer fair, sports day or leavers assembly. The opportunity was promoted through LEEDS 2023, Leeds City Council and Leeds Cultural Education Partnership. The grants were assessed by a panel of LEEDS 2023 staff using the following criteria:

- Does the proposed activity add to an existing event?
- Does it respond to at least one of the Child Friendly Leeds Wishes?
- Does it increase engagement in the Year of Culture?
- Does it give children and young people the opportunity to take part or experience culture?

Grants have been awarded to 22 schools across 15 wards and the scheme will be reopened for applications before the end of term with a deadline of end September. Working with LCC, through collaboration in Young People and Skills City Readiness sub-group, the opportunity will be sent out directly to schools via Leeds City Council's Artforms and Leeds for Learning website and via headteachers' newsletters. It will also be promoted on the LEEDS 2023 website and via the Leeds Cultural Education Partnership. LEEDS 2023 will prioritise applications from wards who have not already received a grant but will not make them exclusively for these wards. Ward councillors will also be asked to help publicise the opportunity to local schools.

- 17 **The Gift** is an important component of the My LEEDS 2023 project. Artist Keith Khan has been working with the Neighbourhood Hosts to explore Leeds and has created a series of motifs that are being activated as textiles at My LEEDS Summer events and a new digital artwork which can be explored on the website [The Gift - LEEDS 2023](#) Plans are developing to gift the artworks to the 33 wards at an event in September, as part of a public exhibition.
- 18 **My LEEDS** also involves the **Hidden Stories** project which involves artists and researchers working with communities and heritage organisations to share the hidden stories of our city. This includes a project led by curator Gill Crawshaw, working with disabled artists to look for the "Hidden Stories" of disabled textile workers, brought together at Leeds Industrial Museum. **The Big Harewood Garden Party** involves Harewood House joining forces with visual artist Lucy Orta to explore the relationship between the estate, food and local communities through an updated version of one of Studio Orta's world renowned artworks.
- 19 **My World, My City, My Neighbourhood** is a project which kicked off in 2021 and saw over 20 artists work with their respective communities to research and develop project ideas that could inform the programme for 2023. Resulting from these initial collaborations are a calendar of activities designed and run by Mafwa Theatre, including a Family Flourish Day at the Roxby Community Garden and a series of events led by Creative Producer Ndidi Nkwopara as part of the Leeds International African Arts Festival.
- 20 **Children's Day Reimagined** is taking place on 14 July at Roundhay Park as a free, family-friendly event open to the public, which celebrates the children of Leeds. Inspired by the original Children's Day event which used to take place 60 years ago, the event has been reimagined for the future through a co-created approach involving artists Fevered Sleep, a group of Young Creatives (11 young people aged 8-14 from across the city) and around 1000 Leeds school children (from 22 schools across 17 wards). Throughout the day, these children are coming together to build and design the site, including an installation of the thousands of banners they have created which express their hopes, dreams, and demands. They are then inviting their family, friends, and the public to join from 7.30pm for food, performances and films.
- 21 Launching in August and with a focus on Leeds history and role in the birth of civil engineering, the project **SMEATON 300** will have a strong focus on STEAM (science, technology, education, arts and mathematics) education by exploring and celebrating the life, legacy and influences of Leeds born John Smeaton, all the way up to his 300th birthday in 2024. The project will include engineering events at museums, an exhibition at Armley Industrial Museum, STEAM activities in schools and interactive workshops in libraries. A beautiful mobile observatory called "Moon Palace" inspired by the work of John Smeaton will tour the city from August. A gift from East Leeds to the world, Moon Palace is a new artwork inspired by the legacy of John Smeaton and the observatory he built in East Leeds. Bringing together creativity and art, engineering and science, collaboration and public good, Moon Palace will offer after-dark moongazing with expert astronomers from August to December. The project will also include a teacher's conference with a focus on STEM and the Arts, to be held in September.

22 **Hibiscus Rising** will be an artwork by internationally renowned artist Yinka Shonibare, which will be installed in Meadow Lane Green Space within the new Aire Park development. LEEDS 2023 is working alongside the David Oluwale Memorial Association (DOMA) to develop an artwork designed to commemorate the life of David Oluwale and to provide representation and aspiration to the community he came from. It will respond to the findings of the independent Statues Review commissioned by LCC in 2020 which confirmed the underrepresentation of diverse communities and their stories within the city's public spaces and recommended that the city "commission works of art that commemorate the varied contributions of the diverse citizens of Leeds". Developed in partnership with the DOMA, the artwork has been commissioned by LCT and will be gifted to LCC to own and maintain at the end of 2023. The statue will stand 10 metres high and represent a hibiscus flower, fabricated from steel and fibre glass. The sculpture's surrounding landscape will be a place of contemplation, a future space for curated events and a busy thoroughfare with new pedestrian routes linking the town, Aire Park and the new David Oluwale footbridge across the river Aire. It is planned that the sculpture will be unveiled at the end of November 2023 and DOMA are currently planning a series of community engagement workshops to take place in advance of the unveiling, to raise awareness of David Oluwale's story, and to support the local community in reflecting on the impact of his legacy.

The Hibiscus Rising sculpture will pass into LCC ownership at the end of the year and will be responsible for its maintenance. In June 2022 Executive Board agreed to front-fund the costs of the statue whilst fundraising for the project is progressed by LCT. The details of this arrangement can be seen in section 74 under "resource implications".

23 More Signature projects will be announced for season 3 of LEEDS 2023 which will be launched in August and will cover events and projects taking place from September to December. This will include a closing event that will act as a ceremony to pass the baton on to future generations as part of the Dreaming season.

Partner programme

24 The Partner programme to date has involved many and varied projects, working with local, regional, national and international partners. Examples of the partner programme include:

- The **Leeds Artists Show 2023** at Leeds Art Gallery showcased artworks created by 90 artists from across the city following an open call for submissions, celebrating the richness and diversity of the city's art scene. The exhibition also introduced the next generation of artists with drawings and paintings by 21 young people from Leeds primary schools.
- The **In Short, Europe: Dream** film festival in collaboration with EUNIC London which brought the EU Ambassador and other European diplomatic representatives to the city, in recognition of LEEDS 2023's roots in the European Capital of Culture competition.
- **Seeds, Dreams and Constellations** was a collaboration between musician Corinne Bailey Rae and choreographer Sharon Watson MBE. Held at the Riley Theatre in May, this performance was inspired by migration, transformation, and tales of new beginnings.
- **Sonia Boyce: Feeling Her Way** at Leeds Art Gallery between May and November, was commissioned by the British Council for the Biennale di Venezia in 2022. It brings together collage, sculpture, video and music in an arresting body of work that centres around the vocal experimentations of five Black female musicians.
- **Summer Solstice: South Asian Music Festival** in cooperation with SAA UK, held in June at the Corn Exchange marked the longest day and shortest night.

- **Noah's Flood** at The Warehouse in Holbeck in July – a retelling of Benjamin Britten's community opera, involving 180 schoolchildren as the animals and poet Lemn Sissay as the voice of God, led by an orchestra of world-class musicians.
- **Requiem Mozart and Muyanga** at Leeds Grand Theatre pairs Mozart's iconic masterpiece with a new commission by South African composer Neo Muyanga, with dance from Phoenix Dance Theatre. This was an artistic collaboration between Leeds and South Africa as Opera North, Phoenix Dance Theatre, Jazzart Dance Theatre, and Cape Town Opera.
- **It's a Wrap Reggae Party** was a celebration for all ages bringing together generations of musical genres rooted in or shaped by Jamaican history and part of the Jamaica Society's "Out of Many" festival.
- **RUN graduate fashion show** led by Matty Bovan from Leeds Beckett University was the final year graduate showcase for Leeds Beckett's Fashion course. This is one example of the strong partnerships which LEEDS 2023 has developed with the further and higher education sectors in Leeds.

25 An important part of the partner programme is centred around **international collaboration**. This involves:

- partnerships with other former, current and future European Capitals of Culture such as Leeuwarden 2018 (Netherlands), Lille 3000 (France), Chemnitz 2025 (Germany), Tartu 2024 (Estonia), Eleusis 2023 (Greece)
- collaboration with Embassies and national institutes of culture, such as a funded programme with the Embassy of the Netherlands to facilitate exchanges between artists from Leeds and the Netherlands
- hosting visits from international dignitaries such as the German Ambassador and the EU Ambassador who headed up the launch of the EUNIC film festival
- supporting international artistic collaborations such as East Street Arts' work with Portuguese visual artist Add Fuel to create a mural painted on the two-storey gable-end of a former pub in Mabgate to celebrate the area's important ceramics heritage.

Promote

26 Examples of events and activities which are currently being promoted by LEEDS 2023 include:

- Circus Skills at Harehills Lane Baptist Church
- A performance by Brazilian musicians Olaya at Clothworkers Centenary Concert Hall
- In Motion – Dance for Wheelchair Users at Northern Ballet
- Wellbeing Wednesdays at Leeds Art Gallery
- Leeds International Organ Festival at Leeds Cathedral
- Summer Series concerts on Millennium Square

Research and evaluation

27 LEEDS 2023's research and evaluation programme is linked to everything which LEEDS 2023 delivers. Its role is to support:

- Telling the story of LEEDS 2023
- Being open and transparent about LCT's work
- Day-to-day decision making to help the Year of Culture have a greater impact
- Measuring progress, outcomes and impact against LEEDS 2023's strategic aims, KPIs and funding requirements outlined in LEEDS 2023's Business Plan (see appendix 1)

- Sharing learning that will contribute to the legacy that can be handed back to the city

28 The Scrutiny Board report on 28 March 2022 (see background papers) gave a full description of the evaluation approach which LEEDS 2023 were developing and which is now being utilised to capture data to measure impact and reach. The evaluation will allow LCC to assess the efficacy of the Year of Culture in delivering against the target outcomes set out in the grant agreement which are:

- At least 75% of Leeds households engaged as audience or participant, in the programme with all sectors of the city fully represented
- All 33 wards in Leeds engaged.
- Digital engagement
- Increased engagement opportunities for children and young people
- Job creation and skills development – employment and progression opportunities delivered by Leeds Culture Trust
- Investment into Leeds of at least £20m – wider economic benefit in the city created by the Leeds 2023 Year of Culture
- A demonstrable increase in visitor numbers arising from the programme
- A demonstrable economic benefit to the city arising from the programme
- A demonstrable improvement in perceptions of Leeds and its cultural offer arising from the programme
- A demonstrable contribution towards the UN’s 17 Sustainable Development Goals, specifically:
 - Goal 3 - Promote health and wellbeing
 - Goal 5 - Gender equality
 - Goal 8 - Sustainable and inclusive economic growth
- A demonstrable improvement in the health and wellbeing of citizens of Leeds arising from the programme
- A demonstrable improvement in the financial resilience of Leeds’ culture sector

29 LCT is working in partnership with appointed evaluation partners the Audience Agency, the University of Leeds’ Centre for Cultural Value, and Open Innovations. There is a LEEDS 2023 evaluation Working Group which includes all these partners and nominated leads within LCT who design and implement the evaluation frameworks that apply to each project. Each project has its own evaluation framework and the support of the above partners.

30 The success of the Year of Culture will be measured against the delivery of outcomes in LEEDS 2023’s strategic plan, through both their headline KPIs, assumptions made in the Theory of Change model (see appendix 2), and further methodologies developed by an appointed university led, research and evaluation partner Centre for Cultural Value. LCT will use quantitative data that will allow them to assess how successful they are in relation to engagement and accessibility, inclusion and diversity, among other figures.

31 Whilst quantitative data is important, LCT knows that individuals can experience very personal life enhancing changes through engagement with cultural activity. To reflect this, they are also

implementing qualitative analysis to monitor and evaluate their work. This qualitative data will help them understand outcomes for communities, the city, and the arts and cultural sector across themes such as health and wellbeing, agency, confidence, increased skills, and quality of experience, among others. In using both quantitative and qualitative methods, this ensures that LCT is gaining the breadth and depth of knowledge needed to understand outcomes.

32 Quantitative and qualitative data is being analysed quarterly, allowing them to reflect and review project plans and adapt their offer so that they can best serve the city and its residents. This data will be collected and compiled into a final overall evaluation that will explore the delivery of the entire programming offer. LCT will produce this final LEEDS 2023 evaluation report in 2024, wherein they will assess the impacts of the year against their aims and objectives. Themes within this final report will also include overall evaluation as well as event-based evaluation and assessment. LCT understands that softer outcomes may not be realised immediately, and this idea informs a big part of the legacy work being developed with LCC.

33 It should be noted that as part of the evaluation, LCC has asked LCT to focus on 5 wards to boost engagement during the year and they are:

- Little London and Woodhouse
- Calverley and Farsley
- Armley
- Gipton and Harehills
- Hunslet and Riverside

These wards were selected to give geographical balance, include both inner and outer wards, and with a strong focus on the priority neighbourhood areas.

34 As mentioned above, each Signature project has its own evaluation framework, and the precise parameters of the evaluation varies from project to project. For example, for the Children's Day Reimagined event, the evaluation will cover:

- The process of co-creation with Young Creatives
- Engagement with pupils in schools and education settings
- Attendance and experience of the Children's Day event.

Through the evaluation, LEEDS 2023 will investigate:

- Aspects of our approach to co-creation with children that were successful and those which require further consideration and development. This will support the continual development of best practice engagement with youth voice in Leeds, and ensure practices effectively enable young people to influence key decisions in the city.
- The extent to which participation supported pupils personal and social development.
- The number and demographic of attendees at Children's Day
- The experience of people attending an event co-created with children.

The evaluation and learnings will be shared with key departments in Leeds City Council, including the Voice and Influence team, Artforms, Child Friendly Leeds and Schools Improvement Services through the 'Children and Young People City Readiness Board'.

Additionally, the placards and banners recording the wishes of children, will be documented and shared with Leeds City Council and partners, offering significant insight into the needs and wishes of diverse young people across the city.

- 35 The Quarter 1 evaluation for the Year of Culture is now available (including audience and artist experience of The Awakening, early engagement data in the lead up to the WOW Barn, baseline data for the Neighbourhood Hosts involved in My LEEDS 2023, data for partner projects, volunteering, creative learning with schools, digital engagement, PR and Comms and more) and this can be found in appendix 3.
- 36 A snapshot of the Q1 and draft Q2 evaluation can be seen below. It should be noted that this data includes all activities in association with The Awakening (from the Ticket Ballot through to the Waking the Artist exhibition), the WOW Barn Raising and Festival, associated activity for upcoming Signature Projects, and all the participatory activity associated with Signature events in Q1 and Q2, plus the activities and engagements generated by the Creative Learning and Engagement team. The data excludes Making A Stand and a range of activities linked to the Promote strand.
- 535 different events and activities (1,042 activities including those repeated)
 - 60 different Partner Programme events
 - Number of schools engaged – 65 in quarter one and 31 in quarter 2
 - All 33 Leeds wards involved in the My LEEDS 2023 Signature Project alongside a range of schools and community engagement associated with other Signature Projects and the work of the Creative Learning and Engagement team, which is being delivered across all the wards.
 - Audiences and participants are also being drawn from across all 33 wards of Leeds to Signature Projects.
- 37 The data for Quarter 2 is currently being analysed and the full Quarter 2 evaluation will be available in late July.

Impact

- 38 Using the data collected, LEEDS 2023 is also working with Leeds open data organisation Open Innovations to pull through some of the data from its systems to visualise engagement across the city in a data microsite. The work of Open Innovations involves **data collection, analysis and visualisation**, breaking down engagement data from events / the volunteer programme / the creative learning and engagement programme / media articles and social media to build a picture of participation at ward level. This information is being used by the LEEDS 2023 team to identify the parts of the city where additional intervention needs to be targeted to ensure city-wide participation in the Year of Culture.
- 39 The data microsite can be accessed publicly here [Welcome – LEEDS 2023 Data](#). The data and visualisations displayed on this site are drawn from a variety of systems run by LEEDS 2023. They are indicative figures only, published and visualised to support operational decision-making by the team as well ensuring LEEDS 2023 is being transparent about their work. It provides headlines and highlights to date the ways in which LEEDS 2023 are engaging with communities in Leeds. This does not represent the entirety of the programme, nor does it represent everyone who will be engaged by the end of the year, but it helps to provide a good near live picture of engagement. A more robustly tested and analysed evaluation of LEEDS 2023's impact will be delivered by The Audience Agency by October 2024, as set out in the sections on research and evaluation above (sections 27-37).
- 40 The data microsite includes an [Impact Dashboard – LEEDS 2023 Data](#) aligned with some of the target outcomes set in the council's grant agreement, so that performance information is easy to access and readily available. It should be noted that the figures relating to the numbers of events and engagements with residents are works in progress. More events have taken place than are currently included in the data, and there have been more engagements by residents with LEEDS 2023 activities than currently counted. Data related to each of the displayed

metrics are updated at different intervals and, as such, the data displayed may not be up to date. Scrutiny members are invited to click through on any metric to understand more about how this data is captured and how frequently it is updated.

- 41 The data captured on the data microsite provide a useful insight not just for LEEDS 2023 but also for LCC, the wider culture sector and other partners across the city. Cultural data is of great interest from a legacy point of view and will constitute an important part of the council's legacy planning.
- 42 One of the most important impacts of the Year of Culture is through lifting the profile of Leeds at a regional, national and international level. Numerous press articles have featured LEEDS 2023, the city's rich cultural offering and position the city as a great place to visit. These include 2 articles in Financial Times, editorials in The Yorkshire Post, features in the National Geographic as well as in the international press (see appendix 4).
- 43 LEEDS 2023's current press and media figures are as follows:

Website stats year to date:

- 233,000 unique visitors
- 269,000 total visits
- 547,000 total page visits

The digital audience for the LEEDS 2023 website grew from 7.4k visitors a month to a peak of 59.6k in January 2023, at the time of The Awakening.

Press coverage:

- 1120 pieces of coverage
- Circulation of 401,765,900

Social media

- 42,037 audience across all LEEDS 2023 social media channels
- 316,335 total social media engagement with LEEDS 2023.

- 44 Raising the city's profile through public investment in major cultural initiatives such as Leeds 2023 is seen as critical for the city's visibility and soft power and this in turn can help to lever new private investment into the city. In its recent "UK's Most Talked About Cities" report unveiled in May 2023 at UKREiiF in Leeds, a new "Investment Opportunity Rank" was launched which is a combined benchmark aggregating cities' digital visibility, soft power and Foreign Direct Investment rankings. Leeds comes out second, only behind London, in this new ranking and third in terms of soft power, with this success attributed to the city's investment in culture and particularly in LEEDS 2023 Year of Culture.

Beyond 2023

- 45 The impacts of the decision to bid for European Capital of Culture and the subsequent decision to do it anyway have already delivered significant impact across the cultural sector in the city. For example:
- There have been physical changes to cultural places and spaces such as the transformation of Thackray Medical Museum and the Leeds Playhouse, and the expansion of the East Street Arts campus to include the Arts Hostel and Convention House

- Light Night has grown from a small event with an audience of 30,000 over one night to the UK's largest annual arts festival with 150,000 people attending over two nights
- We have seen a growth in our ambition and ability to host major events such as the World Triathlon and the Rugby League World Cup

46 At the November Scrutiny Board meeting, LCC was able to report on a 'legacy think piece' involving interviews and workshops with key stakeholders across LCC, Leeds Culture Trust and the wider creative sector. This work, for LCC internal use, provided an objective view on the potential for and scope of Legacy for the Year of Culture.

47 In November 2022, members of Scrutiny board highlighted the importance of a stronger focus on practical arrangements to secure the legacy of LEEDS 2023. Subsequent to this, LCC has created a **Legacy Planning Group** which brings together senior officers from LCC with LCT's Executive team. The Legacy Planning Group sits alongside the City Readiness structure, with verbal updates on legacy given to the City Readiness Board.

48 This group has agreed a number of different legacy workstreams which are led by LCC but with defined responsibilities for LCT to build a strong foundation. Whereas some of these workstreams are of a very practical nature involving the transfer of data from LCT to LCC, others relate to longer term aspirations and opportunities for the culture sector post 2023.

49 Areas involving the contractual transfer of data are set out in a new variation to the grant agreement between the two organisations (which is described under legal implications in section 81 below) and are as follows:

- Volunteering – as LCC will seek to offer ongoing future skills development and experiential opportunities to the volunteers contracted by Leeds 2023.
- CRM data – the LCT will share data captured and held on the Trust's CRM system to enable continued marketing and promotion of cultural events and activities delivered by the Council.
- International relationships – to enable the future development of international relations cultivated as part of the wider Leeds 2023 programme, LCT will share contact details of relationships established with international cities and the purpose and nature of the relationship.
- Funding and sponsorship relationships – the Trust will share with the Council details of private, public and philanthropic support for LEEDS 2023.
- Artist support – to enable the Council to prepare for and potentially provide grants support through its refreshed Cultural Investment Programme for artists funded and/or commissioned as part of the wider LEEDS 2023 programme, the Trust will share details of support provided to artists.
- Community engagement – to enable the Council to sustain cultural engagement of Leeds' communities and to help ensure that the emerging Cultural Investment Programme continues to deliver city-wide benefit.

50 Discussions are taking place within the Legacy Planning Group about other opportunities focused on more aspirational ideas, building on the work of LEEDS 2023 and which can be developed into legacy workstreams. In order to capture some of these aspirations, a meeting was held in June 2023 with the wider culture sector to initiate conversations around cultural ambitions for the city post 2023. There are plans to refresh the Culture Strategy in 2023/24 to reflect the impact of LEEDS 2023 and to raise our ambitions for the future.

51 In the autumn a report will go to Executive Board to set out our plans for culture beyond 2023, including how we capitalise on the impacts of bidding for and subsequently delivering our year of culture. This report will detail how we will capture the legacy of the work of the Leeds Culture Trust.

Fundraising and sponsorship

52 In July 2019 Leeds City Council entered into a grant agreement with the Leeds Culture Trust, lasting up until March 2024. The original core budget commitment was for £12,700,000 to be paid in quarterly instalments, and this was reduced to £10,665,000 in 2021. Further details of LCC's contribution can be found in section 73-75 of this report under "resource implications".

53 Good progress has been made by LEEDS 2023's fundraising team in securing funding over and above that provided by LCC. Leeds City Council's contribution has leveraged further funding from a variety of sources outlined below, which brings **total additional fundraising to date to £8,769,559**.

- Arts Council England
- British Council
- The Netherland's Embassy
- National Lottery Heritage Fund
- Paul Hamlyn Foundation
- Esmee Fairbairn Foundation
- Leeds Community Foundation
- West Yorkshire Combined Authority

Total Trusts, Foundations and statutory funding to date £7,526,135

- Principal Education Partners: University of Leeds and Beckett University
- Gold Education Partners: Leeds Trinity University, Leeds Arts University, Luminate, Northern School of Contemporary Dance.

Total education partner funding to date £365,000

14 Corporate Sponsors

- | | |
|---------------------------|------------------|
| • Bruntwood | Headline Partner |
| • Landsec | Headline Partner |
| • Channel 4 | Platinum Partner |
| • Burberry | Platinum Partner |
| • KPMG | Platinum Partner |
| • Ticketmaster | Platinum Partner |
| • First Bus | Platinum Partner |
| • Square Patton Boggs | Gold Partner |
| • Balfour Beatty | Gold Partner |
| • Born Ugly | Gold Partner |
| • Addleshaw Goddard | 2023 Club Member |
| • Grammar School at Leeds | 2023 Club Member |
| • Leeds Building Society | 2023 Club Member |
| • True North | 2023 Club Member |
| • Kinrise | 2023 Club Member |
| • Henry Boot Developments | 2023 Club Member |
| • Mott McDonald | 2023 Club Member |
| • Yorkshire Mafia | 2023 Club Member |

- Q5 2023 Club Member
- Notre Dame College 2023 Club Member
- Quod 2023 Club Member
- Civic Engineers 2023 Club Member
- DLA Piper 2023 Club Member
- Carter Jonas 2023 Club Member
- Leeds Hotels and Venues Association 2023 Club Member

Total corporate sponsorship to date: £446,210

Earned income of £312,826 has been generated from ticket sales, branded merchandise and the sale of food and beverages.

- 54 In order to attract a different level of investor, LEEDS 2023 launched a new supporters' club in June called "We Love LEEDS 2023", priced at £1k + VAT, aimed at businesses as well as individuals.
- 55 Despite a growing number of challenges and against a difficult economic backdrop which make this an increasingly difficult climate for fundraising, Leeds Culture Trust continues to make progress towards its ambitious targets for LEEDS 2023. A further £1.7m of additional funding is pending and bids worth another £4m are currently in the pipeline. Fundraising efforts will continue until the end of 2023, with experience of other Years of Culture suggesting that most match funding comes within the year itself.
- 56 LCT's fundraising efforts include a fundraising strategy for the "Hibiscus Rising" artwork, which is front funded by LCC and more details can be found in section 74 under "resource implications".

Consultation and engagement with elected members

- 57 When the last LEEDS 2023 report was taken to Scrutiny Board on 7 November 2022, board members requested additional briefings to strengthen engagement with elected members and to ensure that they are aware of what to expect from LEEDS 2023. Several steps have been taken as a result of this feedback in order to strengthen Councillor engagement.
- 58 In direct response to a request from Scrutiny Board, a briefing was held in the Civic Hall on the morning before the January 2023 Full Council meeting and 17 Councillors attended. The briefing was followed by a LEEDS 2023 presence in the antechamber of the Civic Hall on the afternoon of Full Council to answer specific questions and share information with elected members.
- 59 Following in person presentations on LEEDS 2023 made at the June-July 2022 cycle of Community Committees, a written update was provided to the Feb-March 2023 cycle of meetings which was tailored with information on events and projects taking place or involving the relevant wards. A full report was taken to the Outer East Community Committee because of low engagement in the LEEDS 2023 programme at that time and elected members were asked for their support in promoting activities and events to residents, schools and community organisations.
- 60 A written briefing on LEEDS 2023 was provided to all newly elected members in May 2023, followed by an in person briefing at the Civic Hall on 30 June. Each of the newly elected members have received e-mails from LEEDS 2023 introducing them to the Neighbourhood Host for their ward.
- 61 Individual face to face briefings have also been provided to the new Lord Mayor and the new Lead Member for Culture.

62 Ward councillors are being briefed and consulted about events taking place in their wards and community consultations are being held as appropriate.

63 In addition to the briefings listed above, elected members are receiving regular updates as part of the e-mail updates to MPs and elected members sent by the Chief Executive's office.

Many LEEDS 2023 events are free and are available to book through the What's On section on the LEEDS 2023 website

64 Elected members are receiving invitations to various LEEDS 2023 events including:

- an invitation to all councillors to apply for tickets for "The Awakening" opening event at Headingley Stadium in January
- an invitation to all councillors to attend the "Topping out Ceremony" for the WOW Barn on Cinder Moor in May, as well as a breakfast reception in the Barn
- an invitation to all councillors to attend a welcome event as part of Children's Day on 14 July
- invitations to My LEEDS Summer events taking place across the wards from June to September which are being issued to all ward members.

What impact will this proposal have?

65 LEEDS 2023 will deliver wide ranging benefits across the whole city and is an important part of LCC's major events strategy. LCC is committed to continuing to promote a positive, dynamic, diverse, and outward-looking image on a global stage and major events such as LEEDS 2023 are an important part of the city's offer that can deliver this.

66 The impact which the LEEDS 2023 programme is having at both a city-wide and a ward level is detailed in sections 38-44 above and early results can be seen in the Quarter 1 evaluation at appendix 3.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

67 LEEDS 2023 contributes to both the city's and the council's ambitions and is aligned to each of the three pillars of the Best City Ambition. The emerging legacy plan will be closely aligned to Best City Ambition and its refresh.

68 The LEEDS 2023 impacts the Health and Wellbeing strategy by supporting healthy, physically active lifestyles, as well as improving social, emotional and mental health and wellbeing. The impacts of arts and culture are well documented, with doctors now using social prescribing as a means to combat depression and loneliness.

69 The Year of Culture is supporting the city's economic recovery from COVID-19 and building longer term economic resilience. The year is also contributing to the following Big Ideas:

- Maximising the economic benefits of culture
- Promoting Leeds and Yorkshire
- Leeds as a digital city
- Working together to create better jobs, tackling low pay and boosting productivity
- Putting children at the heart of the growth strategy

70 Sustainability is at the heart of LEEDS 2023's approach to its Year of Culture and its Sustainable Action Plan aligns with Leeds' Net Zero Strategy. LEEDS 2023 has commissioned SAIL (Sustainable Arts in Leeds) to develop a sustainable road map across the entirety of its programme and a carbon impact assessment is being carried out for each of the 12 signature projects. The programme includes projects which champion sustainable practices, whilst helping to educate audiences about the importance of combating climate change. The "Making A Stand" installation is an excellent example of this, prompting discussion around the use and reuse of wood as a sustainable material and the role of sustainable forests in carbon capture.

What consultation and engagement has taken place?

Wards affected: All 33 wards

Have ward members been consulted? Yes No

71 A detailed description of the engagement and consultation with elected members can be seen in section (sections 57-64) above.

72 Consultation with local communities is essential to maximise the potential for public engagement with the Year of Culture. A **co-creation approach** is being taken with Leeds communities, enabling Leeds residents and community and cultural organisations to shape the programmes which are relevant to where and how they live. My LEEDS 2023, the WOW Barn and Children's Day are all excellent examples of this co-creation approach, with different groups of people shaping how the projects are run.

What are the resource implications?

73 The Council's original total commitment for LEEDS 2023 was £12,700,000, of which:

- £685,000 offset existing Council costs as a contribution toward Leeds 2023 (2018-24).
- The total commitment was reduced by £1,350,000 in 2021/22 to reflect LCC savings requirements. This reduced the grant payments to Leeds Culture Trust to £10,665k.
- The contribution to LEEDS 2023 from the core council budget has been further reduced by making substitutions by applying funds which cannot be used to deliver core council services, namely substitutions from the Business Rates Pool (BRP) and WYCA's Leeds' Gainshare allocation which resulted from the devolution deal for West Yorkshire.
- £7,376,000 has been paid to Leeds Culture Trust up to the end of March 2023, of which £4,075,893 (55%) came from LCC core budget and £3,300,107 (45%) were substitutions from the Business Rates Pool and Gainshare.
- Planned spending in 2023/24 is £3,289,000, so by the end of 2023/24, total spend will be £10,665,000. Of this, £5,731,893 will be from LCC core budget and £4,933,107 will be from BRP & Gainshare.
- Overall, substitutions reduce the Council's total net commitment from £10,665,000 to £5,731,893.

74 The Council has also undertaken to front fund costs up to £1.83m for the Hibiscus Rising sculpture to be installed in Meadow Lane Green Space in Aire Park in November as part of the

Year of Culture (see section 22 for project details). This is being held against the capital programme contingency reserve and is being reduced as fundraising for the project progresses. To date front funding of £1m was provided in November 2022 and a further payment of £400k in May 2023. A full fundraising strategy has been drawn up for the project and is being implemented by LCT, with a number of funding applications having been made by LCC, others by LCT and with the David Oluwale Memorial Association (DOMA) also involved in fundraising. Monthly updates on fundraising for this project are considered by the City Readiness Board.

75 LCC is the recipient of a grant from WYCA for LEEDS 2023's WOW Barn project which totals £1.5m and this funding is being channelled to LCT. To date, development funding of £551,672 has been received from WYCA for this project and has been provided to LCT. Further payments of £907,349 and £40,000 will be claimed in early July and early October respectively.

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

- 76 The Council recognises that growing the economy has positive benefits to the city and that our work developing the city's culture strategy and the successful delivery of LEEDS 2023 are crucial components of achieving our Inclusive Growth Strategy ambitions. The current geo-political situation, the cost of living crisis and ensuing pressure on the economy and local communities are all risks to success of the Year of Culture. Leeds Culture Trust is positioning LEEDS 2023 as part of the solution in terms of economic contribution and the job opportunities that the year will bring to the city, as well as offering people happiness and excitement, thus contributing to health and wellbeing.
- 77 It is a requirement of funding that Leeds Culture Trust maintains a risk register and that this is monitored by the Board of Trustees. As a condition of payment, the Trust files updated copies of the risk register with the Council, at least annually.
- 78 The City Readiness Board and its sub-groups offer a governance structure which allows risks to be identified and issues to be escalated to LCC directors. The Executive Manager for the LEEDS 2023 Partnership provides additional oversight of key risks.
- 79 A LEEDS 2023 risk has been added to the Culture and Economy service risk register which is part of the City Development Directorate risk register. The risk is owned by the Chief Officer for Culture and Economy.
- 80 LCC officers will be involved in meetings with LCT and their external advisors on the different measures which need to be put in place for closedown of the Trust and any associated risks will be identified at an early stage.

What are the legal implications?

81 There are no significant legal issues relating to the recommendations in this report. The Council closely monitors its investment in LEEDS 2023 through a grant agreement – 2019 to 2024. The grant agreement includes reporting conditions set against each quarterly payment. For audit and monitoring purposes, all reporting documentation is appropriately filed.

A variation to the grant agreement was signed in April 2023 and includes:

- Revised outcomes which LCT must aim for and which will inform the legacy (see section 28)
- A focus on legacy including joint work with LCC to shape the legacy plan
- Information and data sharing for legacy purposes including the transfer of data around volunteering, CRM, international relationships, funding and sponsor relationships, artist support and community engagement

- Future plans for Leeds Culture Trust
- Provision for LCC to receive grant funding from a third party for the LEEDS 2023 project and the obligations for LCT resulting from these funding arrangements, including but not limited to funding from WYCA for the WOW Barn and from Arts Council England and The Art Fund for the Hibiscus Rising sculpture.

82 Other legal arrangements have been put in place to support various aspects of the LEEDS 2023 Year of Culture. These include:

- A cooperation agreement between LCC and LCT around the delivery of the Hibiscus Rising sculpture in Meadow Lane Green Space in Aire Park, which is due to be unveiled in November 2023. The cooperation agreement includes a schedule setting out the conditions which are needed for the council to front fund the costs of the sculpture whilst a fundraising strategy is implemented by LEEDS 2023. The agreement to front fund the costs of the Shonibare artwork was made by the Executive Board on 22 June 2022. An agreement in principle was also made in May 2022 for the council to own and maintain the Shonibare sculpture after installation.
- Grant agreements are in place between LCC and Art Fund and between LCC and Arts Council England for the respective amounts of £200k and £100k for the Shonibare sculpture. The applications for these funds were worked up by LCT but submitted by LCC, the latter being the recipient of the funds. This funding reduces the amount held against the capital reserve for this project.
- A grant agreement has been signed between Leeds City Council and West Yorkshire Combined Authority which sets out the requirements for a grant to fund the WOW Barn project. The grant agreement covers development funding of £551,672, with a variation agreement underway covering subsequent payments of £907,349 for project delivery and £40,000 for evaluation.

Options, timescales and measuring success

What other options were considered?

83 N/A

How will success be measured?

84 Success will be measured through a detailed evaluation of LEEDS 2023 as set out in the section on research and evaluation (sections 27-37) above. A final report setting out a full evaluation of LEEDS 2023 will be delivered by October 2024, and this will underpin the legacy of LEEDS 2023.

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

85 The Year of Culture commenced with “The Awakening” event on 7 January 2023 and we are mid-way through a full year of cultural events, with the closing event planned to take place at the end of December 2023.

Leeds Culture Trust is responsible for the delivery of the LEEDS 2023 Year of Culture. Eve Roodhouse, the Chief Officer for Culture and Economy, is the responsible officer within Leeds City Council who will ensure that the council’s interests are represented throughout the year and that a legacy plan is in place. Day to day management of the council’s relationship with

LEEDS 2023 is managed by Karen Murgatroyd, the council's Executive Manager for the LEEDS 2023 Partnership.

Appendices

- Appendix 1 - LEEDS 2023 Business Plan
- Appendix 2 - LEEDS 2023 Theory of Change
- Appendix 3 - Quarter 1 evaluation
- Appendix 4 – Press coverage

Background papers

For the purposes of providing full information to new members of the Scrutiny Board, two previous reports are provided in the background papers.

- [LEEDS 2023 update to Scrutiny Board – 28 March 2022](#)
- [LEEDS 2023 update to Scrutiny Board – 7 November 2022](#)

A film on LEEDS 2023 **Letting Culture Loose: A Film About Quiet Greatness** can be viewed here <https://bit.ly/LeedsLettingCultureloose>

A film on the Making on the WOW Barn can be viewed here [From the Ground Up: The Inspiring Story of The WOW Barn Build](#)



LEEDS 2023 YEAR OF CULTURE

BUSINESS PLAN

APRIL 22 – MARCH 24

We should be loud and proud

Gabby Logan, Chair of LEEDS 2023
and Kully Thiarai, CEO and Creative
Director of LEEDS 2023

Leeds is a very special place. Its history, the people and the buildings, are all testament to a city with a rich heritage that has evolved through the many generations of talented people who all call it 'home'. We can rightly boast a cultural and artistic pedigree to rival any global city. So, it's no surprise that a growing list of supporters and partners are backing LEEDS 2023 to deliver an amazing and transformational year of culture that celebrates the city's cultural life, embracing arts, sports, food and people's everyday creativity.

Leeds has always displayed a quiet confidence about its past, but LEEDS 2023 is also about the here and now, and the future. Living, relaxing, studying or working in Leeds, we all know what makes this Yorkshire city so unique. From January 2023 for 365 days we will be Letting Culture Loose so, finally, the rest of the world can catch up and join us for this

cultural celebration. But it's not just about appealing to those outside of the LS postcodes, LEEDS 2023 will be better, bolder and brighter when we harness the talents of those who have a real sense of ownership and pride of place for their home city. We urge everyone to get involved, make their voices heard, and be a part of this lasting cultural legacy.

2021 saw the city begin to emerge from the grip of Covid-19, and that recovery is still very much a work in progress. LEEDS 2023 will play a vital role in helping Leeds to regain its social and cultural mojo, bringing people back together and encouraging audiences to immerse themselves in performance, spectacle and art as part of the mental and spiritual healing process. Our sports clubs and stadiums are, once again, reverberating with the chants of fans all wanting to reconnect and embrace live sporting fixtures. Every event, occasion or gathering is offering



Gabby Logan (Chair of LEEDS 2023) and Kully Thiarai (CEO and Artistic Director of Leeds Culture Trust)
Photography Ant Robling

the opportunity to share extraordinary experiences with our friends and loved ones and helping to reanimate our city.

It's this powerful mix of culture and sport that really makes life worth living and stops us being robots going through life's motions. If we don't have colour, vibrancy, choices and challenges then we become two dimensional entities devoid of passion and ambition.

Importantly, LEEDS 2023 will also be a driving force in Leeds's economic recovery with forecasts predicting the creation of an extra 2,300 jobs in the regional creative industries, an additional £114m coming into the visitor economy and an overall 8:1 return on investment for every pound we spend.



Recent years have been unimaginably challenging for us all and we are now facing a future that perhaps is even more uncertain with geopolitical events unfolding across Europe. Despite this, there is still huge optimism and opportunity threaded throughout Leeds Culture Trust's Business Plan. We will continue to review and finesse our objectives to capitalise on the hard work and investment that has already taken place to maximise the potential throughout the year until the final curtain comes down on LEEDS 2023's programme in December 2023.

LEEDS 2023 is a once in a lifetime opportunity for the city to really make its mark and leave a legacy far beyond what will be achieved and showcased in 2023. By working together and combining our strengths we can keep our ambitions burning brightly.

We have achieved a huge amount already and we're delivering on a dream that many thought was impossible. That's why it is as important today as it was at the start of this journey to embrace every role within LEEDS 2023; whether that's an individual

artist or supporter, an enthusiastic community hub getting involved, or the city collectively coming together.

We should be loud and proud, and not afraid to shout out and showcase our arts, culture and sporting pedigree. With that level of confidence will come even more riches that will spill out beyond the city and help to establish West Yorkshire on the global cultural map.

We can't and shouldn't underestimate the power of dreaming; dream the impossible and suddenly we have Channel 4 opening its headquarters in the heart of Leeds city centre, or we're celebrating the British Library of the North coming to Temple Works. And dreams come in all shapes and sizes. It could equally include Samuel L. Jackson fans catching a glimpse of their hero in Leeds or in Halifax's Piece Hall as he films the latest instalment of the Marvel movie franchise. Who knows what might be around the next corner for our great city and region?

We can't do this without you, so join us, and let's find out together.

About

Hang Linton
performing at the
Launchpad Festival
2022, supported by
LEEDS 2023
Photography
Sarah Oglesby



There's extraordinary stuff in this city, some things we don't even realise are here, so for one whole year we're throwing open the doors and we're making ourselves known.

We're Letting Culture Loose.

We're a city that's as much about food, as it is about dance, as much about art as it is about sport. We're a place where people turn old into new, disused into reused, broken into ground-breaking.

We've spent long enough being quiet about it, so now's the time to shout about culture, perform it, make it and imagine it every day, in every part of the city.

When this place speaks, it has a proper story to tell.

LEEDS 2023

Diversity, inclusivity and accessibility

We know culture is everywhere in our city and it has the power to change lives. We also know that the arts, culture and creativity can mean different things to different people and that not everyone feels they can access the creative opportunities they might want to. We want to help change that. We are committed to working alongside our communities and help remove barriers so we can all participate in celebrating our city's extraordinary creativity, in all its forms.

Sustainability

LEEDS 2023 is committed to delivering a landmark year of arts and cultural events in Leeds that provides benefits to local communities and economies, with a focus on minimising the negative impact on the environment through innovative and creative solutions. Leeds City Council is committed to making Leeds a carbon neutral city by 2030 and LEEDS 2023 will support this by ensuring high standards of sustainability policy and action. Sustainability is a key aspect of our vision and legacy and will be central to our organisation, day to day operations and the artistic programme for the year of culture. We will place a focus on raising awareness of environmental issues and solutions. Aiming to inspire and empower the people and businesses of Leeds to assume their role in ensuring Leeds is a healthy, thriving city.

Background + Governance

Our journey began in 2015 when the city originally decided to bid to be European Capital of Culture in 2023. After a lot of hard work across the city, hopes were dashed at the last minute when UK cities were no longer eligible to compete, following the country's vote to leave the EU. But that wasn't going to stop us. With cross-party support, the backing of more than 20 local businesses and a public poll in the Yorkshire Evening Post, the city collectively said, "Let's do it anyway!" Leeds City Council retained its financial commitment to LEEDS 2023 and established Leeds Culture Trust (LCT) as a charity in 2019 with an independent Board of Trustees chaired by Ruth Pitt. Kully Thiarai was recruited as LCT's Chief Executive and Creative Director, beginning her role in January 2020. In January 2022, Gabby Logan MBE took up post as the new Chair of LEEDS 2023.



Photography Danny North

Our Vision – A thriving Leeds where creativity fuels opportunities for everyone.

Our Mission – To deliver a transformational year of creative experiences connecting and benefitting people now and into the future.

Our Values –

We're compassionate: we've a big heart and we look out for each other; we believe we're stronger together.

We're bold: we're not afraid of using our spirit, imagination and creativity to make a difference.

We're confident: we're Leeds! We've got this!

We're inventive: there's no rule book; we'll seek out fresh ideas and new ways of doing things

Audiences/ Participants/ Stakeholders

At the heart of LEEDS 2023 are the city's residents. We have an ambition to engage with at least 75% of households across all 33 wards in the city. To do so, we are working in partnership with a whole range of organisations that include Leeds City Council, schools, further and higher education institutes, as well as third sector organisations.

We have a diverse portfolio of funding stakeholders that span the public, private and philanthropic sectors. Our main funder is Leeds City Council and, to date, we have secured additional funding from Arts Council England, Leeds Community Foundation, the National Lottery Heritage Fund, the Paul Hamlyn Foundation and Esmée Fairburn Foundation. We have also secured private sector sponsorship from businesses in the city. Regional and National Government remain a focus of engagement as we seek funding opportunities through the West Yorkshire Combined Authority and DCMS.

Finally, LEEDS 2023 would not be possible without the active involvement of the artists, creative practitioners, cultural organisations and sporting partners of the city. We remain internationalist in our approach, developing relationships with national and international artists, companies and organisations as well as Embassies from across the world.



Community sharing event for the Meanwood Road Project, a commission through My World My City My Neighbourhood
Photography Tom Charlesworth

Strategic Aims and Objectives

To unlock opportunities for everyone to find enjoyment and live their best life through participating in creative activity

- Enhance the cultural education of children in the city
- Increase opportunities for people of all ages to access new skills and work
- Contribute to improving the health and wellbeing of our citizens
- Boost digital skills and increase the tools for communities to learn and develop their creative talent

To boost engagement in culture particularly among people who face barriers because of their experience or circumstances

- Boost the visibility, representation and participation of our diverse communities through the LEEDS 2023 creative programme
- Improve the social connections between our communities
- Increase public engagement with the city's cultural heritage, green spaces, parks and nature
- Increase audiences to cultural activity, including from those facing barriers

To lead and showcase cultural transformation

- Amplify and bring international visibility to the work of existing artists and our exceptional artistic and cultural communities
- Produce and curate original work, and attract partnerships, of a national and international significance to Leeds and the region
- Build capacity and grow creative talent in Leeds and the wider region
- Increase knowledge and understanding of the climate crisis and work sustainably to support Leeds' ambition to be net zero by 2030



LEEDS 2023 Roadshow
Photography Ant Robling



To play an active role in the city and region's social, economic and cultural recovery from the pandemic

- Boost Leeds' reputation and profile as a cultural destination
- Increase employment opportunities in the cultural industries and support the retention of our creative talent within the city and region
- Generate an economic boost to the city and wider region including increased tourism and visitor spend
- Improve the understanding and influence of culture's role in transforming the city and wider region and improving people's lives

The Promise of a Garden by the Performance Ensemble, supported by LEEDS 2023
Photography Zoe Martin

To create a diverse, inclusive and values driven organisation that can effectively deliver LEEDS 2023 and its legacy

- Raise and manage effectively the funds required to deliver a 12 month programme of creative activity that includes a creative education programme and skills/capacity building programme
- Design an operating model that is effective and efficient and embeds digital across the operations, artistic programme and communications
- Develop effective marketing and communications that support our fundraising and stakeholder engagement, as well as build profile and audiences
- Develop a robust research and evaluation framework that measures impact and reach
- Recruit and develop staff with the right skills, expertise and values to deliver LEEDS 2023

KPIs

- Increased participation* in culture from people who face barriers by at least 10% (barriers of experience or circumstances)
- 75% of households in Leeds participate* physically or digitally in at least one event in 2023 (either as an audience member, participant or volunteer)
- Three out of four people are proud to live in Leeds
- Double the Council's investment of £10.7m to deliver LEEDS 2023
- 10% increase in visitor numbers to Leeds during 2023 (usual year on year 4% increase plus additional 6%)

As a result of which:

- At least £100 million extra direct and indirect revenue to Leeds visitor economy in 2023
- At least 1,000 additional FTE jobs (direct and indirect) in Leeds visitor economy in 2023

- At least 1.5 million additional visitors to Leeds and West Yorkshire

As a result of which:

- At least £40 million extra direct/indirect economic impact for the visitor economy of rest of West Yorkshire
- At least 2,000 extra jobs in the creative industries as a result of LEEDS 2023
- Deliver a volunteering programme with 1000 participants

*participation defined as any kind of engagement physically or digitally with the activity or events of LEEDS 2023 programme



Jazz North at Leeds Jazz Festival, supported by LEEDS 2023
Photography Ellie Slorick

The Programme

The vehicle through which we will deliver our aims and objectives

12 signature events and many other creative experiences will happen all over our city. From dance to design, art to architecture, poetry to pop, sculpture to sport, grassroots community theatre to performances on our world-class stages, there will be something for everyone.

We're working with artists based locally, nationally and internationally and local communities to create a celebration that's for Leeds, with Leeds and inspired by Leeds. LEEDS 2023 will be an explosion of colour, noise and brilliance that will show the world in our city and our city to the world.

We will work in three ways:
Produce, Partner, Promote

Produce

The 'Produce' programme is an opportunity for LEEDS 2023 to lead by example. It's about where we can fill a gap, influence and make long term change and help the city try new things. Most importantly, it's about doing things we haven't done in Leeds before. The programme is produced in house by the LEEDS 2023 Creative Team, in collaboration with hundreds of artists, organisations and communities.

12 signature projects will act as grounding points throughout the year and take place in locations throughout the city. Each project brings to life the different programming themes through ambitious and surprising creative commissions, accompanied by:

Co Creation – where all 33 wards and the many incredible and diverse communities of Leeds can be active contributors to the year. From mass participation moments to employing 33 community leaders as Neighbourhood Hosts.

Creative Learning – with opportunities for every school in the city to take part in a radical and unique programme, including collaborations with the Leeds Cultural Education Partnership.

Children & Young People – who will take the lead in a series of projects created and led by the next generation.

Skills and capacity building – supporting the creative industries and people across Leeds and West Yorkshire to learn new skills, change, adapt and grow the cultural ecology.

We are working with local, national and international artists to realise each of the 12 signature projects which range from a magical opening event celebrating all that we love about Leeds, to surprising interventions bringing communities closer to nature, take overs led by Children & Young People as well as projects pushing the boundaries of the relationship between creativity, science and engineering.

In order to ensure the programme is delivering to our aims and ambitions and is feasible within the financial and operating parameters, each project undergoes a rigorous feasibility process. This looks at the creative idea, the audience reach and impact, deliverability

implications, sustainability measures, access and legal and finance requirements. A green lighting process is in place through which signature projects are passed, and meetings are set on a rolling basis to discuss projects as they complete feasibility and fundraising targets are met.

Photography Ant Robling



Partner

The 'Partner' programme asks the cultural organisations of the city 'What can we do together, using LEEDS 2023 as a catalyst, that we haven't been able to do in Leeds before?' Working in partnership with local, national and international partners to make incredible things happen in the city, and show off the wealth of cultural infrastructure Leeds really has.

The programme seeks to increase the capacity of the city to collaborate, champion unique and surprising partnerships and increase Leeds's international profile. We will be both hyper-local and internationalist in our approach. Currently we are working in partnership with over 50 local organisations, 10 national organisations and in 22 international countries / territories.

LEEDS 2023 international programme is centred on our ambitions to connect and work with the diaspora communities of the city. 170 plus languages are spoken across Leeds, and we will create opportunities for artists in Leeds to come together with artists from around the world and explore diasporic stories and connections with our city. Celebrating the world in our city and our city in the world.



Street Food at Leeds West Indian Carnival
Photography Maria Spadafora

Promote

The Promote programme is where LEEDS 2023 can be inclusive and welcome a broad range of projects to our programme. This will largely be through our digital platforms and marketing activity. Wherever possible, and when a project speaks to the aims and objectives of LEEDS 2023, we will aim to include it in our Promote programme. As part of this, we will offer a standardised package of marketing support. This will be in exchange for brand association, presence on our core marketing channels and participation in evaluation surveys. Promote projects may be identified through the Partner programme, but we will also have a 'Get Involved' route live on the website from Summer 2022, enabling us to respond to future requests. Promote will be a way for LEEDS 2023 to capture and list cultural activity across West Yorkshire, aggregating this into our concentrated programme of activity. We are currently reviewing what additional and bespoke support LEEDS 2023 may be able to offer Promote projects. This will likely be on a case-by-case basis, for example, non-cash support, engaging with volunteer programme etc.



Behind the scenes at filming of The Magician, a short film by Slung Low with Leeds Peoples Theatre
Photography Slung Low

Community Engagement, Creative Learning and Volunteering Programmes

A core part of our approach is to maximise engagement and participation through a variety of approaches. These include a creative learning programme with education providers, skills, capacity building and talent development through our programme activity and a volunteering programme, which aims to attract 1000 people, to help us deliver our Year of Culture in a range of roles.

We will form a community of people through volunteering who advocate for LEEDS 2023 and our mission, both through their volunteer roles and in the wider community. We will focus on creating exciting and high-quality opportunities that are accessible to everyone who wants to take part. Through our volunteer roles and projects, we will maximise opportunities for gaining skills, knowledge and confidence, as well as supporting wellbeing and encouraging people to make new connections.

Our ambition is that our community engagement, creative learning and volunteering programmes are representative of the communities of Leeds, and drawn from all parts of the city, through inclusive recruitment practices and removing barriers to participation.

LEEDS 2023 will act as catalyst to improve and increase access to a diverse range of cultural activities and opportunities across the city, supporting and growing existing best practice and exploring new models of engagement where necessary.

Creating a Sustainable Legacy Passing the Baton On

LEEDS 2023 is committed to delivering a sustainable legacy that lives on after Leeds Culture Trust winds up in 2024. We will be working with the Council and with our partners in the city to share our insight, learning and relationships that can support culture to play a continuing role in the social and economic development of the city. We will also support partners across the region such as Kirklees Year of Music in 2023, Calderdale and Wakefield 2024 and Bradford City of Culture 2025.

Physical Legacy

While we will not lead on capital building projects, we will have a stake in cultural building developments and artworks in the public realm that will be realised after 2023:

Smeaton 300

The redevelopment of Fearn's Island in Leeds Dock will celebrate the incredible story of the Leeds-born, founder of civil engineering, John Smeaton; this will be a partnership between Leeds City Council, Foxglove, Canals and Rivers Trust and Gardiner and Theobald.

The National Poetry Centre

A new national home for poetry in the UK with the Poet Laureate Simon Armitage as patron – a regional, national and international centre evolved through a partnership between LEEDS 2023, Leeds City Council and The University of Leeds.

British Library North at Temple Works

In partnership with the British Library we will deliver a series of exciting and ambitious projects designed to bring the Temple area alive and build relationships with neighbouring communities.

David Oluwale Memorial Sculpture

The creation of a new public sculpture by an internationally renowned artist in Leeds' new City Park as a memorial to David Oluwale.

City Square

A temporary major art commission for the 2023 year, which will help to create a brand new welcome to the city.

Young People viewing Nature At Night by The Lantern Company and Roma Yagnik, commissioned by the British Library for Light Night Leeds 2021
Photography Hannah Poklad



A skilled workforce

Our legacy will also be delivered through skills development and capacity building for individuals and organisations, centred on our creative skills and volunteering programmes. This work will build links within and across communities and develop a committed local workforce and enhanced infrastructure capable of supporting a range of events in the culture, sports and other sectors, as well as retain talent in the city and region. Through job creation we will also unlock opportunities for people to build a career in the city and maximise the potential of the cultural and creative industries in the city and region.

Strengthened networks

We will create new partnerships with the business sector and national and international partners that can be passed to others in the city enabling ongoing collaboration and support. This in turn will help to strengthen the cultural and creative sectors in the city.

Boost the profile of the city

Through LEEDS 2023 we will shift perceptions of Leeds and enhance its reputation as a cultural destination to attract more businesses to invest and more tourists to visit to drive up the visitor economy, working with Visit Leeds and other tourism partners.

Increased wellbeing

Through our activity we hope to provide an increased sense of pride and belonging in the city and boost people's sense of well-being. With our commitment to delivering a green year of culture we also aim to support Leeds' ambition to reduce its carbon footprint providing a cleaner and greener city in which to live.

For further information go to
www.leeds2023.co.uk

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Theory of change

Activities

12 signature projects
CLE
Partnerships projects

KPIs

£20m investment

10% increased visitors to Leeds; leverages +1000 FTE jobs into visitor economy; +£100m extra direct and indirect revenue to visitor economy

75% Leeds households engage

Increased participation from those facing barriers by 10%

+2000 jobs in the creative economy post 2023

LEEDS 2023 will embed legacy by design

Original programming

Inclusivity, accessibility

Skills, jobs, pathways, employability and work, digital skills

Cultural education

Collaboration and partnerships

Community voice and representation

International visibility of Leeds

Sustainability towards net zero

Outcomes 'baskets'

LEEDS 2023 will enhance/increase

Investment in cultural and creative sectors and creative talent

Diversify reach of cultural engagement and activity

Active participation by individuals and communities

Sense identity, place, pride

Social capital, sense of community

Health and wellbeing, happiness

National and international profile and connectedness

Transformation of cultural confidence & reputation of Leeds

Cultural and creative sectors strengthened and grow

Culture and creativity embedded across policy and strategy

Creativity and culture increases quality of life and strengthens communities

Growth of visitor economy as a cultural destination

Understanding of the climate crisis

Investment in Leeds increases

The Invitation

Audience
Learners
Participants
Volunteers
Co-creators
Leaders
Creatives
Producers

Page 49
Inputs
Funding
R&D
LEEDS
2023
team

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A high-angle, night-time photograph of a large outdoor event. The foreground and middle ground are filled with a dense crowd of people. In the lower-left, there is a complex metal scaffolding structure illuminated with warm lights. A stage area is visible in the center, with performers and bright stage lights. In the background, there are buildings and structures, some with signs like 'Howard Foundation' and 'The Keith Howard Foundation'.

LEEDS
YEAR OF
CULTURE **2023**

Evaluation

Quarter 1 Report

January – March 2023

Page 01

Compiled by The Audience Agency



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Overview

This report provides a picture of delivery and engagement for the first quarter of LEEDS 2023 - it focuses on The Awakening opening event, Community, Learning and Education activity and developmental activity related to upcoming Signature Events.

It also provides contextual insight on awareness and response to LEEDS 2023 as a whole.

As the first quarterly report it will form a baseline for assessment of outcomes and impacts for LEEDS 2023 through its delivery year.

Accompanying reports provide further baseline insight on population profiles and cultural engagement, cultural partners delivering the programme, Neighbourhood Hosts and My Leeds.

Further reports will be provided on individual Signature events and an overview of delivery and engagement in the development period 2021 - 2022. A separate report on digital engagement is also supplied. All data tables are also available where required.

The report uses the data available at time of writing of this report. Sources of data and bases are indicated.

Outline of the report

- Headlines and progress against KPIs
- The Awakening overview, followed by all data relating to The Awakening as available
- Further insights into Signature Projects in preparation - WOW Barn and My Leeds.
- Cultural Partners
- Volunteers
- CLE work - schools and communities
- Digital engagement
- Economic impact (in progress)
- Sustainability (main report to be supplied by SAIL)
- PR, Comms and awareness
- Fundraising
- Staff monitoring
- Further insights

Photography credits:

Page 1, 13 top, 39: The Awakening, JMA Photography

Page 6, 7, 13 bottom, 16, 20, 245, 28, 33 : The Awakening, Tom Joy

Q1 Outputs and KPIs Overview 2023

Activity	Engagement	Tracking data for KPIs [not final KPIs]
Source: activity logging Jan - Mar	Sources: activity logging/ tix/ analytics	Source: audience surveys* Green - on track Orange - some work to do
<p>No. opportunities to engage in person = activities/events 223 different types of activity/events (405 including those repeated)</p> <p>Including:</p> <ul style="list-style-type: none"> ○ The Awakening: 33 ○ Waking the Artist: 54 ○ Other Signature Projects: 70 (85 including repeated events) ○ Other CLE: 66 (233 including repeated activities) <p><i>Source Signature & CLE Events from Airtable</i></p> <p>Partner Events): 19 activities/events Promote Events from Airtable: 5 activities/events</p>	<p>Signature Projects audience engagements: 2,374 Ballot entrants for The Awakening 5,256 attendances at The Awakening launch event (9,517 booked and 510 on waitlist)</p>	<p>% of Leeds residents - The Awakening: Leeds residents 79% Attendees from elsewhere 21% <i>Base 512 valid postcodes from The Awakening event audience survey</i></p>
<p>No. digital content/experiences Tbc Q2</p> <p>Awareness of LEEDS 2023 through digital channels: 55.4% jump in LEEDS 2023 website views from Oct-Dec 2022 to Jan-Mar 2023</p>	<p>No. audience engagements with content digitally Tbc Q2</p>	<p>% low engaged Audience Spectrum profiles: 18% lower culturally engaged <i>(average for Leeds 19%)</i> <i>See below for Base</i></p>
No. schools engaged: 65	No. of participations: 6,092	% 'Makes me proud to live in Leeds':



<p>No. Schools activities: 55 different events/activities (88 including repeated sessions)</p>		<p>90% agreed (includes 64% strongly agreed)</p> <p><i>The Awakening audiences, Leeds residents only Base 397 margin of error +/- 5%</i></p>
<p>No. of community engagement sessions: 66</p> <p>Including:</p> <ul style="list-style-type: none"> ○ The Awakening: 2 (of overall 33 associated events) ○ Waking the Artist: 19 ○ Other: 45 	<p>No. wards involved in targeted activity</p> <p style="text-align: center;">33</p> <p>Most activity in Little London & Woodhouse, Hunslet & Riverside & Headingley & Hyde Park</p>	<p>Across local travel, F&B/merchandise, accommodation, shopping outside the event, other purchases average spend was: ^{**1}</p> <p>Leeds Residents: £27.19</p> <p>Non-Leeds Residents: £60.54</p> <p><i>The Awakening audiences Base 512</i></p>

***A full economic impact assessment will be made at the end of the year - this average spend is not as yet assessed in terms of additionality into the Leeds economy i.e. whether it would have been spent anyway if LEEDS 2023 event had not been happening.*

Further information on the ballot entrants is available on the [Open Innovations LEEDS 2023 microsite](#)

¹ Majority of spend on travel, food/drink at the event, shopping outside the event etc. (not on accommodation as 4% stayed overnight in Leeds)



The Awakening Signature Project

Three stages of activity:

The Ballot

- The Awakening - Ballot Entrants 2,374

The Awakening event

Summary of activity:

- Number of audiences attended - 5,256 (9,517 booked and 510 on waitlist)
- Number of artists involved - 59
- Number of active participants (mass participation) - 141
- Number of associated in person activities and events - 33 (2 of which community events)

Waking the Artist Exhibition

w/c 3 April

Number of engagements across the 5 days - 2,451

Associated events:

- Number of community engagement activities/events - 19

- Examples of activities/events:

- Waking the Artist: Valentine's Day event
- Waking the artist facilitated session (Home School Network), The Tetley - March 2023
- Waking the artist valentines event The Awakening, Trinity Leeds - February 2023

The Awakening event audiences

Demographic overview - audiences

- 50% 35-54 years (over-represented compared to the Leeds population) and 22% 16-34 years.
- 81% White: British (Leeds population 73%), and under-represented for Asian or Asian British and Black or Black British.
- Respondents 78% female, 1% non-binary
- 95% attended in groups, 42% of those in groups were with people Under 16 years
- 12% identified as disabled

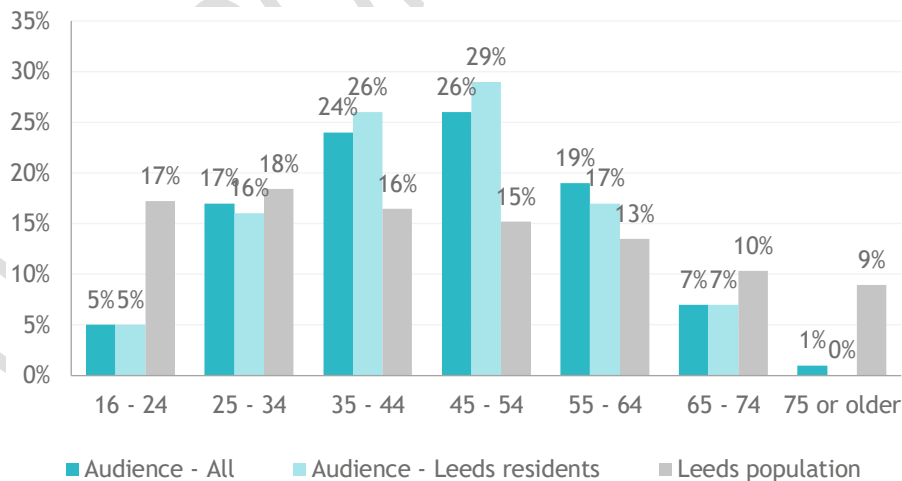
Source: The Awakening event audience survey delivered to respondents 16+ years only

N.B: future quarterly reports will aggregate all Signature Project audience data.

Demographics of respondents

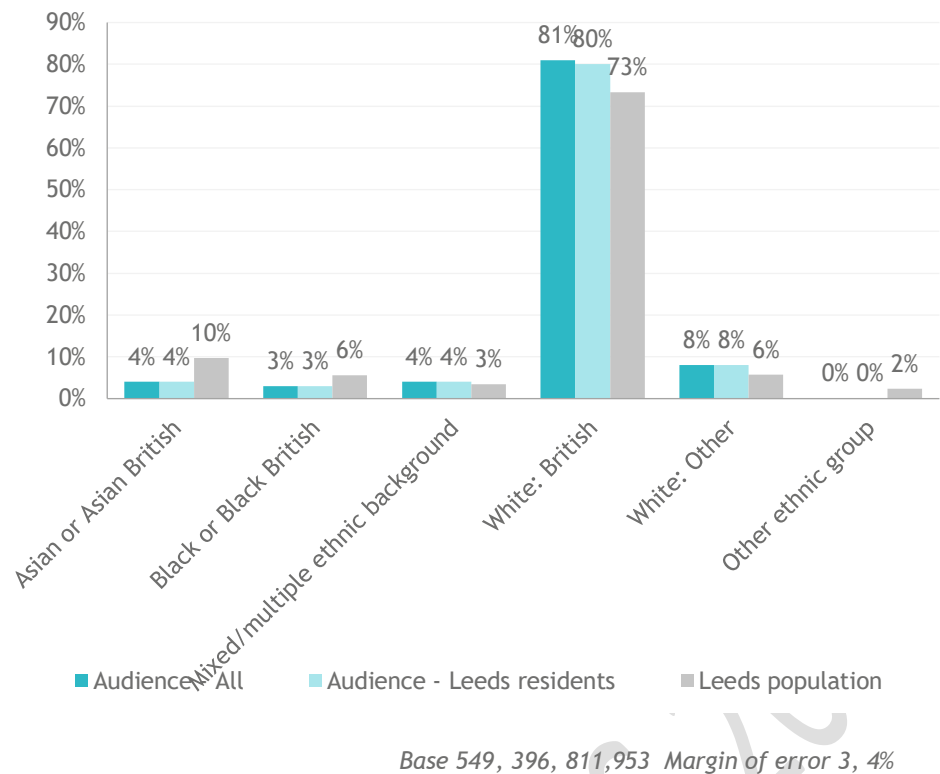
Population comparison is the Leeds population 16+years

Age



Base 565, 402, 658, 468 Margin of error 3%, 4%

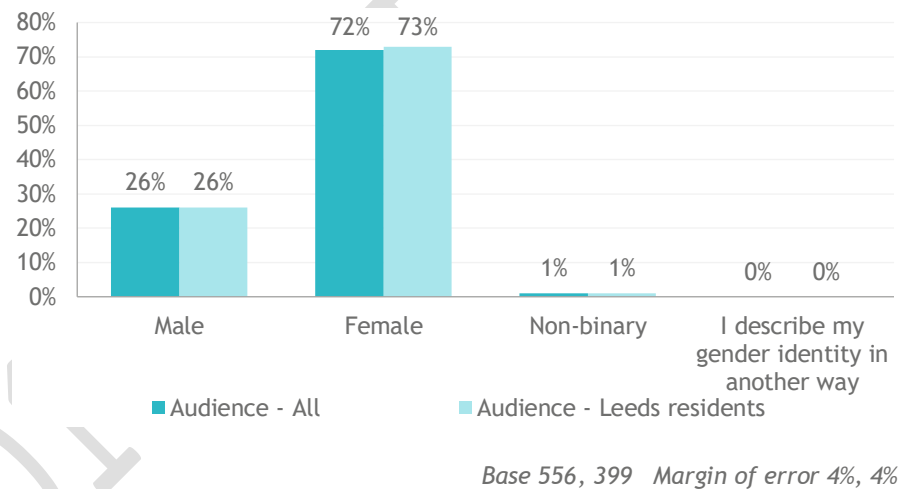
Ethnicity



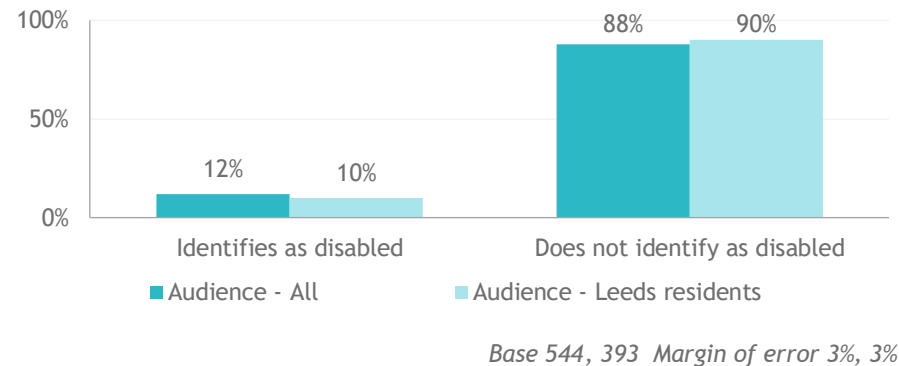
Groups' attendance - The Awakening event survey respondents

- 95% attended with other people Base 566
- 42% of those who were in groups attended with people Under 16 years Base 228

Gender



Disability



The Awakening event audience geographic engagement

Ward penetration map The Awakening audiences (survey data)



Engaged wards - The Awakening audiences (survey data)

Highest engaged wards - in terms of number of respondents/ward

- Headingley & Hyde Park
- Adel & Wharfedale
- Little London & Woodhouse
- Horsforth
- Alwoodley
- Weetwood
- Moortown
- Roundhay
- Kirkstall
- Chapel Allerton

Lowest engaged wards - in terms of number of respondents/ward

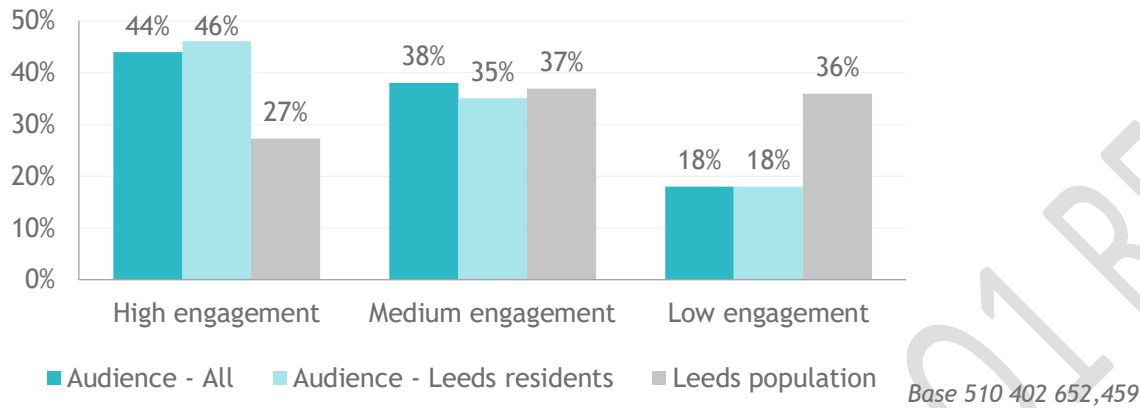
- Otley & Yeadon - Up Our Street and Frontline Families
- Garforth & Swillington - Up Our Street and Frontline Families
- Morley North - Up Our Street and Frontline Families
- Pudsey - Up Our Street and Frontline Families
- Middleton Park - Frontline Families and Kaleidoscope Creativity

Future reporting will characterise all activity by LEEDS 2023 within each ward, and refer to ward profiles for more insight.



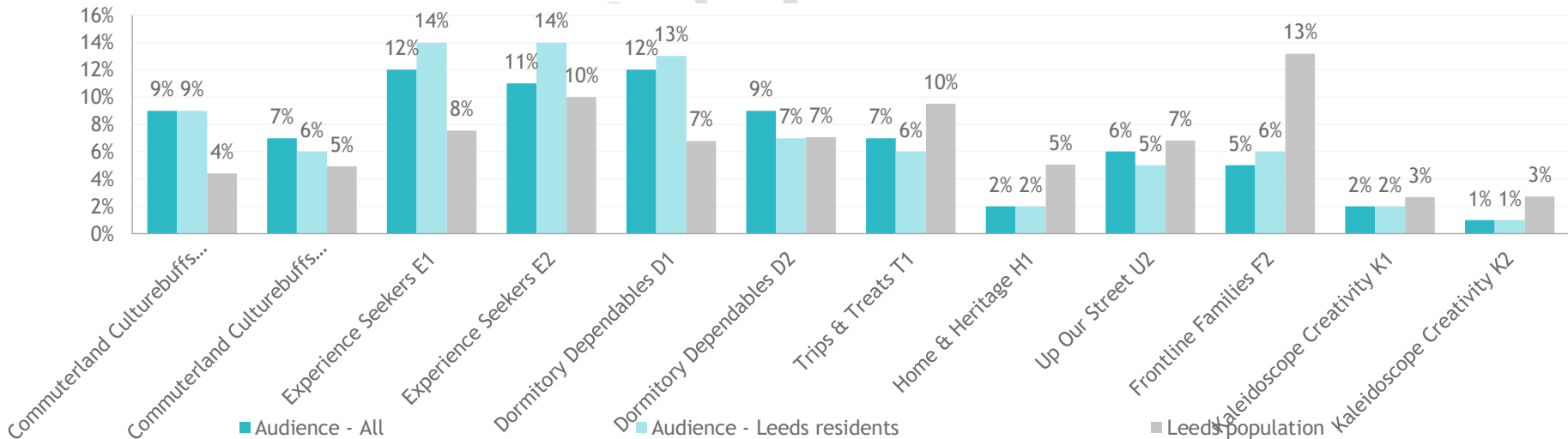
The Awakening event audience segmentation

The Awakening audience survey respondents



- 18% of audiences were from lower engaged segments - Up Our Street and Frontline Families
- Frontline Families under-represented against the population
- 38% of audiences from medium engaged.
- Primary segments - Experience Seekers 1 and 2, Dormitory Dependables 1

Priority segments for LEEDS 2023 - The Awakening audience survey respondents



The Awakening – Audience Experience

Experience Overview

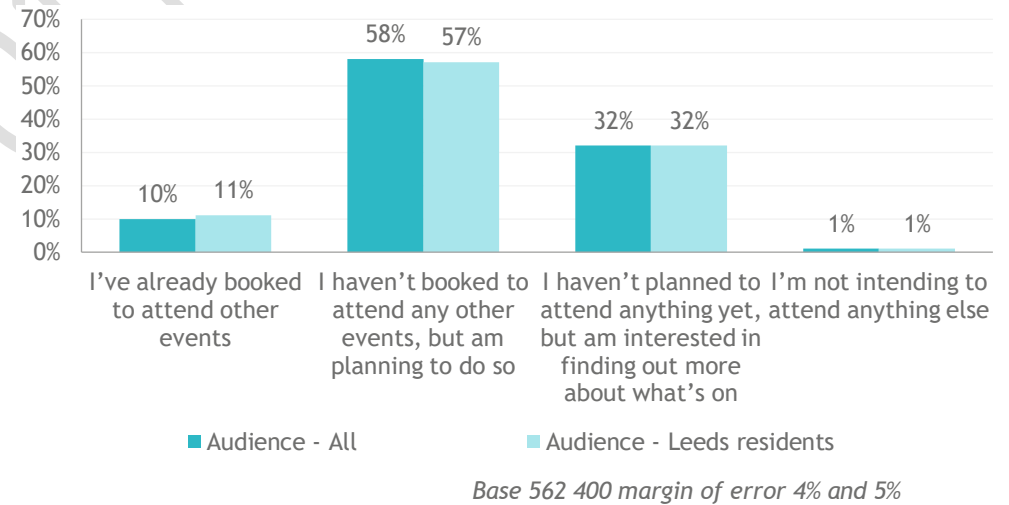
- Over 95% agreed on overall experience and elements of it.
- Access needs agreed at 77%
- 68% pro actively planned/planning to attend events
- 85% positive impact of attendance on likelihood to attend more
- Digital offer needs more information to increase engagement
- 67% of audience survey respondents had submitted artwork in the Ballot

Enjoyment	97% agreed (65% strongly agreed)	Base 567, margin of error 4%
Inclusive and everyone was welcome	95% agreed (72% strongly agreed)	Base 566, margin of error 4%
Meeting access needs	77% agreed (53% strongly agreed)	Base 563, margin of error 4%
Rating staff and volunteers	96% good (77% very good)	Base 566, margin of error 4%

² Net Promoter Score

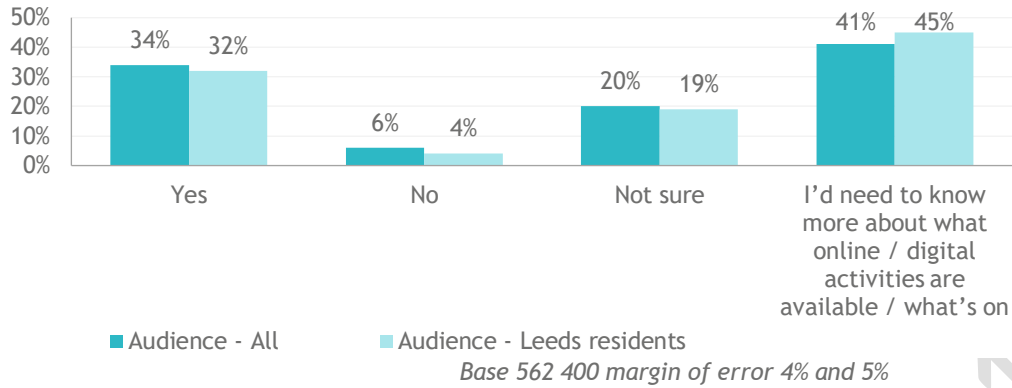
Overall experience	95% good (66% very good)	Base 565, margin of error 4%
NPS ² score	67 All Respondents 68 Leeds resident respondents	Base 543 margin of error 4% Base 387 margin of error 5%

Which of the following best describes your plans to attend LEEDS 2023 events / activities in person in the future?

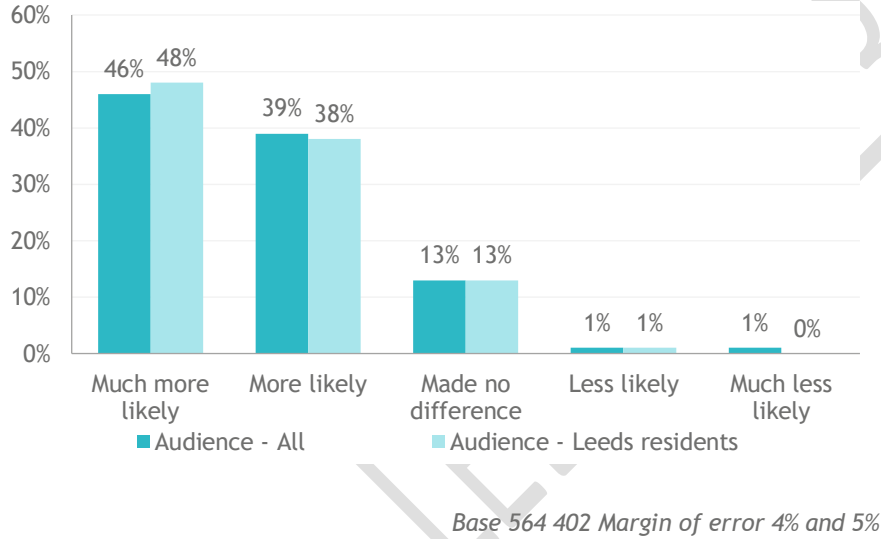




And do you plan to take part in more LEEDS 2023 online / digital performances or activities?



Would you say your experience at The Awakening has made you more or less likely to attend other LEEDS 2023 events?





The Awakening event audience outcomes

The Awakening Outcomes overview

- Pride at 90% agreed as a result for Leeds residents
- 98% agreed on outcomes related to Connect i.e. a collective experience and time with friends/family
- 94% agreed on outcomes related to Take Notice i.e. enjoyment, inclusivity, welcome and first time experience
- 64% agreed on outcomes related to Learn i.e. discovery about people and place and doing something new

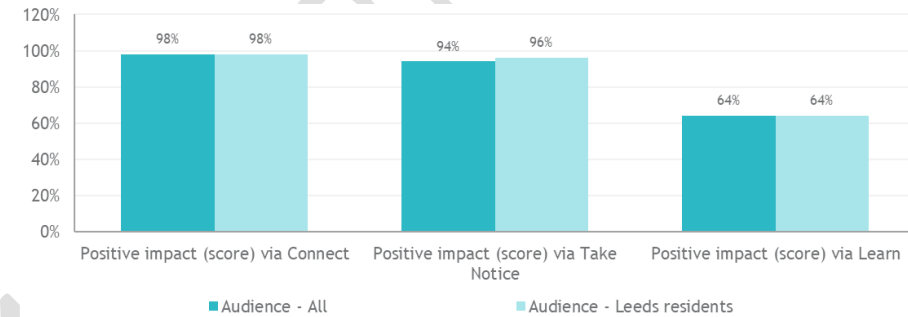
Connection to Leeds

'The event made me proud to live in Leeds' 90% agreed (63% strongly agreed)

Base 438 margin of error 5%

Wellbeing outcomes

'Five ways to Wellbeing' % of respondents who were assessed to have felt a positive impact as a result of attending³



Literal Comments - The Awakening Audiences

The vast majority are positive in terms of all aspects of the event as the quantitative data shows - including praising of the content, staff, celebration of Leeds, inclusivity.

"The atmosphere was amazing, the staff were all friendly and helpful, the performances were amazing, we loved it!!! Thankyou ?????"

"I thought the event did something very special - it was moving and unified us all in what could be achieved in a city like Leeds. "A city full of artists". I also liked the fact it

³ The Appendices outline how these scores were calculated.





The Awakening active participants

The Awakening event active participants

Number of active participants (mass participation) - 141

- Higher proportion than audiences of non-White British (19% agreed audiences compared to 31% active participants)
- Higher wellbeing outcomes for Learning than audiences (64% agreed audiences compared to 75% active participants)
- Meeting access needs improved compared to audiences (77% agreed audiences compared to 89% active participants)

Mass movement (The Awakening) demographics and outcomes

Base 40 participants responded to the survey

“I really loved the inclusiveness of this meeting new friends from such diverse backgrounds and abilities and getting together to perform a fantastic piece of art to a live audience will stay with me for a long time. We worked hard and helped and encouraged each other having many laughs and memories along the way. Love to do it all again.”

“If the camera lady who recorded my dancing legs could be found, it would be great to see the footage. She filmed during the 'I get knocked down' song”

Participants - adults and students from Northern School of Contemporary Dance, Leeds Beckett and Leeds Universities and Leeds Conservatoire, with half engaged individually and half through a community group.

Demographics - all ages, 31% non-White British, 15% identified as disabled and 78% female.

Leeds Residents - Around three quarters were Leeds residents.

Sources of information - a third through recommendation (Leeds residents slightly more likely to find out this way); another third via LEEDS 2023 social media or website.

Top motivations (over 80%) - “It sounded like an interesting opportunity”, “For fun / to enjoy myself”, followed by (over 60%) “To celebrate culture and creativity in Leeds”, “To do something new / out of the ordinary”, “To meet new people”.

Pride - 94% of Leeds residents said “the activity made me proud to live in Leeds” (Base 31)

Well-being scores - 98% positive impact for Connect, Be Active, Take Notice, and 75% for Learn



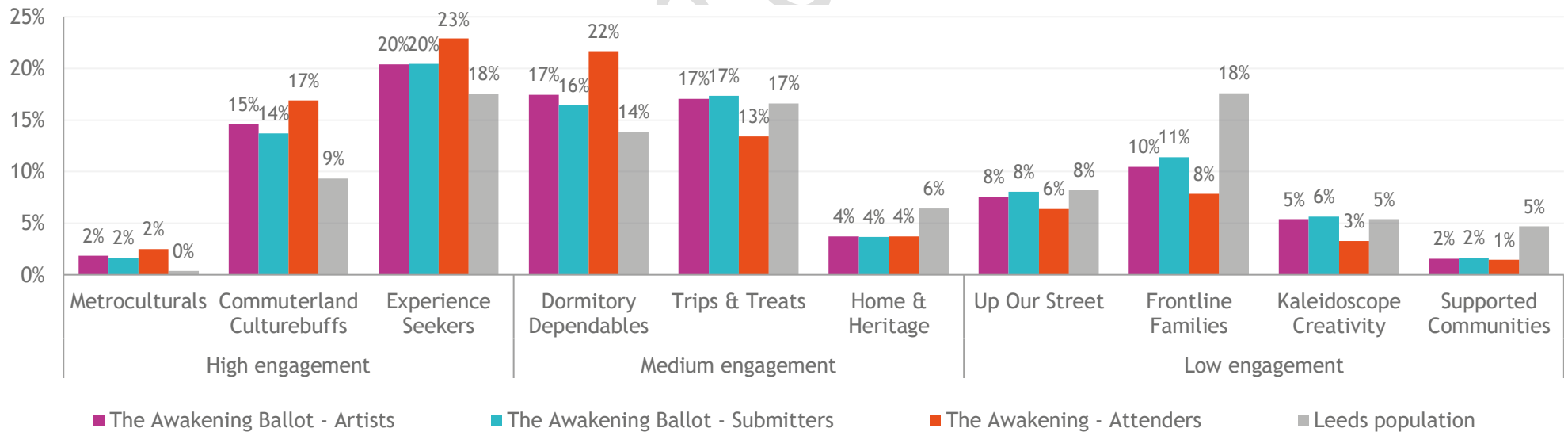
Skills - 50% strongly agreed they gained new or developed skills

Experience		
Enjoyment	98% agreed (80% strongly agreed)	Base 40
Inclusive and everyone was welcome	98% agreed (85% strongly agreed)	Base 40
Meeting access needs	89% agreed (74% strongly agreed)	Base 40
Rating staff and volunteers	94% good (79% very good)	Base 40
Overall experience	98% good (85% very good)	Base 40

Q1 REPORT

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The Awakening Ballot participants segmentation



Base 1,863, 2,086, 485 (event survey sample), 652,459

Artists/creatives/creative services

Number of artists involved in The Awakening - 59

Artists survey

24 artists respondents - main and group artists plus those providing creative services or learning responded - including 21 who were involved in The Awakening.

Participants - 42% based in Leeds and working in Leeds, three quarters had presented work in Leeds previously, over half performing arts and three quarters established professionals, with half self-employed

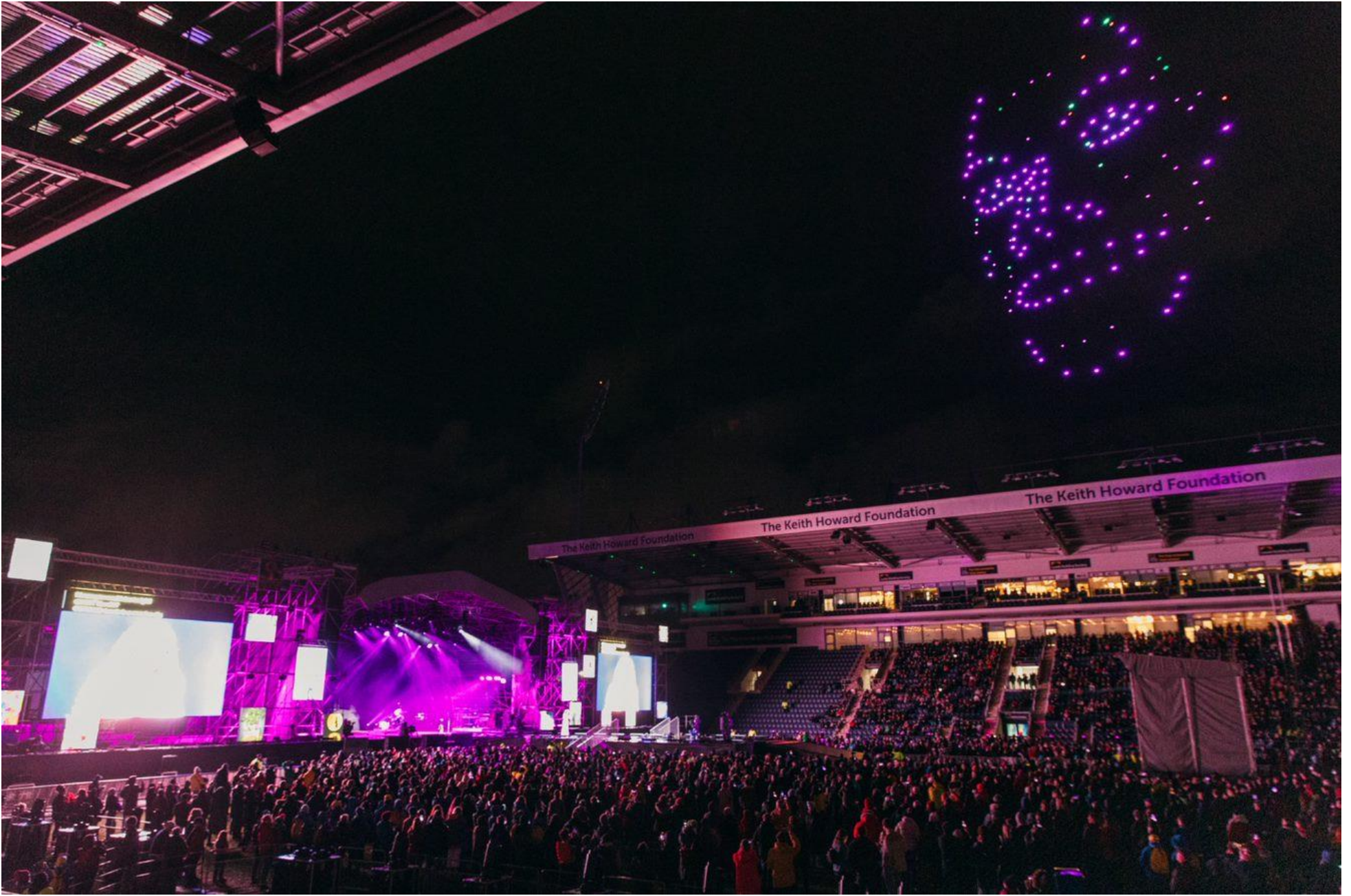
Demographics - all ages, 30% non-White British, 13% identified as disabled and 50% female/male.

Pride - 92% of Leeds residents agreed “Working for LEEDS 2023 increased my pride in Leeds” (Base 12)

Outcomes - top three outcomes “Collaborate in new or different ways with artists and creatives” (92%), “Engage or collaborate in new and creative ways with audiences, participants and/or communities” (71%), “Do a project I would not otherwise have had the opportunity to deliver” (63%)

Professional development - Top three benefits “Developed local (Leeds) relationships with cultural organisations, artists and creatives” (91%), “Develop working relationships with existing partners / collaborators” (64%), “Increased my reputation or profile locally” (64%), “Increased my capacity (e.g. knowledge and skills)” (55%)

Experience		
I felt comfortable in the work place	100% agreed (88% strongly agreed)	Base 24
I felt inspired by those working around and with me	100% agreed (79% strongly agreed)	Base 24
I felt confident to express myself through my work	94% agreed (79% very good)	Base 24
My needs to work effectively were met by LEEDS 2023	95% agreed (75% very good)	Base 24
My ideas and suggestions were listened to by those working around and with me	92% agreed (63% very good)	Base 24
I was able to achieve my vision and ambition as part of LEEDS 2023	98% agreed (85% very good)	Base 24
My skills and experience were valued by LEEDS 2023 and those I worked with	96% agreed (79% very good)	Base 24



Signature projects in preparation

WOW Barn 2022/2023

The Barn will be raised over 24 hours from 6pm Sun 30 April to 6pm on Monday 1 May, with a programme of activity culminating in the Festival on 13 May 2023

WOW Barn activity/events

- WOW Think-Ins - 8 drop in events October - December 2022 to inform the programme
- WOW Barn raisers - x 300 - recruited and trained to 'raise the Barn' through a boot camp of 3 hour sessions.
- WOWsers - 9 x 16-18 year olds developing a programme of events for the Barn - started 2 March 2023
- Dreambuilders - a series of craft workshops to create tiles for the Barn delivered across West Yorkshire, and the tiles will be displayed on the outside of the Barn - started 13 March 2023
- WOW Barn Festival - 13 May 2023 - pay what you decide in advance or on the day (including some ticketed events)
- Use of the Barn as a 'classroom resource' once it is built 9-12 May 2023.

- A commercial hires programme of shows and performances delivered as a ticketed programme taking place in the Barn during the day from 2 May 2023.
- The Space is leading a digital project with Leeds Trinity Academy associated with The Barn.

WOW Barn - Barn raisers applicants monitoring data

Age Monitoring

	Applicants
16 - 24	15%
25 - 34	28%
35 - 44	25%
45 - 54	18%
55 - 64	10%
65 - 74	3%
75 or older	1%
Base	182

- 93% Female / 4% Non-binary
- 2% I describe my gender identity in another way

- 19% identified as disabled

Ethnicity Monitoring

	Applicants
Asian or Asian British	9%
Black or Black British	1%
Mixed/multiple ethnic background	7%
White: British	75%
White: Other	8%
Other ethnic group	1%
Base	181

Making a Stand

To begin from 16 June 2023

My Leeds

Neighbourhood Hosts baseline survey

25 respondents in total filled out the survey delivered in February 2023

- 2 respondents over 65, 4 aged between 50-59, 11 aged between 40 - 49, 6 aged between 30 - 39, 1 under 29.
- 84% female
- 68% White British / 16% Asian or Asian British / 8% Black or Black British
- 20% disabled
- 80% have lived in Leeds 10+ years / 76% live in the ward for which they are NH (but 74% have not always lived in this ward while living in Leeds). 50% have lived in their current ward for 10+ years.
- Occupation status - 40% self-employed, 20% full time, 24% part time
- Motivations - Celebrating culture and creativity in Leeds (84%), the fact it was an interesting opportunity (72%) and meeting new people (72%).



- Skills development - 60% motivated to apply to learn something and develop skills and 60% applied for their own professional development.
- Anticipated personal outcomes - 56% finding new ways of collaborating with artists and creative, 52% new ways of collaborating with audiences/participants/communities, 52% improving employability and 52% workplace experience.

The most significant changes Neighbourhood Hosts aim to make

A yearly event that can be carried on.

Leave a legacy of celebrating culture and diversity while encouraging all ages and people to participate

To try new things and see what is available to them in the community.

To show that my area is bigger and richer than the sum of its parts

For people to feel proud, excited and engaged with what is happening in their communities

They feel like some one there for them to be heard x

To have given my community the freedom and space to creatively and culturally express themselves in a way that's most authentic to them.

raising awareness of hidden talents within the ward and the diverse culture

Connecting people from all backgrounds where people will walk away learning something about one another, breaking down cultural stereotypes!

To make my ward whole not fractures

To understand the rich diversity of cultures in my ward

Support and pay professional freelance creative who are often undervalued and asked to work on a voluntary basis

Increased awareness of the organisations and opportunities on our doorstep.



Other 'Produce' strand activities

- Beginners Guide to Creative Livestreaming using OBS Creative Technologists upskilling - March 2023
- Leeds Secondary Poetry Slam Authors Abroad - March 2023
- Leeds Secondary Poetry Slam Authors Abroad - March 2023
- Audio Editing for beginners using Audacity Creative Technologists upskilling - February 2023
- Audio Editing for beginners using Audacity - Hamara Centre - March 2023
- Video Editing for Beginners using DaVinci Resolve - March 2023
- Beginners Guide to Creative Livestreaming using OBS - Garforth - February 2023
- Beginners Guide to Creative Livestreaming using OBS - Morley Salvation Army - March 2023



Cultural Partners

No. cultural partners projects in Q1 2023 - 19

Activities/events include:

- Rugby League World Cup 2021 Cultural Festival Rugby League World Cup - January 2022
- Light Night - October 2022
- Leeds Sauce 2022 Compass Festival - November 2022 and March 2023
- INSIDE/OUT: Knowing the Score: How music works with film Leeds Beckett - February 2023
- Leeds Literature Festival - February - March 2023
- Launchpad and PRS Foundation Talent Development Conference Leeds Beckett - February 2023
- Arts Foundation Future Awards 2023 - February 2023
- Goldberg Variations - Ternary Patterns for Insomnia - March 2023
- The Magician Slung Low - March 2023
- Charanga, Pachanga and the enduring influence of Latin Music Leeds Beckett - March 2023
- Photo North Festival #4 - March 2023

- Creative Networks x LEEDS 2023 introduce Keith Khan Creative Networks - March 2023

Cultural Partners which have completed a baseline survey for first quarter 2023:

- Light Night Leeds, Leeds City Council
- David Ntantu/ 2 Worlds 1 Voice
- Leeds Jazz Festival
- Yorkshire Dance/ Performing Gender, Dancing in Your Shoes
- Peter Spafford/ Unsung Sports
- Babeworld /No Home Advantage
- Slung Low/ Noah's Flood Community Opera
- Gracefool Collective/ Kick Off
- Opera North/ As You Are

Partnership and Signature strands cultural organisations baseline survey headline findings

18 partners responded to this survey to date (half delivering Signature Projects and half Partner projects), 14 on behalf of an arts/cultural/heritage organisation and 4 as an individual artist/creative.

- Most organisations are based in Leeds, across a range of wards, range of sizes, range of SIC codes, 5 NPOs, 9 not NPOs
- Projects targeted a range of people - across diversity characteristics, socio-economics, locations, and types of engagement with culture.
- 8 projects are working with schools or in educational settings
- 12 Projects were motivated to 'Do a project you / your organisation would not otherwise have had the opportunity to deliver'.
- 6 Projects include international collaborators, 4 of which are new collaborations.
- 12 Projects were motivated to 'find new and creative ways of engaging or collaborating with audiences, participants and/or communities' (9 projects motivated to 'involve young people in creative activities').

- 20 Projects involve new connections/partners/collaborations (9 projects were motivated to 'find new ways of collaborating with artists and creatives')

Ways of engaging with people (Partner Projects)

The documentary we are filming and making will incorporate some testimonials from local residents and help to shape the music we are creating. The aim is to showcase the study we are doing into how Leeds and Lagos are similar and also how they differ in culture, trying to find common ground and focus on how people are coping with life after the pandemic in our respective cities. Events are spread across the city centre and suburbs to reach as many communities as possible. Jazz Festival

We have developed a 'Company of People' - an intergenerational performance company of people aged 12 - 92 years. Participants have come through outreach projects led in Chapeltown and Harehills with the support of a variety of partners such as RJC Dance and Feel Good Factor. The Company of People will engage directly in the residencies and the exchange with an international community. Yorkshire Dance



We are working with sports clubs and their communities.

Unsung Sports

Event structure and delivery designed for marginalised participants. Babeworld

We expect families and friends of the young performers to be in attendance along with other Holbeck & Beeston residents. Slung Low

We have three pre-selected groups that we will work with - Rebel Grannies, Leeds United Young Girls and NSCD students. Gracefool

The support of Leeds 2023, means that we can support 3 opportunities to bring international artists over to Leeds with a focus on co-creation with local communities.

Yorkshire Dance

The creative team is the same as in Phase 1 of Unsung Sports but the artists will be working with different sports and communities in Phase 2, demanding new ways of thinking, inventing, creating. Unsung Sports

The first co-production between Slung Low and Manchester Collective . Slung Low

New ways of working

Brownny Pondis is an artists based in Nigeria. We are writing a collaborative music project together. Doing this over the internet where we have live zoom writing session is something that we are exploring for the first time...We are trying to find new ways to connect with audiences, in a post pandemic environment can we utilise platforms and technologies that were made popular in the pandemic to connect with audiences on a micro and macro level to showcase our message and music. 2 Worlds 1 Voice

Volunteers

First cohort outcomes survey to be reported in Q2

Volunteer monitoring data

Volunteer sign-ups	
Count - Volunteer sign-ups (applicants & confirmed)	1,047
Count - Confirmed volunteers	358
Sum - Number of shifts to date (applicants & confirmed)	1,256
Sum - Number of volunteer hours to date (applicants & confirmed)	3,221
Sum - Number of shifts to date (confirmed volunteers)	1,105
Sum - Number of volunteer hours to date (confirmed volunteers)	2,952

Age Monitoring

	Sign-ups	Confirmed volunteers
16 - 24	31%	31%
25 - 34	21%	19%
35 - 44	13%	8%

45 - 54	12%	13%
55 - 64	14%	18%
65 - 74	9%	11%
75 or older	1%	1%
Base	1,047	358

- 85% of sign ups and confirmed volunteers resident in Leeds
- 2% have access requirements
- 31% are students





CLE work - Schools

Numbers of different activities/events in schools - 55 (88 including repeat events and activities)

Number of schools engaged - 65

Pupils

22 pupils - one third year 5 and two thirds year 6 responded to the survey

- 29% think they will attend or participate in any other LEEDS 2023 events or activities and 33% maybe Digital Engagement

Experience		
The activity was interesting	59% agreed	Base 22
I was able to create something	59% agreed	Base 22
I have got new skills	38% agreed	Base 22
I enjoyed myself at the session and had fun	63% agreed	Base 22
I learned something new or unexpected	72% agreed	Base 22
The activity made me think in a different way	59% agreed	Base 22

Digital Engagement

In Q2 further insights will be provided on engagement with creative content for LEEDS 2023

Headlines:

- The beginning of the year (2023) saw a boom in impressions and engagement, website visits and new followers for LEEDS 2023. This was particularly pronounced on the website, which saw a **55.4% jump in Views from Oct-Dec 2022 to Jan-Mar 2023**.
- There was a significant burst in activity, followers and engagement between 7-9 January 2023 to coincide with The Awakening launch event for LEEDS 2023. Since then, engagement and activity has reduced despite regular posting on social media.

Demographics

- The social media audience is primarily female and aged 25-44
- We currently know the city location of 50% of website visitors. Of those visitors, people from Leeds make up 33% of website visitors, while users from London make up 12%.

Other cities in the top 10 are primarily in Yorkshire, the North West and West Midlands with the exception of Helsinki and Amsterdam(0.5%).

- This suggests that Leeds 2023 is succeeding at engaging local people, but there is an opportunity to encourage visitors from other cities and particularly London.
- UK users as a whole make up 92.7% of website users, and international users make up 7.3%.
- In contrast to website users, social media audiences are mostly based in Leeds - 50% on Facebook and 46.5% on Instagram.

Engagement

- For the most-engaged with posts the format of content is not necessarily a differentiating factor, though Videos do make up 4 out of the top 10 posts. Instead, a particularly compelling story or event tied to LEEDS 2023 is attracting the greatest engagement - the fake news announcement for The Awakening is a perfect example.
- Compared to Oct-Dec 2022, social media engagement saw a 45% increase to 73.3k and Impressions jumping 40% to 1.9m.

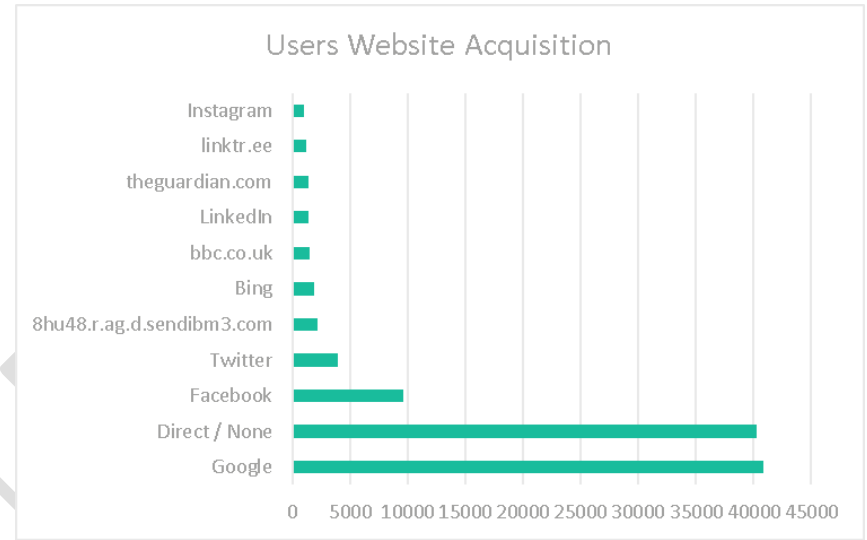


- A surprisingly large amount of traffic is coming directly to the website (30.6%) - which means people are using a bookmark or typing the URL directly into their browser. This is likely because there is no filter set up in Google Analytics 4 for internal traffic in historic data from before 15 January 2023.

- While LinkedIn enjoys the highest engagement rate, the most successful platform aimed at public audiences is Facebook at 6%

Building awareness of LEEDS 2023: Unique visitors - Source: Plausible





User website acquisition - Source: Plausible

LEEDS 2023 Q1



Economic impact

An interim assessment of economic impact will be made at the end of Q2 and a full economic impact study representing additionality as a result of LEEDS 2023 will be delivered at the end of the year.

- Across local travel, F&B/merchandise, accommodation, shopping outside the event, other purchases average spend was: ⁴
 - Leeds Residents: £27.19
 - Non-Leeds Residents: £60.54

The Awakening audiences Base 512

- 17% of all audience, and 15% of Leeds residents, used the LEEDS 2023 shuttle bus.
- All other audiences used some sort of public transport, including 1% who travelled to the event by bicycle.
- SAIL Signature Project headlines supplied separately.

Sustainability

Of The Awakening Audiences

- 56% of all audiences, and 51% of Leeds residents travelled to the event by car
- A further 44% of all audiences and 49% of Leeds residents travelled to the event on foot.

⁴ Majority of spend on travel, food/drink at the event, shopping outside the event etc. (not on accommodation as 4% stayed overnight in Leeds)



PR and Comms

Media Total Coverage

Coverage 1 January - 31 March 2023

Coverage	
International	74
National	83
Regional	187
Local	329
Trade	67
Total	814

Marketing

Coverage	
LEEDS 2023 Account sign-ups - on the website	
1 Jan - 28 Feb:	284
All time:	936
LEEDS 2023 Mailing e-list sign-ups	
1 Jan - 28 Feb:	823
All time:	6,733

- Total Circulation: 385,946,622
- Total UVPM: 557,796,630
- 100% Positive/neutral

Source: Anita Morris Associates, using Cision



International visits and delegations to Leeds

International partnerships

- Approx. 30 different partnerships involving international territories are associated with LEEDS 2023 events/activities

- Curators visit to The Netherlands supported by Mondriaan Foods (resulted in programming of Afra Eisma for Tetley’s Summer Exhibition)
- Presentations to British Council’s Global Network reaching colleagues from places including Viet Nam, New Zealand, Brazil, Egypt, India, Nigeria and Mexico.

Delegations and visits

No. of delegations	9
No. of delegates	56

- EUNIC Delegation (approx. 20 people)
- South Korea Delegation (approx. 14 people)
- Lille 3000 Delegation (4 people)
- German Ambassador (4 people)
- Estonia, Tartu 2024 (4 people)
- Netherlands Embassy (2 people)
- Germany, Chemnitz 2025 x 2 (approx. 6 people)
- British Council (UK) delegation (2 people)

Additional awareness raising activities:

Fundraising

Development team - Funding raised

New funding confirmed between 1 Jan 2023 - 10 Mar 2023: £98,235

Development team - Cultivation events

Between 1 Jan 2023 - 31 Mar 2023: 1
Over 2022/23 6

Staff Monitoring

FTE staff number 78.7 at 31 March 2023

Placements, internships and related opportunities: 395

- Total Placements, 27
- Total curriculum linked/other work experience, 18
- Total Internship, 10
- Total Internship/Year in Industry, 2
- Total paid work experience, 11
- Total Industry Insight, 278
- Total Creative briefs, 27

- Total Other Student Opportunity, 1
- Total In-Curriculum Opportunity, 21

Staff monitoring data collected 15 February 2023

Base 75, including 29 staff resident in Leeds.

Age Monitoring	Staff
16 - 24	20%
25 - 34	47%
35 - 44	19%
45 - 54	7%
55 - 64	4%
65 - 74	4%
75 or older	0%

- 26% Male / 68% Female / 4% Non-binary
- 1% I describe my gender identity in another way
- 22% identified as disabled

Ethnicity Monitoring	Staff
Asian or Asian British	5%
Black or Black British	3%
Mixed/multiple ethnic background	10%



White: British	74%
White: Other	8%
Other ethnic group	0%

Type of role	Staff
Employee	77%
Board / Trustee	11%
Placement / Apprentice / Internship	5%
Freelancer	4%
In another way	3%

Further insights

It is planned that the evaluation will also draw on data which illustrates the impacts for Leeds City Centre as a whole using footfall data and surveys of visitors to Leeds as well as tracking engagement with Leeds’ wider cultural sector.



Appendices

Methods of data collection

- Audience Spectrum profiling using postcodes supplied by those who submitted artwork to the Ballot, claimed tickets, attended the event, and from the survey respondents
- Activity logging by LEEDS 2023 of all related activity, location, participants etc.
- Monitoring data from forms on application and/or engagement for active participants (WOW Barn raisers), volunteers (sign-ups and confirmed), staff
- Event audiences: e-survey link sent out on Monday 8 January with a reminder on Monday 16 January to invite responses to those who had attended The Awakening event by LEEDS 2023 - either by claiming a ticket through the ballot or the invited list of attenders. The survey was incentivised with a prize draw.
- Active Participants e-survey - mass participation for The Awakening sent out by LEEDS 2023
- Artists e-survey - for The Awakening sent out by LEEDS 2023

- Pupils survey from one workshop by CLE
- All other data collated by relevant departments in LEEDS 2023 or partners

Wellbeing 'scores' formula

Five Ways to Wellbeing - Audience survey questions

- 'Connect' questions
 - Agree statement: "It was good to be part of an audience / crowd experiencing the event together"
 - Agree statement: "I enjoyed spending time with friends and family at the event"
- 'Be active' questions
 - Agree statement: "It was good to spend time being physically active (e.g. get out and about/ to go for a walk / dance / run / other physical activity)"
- 'Take notice' questions
 - Agree statement: "I enjoyed myself at the event"
 - Agree statement: "It felt like an inclusive event where everyone was welcome"
 - Agree statement: "This is the first time I have visited this venue or place in Leeds"
 - Agree statement: "The event made me proud to live in Leeds"
- 'Learn' questions
 - Agree statement: "I discovered something about the people, places and culture of Leeds at the event"
 - Agree statement: "This is the first time I have attended a cultural or creative event like this"
- 'Give' questions
 - N/A for audiences

Five Ways to Wellbeing - Active participants survey

As above, plus:

- 'Connect' questions
 - From the 'Working together' question set
 - Agree statement: "I made new friends / met new people who are like me"
 - Agree statement: "I made new friends / met new people who are different to me"
- 'Take notice' questions
 - Agree statement: "I was able to do something creative"
- 'Learn' questions
 - Agree statement: "I gained new or developed my skills"
 - Agree statement: "As a result of engaging, I have discovered more about [e.g. the climate crisis]"
 - The 'Developing creativity' question set
- 'Give' questions
 - 'How were you involved' context
 - Agree statement - "I felt I belonged to my neighbourhood"
 - Agree statement - "I felt inspired to do more volunteering / work in or for my community"

Calculating the ‘scores’:

- All of the questions which feed into this are agree/disagree statements. So for each of the statements, they got a score of -2 for a Strongly disagree response, -1 for Disagree, 0 for Neither or NR, +1 for Agree and +2 for Strongly agree.
- I then added together the scores for each statement in relation to a particular area e.g. the score for Connect comes from these questions: “It was good to be part of an audience / crowd experiencing the event together” and “I enjoyed spending time with friends and family at the event”. If someone answered Agree to the first, and Strongly agree to the second, their score would be $1+2=3$. If they answered Disagree to the first and Agree to the second, their score would be $-1+1=0$.
- If their total score was positive (above 0), then it’s classified as having had a positive impact on their wellbeing, in relation to that area. Using the above example, the first person with a score of 3 we’d say experienced a positive impact on their wellbeing via Connect, as a result of the event - whereas the second person, with a score of 0, did not.
- So the number with positive scores are then presented as a % of the overall number of respondents.

Aims and Objectives table and evaluation outputs

1. To unlock opportunities for everyone to find enjoyment and live their best life through participating in creative activity	Activity logging / engagement tracking Experience ratings questions Outcomes (wellbeing) questions
a. Enhance the cultural education of children in the city b. Increase opportunities for people of all ages to access new skills and work c. Contribute to improving the health and wellbeing of our citizens d. Boost digital skills and increase the tools for communities to learn and develop their creative talent	Opportunities for schools, teacher and pupil feedback Skills development questions Outcomes (wellbeing) questions Digital engagement Community activity
2. To boost engagement in culture particularly among people who face barriers because of their experience or circumstances	Activity logging / engagement tracking Profiling - Audience Spectrum
a. Boost the visibility, representation and participation of our diverse communities through the LEEDS 2023 creative programme_ b. Improve the social connections between our communities c. Increase public engagement with the city’s cultural heritage, green spaces, parks and nature.	Artists/creatives profiles Audience/participant profiles Outcomes (Connect and collaborate) questions Activity logging - focus on location

<p>d. Increase audiences to cultural activity, including from those facing barriers</p>	<p>Profiling - Audience Spectrum</p>	<p>a. Boost Leeds' reputation and profile as a cultural destination</p>	<p>Visitor profiling LEEDS CC visitor data On street surveying tbc</p>
<p>3. To lead and showcase cultural transformation</p>	<p>Programming and activity</p>	<p>b. Increase employment opportunities in the cultural industries and support the retention of our creative talent within the city and region_</p>	<p>Cultural sector evaluation Artists/creatives evaluation</p>
<p>a. Amplify and bring international visibility to the work of existing artists and our exceptional artistic and cultural communities</p>	<p>PR tracking Digital reach Cultural Partners/artists evaluation</p>	<p>c. Generate an economic boost to the city and wider region including increased tourism and visitor spend</p>	<p>Economic impact study</p>
<p>b. Produce and curate original work, and attract partnerships, of a national and international significance to Leeds</p>	<p>Programme Activity logging Cultural partnership evaluation Cultural asset mapping Cultural partnership evaluation</p>	<p>d. Improve the understanding and influence of culture's role in transforming the city and wider region and improving people's lives_</p>	<p>Summative qualitative evaluation</p>
<p>c. Build capacity and grow creative talent in the city and wider region</p>	<p>Programmes - NH, Come Play with Me etc Artists/creatives Wider cultural sector</p>	<p>5. To create a diverse, inclusive and values driven organisation that can effectively deliver LEEDS 2023 and its legacy_</p>	<p>Organisational evaluation Staff surveys</p>
<p>d. Increase knowledge and understanding of the climate crisis and work sustainably to support Leeds' ambition to be net zero by 2030</p>	<p>SAIL framework Changed actions/perceptions by audiences/residents as a result of L23</p>	<p>e. Raise and manage effectively the funds required to deliver a 12 month programme of creative activity that includes a creative education programme and skills/capacity building programme</p>	<p>Documentation of fundraising</p>
<p>4. To play an active role in the city and region's social, economic and cultural recovery from the pandemic</p>	<p>Economic impact study Outcomes questions Cultural sector evaluation</p>	<p>f. Design an operating model that is effective and efficient and embeds</p>	<p>Systems analysis</p>



digital across the operations, artistic programme and communications	
g. Develop effective marketing and communications that support our fundraising and stakeholder engagement, as well as build profile and audiences	Supported by the LEEDS 2023 Segmentation
h. Develop a robust research and evaluation framework that measures impact and reach	Peer review of framework and delivery
i. Recruit and develop staff with the rights skills, expertise and values to deliver LEEDS 2023	Staff survey

LEEDS 2023 Q1 REPORT



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LEEDS 2023 Q1 REPORT

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10 of the best free festivals in the UK

Music: Summer Solstice Asian Music festival, Leeds, West Yorkshire



📷 On this year's bill is santoor player Kaviraj Singh. Photograph: Dilrani Kaur

Leeds 2023 is a year-long programme of cultural events. It includes this music festival: a triple celebration in the Corn Exchange to mark the longest day of summer, World Music Day and International Day of Yoga. The bill features the Shah-e-Mardan qawwali ensemble (playing Sufi devotional music); the American-Afghan musician Qais Essar, who plays the rabab; the Scotland-based sarangi player Sardar Satwinder Pal Singh; the santoor player Kaviraj Singh; and the singer Anamika Chowdhury.

21-22 June, pay what you can, saa-uk.org

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Burgos 2031 participa en la conferencia internacional de Culture Next con la presencia de 29 ciudades europeas

Elefsina, Capital Europea de la Cultura 2023, acoge este fin de semana esta reunión. Promueve presentará la convocatoria de proyectos culturales de la candidatura.

Lo que no te puedes perder en Inglaterra si te gusta viajar y la música

Celebra la música en LEEDS 2023, Año de la Cultura, Yorkshire



News Concerns **10 Of The Best Free Festivals In The UK | Festivals**

Roundhay World Music & World Food Festival

News One Place

Marching on Together: Reboot of world famous Leeds United song set for release

Leeds United fans could soon stop singing Marching On Together and instead begin Marching On (Together) after a real-life school of rock created a new anthem to celebrate Leeds 2023 City of Culture. ...



Homebuyers feel the lure of Leeds, Yorkshire's unofficial 'city of culture'

A collaboration of the human spirit

Singer Corinne Bailey Rae and award-winning choreographer Sharon Watson have collaborated on a project for Leeds 2023. Duncan Seaman reports.

LEEDS 2023 has very much been a year for collaborations between artists and communities across the city. It's a spirit that's embodied in *Seeds, Dreams and Constellations*, a new work from singer-songwriter Corinne Bailey Rae and Sharon Watson, principal of the Northern School of Contemporary Dance.

Featuring a cast of 33 dancers drawn from three Leeds-based companies, Watson Dance Project, Verve and Mobius Dance, choreographed by Watson, with live music for choir and musicians composed by Bailey Rae, it's a contemporary dance piece that explores the "infinite potential of the human spirit".

Speaking to *The Yorkshire Post* via video shortly before preview night, Watson, the widely renowned former artistic director of Phoenix Dance Theatre, reports that rehearsals have been going well "considering the timescale is challenging, and there's a lot of bodies and ideas - it's just putting all of that together - but you wouldn't do it unless it was driving you and taxing you in a creative way, so it's exciting".

"For me it's been interesting to see how a work of this scale goes together," says Bailey Rae. "Sharon is unique in how she arranges these dancers, it seems to be in your head but also you're moulding, you're seeing them move and then you're realigning them into your dream to what they're doing, it seems to me. That's fascinating to see and that's really inspired me with how I work with the choir. I've written lots of original pieces and the choir are a mixture of people who are from the Leeds Conservatoire and also people who are emerging young artists from Leeds. Some of them have come through a connection with Christella Litras."



Watson cites composer John Cage and choreographer Merce Cunningham's experiments with improvisation. "You had a small number of rules at work so we didn't lose our focus... but the element of freedom is absolutely with the context of the concept, and that for us is exciting because it will never be the same on any one night," she says. The piece questions our place in the cosmos and to what extent we can influence the future or reimagine the past. Watson says: "For me, the piece has got two parallel journeys going on."

"When Corinne and I got together we had a real strong sense that our history, our place in the city, our careers, our journeys have been influential in how we are thinking in that moment in time."

"They took the opportunity and are moving in the space physically, which I think is a credit to them and their... willingness to take on board what it is that we're asking them to do, to be part of a vision which is bigger than just one individual. I call it the homogeneous unison, the way of thinking that will allow us to make this feel like it really is coining together as a constellation."

Although the pair first began talking about collaborating during a Phoenix Dance Theatre tour back in 2012, it was not until 2021 when they first began workshopping ideas with Bailey Rae's regular musical collaborators Steve Brown and Mikey Wilson and a group of dancers in various venues around Leeds.

Bailey Rae says: "To me the most exciting thing was the potential to respond to one another. Of course, we could make a piece or we could see them dancing and that would inform what we wrote, but the idea that in the moment I could be seeing a dancer twirl across the stage or make a particular movement with their arm or even their face and we'd be able to have the music react to that, that the music could go from being theatrical to suddenly very playful or unsettled or aggressive, all of these different emotions are playing out in front of us."



ON A JOURNEY: *Seeds, Dreams and Constellations* is a contemporary dance piece by Corinne Bailey Rae and Sharon Watson, inset.

"I think the fact that everyone has that in their power to do something with the

ability to build your own constellations, to build your own dreams, and to really think what that feels like, who do you have in your space and what do you leave behind. There's a lot of that for me within the journey that I've taken and I'm inspired by some of the conversations. It's a beautiful experience to have lived through."

Comment: Page 12.
Seeds, Dreams and Constellations runs at Riley Theatre, Leeds from Thursday, May 25 to Saturday, May 27.

Leeds musicians hit a high note



Corinne Bailey Rae

Leeds native Corinne Bailey Rae took the world by storm with the release of *Put Your Records On* in 2006 and her blend of soul and jazz have been a big draw since. She remains a big fan of all things Leeds and performed during the opening of Leeds 2023. **Key track:** *Put Your Records On*.



A self-made celebration

UK | When its bid to be European Capital of Culture was thwarted by Brexit, Leeds decided to go ahead anyway. Andrew Martin finds a city in high spirits

where you don't need a car to get around". As I climbed to the Queen's Head, which had overlooked the square since the 1770s, I found that it had been made over during the pandemic closure. The lights are brighter and more than before, its Art Deco exterior softened. I walked to Kirkgate Market, which still has the feeling, cold air of a Victorian railway station is good thing, in my opinion you can still buy flowers, meat and produce and the stalls are also very well labelled. Victorian Street Food and Market. Over the road are the Victoria arcades, collectively called Victoria



Quarter. In the 1970s, the ceiling tiles depicting concepts and also symbols of plenty seemed out of place with the shops below – concrete, low-key affairs, seemingly not meant to be seen in the open air. One arcade housed a doll's hospital, I remember. Today, the street is high-end. It has been getting increasingly so since 2006, when Harvey Nichols opened its first store outside London in the Victoria Quarter, prompting Leeds to dub itself the "Empire of the North" in its northern city at heart, aviation (particularly legal and financial) was an intriguing by-product of industry.

I wandered over to Leeds Art Gallery, where the great achievement for me (I'm ashamed to admit) is the glittery Tiled Hall 006, opened in 1984 as a reading room and residence of a Turkish bank. This is the gallery itself was given over to paintings by young local artists, part of Leeds 2023, and it was all very vibrant and challenging but some of my favourite depictions of 20th and 21st-century Leeds had to be made way, as I took a walk north to what I think of as Leeds' secret gallery, in the university. I was following the signs for "art and the" shared because Leeds has (by all housing theory) a student population statistic but the target was the same-

the signs advertising Leeds 2023 proclaim: "This town is living and you're the bellies".

Quitting Whitebark, I wandered south towards the river, which I never would have done in the 1970s. Back then, it was a mass of derelict warehouses on which the rest of the city seemed to have turned its back. Today, there is a south exit from the railway station, leading to the resurgence of the regenerated riverside, Granary Wharf. Here three towers have sprouted in a self-renewing version of standard Leeds and back one houses the DoubleTree by Hilton hotel, the other two apartment blocks, and there are bars and shops everywhere.

Here, the Leeds and Liverpool Canal meets the Aire, and there frequently self-renewing new sparkle like a water feature. Further east on the north bank are The Calls, the old docks. The early Victorian back-to-back seems to have been given a good scrub but not at the expense of its historic atmosphere.

During the renovation of the main bus, I walked to the new yard, an industrial site and an excellent example of a site in an excellent mood involving something that would have been available in 1970s Leeds, grilled ribs here, accompanied by things that wouldn't have been available in 1970s Leeds, you'll be surprised, my friend's restaurant.

My walk tipped me off about a good place for a nightcap, the Dinosaur Club. When I had never heard of it, he said, "It's the whole point." The name, what my preference is that the Dinosaur Club is a speaking, and there are several of these in Leeds, reflecting an American big city swagger, with its high rises, its love of cocktails and the business, among its wealthier and older men, for long double-breasted suits.

The Dinosaur Club is named after a local shop (Leeds Fishmonger in the Grand Arcade). It's a big, big basement, decorated to suggest 1970s Chicago. I had a glass of white wine for a few and spent an enjoyable hour listening to the band playing live jazz.

The next morning, I crossed the river again, to The Fabric, a contemporary art gallery housed in a building that was once the grand High of Tilly's Brewery. The space is modern and minimalist, it is named to be making a statement about the city's industrial past. It is a good example of how the city is trying to make others the subject.

Later, I walked a couple of miles south along the canal (meeting an error that there are four dog walkers along the way, all of whom, like being Yorkshire, said hello). My destination was the Leeds Industrial Museum, in what was once Anstley Mills, the world's largest wool mill. The museum is really a cluster of houses, from various eras and styles, some modern, some old, some of great originality, some of which are still in use.

It is through the museum's various rooms to indulge in the reconstruction of the past to familiar in northern towns. It is easier to visit in Leeds than most. In Leeds, it seems to me, the best there are the present ones.

Andrew Martin's latest book is "The Dinosaur Club and Back" (Dorset, £20). He was a part of the Leeds 2023 bid (with his wife) and the Queen's Head (the Queen's Head) in Leeds.

Leeds' speakerises reflect an American big-city swagger, with its high rises and love of cocktails

gating gateway of the main university, where campus is as big as a small town. The Parkhouse is home to the Stanley & Audrey Burton Gallery, established through the renovation of that complex, Burton being the son of Postage Burton, founder of the following firm that made many of Britain's found cells.

Some of my favourite Yorkshire scenes were on the wall, including a painting by Warwick de Sausse, who taught at Leeds College of Art and was a student of the Leeds School of Art in the 1950s. It shows a classic Leeds pub called Whitebark's three bar street, a sunny light filtering through bottles of drink. The "rainwater, poetic" composition, according to the caption, "shows the influence of Cranmer".

About a mile later, I reached the newly carefully landscaped park, made well known by progress ceramics and stained glass. I was surrounded by students having what I think they call "pre-drinks", early evening drinks before more drinks later. Leeds – which is known on some – says evening, or vice versa, some city says try to get caught by advertising "happy hour" spots.

It had been occurring to me, as I walked through Leeds – passing the fireground behind the colossal Town Hall, and the other one in front of it – that while the city has been greatly redeveloped, it has not necessarily been rethought. I had dropped in to Leeds City Museum on Cookridge Street, where the main gallery reworked to the sound of David Bowie's "The Jean Genie", in commemoration of a gig he played 30 years ago at the Leeds

FT FINANCIAL TIMES

In an article entitled "Leeds: City of Contrasts", for the October 1933 edition of The Architectural Review, John Betjeman wrote: "Leeds does not attract tourists. There is not even a guide-book to the city." Leeds, after all, was a place with "little use for aesthetics", where "rain always seems to be falling".

Seventy years on, Leeds has found a use for aesthetics: for a bout of self-celebration. The city has been itching to have a party for a while. Britain was due to have a European Capital of Culture in 2023 and Leeds had its eye on the prize, but Brexit (which Leeds voted against) scuppered that. Leeds also made the shortlist for hosting the Eurovision Song Contest, only to be pipped by Liverpool.

So the city anointed itself, hence *Leeds 2023*, "a bold and imaginative Year of Culture packed with creativity. In partnership with world class creatives, homegrown talent, local communities and international arts organisations, together we're creating a celebration that's about Leeds, for Leeds, by Leeds."

So much for a lack of aesthetics, and we'll be coming to "does not attract tourists" in a minute. What about the constant rain? Perhaps Leeds is implicitly acknowledging that with a street art strand of Leeds 2023 called "A city less grey".

When I visited Leeds from my home city of York in the 1970s, it could have done with being less grey. The "city of a thousand trades", but principally wool, was losing out to foreign competition. It seemed characteristic that Leeds specialised in "heavy wool". I was once told that the dark river Aire in Leeds powered water wheels not by being a fast, sprightly thing, but by "sheer weight of water". And you went to Leeds for "heavy" reasons: to buy a suit for a job interview or (more likely) a funeral; to take out insurance or consult a lawyer.

In a reinvigorated Leeds, a summer of celebrations is just beginning

When its bid to be European Capital of Culture was thwarted by Brexit, the city decided to anoint itself and start partying anyway



Leeds perpetuated many of the aesthetic solecisms of the time. It had sold the air rights over its railway station. It was full of multistorey car parks and actually boasted of being "the motorway city". Sumptuous Victorian buildings were knocked down in the centre, especially in Park Row. Kirkgate Market ("the largest indoor market in the world") survived, but rain always did seem to be sliding over its glass roof, and it resembled a museum of

Yorkshireness even in the 1970s, seemingly full of glum, toothless pensioners dunking slices of Battenberg cake in stewed tea or eating Yorkshire pudding and gravy as a main course.

It was always a relief to get back to pretty, pedestrianised, tourist-endorsed York, which, in the most recent reliable (pre-Covid) rankings by Visit Britain of the top-20 most popular cities among foreign visitors for overnight stays, stands at number 14.

But Leeds stands at number 13, whereas in 1999, it was not in the top 20. York does better in the latest figures for domestic visitors, coming in at number seven; but Leeds is at number six. These latter figures do include business trips, and Leeds is a commercial and industrial centre in a way that York is not. Still, things have certainly changed since the days when, as a spokesperson for Visit Leeds told me, "you came here for a look around the shops, then went home for your tea".

Yorkshire's city of culture

UK property | Leeds is prized by homebuyers for its arts, industry and strong identity. By Liz Rowlinson

Last year, Elliot Rice and his wife Carla bought a four-bedroom former council house in the Leeds suburb of Meanwood for £29,000 over the asking price of £495,000.

"Houses don't come on the market very often so when on my daily dog walk I saw a 'for sale' sign suddenly appear on our dream home we put a letter through the door with an offer," says Elliot, who works in medical software. "We discussed moving away but we love Leeds and have built a life here."

As an alumnus of Leeds University, Rice is among the high number of graduates of the city's four universities who stay (it has a graduate retention rate of 39 per cent, fifth highest in the UK) or move back after working elsewhere.

Sometimes overshadowed by its northern England neighbours Manchester and Liverpool, Leeds is nevertheless an important hub: by employee numbers, it's the third-biggest city in the UK for legal services; and it has the third-highest number of start-ups. The health sector is a big employer too, with Leeds being home to NHS Digital and four out of five national NHS offices. It's prized for its easy access to the Yorkshire Dales and Peak District. And those working locally, like the Rices, are less affected by the government's decision to scrap the eastern leg of the HS2, the high-speed rail link that will connect London with the West Midlands and Manchester but now not with Sheffield and Leeds.

The suburbs – especially those north-west of the city – are popular with

upsizing professional buyers. They will often rent first in the centre, where build-to-rent schemes and purpose-built student accommodation are prevalent. Only 7 per cent of the properties sold in Leeds so far this year cost more than £500,000, according to Hamptons using Office for National Statistics data, yet houses in the most popular suburbs can still be the subject of bidding wars.

Prime suburbs include Headingley, Horsforth, Rawdon (especially its Cragg Wood conservation area), where detached houses have sold recently for more than £1mn, according to Simon Wright of Carter Jonas.

"The new [10-minute] train link from Apperley Bridge station into central Leeds, and the regeneration of Kirkstall Forge [an urban district on a former industrial site] have increased the appeal of this area," he says.

In other popular pockets, properties are selling for over the asking price. These include Bramhope, Far Headingley, Meanwood and Chapel Allerton. The latter two are in LS7, the Leeds postcode with the highest proportion of homes on the market sold subject to contract or under offer, at 61 per cent, according to data company PropCast.

(Above) Luxury waterfront properties at Leeds Dock; a two-bedroom converted gatehouse in Scarcroft, £360,000, through North Residential

Care Louise Jackson/Shutterstock

Sales have slowed since last September's "mini" Budget, says Emma Winterhalder of agent Dacre Son & Hartley. But while more asking prices are being reduced, some homes are still going to best and final offers. "We just sold a five-bedroom house in Meanwood for £400,000 that was on sale at £365,000,

It's an exciting place to live. The countryside is within 10 minutes. There's a great underbelly of creativity'



and in Far Headingley a three-bedroom 1930s semi at £350,000 was agreed at £370,000," she says.

Proximity to Leeds Beckett University, Meanwood Park and schools helps explain Far Headingley's demand, while neighbouring Meanwood and Weetwood are near several parks.

Such was their desire to stay near the park and primary school that Amanda, who did not wish to give her last name, and her partner, both academics at Leeds University, paid £30,000 over the asking price for a four-bedroom 1930s semi-detached house in Weetwood in March. The couple, with two young children, upsized from a three-bedroom home in Meanwood. Their search had taken a year, she says. "There were 20 viewings and eight offers on it. Luckily our own home also sold within a week."

Further north, proximity to Leeds Grammar School, several golf courses, such as Moor Allerton, and the motorway network keeps Alwoodley sought after, along with Scarcroft, East Keswick, Wick and Collingham along the A58 corridor towards Wetherby. Family houses can sell for £1mn-£2mn, says James Wort of agent Strutt & Parker, adding: "Scarcroft's Ling Lane, 15 minutes out of Leeds, is popular for

AT A GLANCE

The fastest train journey from Leeds to London is just under 2 hours.

The average house in Leeds increased 4.9 per cent to £273,210 in 2022, according to Hamptons using Land Registry data; rents rose 16 per cent, according to JLL.

What you can buy ...

£360,000 A two-bedroom converted gatehouse in Scarcroft (North Residential).

£620,000 A four-bedroom house in Far Headingley (Dacre, Son & Hartley).

off-market sales." He says less than 30 per cent of buyers are from outside the area, and few are international.

With its shopping, music and arts scenes – Leeds is home to Opera North, Northern Ballet and Channel 4 television's regional centre – the city centre is still a big draw for some. Lawyers Will Swarbrick and partner Maya liked the Scandinavian design and energy efficiency of the new homes in the Climate Innovation District (CID). At the end of last year, the couple bought a four-bedroom house in the new mixed-use quarter of 955 timber-frame homes by the low-carbon developer Citu near Leeds Dock. Prices start at £480,000.

"We were living in Wakefield but working in Leeds, so losing the commute by moving into the city was a logical step," says Swarbrick, 28. "It will be great to walk to work."

Brexit thwarted Leeds' bid to be European Capital of Culture in 2023 so the city opted to call itself an "unofficial" city of culture instead. Says Kully Thirairai, chief executive and artistic director of the "Leeds 2023" programme: "We are not a city that shouts as loudly perhaps as some of our neighbours... As Yorkshire people we just get on and do things without too much fanfare."

Theatre director Alan Lyddiard, who divides his time between Jerez in southern Spain and Leeds' South Bank, loves both the Leeds Playhouse – where he's an associate artist – and the council's neighbourhood initiatives to support older residents. He owns a one-bedroom flat in Holbeck's Urban Village, a mixed-use creative quarter on the site of a former flax mill in the south-west of the city. "It's an exciting place to live. The shopping, restaurants, the countryside within 10 minutes," he says, adding: "There's a great underbelly of arts and creativity in Leeds."



| TRAVEL |

Why 2023 is the year to visit Leeds, Yorkshire's culture capital

Buoyed by a year-long festival of culture in 2023, Yorkshire's economic powerhouse has become a hive of creativity with shops, food and events that give a nod to the city's industrial past while looking to the future.

People Management Update

Date: 17th July 2023

Report of: Chief HR Officer

Report to: Strategy and Resources Scrutiny Board

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The report provides an overview and update on a number of key people management activities, particularly the Council's approach to performance management and the work taking place to develop a supportive approach – Let's Talk Openly About Performance. The approach aligns with our values and behaviours and will support managers with all aspects of performance management which will enable the delivery of the People Strategy to provide the best employee experience and respond to some of the initial findings from the recent staff survey. The report also provides a progress update following Strategy & Resources Scrutiny Board in March 2023 regarding the management of attendance.

Recommendations

Strategy and Resources Scrutiny Board is asked to:

- a) Note the content of the report and the ongoing work to develop a Performance Management toolkit that will support managers to build a culture where everybody is comfortable having regular open conversations about performance.
- b) Note the progress made in reducing levels of sickness absence.
- c) Identify any actions arising from Scrutiny's consideration of this report.

What is this report about?

- 1 The report provides an overview of the Council's current approach to performance management and the steps being taken to strengthen our approach to performance management by creating a culture that supports managers and colleagues to regularly talk openly about performance. The approach aligns with our values and behaviours and will support managers with all aspects of performance management, which will enable delivery of the People Strategy to provide the best employee experience.
- 2 The new Organisational Plan (Being Our Best) clearly outlines four manager expectations (see figure 1 below). One of the expectations makes specific reference to the management of staff performance so it is timely to refresh our approach.

Figure 1 – Managers expectations from the organisational plan.



- 3 It is proposed that a performance management toolkit is developed to support managers to deliver against the manager expectations. This builds on the work already progressed through our leadership and management development offer - Be Your Best.
- 4 The proposals within this report will also respond to initial highlights from the recent staff survey by responding to elements such as progression, workload and wellbeing.
- 5 The aim of the performance management toolkit is to bring together existing tools, guidance, and measures, building on what we already have in place. In addition, the toolkit will provide a reference point for managers to help support the delivery of the organisational plan by encouraging regular open conversations regarding all aspects of performance.
- 6 We are currently engaging with managers on the outline proposals to ensure the toolkit includes the right support, which can be accessed easily and sets out clear expectations.

What impact will this proposal have?

- 7 Performance management needs to be considered as a whole, aligning the different aspects of performance management under a toolkit will ensure we incorporate organisational, team and

individual performance, as well as considering the measures, and how we approach performance, to help support the delivery of our City Ambitions.

- 8 It is critical that the toolkit recognises all performance. This includes high achievers, those that are performing at expected levels and those that require additional support whether that be at a team or individual level.
- 9 The Council already has all the elements that you would expect to ensure we can monitor and manage performance; the toolkit will help highlight this.

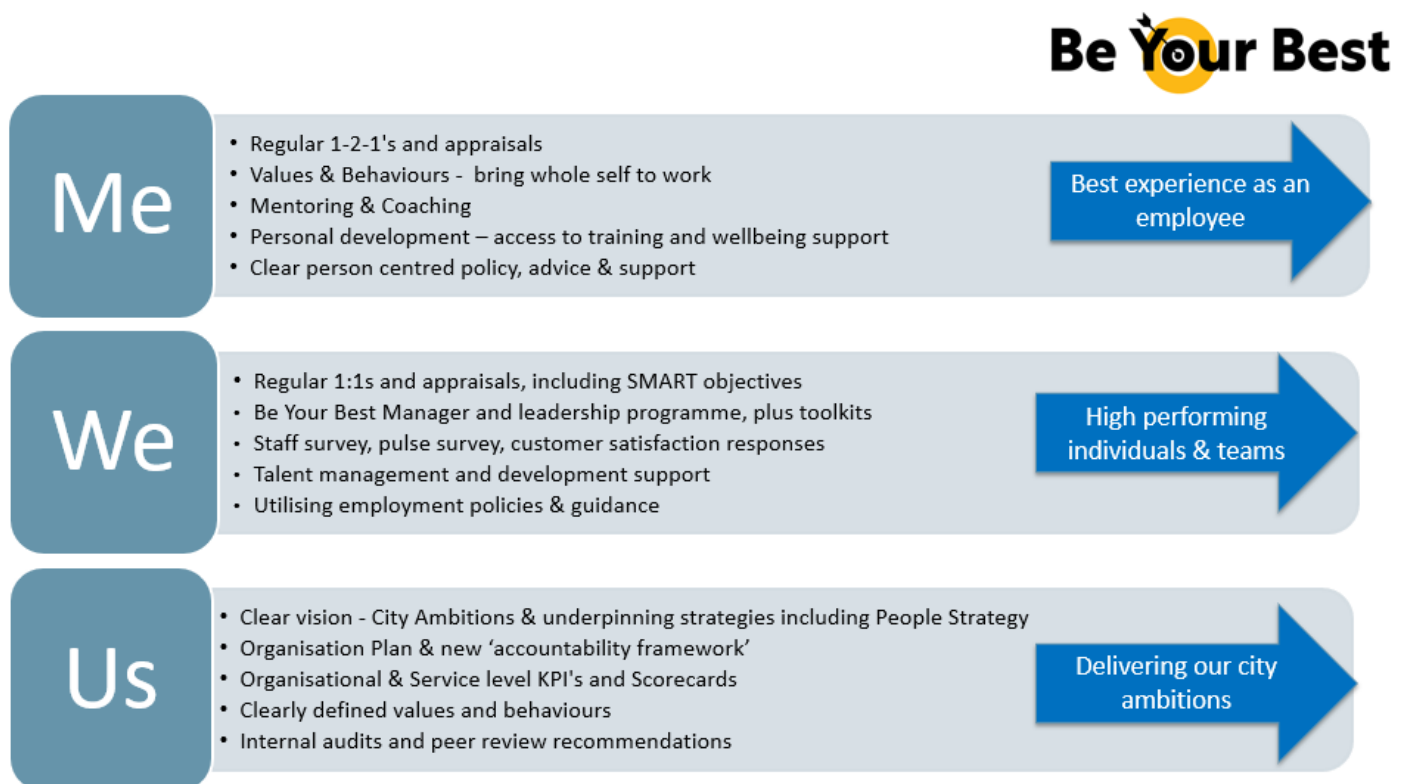
Development of the Performance Management Toolkit

10 The People Strategy clearly sets out three tiers across the organisation.

- Me - Individual,
- We - Managers and Leaders and,
- Us - Organisational

11 This was used as a basis for mapping our existing approach to performance across the organisation. Figure 2 provides a high-level overview to provide an example of the key aspects that support performance management across the organisation. This has been summarised for the purpose of the report, a more extensive list has been developed as part of the mapping.

Figure 2 – High-level mapping of key components of our approach to performance management



12 This demonstrates some of the different measures and approaches to help manage performance across the organisation. To ensure we deliver against our City Ambitions we need to ensure that we fully exploit all these methods.

Managing team and individual performance

- 13 Performance management is the on-going communication process in which managers help employees by setting clear expectations, setting goals, providing feedback and reviewing progress to ensure any development support is put in place and support individuals to progress.
- 14 Managing staff performance can be complex and challenging, one size will not fit all, both the context and the individual should be considered. Employees have different ways they like to be motivated, receive feedback and be recognised for a job well done. Managers need to be aware of this and tailor feedback, where individuals feel their contributions and strengths are valued and understood they are more likely to be engaged, it will lead to increased job satisfaction, and stronger performance.
- 15 It is widely reported that a collaborative, transparent and supportive performance management practice, which is continuous, will lead to more engaged and successful employees. However, this does require employees to engage, managers to provide regular feedback and coaching, and that leaders continuously advocate regular open conversations.
- 16 Our general approach to performance when developing the toolkit has centred around
- Being driven by our values and behaviours
 - Ensuring all performance is covered
 - Ensuring appropriate measures are in place
 - We develop a culture that talks openly about performance
 - Creating capability and confidence within staff through constructive feedback
 - Encouraging two-way engagement and conversations.
- 17 Figure 3 provides an overview of the key components of the toolkit to support team and individual performance. Behind each of these components, additional information and guidance will be available to support managers.

Figure 3 – Key component when managing team and individual performance



18 Creating a culture will come from embedding the toolkit to normalise frequent conversation about performance management with all staff on a regular basis. When considering the wider team as well as individuals.

Managing Attendance

19 Managing attendance is one element of managing team performance. In March 2023 an overview was provided to Scrutiny Board in relation to the work underway to support the management of attendance. The update centred around:

- renewed and robust management reporting of attendance management to leadership teams
- the prioritisation of HR support to thirteen service areas that experienced higher levels of absence
- specific focus on the management of long-term sickness cases
- efforts to address the primary reasons for ill-health in the workplace, particularly mental and emotional wellbeing
- building manager capacity and capability in this area and
- continued effort on building the overarching staff health & wellbeing offer (under the brand of #BeWell).

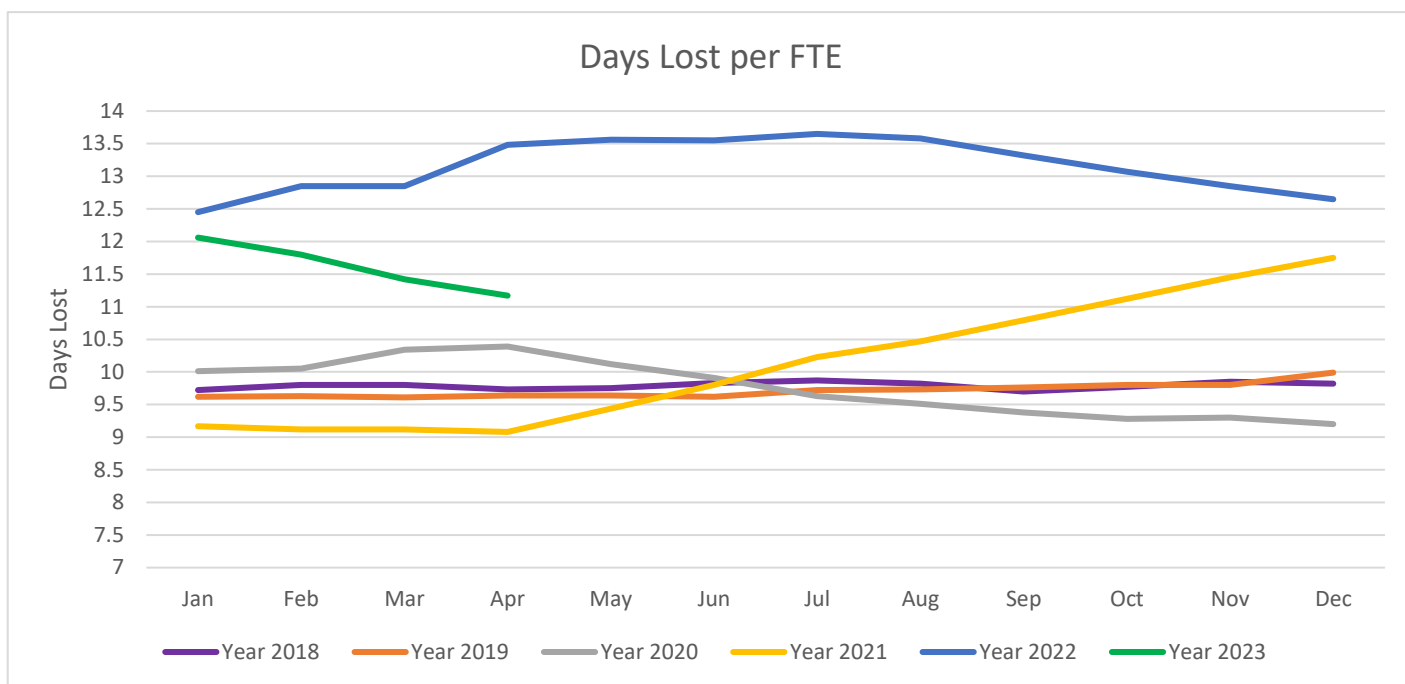
20 Whilst work continues in relation to all aspects mentioned above, further progress is being made in this area with the development of the Safety, Health and Wellbeing Framework which can be shared in more detail at a future Board.

An interim update on the progress made to reduce levels of sickness absence

21 In July 2022 we saw a peak in sickness absence across the organisation at 13.65 days lost per FTE. Since planned interventions have taken place the level of sickness has now reduced by 18.17% (a further decrease of 6.57% since March) to 11.17 days lost per FTE in April 2023. This shows a continued downward trajectory since we reported in March 2023. All directorates are showing their lowest levels of sickness absence for the last thirteen months.

22 Figure 41 shows, in 2022 we experienced the highest number of days lost in comparison to the previous four years. However, days lost per FTE has been reducing since August 2022 which reflects the additional support that has been in place both through HR and locally within services. Comparing sickness to pre pandemic levels, we can see in April 2023 days lost per FTE (11.17) was 1.53 days higher than 2019, reducing the gap further by 0.90 days since we reported in March 2023.

Figure 4 – Days lost per FTE 2018 to date



Targeted Service Support

23 As previously reported, manager and HR support was re-prioritised to specifically support certain areas which has notably higher levels of absence. The service areas are set out in Figure 5.

Figure 5 – Thirteen priority service areas identified for additional support – detailing the percentage decrease in days lost per FTE

Service Area	Percentage reduction in days lost per FTE since August 22 – Jan 23	Percentage reduction in days lost per FTE since August 22 – April 23	This equates to a further % reduction between January 23 and April 23
Cleaning/ FM	-10%	-17%	7%
Catering	-7%	-10%	3%
Fleet	-10%	-19%	9%
LBS	-24%	-32%	8%
Passengers	-14%	-15%	1%
Contact centre	-11%	-23%	12%
Housing	-5%	-12%	7%
Environmental Services	-15%	-15%	0%
Parks	-8%	-10%	2%
Customer Access and Welfare	-11%	-22%	11%
Looked After Children	-11%	-24%	14%
Care Delivery (OPS, MH, PI)	-1%	-5%	4%
Assessment / Provisions	-7%	-14%	8%

24 Figure 5 shows that progress has been made in all areas with positive reductions in the level of sickness absence since targeted work first began in August 2022. Since August 2022 there has been a 17% reduction in the number of days lost per FTE across the thirteen areas.

25 The most significant impact has been within Leeds Building Services (LBS) where there has been a 32% reduction since August 2022. This has been achieved through collaborative working between colleagues within HR and senior management within the service on long term sickness cases. Further success has been achieved via early intervention and proactive conversations being undertaken with colleagues as soon as a period of absence occurs reducing the overall number of days sickness absence.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

26 Having a fully engaged and productive workforce will support the delivery of all aspects of the City Ambitions. The toolkit is intended to support managers to get the best from their team and individuals which will impact on our overall delivery.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

27 Early engagement with a number of different groups has taken place to help to socialise the suggested approach. Reflecting that we have all the key components in place to support performance management but would like to encourage a culture where there are more frequent conversations, and we talk openly about performance through regular 1-2-1s avoiding any delay by trying to link to the appraisal cycle. Whilst it is recognised that this does happen in many teams there are opportunities to further develop as an organisation within this area.

28 Initial engagement has taken place with the Best Council Leadership Team. We have initially engaged a small group from the Be Your Best Community at in person events as well as the Strategy and Resources Leadership Team.

29 The suggested approach was well received with many suggestions about what support managers would like to see included, the recognition that one size will not fit all, and that the toolkit will need to reflect this. We are currently working through the feedback to feed into the next steps and further development.

30 Trade Unions colleagues have also been engaged through the Corporate Joint Consultative Committee. Trade Unions were supportive but recognised the need to manage messaging sensitively and were happy to see that performance conversations were as much about those that are performing as expected and high achievers as well as those that needed additional support. Some concerns were raised about workloads and whether it would be perceived that this would be used to get people to do more. Trade Unions were reassured that the toolkit is about giving everybody the opportunity to be their best and could support the balance of workloads within teams through more frequent, open conversations which could support individuals to help manage things like workload.

31 Further engagement will continue with a wide group from the Be Your Best Community and then a small working group will come together to further develop the toolkit based on feedback received. The team will connect with different services and teams to test approaches in different settings, which can then be used to help share examples of what works well.

What are the resource implications?

32 Representative from across the HR team will come together with representatives from across the business to help shape guidance and materials to support managers. Existing forums such as the Be Your Best Community will continue to be engaged.

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

33 Managers not engaging with the toolkit – the team will plan communication and engagement with managers linked to the manager expectations in the Organisational Plan to ensure the toolkit is seen as a useful tool to support managers. We will look to utilise any early engagement and successes to help sell the approach as well as selling the benefits of overall increased team performance and improved satisfaction for employees.

34 Worries among the workforce – this will be mitigated by reassuring staff that the drive behind improving our offer to support managers is to ensure managers support staff to be their best ensuring they are clear in terms of what is expected of them, they receive any support they need and support progression.

35 Trade Unions concerns regarding additional pressures linked to workload – similar to above this will be mitigated through effective communication and engagement to reassure that the approach of talking openly about performance will ensure that people get any support they need but more importantly there is recognition for a job well done.

What are the legal implications?

36 No legal implications

Options, timescales and measuring success

What other options were considered?

37 We already have a strong approach to performance management across the organisation as detailed in figure two above. The toolkit will simply complement and strengthen our approach. Other options have therefore not been considered at this stage. However, as the toolkit develops an iterative approach will be taken by testing new approaches and adapting as required to ensure we have tools available to support all managers working in different teams and contexts.

How will success be measured?

38 Monitoring well established KPIs at team and organisational level

39 Monitoring outcomes on future staff surveys

40 Monitoring completion and quality of appraisals

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

41 We are currently finalising the plans and timescales; however, we intend to take a phased approach releasing content as it is developed with an iterative approach to developing the toolkit.

Appendices

- None

Background papers

- None

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2022/23 Financial and Treasury Management Outturn Reports

Date: 17 July 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Strategy and Resources)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

Executive Functions that fall within the remit of the Scrutiny Board (Strategy and Resources) include:

- Ensuring and administering effective financial management and controls
- Setting, supporting and monitoring the Council's policies and procedures for budgets

For this reason, the Scrutiny Board has a standing commitment to monitor financial health and performance throughout the financial year, to identify emerging issues and to bring forward any appropriate recommendations to the Executive in this regard.

As part of this function the Scrutiny Board receives the annual Financial Outturn and Treasury Management Outturn reports, as provided to the Executive Board at its June meeting. These are provided as Appendix 1 and 2 to this report.

In previous years the Board has identified the robustness and long-term sustainability of the Council's revenue budget as key priorities for consideration and these items provide an end of year view on this for the 2022/23 municipal year. The Scrutiny Board's ongoing review will be supported by consideration of financial health monitoring reports during 2023/24 and of the Medium-Term Financial Strategy and the 2024/25 budget proposals..

Recommendations

Members are asked to:

- a) Note the content of the Financial and Treasury Management Outturn reports for 2022/23.
- b) Consider how the priorities highlighted in the Scrutiny Board's discussion might inform decisions about future work programming.

What is this report about?

- 1 This item provides the Board with the outturn position for the 2022/23 financial year covering the General Fund revenue budget and the Housing Revenue Account (HRA) at Appendix 1 and the treasury management position at Appendix 2.
- 2 All scrutiny boards consider the proposed budget for the next financial year (2024/25) in January and make comment and recommendations to Executive Board as part of the budget setting process. Given the specific functions that fall within the remit of Strategy and Resources Scrutiny Board consideration is given to the previous year's performance with a view to understanding the challenges faced and to make any observations as deemed to be appropriate.

General Fund Outturn

- 3 The budget setting process targets resources against the Council's policies and priorities as set out in the Best City Ambition. The net budget for the general fund in 2022/23 was set at £521.9m with general fund reserves at £33.2m. The general fund reserve was not utilised in 2022/23 and therefore remained unchanged at 31 March 2023.
- 4 At Outturn an overspend of £12.4m is reported across directorates (2.4% of the Council's Net Revenue Budget). This position incorporates the national employers pay offer for 2022/23, increased energy costs and other inflation costs linked to the rising cost of living that has been experienced throughout the last financial year both by the local authority and Leeds residents. At its June meeting the Executive Board agreed to the use of the Strategic Contingency Reserve to balance this overspend.
- 5 The HRA position at outturn also reported an overspend of £6.8m which Executive Board agreed to use HRA Reserves to balance, again at its June meeting.
- 6 The budget for 2022/23 required the delivery of £16.5m in savings through budget action plans. At the June meeting of Strategy and Resources Scrutiny Board members expressed an interest in the progress of budget action plans that are aimed at delivering savings throughout the course of the financial year. More detail is provided in Appendix 1 but at Outturn the majority of the action plans have been delivered in full through the identified saving plans or through mitigating actions identified by each Directorate. The exceptions to this are as follows:
 - Children & Families – £0.575m shortfall to expected savings on Passenger Transport and Diversifying Children's Residential Provision.
 - Resources – £2.522m shortfall to expected savings due to: £2.046m shortfall in the anticipated level of procurement savings within PACS, £155k shortfall in the expected catering income, £135k shortfall in BSC Shared Cost Additional Voluntary Contributions impacted by cost of living and £186k shortfall in the BSC Salary Sacrifice Schemes because of delays in rollout and upfront costs.
- 7 The impact of inflation on the council's financial position can not be underestimated and with CPI inflation still at 8.7% (May 2023) these challenges appear set to continue. In January 2023 CPI inflation was at 10.1%, that position reflected a slight reduction on the October 2022 peak of 11.1%.
- 8 The impact of inflation is perhaps best exemplified through analysis of energy costs which increased significantly in 2022/23. The 2022/23 budget of £14.36m allowed for a 5% increase in energy costs for gas and electricity. In addition, the Council set aside £3.9m of energy contingency funding. The reported position at Outturn reflects General Fund expenditure on energy of £18.9m plus the requirement to make a provision of £0.4m in relation to energy costs at properties where heat pumps have been installed. The resulting pressure of £4.9m has been

met by applying the £3.9m of energy contingency funding in full and through use of further reserves of £1m.

- 9 This position whilst highlighting the increase in costs also reflects the forward purchasing of over 80% of energy for the winter months, the majority was purchased at prices that were lower than the energy cap – although still significantly higher than has been paid before. In addition, the Government committed to a six-month Energy Bill Relief Scheme for businesses and other non-domestic energy users, including charities and public sector organisations, this provided a discount on energy prices.
- 10 Inflation has also impacted through general cost of living pressures. The Council has seen increased costs for goods and services, increased demand for support and welfare services, and reduced income across a range of services as Leeds residents and visitors choose to spend differently as a consequence of rising inflation. Furthermore, the Council has also experienced significant increases in fuel costs.
- 11 In April 2023 Executive Board approved the application of the remaining balance of the Merrion House capital receipt to redeem debt in 2022/23, to reduce MRP by the same amount and to contribute the resulting £22.3m revenue saving to earmarked revenue reserves. The outturn position reflects this contribution to the Merrion House earmarked revenue reserve. These funds will be available to fund future unforeseen budget pressures and to ensure the Council continues to become more financially resilient, particularly given the use of £12.4m of the Strategic Contingency Reserve to balance the 2022/23 position.
- 12 The HRA overspend at outturn is primarily due to the overspend on the repairs and disrepair budgets due to a combination of significant inflationary pressures in the sector and the costs associated with bringing back void properties into use and the demand for repairs.
- 13 In addition, the HRA has witnessed a growth in bad debts, following analysis of tenant arrears the provision for doubtful debts was £1.2m higher than budgeted and total bad debts now stand at £8m.

Treasury Management Outturn

- 14 The Treasury Management strategy secures funding to support the Council's Policies and City Priorities as set out in the Council's capital programme and is consistent with the Best City Ambition and 3 key pillars.
- 15 Net external debt at 31st March 2023 was £2.397bn which is £5m lower than the February 2023 forecast. The level of debt and liabilities should be viewed in the context of the Council's long-term assets which were valued at £6.779bn at 31st March 2022, this asset position will be updated for 2023 when the draft accounts are completed.
- 16 The level of debt has remained within the Authorised Limit and Operational Boundary as approved by the Council in February 2023. The Authorised Limit is the maximum permitted amount of borrowing the Council can have outstanding at any given time. The Operational Boundary is a key management tool and can be breached temporarily depending on cash flow.
- 17 The outturn position for debt costs within the revenue budget was an underspend of £6.4m before taking into account the impact on MRP of applying the remaining balance of the Merion House capital receipt to reduce debt. This £6.4m underspend arose primarily because of opportunities to borrow at lower interest rates during the year, lower than anticipated overall borrowing requirement and lower than anticipated MRP.
- 18 Increases in interest rates could have an impact on the council's debt position and borrowing costs. However, short term borrowing is used during the year to temporarily fund the borrowing requirement where necessary, ensuring that long term borrowing is not undertaken at unfavourable rates.

- 19 Whilst this approach continues to deliver lower costs of financing, the level of borrowing funded by short terms loans has increased to £170m at 31/03/2023. During 2022/23 both actual short and long-term rates have increased significantly however the Council’s advisors are forecasting that rates will fall back from current levels which are the highest seen in over a decade. As a result, the strategy has been updated to fund from short term until longer term rates fall at which time short term funding will be switched into lower cost longer term funding.
- 20 The average rate of interest paid on the Council’s external debt was 3.22% for 2022/23 down slightly from 3.28% recorded in 2021/22.

What impact will this proposal have?

- 21 This is an information report covering the key financial areas of the Board’s remit. This will enable board members to comment and question the Council’s approach to financial management and financial policies and procedures.

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

- Health and Wellbeing Inclusive Growth Zero Carbon

- 22 The reports contained at appendices 1 and 2 deal with the Council’s financial outturn position in respect of the General Fund, the HRA and Treasury Management. The budget setting process targets resources against the Council’s policies and priorities as set out in the Best City Ambition and as such is central to the delivery of the Best City Ambition.

What consultation and engagement has taken place?

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

- 23 Board Members considered the Work Programme for the 2023/24 municipal year at its initial meeting on 19 June 2023 and agreed to this work item to consider the financial outturn position of the authority for 2022/23 financial year.

What are the resource implications?

- 24 The appendices to this report set out the resource implications of the Council’s outturn position for 2022/23.

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

- 25 There are no specific risks associated with this report.

What are the legal implications?

- 26 There are no specific legal implications associated with this report.

Options, timescales and measuring success

What other options were considered?

- 27 Not applicable.

How will success be measured?

28 Not applicable.

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

29 Not Applicable.

Appendices

- Appendix 1 – Financial Health Monitoring 2022/23 – Outturn financial year ended 31st March 2023, considered by Executive Board on 21 June 2023.
- Appendix 2 - Treasury Management Outturn 2022/23, , considered by Executive Board on 21 June 2023.

Background papers

- None

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Financial Health Monitoring 2022/23 – Outturn financial year ended 31st March 2023

Date: 21st June 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. This report comments on financial performance against the 2022/23 budget, which has targeted resources towards the Council's policies and priorities as set out in the Best City Ambition.
2. The purpose of this report is to inform the Executive Board of the financial health of the Authority in respect of both the General Fund revenue budget and the Housing Revenue Account. At the financial Outturn for 2022/23 the position reflects an overspend of £12.4m on the Authority's General Fund services.
3. Where Directorates have identified an overspend, any savings actions implemented to mitigate these pressures are included in the reported overspend position.
4. As noted above, the Outturn position reflects an adverse variation to a balanced budget position. As reported to Executive Board during the year, this adverse variation will require the use of Strategic Contingency Reserve balance. Ongoing pressures identified in the current year have been built into the 2023/24 budget.
5. The Business Rates Collection Fund income shortfall of £1.9m arising in 2022/23 will impact on the Revenue Budget in 2024/25.
6. The current and future financial climate for local government represents a significant risk to the Council's priorities and ambitions. The budget for 2022/23 required delivery of £16.5m of savings and the position remains challenging. At Outturn the majority of budgeted savings have either been delivered or mitigating actions found.
7. Increased inflation and the rising cost of living, including the 2022/23 agreed pay award, have been incorporated into this reported financial Outturn position.
8. This report provides the Board with an update on the reserves position for the General Fund, schools and the HRA at Outturn for the 2022/23 year. Overall reserves balances have reduced by £36.5m since 1st April 2022.
9. The report also provides information on the monitoring of the decision to freeze non-essential spend as one of the measures to balance the 2022/23 budget. Expenditure at Outturn on a range of financial codes in scope shows that spend is 13.3% lower than during 2021/22. This reduction in expenditure has been included in the positions being reported by Directorates.
10. The Outturn for the year on the HRA shows a net overspend of £6.8m when compared against the 2022/23 budget. This is primarily due to overspends on the repairs and disrepair budgets due to a combination of the costs of repairs on bringing void properties back into use and significant inflationary pressures in the construction sector. This overspend will be funded from the HRA earmarked reserve.

Recommendations

Executive Board are asked to:

- a) Note that at Outturn the Authority's General Fund services show an overspend of £12.4m and that the Housing Revenue Account shows a net overspend of £6.8m;
- b) Note that during the year where an overspend was projected Directorates, including the Housing Revenue Account, were required to present action plans to mitigate their reported pressures, in line with the Revenue Principles agreed by Executive Board in 2019. Savings actions identified are included in the reported overspend position;
- c) Note that increased inflation and impacts of the rising cost of living, including the agreed 2022/23 pay award, have been incorporated into this reported outturn position;
- d) Approve the use of £12.4m Strategic Contingency Reserve to balance the General Fund overspend;
- e) Approve that the Housing Revenue Account overspend of £6.8m is balanced through use of HRA Reserves;
- f) Approve the updated planned use of flexible use of capital receipts, specifically the additional planned use in 2022/23 of £0.8m as shown at paragraph 3.12.1;
- g) Agree the creation of earmarked reserves as detailed at Appendix 5 and to delegate their release to the Chief Officer – Financial Services;
- h) Approve the following injections into the capital programme, as detailed at Appendix 6A(iii):
 - £13,529.9k of Capital Receipt injections, primarily in relation to the East Leeds Orbital Road and District Heating Phase 3 schemes;
 - £1,967.0k of Departmental Borrowing injections, primarily to provide matched funding for a Local Authority Housing Fund scheme; and
 - 26,600.7k of external contributions, primarily relating to:
 - £9,524.6k Leeds Station Sustainable Travel Gateway (Network Rail);
 - £5,918.7k HRA Schemes (Local Authority Housing Fund);
 - £5,400.0k A653 Beeston to Tingley (West Yorkshire Combined Authority);
 - £2,267.4k of external contributions for works on School schemes;
 - £1,492.9k of external contributions for works on Highways schemes;
 - £680.0k Armley Mills (Art Council England); and
 - £1,317.1k of other external contributions.
- i) Note the additional Capital Receipts Incentive Scheme (CRIS) allocations to wards and community committees for the period October 2022 to March 2023 of £0.3m.
- j) Note that the Chief Officer – Financial Services will be responsible for the implementation of these actions following the “call-in” period.

What is this report about?

- 1 This report updates the Board on financial performance against the Council's 2022/23 Capital and Revenue budgets, for both General Fund and the Housing Revenue Account, for the financial year.
- 2 As set out at Appendix 1, the final position on the General Fund shows an overspend of £12.4m and when compared to the provisional outturn position received at Executive Board in April, the overall position has improved by £3.9m. The adverse variation to a balanced budget position for the General Fund at the 2022/23 year-end will require the use of Strategic Contingency

Reserve balances. The Housing Revenue Account shows an overspend of £6.8m. The adverse variance will require the use of HRA Reserves.

- 3 Changes in individual directorate positions since provisional outturn are detailed in Appendix 1. The appendix also summarises the position on the Authority's reserves at Outturn and these are detailed in Appendix 5.

What impact will this proposal have?

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

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 5 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. 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, against which this report details the Council's performance.
- 6 This report needs to be seen in the context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23 so that resources can continue to be targeted at the Council's priorities.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

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

What are the resource implications?

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

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

- 9 At final financial Outturn Directorate dashboards reflect an overspend of £12.4m. The overspend, with Executive Board approval, will be balanced through application 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.
- 10 This is as noted in the report "Financial Health Monitoring 2022/23 – Provisional Outturn (Month 11)" presented to Executive Board in April 2023, where it was also noted that use of this reserve reduces the resources available to support the Council's financial position in future years.

11 At the April meeting, Executive Board approved the application of the remaining balance of the Merrion House capital receipt to redeem debt in 2022/23, to reduce MRP by the same amount and to contribute the resulting revenue saving to the Merrion House earmarked revenue reserve. These funds will be available to fund future unforeseen budget pressures in future financial years and to ensure the Council continues to become more financially resilient, particularly given the use of the Strategic Contingency Reserve to balance the 2022/23 position.

What are the legal implications?

12 There are no legal implications arising from this report.

Options, timescales and measuring success

What other options were considered?

13 Not applicable

How will success be measured?

14 Not applicable

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

15 Not applicable

Appendices

16 The following appendices are attached to this report:

- **Appendix 1** – background information, detailed narrative regarding the financial outturn positions for directorates, the Housing Revenue Account HRA, Dedicated Schools Grant (DSG) and the capital programme, Council Tax and Business Rates including collection performance.
- **Appendix 2** – Individual financial dashboards for directorates, DSG and the HRA
- **Appendix 3** – Directorate Budget Action Plans
- **Appendix 4** – Flexible Use of Capital Receipts
- **Appendix 5** – Movement in reserves 1st April 2022 to 31st March 2023
- **Appendix 6A** – Revised capital programme for 2022/23 to 2026/27 as at 2022/23 Outturn.
- **Appendix 6B** – Breakdown of capital programme net variances February 2023 projected Outturn to Outturn
- **Appendix 6C** – CRIS injections to wards and community committees for the period October 2022 to March 2023

Background papers

17 None

Financial Health Monitoring 2022/23 – Outturn Report

1. Purpose of this report

- 1.1. This report sets out for the Executive Board the Council's financial Outturn position for 2022/23 for both the revenue and capital budgets, including the Housing Revenue Account and expenditure on schools.
- 1.2. In addition, the report highlights the position regarding other key financial health indicators including reserves, Flexible use of Capital Receipts, progress on Covid backlog Recovery, Invest to Save and Innovation Fund, Council Tax and Business Rates collection statistics, sundry income, and the prompt payment of creditors.
- 1.3. It should be noted that, in accordance with proper accounting practice, any significant event which occurs prior to the audit sign-off of the accounts could impact on the Council's final published Outturn position and hence on the level of reserves. This is known as a post balance sheet event and, should such an event occur, it will be reported back to this Board at the earliest opportunity.
- 1.4. The Council's unaudited accounts are scheduled to be placed on deposit for public inspection in July 2023.

2. Background information

- 2.1 Executive Board will recall that the net budget for the general fund for 2022/23 was set at £521.9m.
- 2.2 Following the closure of the 2021/22 accounts, the Council's general fund reserve stood at £33.2m. The 2022/23 budget assumed no contribution to this reserve during the current financial year and the reserve has not been used during the year. Consequently, the balance at 31st March 2023 remains unchanged at £33.2m.
- 2.3 The 2023/24 Revenue Budget and Council Tax report, received by the Executive Board in February 2023, assumed a balanced budget position for 2022/23 after the application of Government funding, the delivery of savings, budgeted utilisation of earmarked reserves and the Council's share of additional funding announced at the Final Local Government Finance Settlement in February 2023 relating to the surplus on the national Business Rates Levy Account.
- 2.4 Financial monitoring is 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, those budgets which are subject to fluctuating demand and key income budgets. This has again been reinforced through specific project management based support and reporting around the achievement of key budget actions plans.

3. Main Issues

- 3.1 At Outturn an overspend of £12.4m is reported across directorates (2.4% of the Council's Net Revenue Budget). As discussed in this report, this position encompasses the impact of the agreed national employers pay offer for 2022/23, increased energy costs, other inflationary rises and the wider impact of rising cost of living pressures.

3.2 The Collection Fund income shortfall arising in 2022/23 will impact on the Revenue Budget in 2023/24.

3.3 Directorate positions are summarised in **Table 1**.

Table 1: Summary Position at Outturn - Financial Year 2022/23

Directorate	Director	(Under) / Over spend for the current period					Previous Reported Position
		Staffing	Premises	Total Expenditure	Income	Total (under) /overspend	
		£000	£000	£000	£000	£000	£000
Adults & Health	Caroline Baria	1,712	575	14,194	(14,195)	0	0
Children and Families	Julie Longworth	2,155	866	23,469	(6,567)	16,902	18,294
City Development	Martin Farrington	(600)	3,570	5,291	(5,269)	23	115
Communities, Housing & Environment	James Rogers	3,814	934	23,203	(21,836)	1,368	1,283
Resources	Neil Evans	7,625	1,886	27,323	(22,329)	4,995	3,892
Strategic	Victoria Bradshaw	(275)	414	52,667	(63,602)	(10,934)	(7,292)
Total Current Month		14,431	8,246	146,147	(133,798)	12,353	16,291
Strategic (use of reserves to balance)	Victoria Bradshaw	0	0	(12,353)	0	(12,353)	0
Total After Use of Reserves		14,431	8,246	133,794	(133,798)	0	16,291

3.4 As requested at September's Executive Board, directorates were required to identify action plans to both address the reported overspends and absorb the financial impact of the national employers pay offer for 2022/23. These actions included, with a small number of exceptions, a freeze on recruitment (including on agency staff and overtime), and a freeze on non-essential spend. Exceptions to this included expenditure needed for health and safety reasons, to meet a statutory service requirement, to prevent further costs, or to help generate income that more than outweighs the cost of recruiting to these roles.

3.5 Cross-directorate Task and Finish working groups have worked with services projecting overspends to support them to reduce cost pressures. In order to monitor and identify progress on these working groups, savings action plans were developed to record pressures and proposals and to monitor improvement. The Outturn position includes the savings attributed to the actions identified and progressed by the Task and Finish groups.

3.6 As noted in **Table 1**, the final financial Outturn position for 2022/23 is an overspend of £12.4m. As reported to Executive Board during the year, this adverse variation to a balanced budget position requires the use of Strategic Contingency Reserve balances. Any ongoing pressures identified in the current year have been built into the 2023/24 budget.

3.7 The major Directorate variations in **Table 1** are outlined below, with additional detail provided on the Directorate dashboards at Appendix 2 of this report.

3.7.1 Adults & Health – At Outturn Adults & Health Directorate delivered a balanced budget. The Net Managed Budget (NMB) for 2022-23 was £197.6m, comprised of £386.3m Gross Expenditure offset by £188.7m income. Reflected in the 2022-23 budget were Budget Action Plans totalling £6.994m. At Outturn Gross Expenditure was £400.5m (+£14.2m) and income was £202.9m (+£14.2m).

In-year two Provisions were identified as no longer being required and were written back into the Adults & Health 2022-23 revenue budget; £1.15m for Ordinary Residence provision and £0.492m for COVID grant funding to cover any repayment to the Department for Health & Social Care for ineligible expenditure. Offsetting this is a contribution from Adults & Health into the Strategic Contingency Reserve for £1.642m.

Budget Action Plans

At Outturn 3 Budget Action Plans, with an impact of £2.214m, were not achieved; this is in line with the reported position at Month 11 (Provisional Outturn):

- £1.024m relating to the strategic review for Social Work due to slippage in recruiting staff;
- £0.190m relating to slippage in the budget action plan for the refurbishment of the 3 LCC run residential homes, with a revised opening date of July 2023 for Spring Gardens with the other two slipping into 2023/24 financial year;
- £1.0m income shortfall against the £1m additional Client income budget action plan. This was primarily around 2:1 Homecare visits and removing the Maximum Assessed Charge (MAC) cap. Due to the way that income is posted into the FMS system there are 13 charging runs each year and the last run relates to January billing and does not therefore pick up the uplift in income until 2023/24 financial year. Additionally new service charges for the in-house Telecare service were actioned late in the 2022/23 financial year;
- Mitigating actions were identified to ensure the service delivered a balanced budget and there would be no additional impact on the Medium Term Financial Savings plan for future years; principally £1.2m Commissioning savings on Extra Care and Adult Carers, £0.5m Market Sustainability & Fair Cost of Care 25% grant funding available for delivering Fair Cost of Care, savings from implementing corporate in-year savings initiatives and additional s117 income from Health contributions for agreed packages of care.

Demand

The 2022-23 demand related budgets reflected £17.774m of additional funding for price, inflationary and demand & demography growth, taking the overall size of the demand led budgets up to £251.6m before reducing to £247.5m after netting off the £4.1m savings target reflected in the delivery of the 2022-23 budget action plans; principally the Strategic Review for Adult Social Work. Additionally, an in-year budget increase in the demand related budgets of £3.3m due to £1.7m for increased Homecare provider rates funded from Leeds-ICB and £1.6m for Residential provider rates funded from the Fair Cost of Care & Market Sustainability grant was actioned.

Overall, at Outturn an overspend of £8.4m arose on the 2022-23 demand related budget. This is analysed below, along with the offsetting solutions to balance:

- Increased demand in all residential settings, £5.9m, which is in line with the reported Month 11 Provisional Outturn position; £1.7m Residential, £1.6m Nursing Complex, £1.8m Residential Complex and £0.8m Nursing, offset by additional income of £2.0m; Net pressure £3.9m. This includes the £1.4m impact of the delayed discharge from hospital settings over 28 days, after which financial commitment transfers across to the local authority;
- Learning Disability (LD) demand budgets are £1.5m over budget;
- Homecare and Community Support placements are £1.9m above budget, which is offset by £1.4m additional income;

- Offset by savings on demand budgets in Supported Living £0.1m and Direct Payments £0.8m;
- Additional client income of £3.3m; additional £0.7m Leeds-ICB monies (BCF & non-BCF agreements) and £0.5m additional Partnership income from other Health settings in Leeds and £0.5m additional iBCF grant income.

Pay

This Outturn position reflects the agreed Employers 2022/23 pay offer of £1,925 per employee. The impact of this was an additional £2.4m pay related pressure, over and above the 2% budgeted position. This includes £0.3m for Passenger Transport pay costs (reflected in Internal Charges above). £0.4m has been recovered from higher charges to partnerships and grant funding. At Outturn there was a pay pressure of £1.2m, which is £1.2m lower than the budgeted pay impact due to recruitment difficulties in social work and social care. The balance will be funded from the use of iBCF grant monies. The savings would have been more material but for the high usage of Social Work agency staff to offset recruitment difficulties and address winter pressures on the social care system. Agency spend within the directorate was £4.1m (+£2.2m to 2022/23 budget), predominately to support the service around Winter Pressures.

Partnerships and Grant funding

Adult Social Care

In September 2022 the DHSC set out the Government's new 'Our plan for patients' to improve care for patients during Winter 2022 and 2023, announcing a £500m Adult Social Care Discharge fund to help people get out of hospitals and into social care support. Leeds City Council directly awarded £2,758,941 and Leeds-ICB awarded £5,188,000, with the total for Leeds being £7,946,941. The guidance requires the funding to be pooled via the Better Care Fund. All returns were submitted as scheduled and all grant funding fully utilised in 2022-23 financial year.

£2.235m new grant funding for Market Sustainability and Fair Cost of Care was included in the 2022-23 budget. This was upfront funding in preparation to go-live in October 2023 with new Care Act reforms, however the go-live date has slipped to October 2025. A minimum of 75% was allocated directly to support the care market, residential complex and both nursing settings and 25% for resources to implement the requirements of the Care Act. Additionally, a further £0.10m was received for ASC charging reform: implementation support funding grant determination for 2022-23 to support capacity for assessments and DIS requirements for the Care Act.

Passenger Transport charges were £1.1m above the £5.3m budget, split £1.0m Leeds City Council and £0.1m Leeds-ICB. £308k relates to the in-year pay pressure from the 2022/23 pay award and outlined in the pay section above and £750k for inflationary impact on fleet operating costs, private hire, and increased driver costs to cover sickness absence. The Council share will be covered by additional BCF income.

£0.7m of COVID grant funding relating to Clinically Extremely Vulnerable (CEV) was utilised to support winter grant payments to the Third Sector.

New grant funding of £18,957 for 2022/23 and £18,838 for 2023/24 announced to support the Department for Health & Social Care initiative, 'Care data matters: a roadmap for better data for adult social care', agenda and switch to Client Level data.

Public Health

Public Health (PH) Grant funding for 2022-23 was £47.126m; increase of £1.288m from 2021-22 (2.7%). Since the 2022-23 budget was approved new PH grant, £2.785m, for, 'Substance misuse funding for drug and alcohol treatment', has been awarded. This is a three-year announcement for which the Council will receive 2022-23 £2.785m, 2023-24 £4.445m and 2024-25 £8.445m. PH funding is a ring-fenced grant and the in-year underspend of £0.59m was transferred into the Public Health earmarked reserve.

For 2022/23 & 2023/24 financial years the Director of Public Health agreed to fund the pension costs arising under IAS19 accounting rules. The charge for 2022/23 was £625k.

The Director of Public health agreed £2m use of Public Health earmarked reserve in the 2022/23 financial year to support eligible areas of Public Health spend within Leeds City Council, primarily for winter support for leisure centres to remain open.

3.7.2 Children and Families – The outturn position for the Children and Families directorate is an overspend of £16.901m. This represents a decrease of £1.393m since the indicative outturn position reported at Month 11. The main movements from Month 11 are:

- Additional Public Health Contributions (£0.969m)
- Improvements across CLA budgets (£364k)
- Learning Grants Income (£219k)
- Learning Traded Income (£181k)
- Independent Support Work (£225k)
- Additional Transport Charges £700k

Overall, the main variations within the outturn position are:

	£m
Care Leavers: Semi-Independent Living	4.545
Care Leavers: Leaving Care Allowances	0.134
Additional UASC Income	(1.462)
CLA: In House Carers	2.028
CLA: External Residential Placement	3.026
Independent Support Work	0.470
Little Owls Nurseries	1.969
Transport	4.196
IFA Placements	0.649
Secure Welfare	0.297
Teachers Severance and Pensions	(0.634)
Projected Net Staff pressures	2.028
Legal Costs	0.764
Contribution from Housing Support Fund	(1.000)
ICB Contribution	1.900
Public Health Contribution	(0.969)
Non essential spend savings	(0.668)
Other Variances	(0.372)
Total	16.901

Task And Finish Group

A Task and Finish group was established to provide a joined up approach between Children and Families and other services to identify and progress mitigating action plans to reduce pressures throughout the year. A number of key actions were identified and progress was made against these as detailed within the narrative below.

The Outturn position includes savings of £0.769m which have been attributed to the actions identified and progressed within the Task and Finish group:

- CLA Leaving Care - £0.499m
- Transport - £0.200m
- Little Owls Nurseries - £0.070m

Care Leavers: Semi-Independent Living:

The budget for Semi-Independent Placements was £5.8m. At the start of the year there were 226 placements, at the end of the year there are 278 placements. This increase has been driven by a number of factors including an increase in 16 year olds exiting foster care, a bulge cohort of CLA in 15-17 year olds including the majority of UASC, and a continued flow of young people being remanded to our care by the courts or released from custody. Within these groups there are some who have high support needs which result in higher average placement costs.

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

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

- A review of young people ready to move out of OWL provision and into independent living within a short timescale has been undertaken, working closely to match these to suitable one-bed council tenancies.
- The result of this work has been creation of capacity across a significant number of OWL units, including 62 movements into or within OWL provision, made up of:
 - 31 young people moved into OWL provision from external placements
 - 31 young people moved within OWL to free up other units, or new into OWL through Leeds Housing Options (young people who would otherwise be deemed homeless)
- There remain a number of units which are expected to become available and matching to suitable young people will continue against these properties.
- Work continues to support moves both out of and into OWL, as well as designing/embedding a process to ensure continued flow, as and when young people are ready to move onto independent living.

The Semi-Independent outturn position includes £0.499m projected savings as a result of the task and finish actions highlighted above.

The Semi-Independent pressure has been mitigated by an additional £1.462m of projected income for unaccompanied asylum seekers (UASC).

CLA In House Carers:

The CLA In house carers outturn overspend of £2.028m includes the impact of the uplift of the weekly fees and maintenance allowances paid to Leeds Foster Carers £1.601m which was backdated to April 2022. This pressure was mitigated with a contribution of £1.000m from the Household Support Fund.

There was additional on Placement support with a number of home adaptations being approved for carers, resulting in an overspend of £427k within placement support.

External Residential Placements:

The External Residential budget for 2022/23 was £18.043m, which supports 74 External Residential placements. At Outturn, there were 95 placements resulting in an overspend of £3.026m. This is an increase of 10 placements since the last reported position at Month 11.

Little Owls Nurseries:

The Little Owls nursery settings have an overspend of £1.969m, an income pressure of £2.381m and non staffing cost pressure of £216k offset by staff savings of £628k. Whilst the Little Owls nurseries did experience further recovery in 2022/23, 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% from October to £51.70 per day, an increase of £2.50 per day. For comparison, the average market rate in Leeds is between £45 and £58 per day. The Little Owls fee increase that came into effect in October generated additional income of £70k in 2022/23 with a full year impact estimated to be £135k. In addition to the increase in fees there is a more comprehensive review of the Little Owls provision ongoing.

Transport:

The overall transport budget has an overspend of £4.196m. This position includes additional charges of £298k from WYCA due to increased drivers pay and fuel costs, with a further £3.898m pressure due to increased charges from Passenger Transport within CEL as a result of increased pupil numbers and increased costs.

Independent Support Work:

There is an overspend of £470k against the Independent Support work budget which mainly reflects the costs of supporting the needs of one child. The complexity and level of support provided in this case continues to be reviewed.

ICB Health Contribution:

An additional budgeted health contribution of £1.900m was not received in 2022/23. Children and Families continue to work with the ICB to consider alternative future funding or budget savings. Working collectively in this way will produce a plan that is much better for vulnerable children and young people by supporting them earlier and reducing the need for out of area placements.

Budget Action Plans

Of the £1.661m of budget action plans included within the base budget 2022/23 £0.575m of the action plans were not delivered as below:

- Diversifying Childrens Residential Provision £0.295m
- Passenger Transport £0.280m

3.7.3 City Development – the Outturn position for the City Development directorate is a largely balanced budget, with a small overspend of £23k. This represents a reduction of £92k from the provisional outturn position reported previously and is a negligible percentage overspend on the directorate’s net revenue budget of £31.6m.

As reported throughout the year, this position also includes the additional cost of the local government pay award which was £1.7m (net of amounts that are charged to capital schemes and grants) over and above the budgeted amount of 2%. The additional inflationary cost of energy across the directorate was funded from the energy contingency and reserves and therefore had no impact on the directorate’s overall year end position.

The restrictions on spending implemented during the year across the Council, including tighter vacancy controls and restrictions on non-essential spending, have contributed towards mitigating some of the pressures experienced during the year, as described below for each service area, to help achieve this largely balanced budget position.

- **Active Leeds** – the service achieved a small underspend of £0.06m at the year end. This included the additional cost of the unbudgeted element of the pay award of £0.7m, which was partially offset by staffing savings resulting from vacant posts (£0.3m) and running cost savings of £0.4m. Whilst the additional cost of energy of £0.6m at facilities was met from the corporate energy contingency and reserves, the in-year review of fees and charges helped the service to slightly over-achieve its budgeted level of income, contributing to the small year end underspend.
- **Arts & Heritage** – the year end overspend of £0.4m includes the impact of the pay award (£0.3m) and income shortfalls in a number of areas including box office, cafes, city centre room hire, Breeze pass, Pudsey Civic Hall car parking and admission charges at Kirkstall Abbey, largely offset by staffing vacancies and running cost savings.

Recent tribunal decisions on business rates payable for heritage properties have resulted in a one-off refund of £3.1m (net of fees) in respect of previous years’ rating liabilities being received at the year end in 22/23. It is proposed to transfer £0.75m of this to Business Rates reserves to mitigate the impact of the business rates deficit arising in part from the reduction in business rates income to the Council as a result of the refund. In addition, as it was originally anticipated that this refund would be made during the 23/24 financial year and £1.5m is budgeted for within the directorate in 23/24, it is proposed to carry forward the remaining £2.4m in an earmarked reserve to achieve the 23/24 budgeted saving and to provide additional funding for directorate savings requirements.

- **Employment and Skills** – the year end underspend of £0.5m reflects staffing savings of £0.19m and final grant income balances in respect of schemes which have now concluded.
- **Asset Management & Regeneration** – an overspend of £0.38m mainly reflects shortfalls in respect of the Strategic Investment Fund and Estate Rationalisation savings targets, partially offset by additional sources of income which includes capital receipt surveyors’ fees, an in-year review of commercial rental income, and other one-off sources of income such as the release of restrictive covenants.
- **Planning & Sustainable Development** – the year end position is an overspend of £0.25m. High volumes of caseloads and applications have resulted in

recruitment to all vacant posts which impacted on the service's ability to achieve its budgeted vacancy factor, and together with the additional cost of the pay award (£0.3m), this has resulted in a year end staffing overspend of £0.47m. Although there was a shortfall of planning fee income of £0.3m compared to the budgeted amount, additional building control and CIL administration income offset this and reduced the overall year end overspend to £0.25m.

- **Highways and Transportation** – the overall overspend of £0.26m includes the net impact of the pay award, vacant posts and additional agency/overtime (net - £0.4m); an increase in transport costs including fuel inflation (£0.6m); other hired and contracted services and partner costs required to cover vacant posts to deliver the work programs (£2.4m), partially offset by additional income of £2.4m and Street Lighting LED conversion contract savings of £0.2m. The additional cost of energy including street lighting (£1.1m) was met from corporate contingency/reserves.
- **Markets and City Centre** – a shortfall of £0.65m in respect of Markets income reflects vacant units mainly within the Kirkgate and Outdoor markets. Whilst this position represents a variance from budget, the budget is based upon a surplus position, therefore the year end position was a relatively small deficit (£0.1m). In addition, there were income shortfalls of £0.65m within City Centre in respect of city centre advertising income, income from street café licences and from hiring of event spaces in the city centre. Although these income shortfalls were partially offset by staffing and running cost savings of £0.11m, the outturn position of £1.19m over budget reflects the limited scope to achieve mitigating savings within these service areas.
- **Resources & Strategy** – staffing and running cost savings of £0.34m were identified within Resources & Strategy to partially offset the pressures identified in other service areas. In addition, to further help mitigate pressures across the directorate, £1.5m of Highways commuted sum balances received from developers to meet the future maintenance cost of adopted Highways were utilised, leading to an overall underspend of £1.84m within Resources & Strategy.
- **Staffing** – within the overall reported position described above there is a staffing underspend of £0.6m across the directorate including the estimated net impact of the pay award.

Key Budget Action Plans

The 2022/23 budget contained £3.2m of new savings plans and whilst most have been delivered as anticipated, the shortfalls in some areas are reflected within the overall directorate position.

In addition, there were shortfalls on the pre-existing Strategic Investment Fund and Estate Rationalisation budget savings plans and although these were not achieved within the current financial year, mitigating savings were identified as far as possible to offset these pressures.

3.7.4 Communities, Housing & Environment

At Outturn, the Directorate overspent by £1.37m, a movement of +£85k from the position reported to Members at Provisional Outturn. The Directorate's final position reflects the net impact of the pay award, £3.2m and fuel related pressures of £0.2m. These figures are contained within the service explanations below:

Car Parking (£0.5m saving) -

Staff costs are (£0.2m) due to vacancies. Whilst parking fees remained a pressure in 22/23 at +£0.7m below budget, other income including bus lane enforcement generated (£1.1m) above budget. +£0.1m has been transferred into an earmarked reserve to fund the required future upgrades of parking machines.

Environmental Services (£2m over budget) -

Staffing pressures are +£3.2m primarily due to the impact of the pay award +£1.7m, additional bulky collection routes were +£0.2m; Sickness, additional routes and cover, impact of the Queens funeral and spring snow costs are collectively £1m. Vehicle related spend was +£2.4m over budget including £2m on vehicle hire costs.

Historically there is a net cost associated with the disposal of green bin recyclable materials, however the Council received a high net income for this material until December 2022, prices have since dropped substantially since but (£1m) of unanticipated income has been received in 22/23 helping mitigate other pressures. Kerbside 'black bin' waste volumes spiked in 2020/21 but have now reduced back down towards their pre-lockdown period levels at a rate faster than had been assumed in the budget generating a (£1.6m) saving on disposal costs.

A PFI rebate and additional trade waste income totalling (£0.9m) were received.

Other variations net to +£0.1m

Parks and Countryside (£0.1m over budget) -

Staffing costs were (-£0.5m) under budget after the impact of the pay award, mainly due to vacant posts within the service.

Cancellation of bonfires delivered savings of (£0.1m) and (£0.6m) of prudential borrowing and bad debt provision savings were realised.

Inflationary pressures were experienced on fuel +£0.2m, the events programme +£0.1m and vehicle/equipment hire and maintenance +£0.3m.

Delays to construction of the new Parks attractions reduced net income by £0.2m in 2022/23 and bereavement services income was +£0.5m below budget with +£0.2m of running cost pressures. Other net underspends were £0.2m.

Community Hubs (£ balanced)

Staffing cost pressures after pay award are +£0.3m. There were £0.2m of income pressures along with £0.1m of extra cleaning/security costs. These pressures were offset by additional grant income, mainly Household Support Fund (£0.2m) and the Homes for Ukraine Grant (£0.2m).

Welfare and Benefits (£0.7m over budget)

A £3.9m pressure on Housing Benefit Rent Allowances and Rent Rebates stemmed from increased levels of Temporary Accommodation and Supported Accommodation where the Council cannot reclaim a 100% subsidy from the government. A project is ongoing to identify actions to reduce the instances of this going forward. Income from reclaimed Housing Benefit overpayments (£1.4m) better than budgeted and review of outstanding benefit arrears has resulted in a reduction in the provision for bad debt of (£0.7m). Total direct benefit pressures were a net £1.7m.

£1m additional funding from New Burdens Funding, Household Support Fund and other grant income has been received to reduce the overall net pressure in the service to +£0.7m.

Registrars, Licensing and Environmental Health (£0.3m under budget)

Staff costs are +£0.4m after pay award but running costs savings of (£0.2m) and additional income of (£0.5m) from registrars and funding from the COVID recovery fund were delivered to offset the pay award.

Safer Stronger Communities (£0.3m under budget)

Staffing costs are +£0.5m after the pay award.

CCTV running costs savings of (£0.2m) and other cost pressures have been covered by grant income, mainly staff in the service being funded by the Homes for Ukraine Grant.

Housing General Fund Services (£0.3m under budget)

This is primarily due to additional grant income of (£0.2m) and staffing savings of (£0.1m).

3.7.5 Resources - Based on an examination of key risk budgets, the Outturn position for the Resources Directorate is an overspend of £4,995k. The increase from the previous period is £1,103k.

The overall £1,103k increase is due to;

- **Shared Services £216k improvement**, due to staffing savings £56k, additional Print and Signs Income £80k, additional internal income including from schools £80k.
- **Legal Services £136k improvement**, due to £122k additional external court income, £75k additional internal income, offsetting £61k additional agency staff costs.
- **Democratic Services £58k improvement**, due to staffing savings of £36k and lower than budgeted spend on Civic Allowances £22k.
- **Strategy and Improvement £205k improvement**, due to staffing savings of £74k, additional capitalisation saving of £88k, savings of £43k across other minor areas.
- **Finance £180k improvement**, due to £250k less income than projected on Court Fees being offset by; savings on Pension costs £50k and Bailiff charges £52k, and additional income on New Burdens £113k, Insurance Reserve £40k, Interest £65k, Innovation Funding £93k, and internal income £17k.
- **Procurement and Commercial Services £175k improvement**, due to additional income.
- **Human Resources £329k improvement**, due to £35k improvement on training costs, £50k improvement on Other Hired and Contracted Services, £35k improvement on internal charges, an increase in external income of £109k (Academies), and £100k additional funding for posts.
- **Catering £15k increase**, due to £408k increase in food costs, £160k increase in staffing, offset by additional income of £553k of which £215k was from Adult Social Care.
- **Cleaning, Security and Overheads £289k increase**, due to £116k increase in staffing, £80k inflationary pressure on supplies and services, £93k increase in transport costs mainly as a result of inflationary pressures on fuel and the impact of an aging fleet.
- **Sustainable Energy and Air Quality £171k improvement**, due to reassessment of provisions and external income.
- **Facilities Management £359k increase**, £35k increase in staffing, £155k additional building maintenance charges, £169k increase in Civic Building

charges. Included within this figure the service has also incurred additional security and front of house costs of approximately £100k and not passported to client services.

- **Corporate Property Management £387k increase**, £435k increase in building maintenance charges, £20k additional contractor charges, £68k additional capitalisation income.
- **Fleet Services £351k increase** mainly as a result of the inflationary pressures on fleet and the impact of an aging fleet which is being addressed through an updated vehicle replacement programme. Specifically, the increased costs include £82k increase in supplies and services, £133k increase in Transport costs, £136k pressure on income.
- **Leeds Building Services £1,172k increase** due to the impact of construction inflation and inflationary pressures for vehicle fuel and the full year effect of maintaining additional vehicles purchased in the previous financial year. This resulted in an overspend position of £1,831k for the service.

The overspend position is summarised into the following areas across the Directorate's services:

Procurement £453k

A target of £4m Procurement savings across the authority formed part of the 2022/23 approved budget. Whilst a proportion of these savings were set against specific contract areas, £2.3m had yet to be identified. Additional unbudgeted income from the Revolving Investment Fund mitigated some of this pressure. In year mitigations amounting to £1.85m have also been identified to reduce the savings target.

Legal Services £132k

Agency overspend of £272k, expenditure overspends of £36k, internal income pressures of £207k are being offset by staffing savings of £261k and additional external court income of £122k.

Democratic Services -£25k

Staffing overspends of £45k are being offset by expenditure savings of £70k.

Sustainable Energy and Air Quality -£454k

Staffing savings of £111k, additional income of £66k, reduction in CAZ provision for doubtful debts associated with loans for electric vehicles £226k, PSDS Revenue Budget Savings £73k; Leeds Pipes General Fund over budget by £22k.

Shared Services £1,096k

Staffing overspends of £2,207k which consists primarily of the pay award of £1,728k, agency overspend of £116k and overtime overspend of £100k. The overtime and agency overspend is mainly due to staffing pressures within the Business Admin Service and Contact Centre due to vacancies and high turnover of staff, while still providing statutory services. Also included in this overspend is a Salary Sacrifice pressure of £390k, pressures are being offset by supplies and services savings and additional income of £382k and income from the covid recovery fund and invest to save of £1,119k.

Integrated Digital Services -£11k

Staffing underspends of £4,081k, expenditure underspends of £330k, pension savings of £40k, and additional unbudgeted external income of £640k, have been offset by unbudgeted contractor costs of £3,051k, overspends on overtime of £130k, overspends on training of £200k, and income shortfall of £1,699k as staff levels were lower than structure and thus resulted in fewer staff than budgeted working on chargeable projects.

Strategy and Improvement -£167k

Staffing overspends of £51k, and other expenditure of £113k are being offset by £331k additional income, including £110k covid recovery funding.

Finance £97k

Staffing overspends of £866k, are being offset by savings of £18k on transport costs, unbudgeted Government funding of £552k, additional court fee income of £53k, additional council tax income £100k, and additional charges to the Insurance Reserve of £46k.

Human Resources -£222k

Staffing overspends of £1,084k and other expenditure overspends of £266k offset by use of reserves and government income to pay for interns and Kickstart posts of £1,572k.

Leeds Building Services (LBS) £1,831k

Leeds Building Services has been impacted by the widely reported inflationary pressures within the construction sector increasing the costs of service provision. The service has also been impacted by general inflationary pressures within the wider economy for vehicle fuel and the full year effect of maintaining additional vehicles purchased in the previous financial year. The reported position includes mitigations as a result of; staff savings, further improvement in sickness levels, use of contingency and anticipated overhead savings. Whilst sickness levels have improved considerably over the year, they have not yet reached the budgeted levels of reduction.

Due to the pressures being faced by LBS in 2022/23 and a change in systems which led to the Work in Progress reported being overstated, a contribution of £2.27m was made from the Strategic Contingency Reserve and is reflected in the position reported here. Work is being undertaken to review the systems and processes within LBS to recommend areas for improvement.

Corporate Property Management £386k

Building maintenance charges overspends of £540k are being partly offset by staffing savings of £67k and additional income of £87k.

Catering £519k

Staffing overspends of £215k, inflation increases on food and other costs of £689k offset by additional income from Adults and Health of £385k in relation to in year inflationary pressures on the Meals and Home and Day centre provision.

Cleaning, Security and Overheads £435k

Staffing overspends of £1,537k and transport expenditure of £532k, are offset by £1,616k increases in income and £18k savings across supplies and services expenditure.

Fleet £652k

Staffing overspends of £104k, transport expenditure has increased including the hire of pool vehicles by £300k this is due to an aging fleet and inflationary pressures have had an impact on the purchase of vehicle spares and tyres of £248k.

Presto £155k

Staffing savings of £50k and £205k shortfall in income.

School Crossing Patrol -£76k

Staffing savings of £57k and expenditure savings of £19k.

Passenger Transport £Balanced

Due to demand pressures, Children's Services have been advised to report a spend of £16.5m, and Adult Social Care £6.3m. As costs are recharged the position in Resources is reported as balanced.

Facilities Management £194k

Staffing overspends of £70k, premises costs £124k due to security charges and building maintenance. Within this figure the service has also incurred additional security and front of house costs of approximately £100k not passported to client services.

3.7.6 Strategic & Central Accounts – The Outturn position for the Strategic accounts is an underspend of £10.9m. This includes additional grant income of £1.3m announced during the year, which is the Council's share of the national business rates levy account surplus for the year, and an additional one-off £1.7m use of earmarked reserves. Unallocated miscellaneous income of £1.5m has also been recognised at the year end.

The total underspend of £28.7m in the debt budget includes the application of the remaining £22.3m balance of the Merrion House capital receipt which has been used to repay debt, with a consequent reduction in the level of MRP (minimum revenue provision). The resulting saving has been transferred to an earmarked revenue reserve to be carried forward to future years. Outside of this transaction, there has been an underspend of £6.4m in the debt budget. Within this figure external interest costs were £5.2m below budget, of which £4.0m was attributable to the general fund and the remainder to the HRA, and external interest income was £1.0m higher than had been budgeted for. An additional £0.2m of de-minimis capital receipts (i.e. individual receipts of below £10k, primarily from the sale of vehicles) was also recognised as revenue income. However, these gains were partially offset by a reduction in prudential borrowing recharges to other directorates of £1.3m. The MRP charge for the year was £1.9m lower than had been budgeted for, largely as a result of slippage in the 2021/22 capital programme, and the value of PFI lifecycle costs charged to capital was £0.4m higher than was budgeted for.

Other gains recognised include an increase in recharges to Public Health of £0.6m in relation to projected pension liabilities, and minor underspends of £0.3m in the

Miscellaneous budget and £0.2m in the Joint Committees budget. A £0.4m charge has been made to set aside a provision in relation to energy costs at properties where heat pumps have been installed, where invoicing to date may not yet reflect energy usage following the installations. Against these gains, income has been less than budgeted by £0.6m in relation to S278 contributions due to slippage in the progress of some schemes, and there has been a reduction of £0.4m in income distributions from the regional Business Rates Pool.

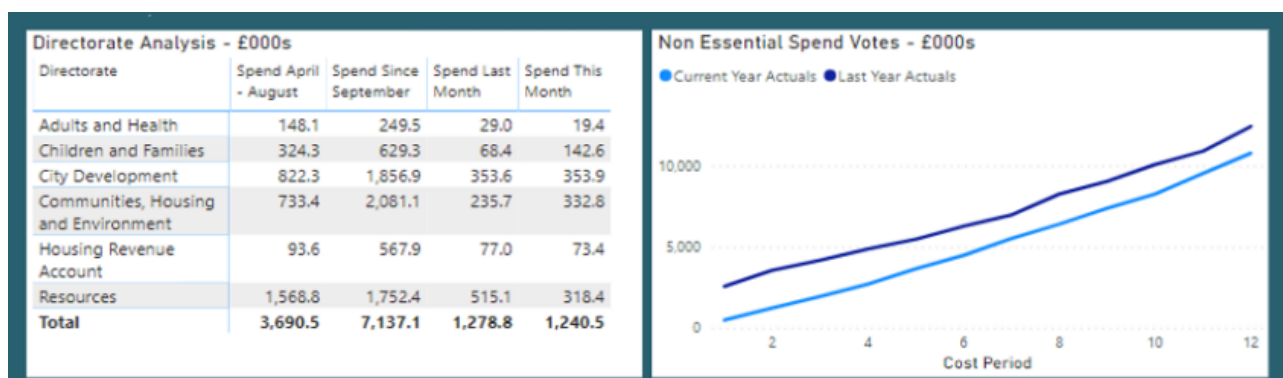
The Strategic accounts position also reflects additional £8.0m of S31 grants for business rates and an additional £2.2m of New Homes Bonus grant, which have both been transferred to reserves to be carried forward for use in future years.

3.7.7 Directorate dashboards show an overall overspend of £12.4m. With the Board's approval, this overspend will be funded by the utilisation of earmarked reserves, namely the Strategic Contingency Reserve. This transfer from reserves is shown within the Strategic accounts, which therefore record an overall underspend of £23.3m once the additional transfer of £12.4m is taken into account. Ongoing pressures identified in directorates in the current year have been built into the 2023/24 budget.

3.8 Monitoring Non-essential Spend

3.8.1 As referenced at paragraph 3.4, one of the agreed actions to address the overspend position in 2022/23 has been a freeze on non-essential spend. A process to monitor a range of financial codes where spend on non-essential supplies and services is likely to occur was established and Executive Board have been updated throughout the year on the outcome of this monitoring. It is not expected that no spend will be incurred on these codes as a variety of supplies and services will be included and spend on similar items may be essential in one service but non-essential in another. Despite rising price inflation expenditure on these non-essential supplies and services remains below that of 2021/22.

Table 2: Non-essential Spend Outturn 2022/23



3.8.2 The table on the left shows the spend incurred between April and August 2022 and spend incurred after August 2022 following implementation of the freeze. At Outturn, spend in scope between April and August 2022 totalled £3.7m and spend since September 2022 has totalled £7.1m, which includes spend of £1.3m in February and £1.2 in March.

3.8.3 The graph on the right compares 2021/22 and 2022/23 spend on these financial codes. At Outturn 2021/22 £12.478m of expenditure had been incurred, compared with £10.816m in the current year, a £1.7m or (13.3%) reduction in spend against these codes.

3.9 Budget Action Plans

3.9.1 The budget for 2022/23 required the delivery of £16.5m of savings. Detailed budget action plans were developed to identify how these savings would be achieved and progress against these action plans has been monitored and reported throughout the year. Further detail is provided at **Appendix 3**.

3.9.2 At Outturn the majority of savings have been delivered in full through the identified saving plans or through mitigating actions identified by each Directorate, the exceptions being:

- Children & Families – £0.575m shortfall to expected savings on Passenger Transport and Diversifying Children’s Residential Provision.
- Resources – £2.522m shortfall to expected savings due to: £2.046m shortfall in the anticipated level of procurement savings within PACS, £155k shortfall in the expected catering income, £135k shortfall in BSC Shared Cost Additional Voluntary Contributions impacted by cost of living and £186k shortfall in the BSC Salary Sacrifice Schemes because of delays in rollout and upfront costs.

3.9.3 Although other directorates have indicated shortfalls regarding fully meeting their targeted budget action plans totalling £2.185m, they have identified other mitigating measures to offset these shortfalls as discussed in section 3.7.

3.10 Inflationary Pressures

3.10.1 At the end of the 2022/23 financial year there is an overspend of £12.4m against the Council’s 2022/23 revenue budget. This reported position reflects the agreed national employers’ pay offer and known inflationary rises and cost of living pressures.

3.10.2 Pay Award – The 2022/23 budget allowed £9.5m for an assumed 2022/23 pay award incorporating a Real Living Wage of £9.90 per hour at pay scale points 1 and 2 and a 2% pay award for all other staff. The agreed pay offer for 2022/23 resulted in a pay increase of £1,925 to all employees. The additional cost associated with this was incorporated into the Council’s reported financial position at Month 4. In September the Real Living Wage was announced at £10.90 per hour and this increased rate has been incorporated into future year Council’s budgets.

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

The 2022/23 budget of £14.36m allowed for a 5% increase in energy costs for gas and electricity. In addition, the Council set aside £3.9m of energy contingency funding. The reported position at Outturn reflects General Fund expenditure on energy of £18.9m plus the requirement to make a provision of £0.4m in relation to energy costs at properties where heat pumps have been installed, where invoicing to date may not yet reflect energy usage following the installations. The resulting pressure of £4.9m has been met by applying the £3.9m of energy contingency

funding in full and through use of further reserves of £1m. Actions continue to be taken to review energy usage across the Authority's estate.

3.10.4 Fuel – Fuel prices in 2022 increased in the wake of Russia's invasion of Ukraine in February 2022. Despite escalating prices in the earlier part of the year, we have now seen that the average UK pump prices for diesel and unleaded petrol saw decreases of 10.11% and 6.38% respectively between March 2022 and March 2023. Although prices have fallen significantly in later 2022/23, the 2022/23 budget did not allow for any increases in fuel prices. Increases above the total 2022/23 budgeted amount of £7.7m have required directorates to develop action plans to mitigate.

3.10.5 Cost of Living Pressures – Further to the inflationary pressures detailed here, there has been a wider inflationary impact to the Council due to the impact of the 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 as a consequence of rising inflation. The position will continue to be closely monitored during 2023/24.

3.11 Use of the Merrion House Capital Receipt

3.11.1 In April 2023 the Board approved the application of the remaining balance of the Merrion House capital receipt to redeem debt in 2022/23, to reduce MRP by the same amount and to contribute the resulting £22.3m revenue saving to earmarked revenue reserves.

3.11.2 This outturn report reflects this contribution to the Merrion House earmarked revenue reserve. These funds will be available to fund future unforeseen budget pressures and to ensure the Council continues to become more financially resilient, particularly given the use of £12.4m of the Strategic Contingency Reserve to balance the 2022/23 position as discussed at paragraph 3.10.

3.12 Funding from other resources

3.12.1 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".

The Council's budget for 2022/23 included the planned utilisation of £14.4m of capital receipts for transformational projects. Full Council approved an increase to £17.2m of planned use when the Council's 2023/24 budget was presented to them in February 2023. This "Planned Spend" is as shown at Table 3. Today's report further updates the position with an additional £0.8m of planned use, bringing the total planned use for 2022/23 to £18.0m. The additional projects detailed below are included in Table 3 "Revised Planned Spend" figures, with further detail at

Appendix 4:

- Highways Enterprise Architecture Scheme (City Development) £0.70m
- Capital scheme support (City Development) £0.06m
- Capital scheme support (City Development - LUF) £0.07m

At Outturn, the actual use of capital receipts for transformational projects is £11.4m, £6.6m below the revised planned usage. For the most part this is due to slippage in the programmes for Core Business Transformation and delivery of key IDS projects across the Authority.

Table 3: Expenditure funded through flexible use of capital receipts (Outturn)

2022/23 - EXPENDITURE FUNDED THROUGH FLEXIBLE USE OF CAPITAL RECEIPTS							
Directorate	Planned Spend (Exec Board Feb '23) £m	Revised Planned Spend £m	Outturn £m	Variance to Revised Planned Spend £m	Budgeted Savings £m	Outturn £m	Variance to Budget £m
Adults & Health	2.14	2.14	1.96	(0.18)	(4.00)	(4.00)	0.00
Children & Families	0.65	0.65	0.65	0.00	0.00	0.00	0.00
City Development	0.00	0.83	0.20	(0.63)	0.00	0.00	0.00
Communities, Housing & Environment	0.12	0.12	0.00	(0.12)	0.00	0.00	0.00
Resources	7.44	7.44	5.00	(2.44)	(5.52)	(3.52)	2.00
Strategic/ Corporate	6.83	6.83	3.60	(3.23)	(1.00)	(1.00)	0.00
	17.18	18.01	11.40	(6.60)	(10.52)	(8.52)	2.00

As noted above, the 2022/23 Outturn position includes the utilisation of £11.4m of capital receipts to support transformation projects. The key projects to be funded in this way include £3.6m on digital transformation, £1.6m on the Core Business Transformation Programme and £1.8m for service transformation in the Adults & Health directorate. £4.4m supports delivery of various smaller transformational projects across the directorates. A summary by directorate is provided at Table 3.

The budgeted level of savings to be realised through the flexible use of Capital Receipts in 2022/23 is £10.5m. The Outturn position reflects savings of £8.5m at the year end, also summarised in Table 3. These savings have also been incorporated into Directorate outturn positions at paragraph 3.7.

3.12.2 Invest to Save / Innovation Fund

Table 4: Invest to Save/Innovation Fund Quarter 4

	£k	£k	Year End Actual Spend	Year End Actual Savings
Funds uncommitted and available at start of 2022/23		(1,621)		
Less Funds Committed 2022/23 to Qtr 4:			£k	£k
City Development	100		100	0
Communities, Housing & Environment	130		0	0
Resources	577		388	(30)
		807	488	(30)
Therefore Funds uncommitted and available		(814)		

The Invest to Save and Innovation Funds are designed to strengthen the Council's longer term financial resilience. The Invest to Save fund is used for service improvements or transformational projects where a proof of concept has already been delivered and an initial revenue investment would directly generate cost reductions or income for the Council. Allocations from the fund will be repaid from the savings generated and it is therefore self-financing. The Innovation Fund is

designed to provide pump-priming investment for those more conceptual schemes which need to be developed further. It is acknowledged that not all of these schemes will be successful, but for those that are, the fund would be repaid with the aim of it becoming self-financing.

The funding uncommitted and available for Invest to Save and Innovation Fund schemes at the start of 2022/23 was £1.621m. At the end of Quarter 4, £0.807m has been committed leaving an uncommitted and available balance of £0.814m. £0.488m has been spent in year. This spend includes the production of a feasibility study for a solar farm and the development of a cloud-based Adult Social Care referral system. This targeted expenditure has resulted in a saving of £0.030m in 2022/23, with further savings to be realised in future years, as summarised in Table 4.

3.12.3 COVID-19 Backlog Recovery Fund

This fund has been established to meet costs related to clearing backlogs caused by the COVID-19 Pandemic. The funding uncommitted and available at the start of 2022/23 was £2m. At the end of Quarter 4, £1.996m has been committed leaving an uncommitted and available balance of £0.004m. £1.337m of the £1.996m has been spent in 2022/23. This position is summarised in Table 5.

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

Table 5: COVID-19 Backlog Recovery Fund Quarter 4

	£k	£k	Year End
Funds uncommitted and available at start of 2022/23		(2,000)	Actual Spend
Less Funds Committed 2022/23 to Qtr 4*:			£k
City Development	146		0
Communities, Housing & Environment Resources	258		192
	1,592		1,185
		1,996	1,377
Therefore Funds uncommitted and available		(4)	

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

3.13 Early Leaver's Initiative

The Council has operated a voluntary retirement and severance scheme since 2010/11 which has contributed to a reduction in the workforce and subsequent savings which have contributed towards the Council being able to deliver balanced budget positions. In 2022/23 approval has been given for 25.51 FTEs to leave the Authority through the Early Leaver's Initiative (ELI) as part of restructuring exercises. This will generate savings of £3.825m (before reconfiguration costs) over the five year period up to and including 2027/28.

3.14 Treasury Management

3.14.1 As reported in 3.7.6 above, the revenue debt budget reported a £6.4m underspend after excluding the application of the Merrion House capital receipt. The net borrowing of the Council as at 31st March 2023 is £2.40bn. This was in line with the most recent update to Executive Board provided in February 2023 as part of the

2023/24 Treasury Strategy report and is £0.2bn lower than the level on which the 2022/23 revenue budget was based.

3.14.2 Further details are presented in the Treasury Management Outturn 2022/23 report to this Executive Board.

3.15 Movement from Provisional Outturn to Outturn

3.15.1 Table 6 summarises the movement from the Provisional Outturn position reported to Executive Board in April and the Outturn position presented in this report.

Table 6 Movement between Provisional Outturn and Outturn by Directorate

Directorate	Provisional Outturn (April Exec Board) £k	Final Outturn (June Exec Board) £k	Variance Provisional to Final £k
Adults & Health	0	0	0
Children and Families	18,294	16,902	(1,392)
City Development	115	23	(92)
Communities, Housing & Environment Resources	1,283	1,368	85
	3,892	4,995	1,103
Directorate Sub-total	23,584	23,288	(296)
Strategic	(7,292)	(10,935)	(3,643)
Total	16,292	12,353	(3,939)

4. Housing Revenue Account (HRA)

- 4.1** The outturn for the year on the HRA shows a net overspend of £6.8m when compared against the 2022/23 budget. This is primarily due to the overspend on the repairs and disrepair budgets due to a combination of significant inflationary pressures in the sector and the costs associated with bringing back void properties into use and the demand for repairs.
- 4.2** Savings of £0.4m on staffing costs, net of the impact of the pay award, arose as a result of vacant posts in the service.
- 4.3** Premises costs were approximately £1.2m higher than budgeted. This was principally due to pressures on the price of gas and electricity plus the cost of paying council tax on additional void properties.
- 4.4** Against a budget of £47m, expenditure on maintaining and repairing the Council's housing stock was £11.4m over budget. This was due to significant price pressures within the construction industry along with the cost of bringing additional void properties back into use and an increased number of repairs
- 4.5** Supplies and Services underspent by £0.3m resulting from a detailed review of all expenditure as part of the authority's response to budget pressures.
- 4.6** Services commissioned from the Council were £4.6m below the budgeted level as a result of a review of the internal recharges during the year.
- 4.7** Following a review of the level of tenant arrears the contribution to the provision for doubtful debts was £1.2m higher than budgeted. The total provision for bad debts is now £8m.

- 4.8 The revenue contribution to the Capital Programme was £3.2m lower than budgeted by due to a combination of slippage in the capital programme and higher RtB receipts available to fund the programme.
- 4.9 The Capital charges (debt costs) underspend of £1.7m reflects the reduction on in year spend on the Council House Growth programme.
- 4.10 In summary, the above variations have produced an overspend on the HRA of £6.8m which will be required to be funded from earmarked reserves as shown at Table 7.

Table 7 HRA Outturn Variance

	Variance to Budget £m
Rent / Other Income	1.0
Employees	(0.4)
Repairs /Disrepair	14.5
Running Costs	(5.1)
Revenue Contribution to Capital	(3.2)
	6.8
Transfer from Reserves	(6.8)

- 4.11 A summary of the HRA Outturn reserves position is shown in Table 8.

Table 8 HRA Outturn Reserves Position

Final Position on Reserves	Reserves B/fwd £000	Use of Reserve £000	Contribution to Reserve £000	Closing Reserve 22/23 £000
Major Repairs Reserve				
MRR (General)	(10,938)	8,057		(2,881)
MRR (New Build)	(318)			(318)
Major Repairs Reserve	(11,256)	8,057	0	(3,199)
Earmarked Reserves				
Revenue Disrepair/Repairs	(1,640)	1,571		(69)
Housing Advisory Panels	(204)	165		(39)
Efiles Box it Project	(257)	257		0
Changing the Workplace	(151)		(150)	(301)
Wharefedale View	(34)		(20)	(54)
Local Authority Housing Fund	0		(2,589)	(2,589)
Earmarked Reserves	(2,286)	1,993	(2,759)	(3,052)
HRA General Reserve	(7,375)		(300)	(7,675)
PFI Reserves				
Swarcliffe PFI sinking Fund	(4,627)	428		(4,199)
LLBH&H PFI Sinking Fund	(3,911)	148		(3,763)
PFI Reserves	(8,538)	576	0	(7,962)
Grand Total	(29,456)	10,626	(3,059)	(21,889)

5. Schools

Dedicated Schools Grant

5.1 The 2022/23 outturn position for schools is shown in table 9 below;

Table 9 Schools Outturn Position

Outturn	£m
Schools Reserves	
Balance Brought Forward	37.0
Net Contribution To / (From) Reserves	(10.8)
Balance Carried Forward	26.2
Extended Services & Partnerships	
Brought Forward	6.2
Net Contribution To / (From) Reserves	0.8
Balance Carried Forward	7.0
Dedicated Schools Grant	
Balance Brought Forward	0.1
Net Contribution To / (From) Reserves	8.9
Balance Carried Forward	9.0

- 5.2 As schools are funded from the Dedicated Schools Grant (DSG) their reserves are ring fenced and must be carried forward. At 31st March 2023, maintained school reserves stand at £26.2m.
- 5.3 Taking into account the maintained school reserves of £26.2m, and £2.0m of borrowing against these for funding provided in previous financial years to resource early intervention and preventative services (£2.0m of the £4.0m originally borrowed has already been repaid), the net position for maintained school-related reserves is £24.2m as at 31st March 2023.
- 5.4 Extended Services & Partnerships reserves amount to £7.0m as at 31st March 2023. These include balances held by Area Inclusion Partnerships and Clusters.
- 5.5 At the start of 2022/23 the in-year DSG budget was assumed to balance whilst the ring fenced DSG reserve had a surplus balance of £0.1m. During 2022/23 there has been a net movement of £8.9m, which results in a surplus balance of £9.0m to be carried forward into 2023/24. This surplus balance will be retained in the DSG reserve and considered in spending decisions in 2023/24.
- 5.6 Compared to Month 11 projections the DSG underspend increased by £5.7m at outturn, a 1% movement compared to total DSG income of £492m. The most significant area of movement was within High Needs where projections reduced by £5m, mainly related to forecasts for out of area and residential placements as well as forecasts for requests for top-up funding for pupils with Special Educational Needs and Disabilities (SEND).
- 5.7 The in-year movement has resulted in a number of opportunities for investment which are set out below at paragraph 5.16. Monitoring of the DSG is undertaken throughout the year and reflects previous years' spending profiles. The actual spend for 2023/24 did not reflect previous spending profiles and an expected increase in spending did not occur in the latter months of the financial year, due in part to the implementation of actions to reduce spend and cost as detailed in 5.13 below. This year's spending profile will be subject to significant monitoring and scrutiny and will factor in learning from this year's spending profile.

- 5.8** The surplus DSG balance is a result of underspends across:
- Schools Block (£1.1m)
 - Early Years Block (£0.9m)
 - High Needs Block (£6.8m)
 - Central School Services Block (£0.1m)
- 5.9** The Schools Block underspend of £1.1m includes a saving of £0.9m against the de-delegated schools budget, of which £0.5m represents the clawback of school excess surplus balances from 2021/22 which was supported by Schools Forum. This clawback will be used in 2023/24 to contribute towards the reduced de-delegated contributions by schools to the Schools Contingency Fund 2023/24. The Schools Contingency Fund supports Schools in Financial Difficulty, funds exceptional unforeseen costs within schools as well as the Schools Urgent Improvement Fund.
- 5.10** There was already a de-delegated surplus of £1.1m brought forward from 2021/22 and, excluding the £0.5m set aside for 2023/24 costs, the 2022/23 underspend results in a closing de-delegated surplus of £1.45m. It is proposed that £1.25m of the surplus will be re-distributed back to schools pro rata to their original contributions. This would leave £0.2m surplus retained by the council as a contingency against future de-delegated costs.
- 5.11** The Early Years Block underspend of £0.9m (1.5% of funding received) is mainly attributed to additional Funded Early Education Entitlements (FEEE) for 3-4 year olds. Early years funding received is based on termly census data and paid out to providers based on termly headcounts of the children attending settings. As a result of this there is always a difference between the funding received by the LA and that paid out to providers. To recognise this differential a decision was made to increase the 2022/23 base hourly rate paid to providers which effectively paid a higher hourly rate to providers than the LA received. The hourly rate is reviewed each year and the latest forecasts for census data and headcounts continue to be used when setting this.
- 5.12** The High Needs Block is underspent by £6.8m. As noted earlier the actual spend for 2023/24 did not reflect previous spending profiles and an expected increase in spending did not occur in the latter months of the financial year, due in part to the implementation of the actions detailed below to reduce spend and cost. The £6.8m underspend is comprised of:
- Growth in new places and costs - – this was originally budgeted at £2.6m but only £1m of this materialised, giving a net £1.6m underspend. This was due to lower growth than originally expected based on trend analysis. The £1m growth that did materialise was in:
 - SILC and Resource provision places - £220k more than the original budget
 - Top-up funding paid to settings - £845k more than the original budget
 - Out of area and residential placements - £3m underspend (see further detail below)
 - Supplementary Funding from the ESFA - £0.9m was unspent after £3.2m had been paid to settings. The £0.9m had been retained as a contingency rather than allocated to settings, due to the potential volatility of high needs spend during the year and expected pressures in future years.
 - Invest to Save - £0.6m underspend (see further detail below)

- Services provided by Children & Families - £0.6m underspend (see further detail below)
- Other minor variances - £80k

5.13 Over the last year practice improvements and developments have been made in relation to Out of Area and External Residential independent placements, leading to a fundamental shift in the way the service process, consider and decide on independent placements. The key improvements which have contributed to the budget savings include:

- Improved rigour in spending decisions
- Greater scrutiny of Independent Schools
- Lack of availability in Independent Schools
- More robust conversations with Independent Schools

5.14 The Invest to Save proposal was reliant on successful recruitment to a SEND Early help service in response to school's needs. Unfortunately, the first drive of recruitment was unsuccessful. This has now been reviewed and revised and is currently in process.

5.15 The services provided by Children and Families, particularly the Sensory Service, experienced difficulties in recruitment to the highly specialised posts. Successful recruitment has now been achieved

5.16 A number of proposals are being considered which will ensure that a proportion of the high needs surplus will be passported back out to institutions in 2023/24 and/or additional LA support provided. These proposals are currently being worked through by the service but may include:

- Increase the Funding for Inclusion (FFI) unit value rate over the next year
- Increase SEND support to schools from LA teams
- Increase SEND Early help teams (invest to save)
- Review funding for schools with high numbers of SEND pupils
- Increase in AIP funding

5.17 The proportion of the high needs surplus to be passported back to institutions will need to be considered in conjunction with an updated DSG Medium Term Financial Strategy. There remains a high level of risk and uncertainty in relation to future high needs funding, demands and complexities.

5.18 The Central Services Schools block has a minor underspend of £0.1m due to savings within the Admission Service.

5.19 In summary a total a surplus balance of £9.0m will be carried forward to 2023/24, comprising a general DSG surplus of £7.1m with an additional surplus balance of £1.9m on the de-delegated DSG. This represents 1.8% of the total DSG funding of £492m received in 2022/23. This position will be reported to Schools Forum in June.

6. Reserves

Table 10 Total Reserves

Reserves	Balance at 01.04.22 £m	Transfer to/(from) £m	Balance at 31.3.23 £m
General Fund:			
General Reserve	(33.2)	0.0	(33.2)
Earmarked Reserves	(131.2)	32.5	(98.7)
Ring-fenced & Grant Reserves	(12.2)	(4.7)	(16.9)
Total	(176.7)	27.9	(148.8)
Schools:			
Ring-fenced Reserves	(43.3)	1.1	(42.2)
Housing Revenue Account:			
General Reserve	(7.4)	(0.3)	(7.7)
Earmarked Reserves	(22.1)	7.9	(14.2)
Total	(29.5)	7.6	(21.9)
Total Reserves	(249.5)	36.5	(212.9)

6.1 A full statement of all Council reserves can be found at **Appendix 5** and a summary is provided in Table 10. Overall, with Board approval, the Council's total reserves will reduce to £212.9m, a reduction of £36.5m overall when compared to the position at 31st March 2022. This includes a decrease in General Fund earmarked reserves of £27.9m, which assumes the Board's approval to use the Strategic Contingency reserve to balance the outturn position.

6.2 Strategic Contingency Reserve

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

6.2.2 The closing balance on the Strategic Contingency Reserve for 2021/22 was £37.5m. The 2022/23 budget reflected a net contribution of £6.6m from this reserve, and this is reflected in the Outturn position.

6.2.3 In year contributions to this reserve include £2.2m in respect of additional New Homes Bonus receipts, £1.6m in respect of provisions no longer required by Adults and Health (see paragraph 3.7.1), £1.3m of revenue gains from the application of flexible capital receipts where it was agreed the gain would benefit the Council as a whole rather than specific directorates and £1.4m of unused contingency funds from the Strategic and Central Accounts.

6.2.4 As discussed in paragraph 3.12.3, at Outturn £1.38m of this balance has been committed to fund backlog recovery of affected services following the COVID pandemic, including targeting the backlogs of work which have built up in some services, and £0.97m has been utilised to offset prior year targeted savings within Fleet Management. A further £0.8m had been committed to fund smaller projects including £0.5m set aside to support Recruitment and Workforce Capacity work, against which £0.4m of spend has been incurred and remaining resources will be carried forward as required.

- 6.2.5** Due to pressures being faced by LBS in 2022/23 and a change in systems which led to the Work in Progress reported being overstated, a contribution of £2.27m was made from the Strategic Contingency Reserve and is reflected in the Resources position reported at paragraph 3.7.5.
- 6.2.6** Overall, these transactions leave an available balance of £32.3m at 31st March 2023 before addressing the 2022/23 overspend position, a net reduction of £5.2m.
- 6.2.7** Subject to Executive Board approval, application of £12.4m to balance the 2022/23 position reduces the available balance in this reserve to £19.9m. This use is included in the position shown in Table 10 and at Appendix 5. Since the approved 2023/24 budget requires a net contribution of £14.3m from this reserve, this would leave an estimated balance on the Strategic Contingency Reserve of £5.6m at 31st March 2024.

COVID Reserve and Other General Fund Earmarked Reserves

- 6.3** In addition, a specific COVID Reserve was created in the 2021/22 Budget to be applied to any pressures arising which exceed the initial estimate of the COVID impact. A balance of £3.5m was carried forward into 2022/23, £2.1m of which has been applied in year with the remaining balance to be applied to ongoing COVID pressures in 2023/24.
- 6.4** As discussed in paragraph 3.10.3, the Energy Contingency Reserve has been applied in full to the overspend on energy costs, a net reduction on £1.1m in the reserves position.
- 6.5** The decrease in General Fund earmarked reserves also reflects a net reduction of £13.7m to Adults and Health reserves to fund health and social care priorities, a net £23.7m has been released from the S31 Business Rates reserve to apply government grant received in 2021/22 to the Business Rates Collection Fund position in 2022/23, the year in which reliefs to businesses impact on the General Fund budget. The Merrion House Reserve has increased by £22.3m as detailed at paragraph 3.11. The General Insurance reserve has increased by £3.9m and a new Heritage Assets Refund reserve of £2.4m will be created, subject to Executive Board's approval, which is sought in paragraph 6.10. These and other movements in General Fund earmarked reserves are detailed at **Appendix 5**.
- 6.6** Total General Fund ringfenced and grant reserves have increased by £4.7m to £16.9m, so that the overall movement in General Fund reserves totals a reduction of £27.9m.
- 6.7** Given the ongoing uncertainties regarding the impacts of the cost of living crisis and inflationary pressures on the Council's financial position, including the potential impact on the Authority's Collection Fund, maintaining this level of reserves will help to cushion the Council against variations to budget assumptions in 2023/24 and beyond. This position is consistent with the Council's strategy to ensure reserves are sufficient to ensure that the Council's financial position is robust, resilient and sustainable.
- 6.8** As discussed at paragraphs 4 and 5, Schools ring-fenced reserves have reduced by £1.1m and HRA reserves have reduced by £7.6m in 2022/23.

6.9 General Reserve

6.9.1 Table 11 provides an explanation of the position in the general reserve.

Table 11 General Fund Reserve

General Fund Reserve	£m
Opening Balance 1st April 2022	(33.2)
Budgeted Use	0.0
Use/Contribution In Year	0.0
Closing Balance 31st March 2023	(33.2)

6.9.2 As at 1st April 2022 the level of general reserve was £33.2m. The 2022/23 budget assumed no contribution to this reserve during 2022/23 and the reserve has not been used during the year. Consequently, as per Table 10, the balance at 31st March 2023 remains unchanged at £33.2m.

6.9.3 Maintaining the Council's general reserve in this way continues to contribute to the Council's financial resilience, particularly in the context of the ongoing impact of the cost of living crisis, continued delays to the reformed distribution model that allocates funding between individual local authorities known as the Fair Funding Review and a series of one-year Local Government Financial Settlements that have not helped local government plan for the medium-term. Adding to this uncertainty is the continuing impact of high inflation, resulting in increased costs for both the Council and the community, loss of income for the Council and increasing demand for Council services. In addition, following publication of the Government's plans for social care there is still significant uncertainty around the related funding. These and other emerging risks are discussed at Paragraph 9.

6.10 Creation of New Earmarked Reserves

It is recommended that the following earmarked reserves are created:

- A Heritage Assets Refund reserve of £2.4m to carry forward the recent one-off business rates refund in respect of heritage properties to provide additional funding for City Development savings requirements;
- An LMG Exhibitions reserve to carry forward a £0.2m saving generated by Museums & Galleries, who have established a charitable company owned by the Council to access the Government's Museums and Galleries Exhibition Tax Relief scheme designed to provide financial support to exhibition production companies that develop exhibitions/displays;
- A Car Parking Upgrade of Meters reserve of £0.1m to fund the renewal and upgrade of parking machines;
- A Families First reserve of £0.02m to fund potential future years shortfalls in Stronger Families grant funding;
- A Roma Capacity Fund reserve of £0.01m to fund a Family Outreach Worker in 2023/24.

7. Capital Programme

Overall Capital Programme 2022/23 – 2026/27

7.1 Table 12 shows the revised capital programme for 2022/23 to 2026/27 as at 2022/23 Outturn. It totals £2,016.1m, an increase of £37.6m since the last capital programme update reported to February 2023 Executive Board.

Table 12 Restated Capital Programme as at 2022/23 Outturn: 2022/23 to 2026/27

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Forecast Expenditure	447.1	517.4	477.0	288.8	285.8	2,016.1
Funded By;						
Borrowing	147.4	193.6	179.7	99.6	112.9	733.2
Government Grants	172.1	175.4	157.1	73.0	68.4	646.0
Gen Fund Capital Receipts	13.1	19.8	11.7	8.9	8.5	62.0
Other Grants & Contributions	29.6	27.4	10.1	8.0	5.7	80.8
HRA Self Financing	59.3	64.6	75.7	74.7	74.7	349.0
HRA Right to Buy Receipts	25.6	36.6	42.7	24.6	15.6	145.1
Total Forecast Resources	447.1	517.4	477.0	288.8	285.8	2,016.1

7.2 The programme is further analysed between General Fund (£1,334.6m) and HRA (£681.5m). Capital priorities were set out as part of the February 2023 budget process and the capital programme approved in February 2022 is structured to show schemes under these priorities. This is summarised in **Appendix 6A**, with an analysis across Annual and Major Programmes provided at **Appendix 6A (i)** and **Appendix 6A (ii)**.

7.3 **Appendix 6A (iii)** details net injections of £691.2m since the approval of the Capital Programme in February 2022. This report seeks a further net injection of £42.1m, which includes:

- £13,529.9k of Capital Receipt injections, primarily in relation to the East Leeds Orbital Road and District Heating Phase 3 schemes;
- £1,967.0k of Departmental Borrowing injections, primarily to provide matched funding for a Local Authority Housing Fund scheme; and
- £26,600.7k of external contributions, primarily relating to;
 - £9,524.6k Leeds Station Sustainable Travel Gateway (Network Rail);
 - £5,918.7k HRA Schemes (Local Authority Housing Fund);
 - £5,400.0k A653 Beeston to Tingley (West Yorkshire Combined Authority);
 - £2,267.4k of external contributions for works on School schemes;
 - £1,492.9k of external contributions for works on Highways schemes;
 - £680.0k Armley Mills (Art Council England); and
 - £1,317.1k of other external contributions.

Capital Programme 2022/23

7.4 Table 13 shows the revised capital programme for 2022/23 compared to previous quarterly capital programme updates reported to Executive Board.

Table 13 2022/23 Outturn compared to Previously Reported Projections

	2022/23 Capital Programme						
	February 2022 £m	Restated as at 2021/22 Outturn £m	Q1 £m	Q2 £m	Q3 February 2023 £m	2022/23 Outturn - This Report £m	Variance - This Report to Q3 £m
Forecast Expenditure	514.2	577.4	560.1	499.6	443.1	447.1	4.0
Funded By;							
Borrowing	223.9	238.5	234.8	193.1	158.4	147.4	(11.0)
Government Grants	136.0	162.6	162.4	156.8	149.6	172.1	22.5
Gen Fund Capital Receipts	14.4	14.5	14.5	12.3	11.0	13.1	2.1
Other Grants & Contributions	23.4	35.0	34.2	30.3	22.5	29.6	7.1
HRA Self Financing	73.0	78.1	62.8	62.9	62.9	59.3	(3.6)
HRA Right to Buy Receipts	43.5	48.7	51.4	44.2	38.7	25.6	(13.1)
Total Forecast Resources	514.2	577.4	560.1	499.6	443.1	447.1	4.0

7.5 Actual capital expenditure in 2022/23 is £447.1m, resources brought forward of £4.0m or a 0.9% variation against the February 2023 Capital Programme projected Outturn. Table 14 analyses this variation across Directorates and funding streams.

Table 14 2022/23 Outturn: Variances compared to February 2023 Projections

	Feb '23 Estimate £m	Final Outturn £m	Variance	
			£m	%
Adults & Health	3.4	1.7	(1.7)	-52.0%
Strategic & Central	27.8	29.9	2.1	7.9%
City Development	157.5	175.9	18.4	11.7%
Children & Families	39.7	39.5	(0.2)	-0.6%
Resources	35.5	32.0	(3.5)	-10.0%
Communities, Housing & Environment	24.7	22.2	(2.5)	-10.1%
Total General Fund	288.6	301.2	12.6	4.4%
HRA	154.5	145.9	(8.6)	-5.5%
Total Capital Programme	443.1	447.1	4.0	0.9%
Funded By;				
Borrowing	158.4	147.4	(11.0)	-6.9%
Government Grants	149.6	172.1	22.5	15.0%
Gen Fund Capital Receipts	11.0	13.1	2.1	18.8%
Other Grants & Contributions	22.5	29.6	7.1	31.1%
HRA Self Financing	62.9	59.3	(3.6)	-5.6%
HRA Right to Buy Receipts	38.7	25.6	(13.1)	-33.8%
Total Resources	443.1	447.1	4.0	0.9%

7.6 A full breakdown of the net variances is detailed in **Appendix 6B**. Comments are also provided for schemes that have a material variation of greater than +/-£500k.

7.7 The General Fund capital programme delivered £301.2m of investment including £78.6m on essential annual programmes and £222.6m on major programmes including:

- £47.6m Flood Alleviation schemes
- £25.8m East Leeds Orbital Road
- £22.0m Learning Places Programme
- £18.2m Decarbonisation Programme and Energy Efficiency related schemes
- £14.6m City Centre Package & Armley Gyratory
- £12.7m Private Sector Renewal - Adaptations / Equity Loans
- £12.0m Improving other Highways and Transportation assets

- 7.8** The General Fund has utilised £179.9m of external contributions and £13.1m of capital receipts to fund expenditure capitalised under the government’s flexible receipts policy for funding transformational change projects such as the Core Systems Review scheme, with £108.2m of borrowing undertaken to fund the programme in 2022/23.
- 7.9** The HRA capital programme delivered £145.9m of investment including £51.3m on the Council House Growth Programme and £94.6m on the refurbishment of our council house properties. This has utilised £59.3m of self-financing funding, £21.8m of external contributions, and £25.6m of Right to Buy receipts, with £39.2m of borrowing undertaken to fund the programme in 2022/23.

Capital Receipts Incentive Scheme (CRIS)

- 7.10** In line with the Capital Receipts Incentive Scheme (CRIS), **Appendix 6C** details the additional CRIS allocations to wards and community committees for the period October 2022 to March 2023 of £298.1k and identifies a total balance available of £2,603.9k. A further CRIS injection will be included within the Q2 November 2023 report for April-September 2023 completions.

8. Other Financial Performance

- 8.1** The performance statistics for the year in respect of the collection of local taxation are as follows:-

Table 15 Collection Rates 2022/23

	2018/19 Leeds Actual	2019/20 Leeds Actual	2020/21 Leeds Actual	2021/22 Leeds Actual	2022/23 Leeds Actual
Council Tax	96.11%	95.93%	95.38%	94.24%	95.16%
Business Rates	97.76%	97.29%	87.72%	94.71%	96.27%

8.2 Council Tax

Following the introduction of the Council Tax Support (CTS) scheme in 2013/14 a 19% contribution scheme was implemented for working age claimants and this was increased to 26% for 2014/15 but was then subsequently set at 25% for the years between 2015/16 and 2019/20.

In 2020 the Government announced a Hardship Fund to support Council Tax Support claimants with the economic impact of COVID-19. Leeds’ allocation of this funding was £8.9m and was used to grant discretionary discounts to council taxpayers in difficulty during the coronavirus pandemic. This was not repeated in 2021/22. However, the Government did announce a Household Support Fund which could be used to support residents in financial difficulty. A total of £1.73m of this funding was used to make grants of up to £500 to council taxpayers in arrears assisting 3,300 households in Leeds reduce their arrears.

The collection position for Council Tax at the end of March was as follows:

- Numbers of Council Tax Support claimants increased significantly as a consequence of the financial impact of COVID-19 in 2020/21. This particularly affected Working Age claimants, where there were 46,391 claimants on 31st March 2021. In 2021/22 this figure has reduced to 43,370 as at 31st March 2022. The number of Working Age claimants has continued to reduce in 2022/23, with the figure as at 31st March 2023 being 42,574.

However, economic circumstances continue to be uncertain and the number of Working Age claimants and its impact on the Council Tax taxbase will have to be closely monitored in the coming year.

- Application of the Hardship Fund in 2020/21 had the effect of artificially increasing the general collection rate in that year compared with 2021/22, as Government support was reduced, as can be seen in Table 11.
- The Council Tax in-year collection rate has partially recovered in 2022/23 to 95.2%. Whilst this remains below target (96.1%), the lower collection rate largely reflects the ongoing impact of the cost-of-living crisis, limited availability of court time to begin recovery procedures and pressures on the Revenues section as they implemented the Government £150 council tax rebate scheme in the first half of the year. The availability of court time has now returned to normal and the work to implement the rebate scheme is complete, however collection rates will continue to require close monitoring in 2023/24. £420.5m has been collected in respect of 2022/23 bills, an increase of £21.8m when compared to the previous year.

8.3 Business Rates

The budgeted collection rate for business rates is to achieve collection of 97.1% in the fullness of time, which is 1.98% lower than pre-pandemic targets, and required collection of £363.7m of business rates income forecast at January 2022. Unlike in 2021/22 the Government informed billing authorities that significant reliefs to mitigate the impact of the cost-of-living crisis on businesses in advance of those forecasts and the reduction in risk to the non-collection calculations could be included in the forecasts determining the Council's precept from the Collection Fund. The business rates collection rate at 31st March 2022 was 96.27%, which is 1.01% behind the performance in 2019/20 pre-COVID.

The total rateable value of business properties in Leeds has reduced from £923.2m at 1st April 2022 to £920.7m at the end of March 2023, a decrease of £2.4m. To calculate Leeds' actual income from business rates this total rateable value is multiplied by the small business rates multiplier (49.9p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (49%), Central Government (50%) and West Yorkshire Fire Authority (1%). After allowing for the business rates deficit brought forward, Leeds share of business rates in 2022/23 is £166.35m, which is £3.1m above 2022/23 budgeted expectations as at 31st March 2023. The main causes of this 'surplus' was an improvement in the 2021/22 data after the Council's 2022/23 Budget was approved by Full Council in February 2022 of £8.0m due largely to lower-than-expected demand for Empty Rate Relief and improvements in the collection of prior years' arrears. Conversely, in 2022/23 there was higher than expected demand for the Government's extended Retail, Leisure and Hospitality Relief in Leeds and the Council completed its allocation of the COVID Additional Relief Fund reliefs to ratepayer against their 2021/22 liabilities. The shortfall caused by these reliefs is fully funded by Section 31 grant from the Government, which will be held in reserve to meet this part of the deficit in the following year. There has also been pressure on the Council's provisions for appeals against Rateable Value. This has been driven by the end of the 2017 Ratings List, which ends on 31st March 2023, after which ratepayers can no longer submit appeals leading to a large number of appeals being submitted prior to this deadline. The Council has therefore had to increase its provisions for these appeals. Combined, these factors led to a £4.9m in-year shortfall in income.

The impact of the closing balance on the Collection Fund remains complex because it includes different elements from 2020/21, 2021/22 and 2022/23. Leeds' share of the closing balance is a deficit of £9.1m. Included in this closing balance is £12.2m which is the final instalment of the unfunded deficit from 2020/21, repayment of which had to be funded over three years. The final instalment of £12.2m has been budgeted to be paid in 2023/24 and the Council's Budget for 2023/24, approved by Full Council in February 2023, includes provision for this repayment. However, at the time of the Budget it was expected that the closing deficit on the Collection Fund would be £7.2m and the deterioration in the position of £1.9m, entirely due to the increase in pressure on the provisions for appeals, means that this cost will now have to be met in 2024/25.

Against a budget of £500k in 2022/23 some £700k of local discounts were approved under the Council's own Discretionary Business Rate Relief Scheme which is intended to support the creation of employment and economic growth and to increase the business rates base. The Council pays 49% of the cost of this relief.

8.4 Closing Position on the Collection Fund

The Council's share of the closing position on the Collection Fund for business rates is £9.1m. This compares to the declared deficit of £7.2m in January 2023, which will be repaid in 2023/24 and is now fixed. The deterioration of £1.9m will be carried forward into 2024/25 and will be a cost to the 2024/25 Budget.

The Council's share of the closing position on the Collection Fund for council tax is £7.39m. This compares to the declared deficit of £7.42m, which will be repaid in 2022/23 and is now fixed. The improvement of £0.02m will be carried forward into 2024/25 to be paid to the General Fund in that year.

8.5 Prompt payment of creditors

The prompt payment result at the year-end was 95.02% of undisputed invoices processed within 30 days or within contract terms (93.14% in 2021/22).

9. Emerging issues for Future Years

9.1 Delivery of savings already agreed – The Financial Challenge Savings Programme for 2023/24 identified £58.6m savings included in the 2023/24 budget. Any delays in implementing these savings will impact on the Council's ability to balance the budget in future years.

9.2 Pay Award – The budget includes allowance for a pay award of 4% in 2023/24. Discussions are ongoing between the national employers and Trade Unions and any variations to this assumption will have to be funded from the approved budget.

9.3 Social Care – In addition to future service demand noted below, other issues arising are: the recently emerging issue around recruitment and retention issues in social care, resulting in higher use of agency staff; and the impact of the new Care Quality Commission inspection regime on the levels of staff required.

9.4 Inflationary increases (demand pressures & loss of income) – The 2023/24 budget includes significant inflationary increases reflecting the higher rates of inflation and increased cost of living experienced in 2022/23. The economic impact of the rising cost of living (both in terms of demand pressures on the Council's services and loss of income for services the Council provides, Council Tax and Business Rates collection) will continue to be subject to review.

- 9.5 Energy costs** – This report notes the increased cost of energy due to the unprecedented high global electricity and gas prices. The 2023/24 budget allows for energy price inflation for electricity and gas of 118.5% and 64% respectively, in total an increase of £10.7m. Energy costs will continue to be subject to review.
- 9.6 Future service demand** – The Council’s 2023/24 budget includes demand and demography increases for social care, reflecting population growth and current trends. The budget also reflects an increase in the number of households and the resulting increase in household waste. If trends are greater than anticipated in the 2023/24 then these will be required to be contained within the approved budget.
- 9.7 National policy impacts:** There are a number of key areas of national policy which will impact on the Council’s financial plans. These include:
- **Social care reforms** – The impact of the new Care Quality Commission (CQC) inspection regime in 2023/24 is still to be considered. Additional costs incurred as a result of the new requirements would be an additional pressure to be managed.
 - **Waste Strategy** – The impact of Government’s reforms on standardising Waste Collections scheduled for 2025/26 and the introduction of the Extended Producer Responsibility scheme in 2024 will need to be fully assessed. Whilst Government has committed to provide New Burdens Funding, until the specific detail is announced there remains a possibility of additional financial pressures in the medium term.
 - **Multi-academy trusts** – The Government are taking further steps towards all schools being part of academy trusts. Whilst schools funding is ring-fenced and is not budgeted for in the General Fund, a number of services are currently provided to schools which the Council receive income for.
- 9.8 Government announcements on local government funding** – In the last three financial years, local government has received single-year settlements, making financial planning more difficult. Despite there being a three-year Spending Review in 2021 giving details of Government expenditure limits until 2024/25, the provisional Local Government Finance Settlement for 2023/24 only set out detailed authority allocations for that year with little indication of plans for 2024/25. Further to this, in December 2017, the Government launched its Fair Funding Review of Local Government finance, to refresh the methodology on which local authority needs and resources are assessed, and levels of government funding are determined. The outcome of this review continues to be delayed, and now seems likely the earliest implementation date would be after 2025. The extent to which these reforms would impact on the Council’s funding from Government is unknown at this time.
- 9.9 Increased Government oversight** – including creation of a new Office for Local Government (OfLog), which may come with increased reporting requirements for Local Authorities due to increased scrutiny.


Overall Summary Sheet

Outturn 2022-23

Financial Dashboard 2022/23 Financial Year



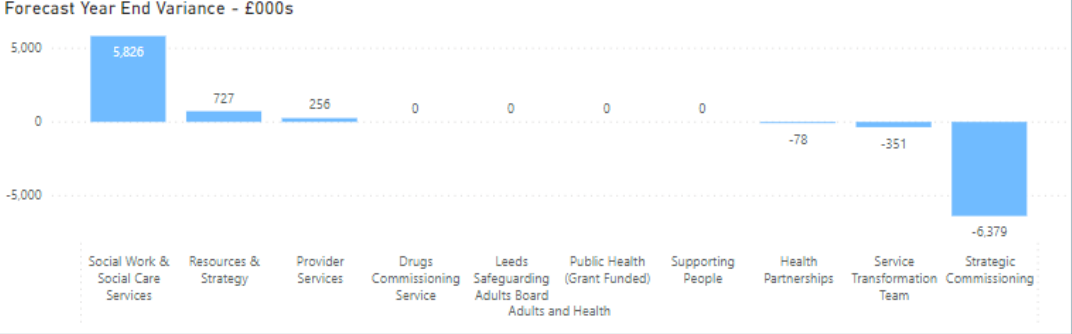
Financial Dashboard 2022/23 Financial Year



Budget Variation £000s

0

Forecast Year End Variance - £000s




Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	62,594	64,306	1,712
Premises	1,029	1,604	575
Supplies and Services	6,731	11,246	4,514
Transport	906	955	49
Internal Charges	12,583	18,546	5,963
Third Party Payments	302,655	306,536	3,880
Transfer Payments	11,395	10,400	-994
Transfer to/from Reserves	-11,578	-13,083	-1,505
Internal Income	-5,088	-5,360	-272
External Income	-183,583	-197,505	-13,923
Total	197,645	197,645	0

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

Change to Table

For Reporting

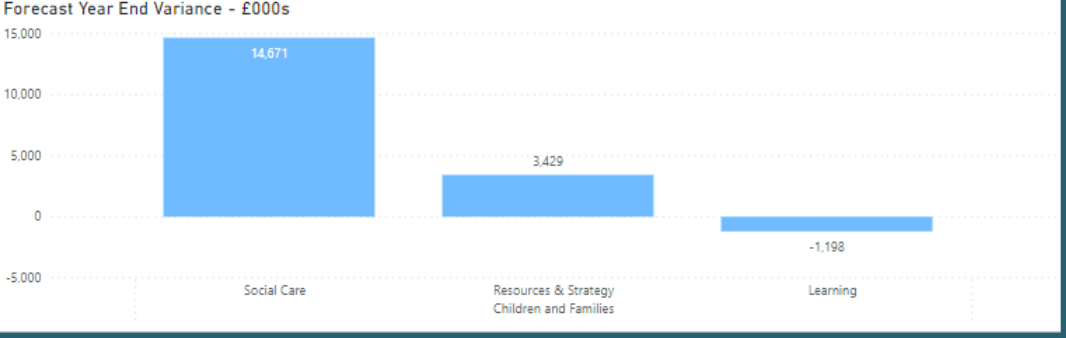
Financial Dashboard 2022/23 Financial Year



Budget Variation £000s
16,902

Financial Year: 2022/23
Cost Period: 13
Officer Selection: All
Directorate, Service: All
Division, Costcentre & ...: All
CostCentre RAG: All
Managed In/Outside Se...: Managed Budget

Forecast Year End Variance - £000s



Directorate	Variance (£000s)
Social Care	14,671
Resources & Strategy Children and Families	3,429
Learning	-1,198


Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	104,514	106,669	2,155
Premises	3,342	4,208	866
Supplies and Services	64,241	68,399	4,158
Transport	10,767	13,231	2,465
Internal Charges	29,357	32,088	2,731
Third Party Payments	112,881	122,207	9,326
Transfer Payments	2,040	2,793	753
Capital		91	91
Transfer to/from Reserves	-266	658	924
Internal Income	-31,212	-35,383	-4,170
External Income	-162,057	-164,454	-2,397
Total	133,606	150,508	16,902

Directorate	Change in Variance £000s
Children and Families	-1,392
Total	-1,392

Change to Table

For Reporting

Financial Dashboard 2022/23 Financial Year

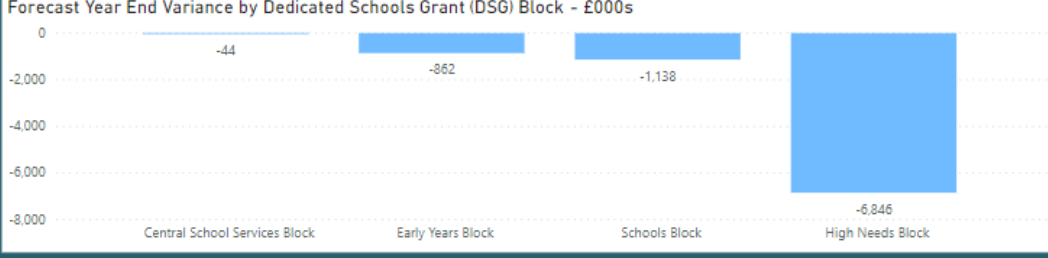


DSG Variation £000s

-8,891

Overspend (+) / Underspend (-)

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



Block	Variance (£000s)
Central School Services Block	-44
Early Years Block	-862
Schools Block	-1,138
High Needs Block	-6,846

Financial Year

2022/23

Cost Period

13

Income / Expenditure

All

Sub-Block

All

Cost Description

All

For Reporting


Net Variations against the Approved Budget

DSG Block	Income Budget	Income Projection	Income Variance	Expenditure Budget	Expenditure Projection	Expenditure Variance	DSG Budget (LE)	DSG Projection	DSG Variance
Schools Block	-325,189	-323,687	1,502	325,189	322,548	-2,641	0	-1,138	-1,138
High Needs Block	-103,981	-104,032	-51	103,981	97,186	-6,796	0	-6,846	-6,846
Early Years Block	-58,187	-59,373	-1,185	58,187	58,510	323	0	-862	-862
Central School Services Block	-5,138	-5,138	0	5,138	5,094	-44	0	-44	-44
Total	-492,496	-492,230	266	492,496	483,338	-9,158	0	-8,891	-8,891

DSG Reserves

Reserve Type	Balance b/fwd	Net contribution to(-)/from (+) balances	Budgeted Deficit (+) / Surplus (-) c/fwd	Projected in year under(-)/over(+) spend	Planned use of reserves	Projected Deficit (+) / Surplus (-) c/fwd
General	979	229	1,208	-8,039	0	-7,060
De-delegated	-1,098	0	-1,098	-852	0	-1,950
Total	-119	229	110	-8,891	0	-9,010

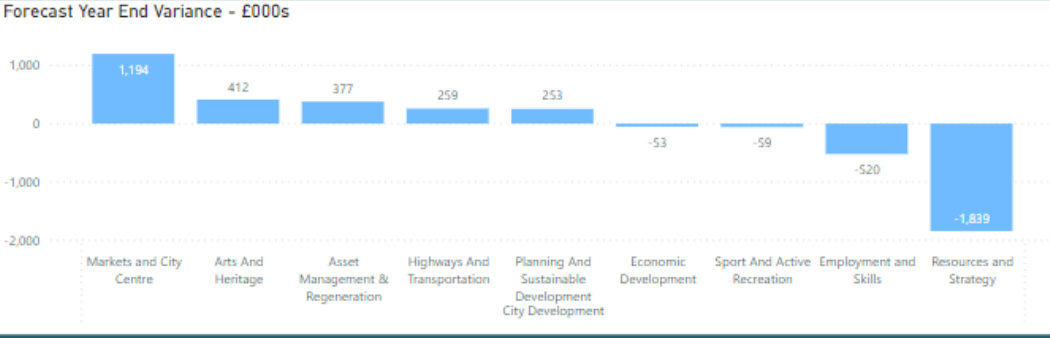
Financial Dashboard 2022/23 Financial Year



Budget Variation £000s

23

Forecast Year End Variance - £000s



Directorate	Variance (£000s)
Markets and City Centre	1,194
Arts And Heritage	412
Asset Management & Regeneration	377
Highways And Transportation	259
Planning And Sustainable Development City Development	253
Economic Development	-53
Sport And Active Recreation	-59
Employment and Skills	-520
Resources and Strategy	-1,839

Financial Year

2022/23

Cost Period

13

Officer Selection

All

Directorate, Service

All

Division, Costcentre & ...

All

CostCentre RAG

All

Managed In/Outside Se...

Managed Budget


Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	69,323	68,723	-600
Premises	25,660	29,230	3,570
Supplies and Services	44,694	46,667	1,973
Transport	5,931	6,564	632
Internal Charges	10,214	11,132	919
Third Party Payments	161	211	51
Transfer Payments		0	0
Capital	78	78	0
Transfer to/from Reserves	-1,140	-2,394	-1,254
Internal Income	-43,760	-45,713	-1,952
External Income	-79,503	-82,819	-3,317
Total	31,657	31,679	23

Directorate	Change in Variance £000s
City Development	-92
Total	-92

Change to Table

For Reporting

Financial Dashboard 2022/23 Financial Year



Budget Variation £000s
1,368

Financial Year
2022/23

Cost Period
13

Officer Selection
All

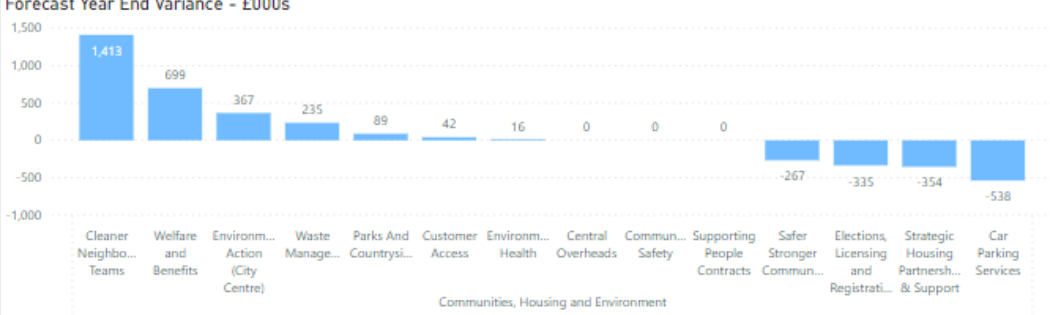
Directorate, Service
All

Division, Costcentre & ...
All

CostCentre RAG
All

Managed In/Outside Se...
Managed Budget

Forecast Year End Variance - £000s



Department	Variance (£000s)
Cleaner Neighbourhood Teams	1,413
Welfare and Benefits	699
Environment Action (City Centre)	367
Waste Management	235
Parks and Countryside	89
Customer Access	42
Environment Health	16
Central Overheads	0
Communities Safety	0
Supporting People Contracts	0
Safer Stronger Communities	-267
Elections Licensing and Registrations	-335
Strategic Housing Partnerships & Support	-354
Car Parking Services	-538

Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	97,279	101,093	3,814
Premises	9,711	10,645	934
Supplies and Services	63,179	67,898	4,719
Transport	10,134	13,062	2,928
Internal Charges	21,052	25,201	4,149
Third Party Payments	21,515	23,340	1,825
Transfer Payments	171,513	171,694	182
Capital		90	90
Transfer to/from Reserves	-1,146	3,416	4,562
Internal Income	-38,414	-48,329	-9,915
External Income	-270,448	-282,369	-11,921
Total	84,375	85,743	1,368

Directorate	Change in Variance £000s
Communities, Housing and Environment	85
Total	85

[Change to Table](#)

[For Reporting](#)

Financial Dashboard 2022/23 Financial Year



Surplus (-) / Deficit (+) £000s


0

HRA Income	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲ Dwelling Rents	-216,541	-213,487	3,054	280
Non Dwelling Rents	-3,306	-3,243	64	-14
Service Charges	-9,335	-8,972	363	77
Internal Income	-10,359	-12,184	-1,825	-2,875
Grants	-21,644	-21,556	88	24
External Income	-1,598	-2,347	-750	-151
Total	-262,783	-261,789	994	-2,659

HRA Expenditure	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▲ Disrepair Provision	2,400	5,418	3,018	418
Repairs to Dwellings	46,795	58,227	11,432	5,032
Employees	31,448	31,089	-359	335
Premises	9,729	11,012	1,283	-798
Supplies and Services	3,744	3,436	-308	-185
PFI Unitary Charge	10,953	27,464	16,511	16,447
Transport	298	339	41	21
Internal Services	45,230	40,599	-4,631	-1,920
BITMO Management Fee	3,235	3,224	-10	-10
Provision for Doubtful Debts	1,136	2,310	1,173	716
Capital Charges	45,942	26,858	-19,084	-17,377
Contribution to Capital Programme	62,543	59,325	-3,218	-818
Total	263,452	269,300	5,848	1,859

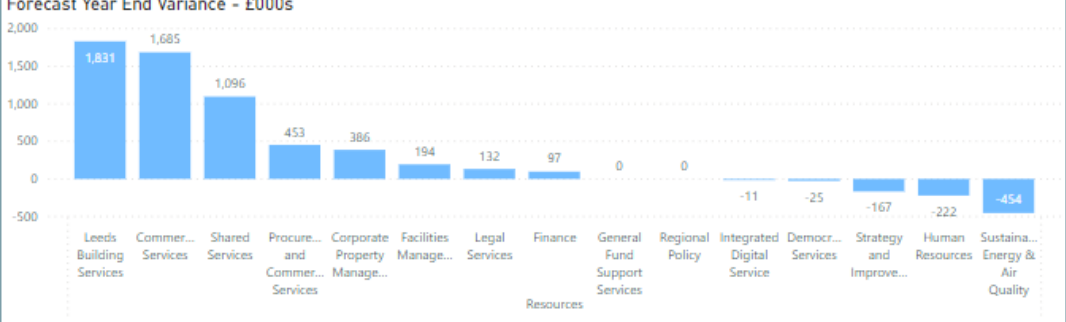
Surplus (-) / Deficit (+)	Budget (LE) £000s	Projection £000s	Variance £000s	Change in Variance £000s
▼ Net Position	669	7,511	6,843	-799
Appropriation: Sinking Funds	-412	-577	-165	16
Appropriation: Reserves	-257	-6,935	-6,678	783
Total	0	0	0	0

Financial Dashboard 2022/23 Financial Year



Budget Variation £000s
4,995

Forecast Year End Variance - £000s



Department	Variance (£000s)
Leeds Building Services	1,831
Commer... Services	1,685
Shared Services	1,096
Procure... and Commer... Services	453
Corporate Property Manage...	386
Facilities Manage...	194
Legal Services	132
Finance	97
General Fund Support Services	0
Regional Policy	0
Integrated Digital Service	-11
Democr... Services	-25
Strategy and Improve...	-167
Human Resources	-222
Sustaina... Energy & Air Quality	-454

Financial Year
2022/23

Cost Period
13

Officer Selection
All

Directorate, Service
All

Division, Costcentre & ...
All

CostCentre RAG
All

Managed In/Outside Se...
Managed Budget


Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	160,864	168,489	7,625
Premises	15,475	17,362	1,886
Supplies and Services	54,558	67,438	12,880
Transport	20,289	29,306	9,017
Internal Charges	4,355	5,153	798
Third Party Payments	28	118	90
Transfer Payments	61	66	6
Capital		-3	-3
Transfer to/from Reserves	-90	-5,066	-4,976
Internal Income	-155,880	-171,677	-15,796
External Income	-17,078	-23,611	-6,533
Total	82,582	87,577	4,995

Directorate	Change in Variance £000s
Resources	1,103
Total	1,103

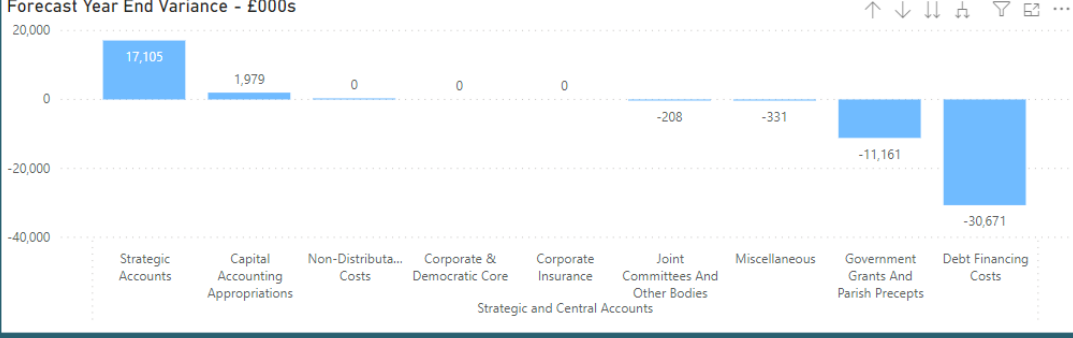
[Change to Table](#)

[For Reporting](#)

Financial Dashboard 2022/23 Financial Year



Forecast Year End Variance - £000s



Budget Variation £000s

-23,287

Financial Year
2022/23

Cost Period
13

Officer Selection
All

Directorate, Service
All

Division, Costcentre & ...
All

CostCentre RAG
All

Managed In/Outside Se...
Managed Budget

Expenditure Type	Budget (LE) £000s	Projection £000s	Variance £000s
Employees	4,736	4,462	-275
Premises		414	414
Supplies and Services	8,436	54,129	45,693
Internal Charges	4,413	4,322	-91
Third Party Payments	37,091	36,884	-208
Transfer Payments	928	1,192	264
Capital	79,818	52,016	-27,802
Transfer to/from Reserves	-37,200	-14,881	22,319
Internal Income	-42,302	-43,358	-1,056
External Income	-63,842	-126,388	-62,546
Total	-7,922	-31,208	-23,287

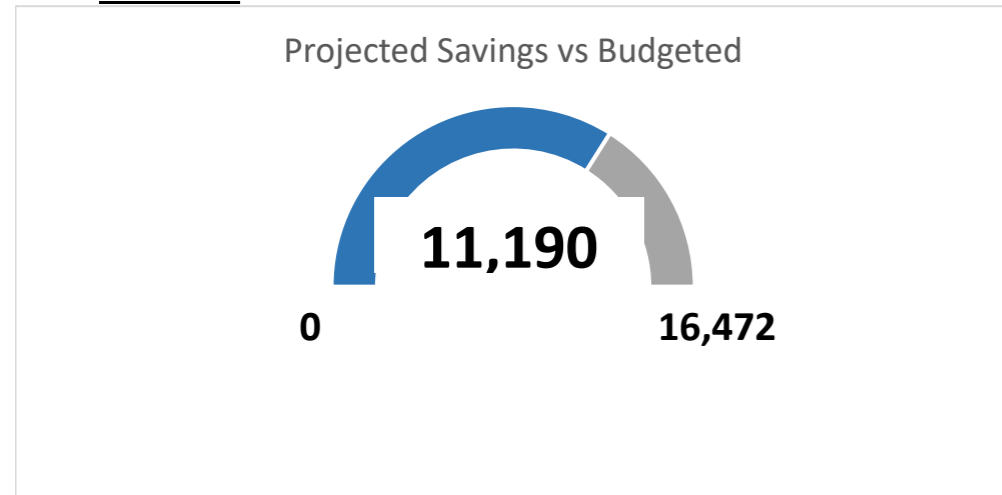
Directorate	Change in Variance £000s
Strategic and Central Accounts	-15,995
Total	-15,995

[Change to Table](#)

[For Reporting](#)

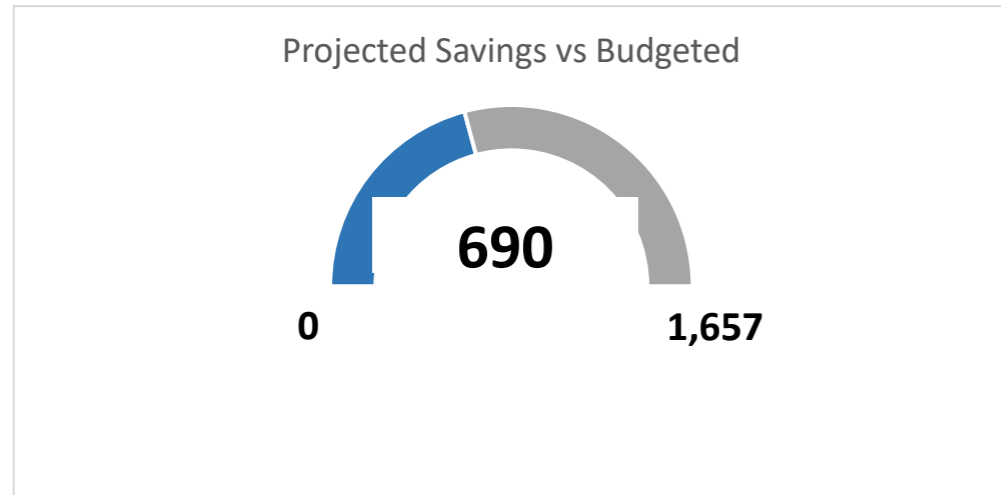
2022/23 BUDGET ACTION PLANS

Outturn



LEEDS CITY COUNCIL - SUMMARY

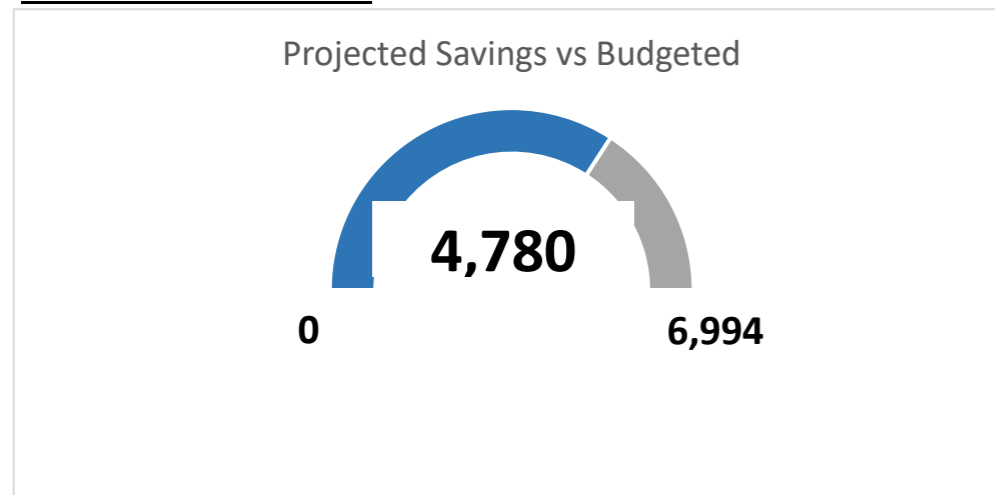
RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	6,455	7,568	(1,113)
On track, no issues	2,818	2,663	155
Some risk	2,117	696	1,421
High risk	5,082	263	4,819
Cancelled	0	0	0
Total	16,472	11,190	5,282



LEEDS CITY COUNCIL - Other Savings Measures

RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	633	633	0
Some risk	0	0	0
High risk	1,024	57	967
Cancelled	0	0	0
Total	1,657	690	967

Outturn



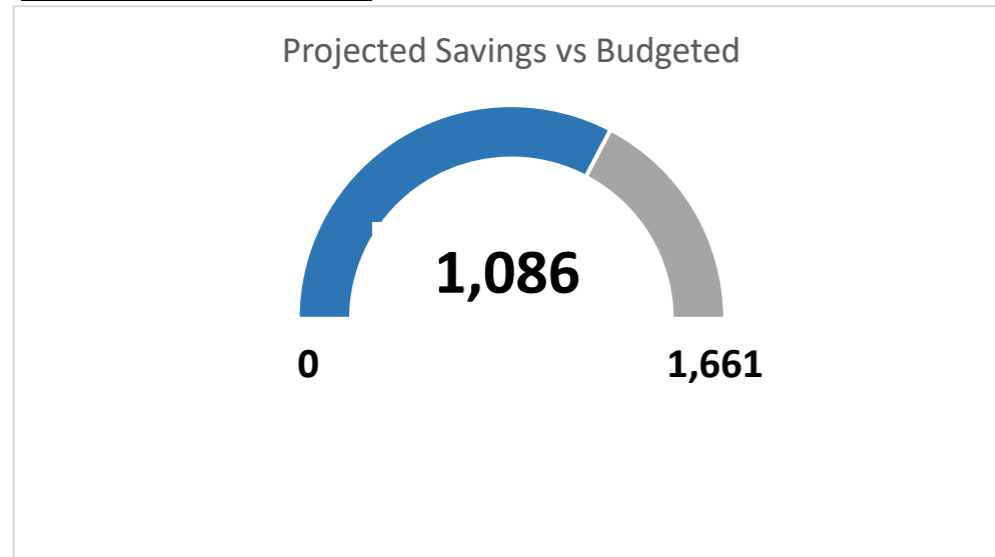
ADULTS & HEALTH - SUMMARY

RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	3,819	3,819	0
On track, no issues	620	620	0
Some risk	1,365	341	1,024
High risk	1,190	0	1,190
Cancelled	0	0	0
Total	6,994	4,780	2,214

Amber & Red Risk Areas

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

Outturn



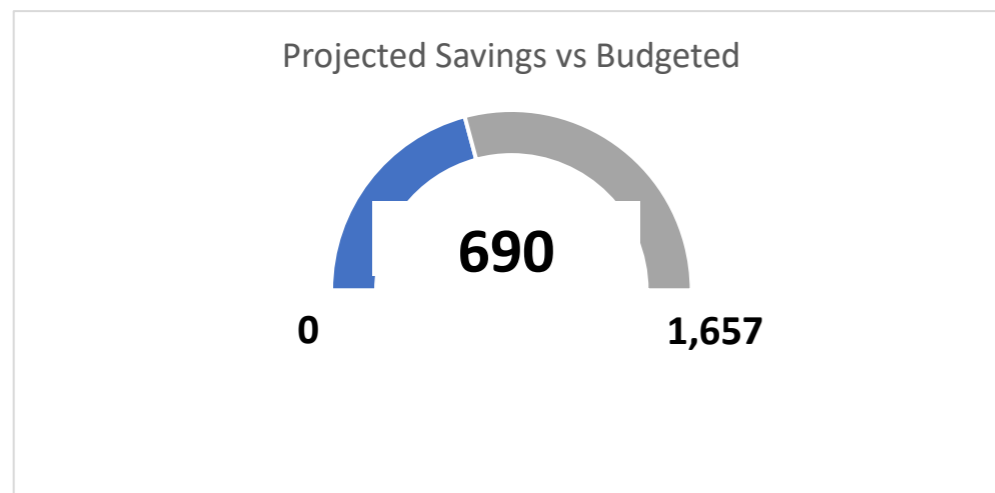
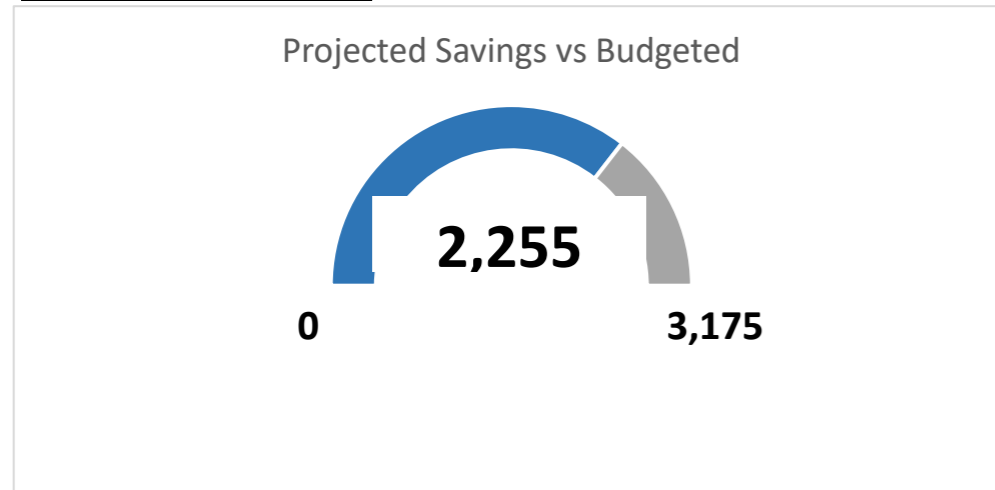
CHILDREN & FAMILIES - SUMMARY

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

Amber & Red Risk Areas

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

Outturn



CITY DEVELOPMENT - SUMMARY

RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	250	250	0
On track, no issues	1,925	1,925	0
Some risk	175	70	105
High risk	825	10	815
Cancelled	0	0	0
Total	3,175	2,255	920

CITY DEVELOPMENT - Other Savings Measures

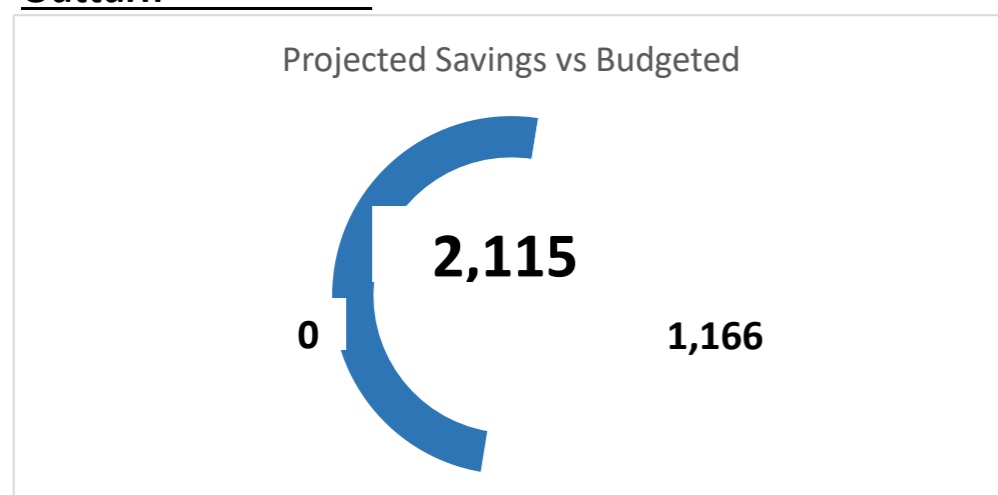
RAG Status	Budgeted Savings £'000s	Year End Projected Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	0	0	0
On track, no issues	633	633	0
Some risk	0	0	0
High risk	1,024	57	967
Cancelled	0	0	0
Total	1,657	690	967

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	Active Leeds - Health & Wellbeing offer	Phil Evans	Some risk	50	5	45	Shortfall mitigated by Other Income across Service
Budgeted savings	BAU	Active Leeds - Procurement savings	Phil Evans	Some risk	125	65	60	Partially achieved. Other savings achieved to help mitigate shortfall.
Budgeted savings	BAU	Arts, Events, Venues - ticketing solution	Eve Roodhouse	High risk	80	0	80	Not achieved due to Town Hall closure, but alternative savings identified to offset
Budgeted savings	BAU	Highways and transportation - Major Schemes Framework	Gary Bartlett	High risk	200	0	200	delay in implementing the service.

Budgeted savings	BAU	Highways and transportation - deliver S38 agreement process for other WY Authorities	Gary Bartlett	High risk	40	0	40	delay in implementing the service.
Budgeted savings	BAU	Highways and transportation - DLO savings	Gary Bartlett	High risk	50	0	50	Inflationary price increases have offset any savings
Budgeted savings	BAU	Asset Management - Estate rationalisation	Angela Barnicle	High risk	275	0	275	Not achieved in 22/23, options being explored re use of building
Budgeted savings	BAU	Asset Management – Elland Road Car Park	Angela Barnicle	High risk	20	0	20	delay in implementing the service.
Budgeted savings	SR	Leeds Museums & Galleries Invest to Save: Kirkstall Abbey Admissions (Non-Leeds Residents)	Eve Roodhouse	High risk	160	10	150	Admission income below anticipated level

Outturn



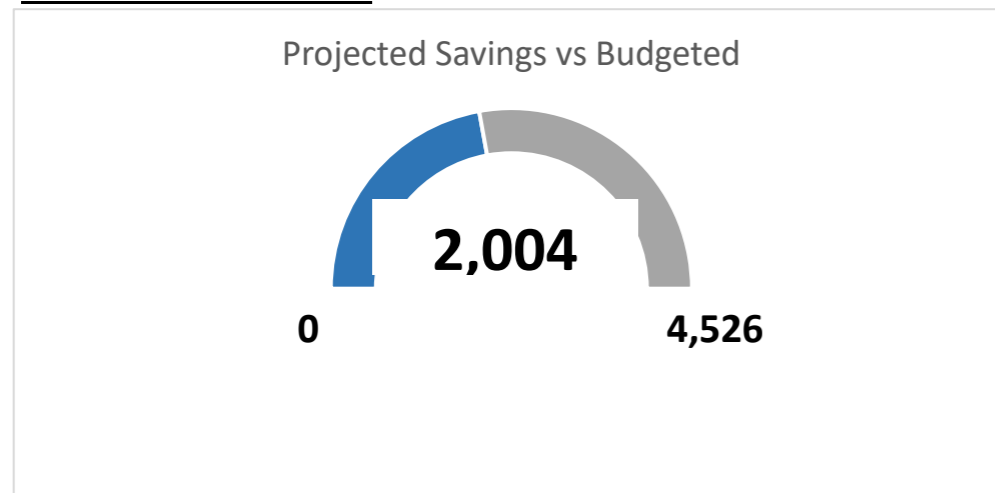
COMMUNITIES, HOUSING & ENVIRONMENT - SUMMARY

RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	778	1,891	(1,113)
On track, no issues	0	0	0
Some risk	347	224	123
High risk	41	0	41
Cancelled	0	0	0
Total	1,166	2,115	(949)

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	Support for In Bloom	Sean Flesher	Some risk	31	10	21	Delayed implementation. Revised timescales to be confirmed.
Budgeted savings	BAU	Increase bereavement services fees and charges by 3%	Sean Flesher	Some risk	210	197	13	£12k Arium on track for floor expansion. Delay in Playbarn opening. Latest timescale for Playbarn is Feb 23.
Budgeted savings	BAU	Parks attractions income	Sean Flesher	Some risk	78	12	66	Planning permission delayed.
Budgeted savings	BAU	Income - traded services & partner income-continuation from 21/22	Sean Flesher	High risk	41	0	41	Delays in camera infrastructure meaning 2 staff remaining in post. Saving anticipated in 23/24.

Outturn



RESOURCES - SUMMARY

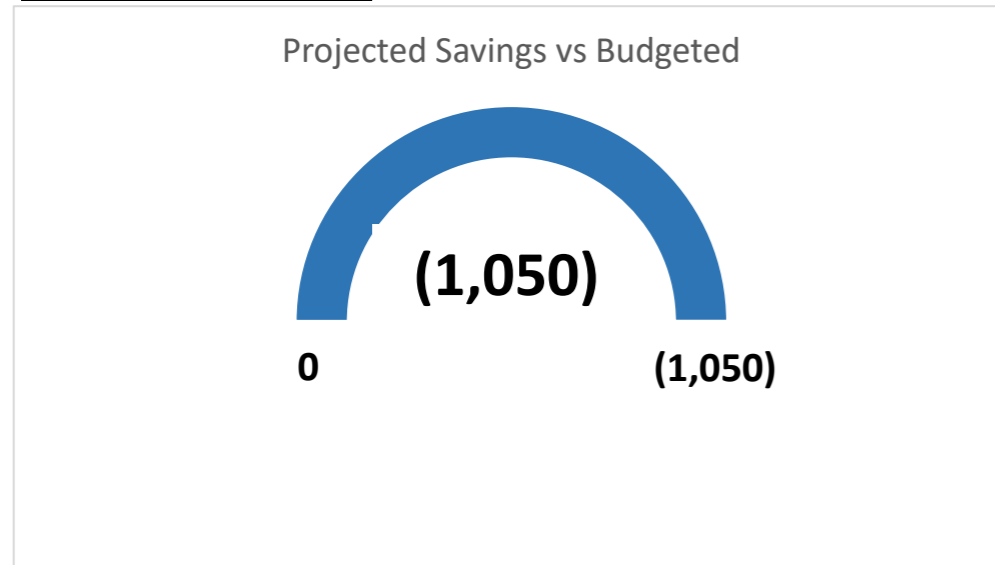
RAG Status	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s
Achieved	1,572	1,572	0
On track, no issues	273	118	155
Some risk	230	61	169
High risk	2,451	253	2,198
Cancelled	0	0	0
Total	4,526	2,004	2,522

Amber & Red Risk Areas

Budgeted savings / Other savings measures	Service Review / Business as Usual	Savings title	Accountable Chief Officer	Latest	Budgeted Savings £'000s	Outturn Achieved Savings £'000s	Shortfall/ (Surplus) £'000s	Including mitigating actions for Reds & Ambers
Budgeted savings	BAU	BSC Shared Cost AVC	Andy Dodman	Some risk	130	50	80	Whilst there was a delay in salary sacrifice scheme rollout due to the need for technical solutions, increased publicity for the schemes, a webinar aimed at increasing participation and changes to the annual pension limit announced at the last budget may mitigate the risk going forward.
Budgeted savings	BAU	BSC Electrical Goods Salary Sacrifice.	Andy Dodman	High risk	100	3	97	This scheme is part of the overall review of salary sacrifice schemes. Income derived from this scheme only offsets the costs of the scheme. The main benefit of the scheme is the access to lower credit than may be available to some employees during a cost of living crisis.
Budgeted savings	BAU	BSC Shared Cost Additional Voluntary Contributions (AVC).	Andy Dodman	High risk	55	0	55	Whilst the economic situation has meant this extension to the AVC target was not achieved, increased publicity for the scheme, a webinar aimed at increasing participation, along with the change in annual pension limits going forward may, mitigate the risk in future years.
Budgeted savings	BAU	BSC Lease Car Salary Sacrifice.	Andy Dodman	Some risk	100	11	89	Upfront costs meant this scheme did not achieve the full targeted savings. Additional publicity may mitigate the pressure going forward, but the current economic situation with the consequential impact for new cars, means there is still some risk.

Budgeted savings	SR	Procurement - 2022/23 allocations (23/24 + to follow)	Victoria Bradshaw	High risk	2296	250	2046	The 2023/24 budget strategy reflects the fact that procurement savings are achieved throughout the Council, with the PACS team assisting in many of those areas. The targeted savings have therefore been removed from the base budget in Resources going forward and are incorporated in individual services.
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Outturn



STRATEGIC - SUMMARY

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

Amber & Red Risk Areas

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

2022/23 - Expenditure funded through Flexible Use of Capital Receipts					
Outturn					
Project Description	Directorate	Planned Spend	2022/23	Planned Savings	2022/23
		2022/23	Outturn	2022/23	Outturn
		£m	£m	£m	£m
Service Transformation - supporting the delivery of key projects	Adults & Health	1.94	1.76	(4.00)	(4.00)
IDS -Planned recruitment of specialists supporting transformation Adults and Health Service	Adults & Health	0.10	0.10	0.00	0.00
Service Transformation- Chief Officer	Adults & Health	0.10	0.10	0.00	0.00
Investment in service reform feasibility work	Communities, Housing & Environment	0.12	0.00	0.00	0.00
IDS - Driving a digital approach across the Council	Resources	0.50	0.50	0.00	0.00
IDS - Driving a digital approach across the Council	Resources	0.70	0.70	0.00	0.00
IDS - Planned recruitment of specialists supporting the delivery of key projects across the Authority	Resources	3.14	1.30	0.00	0.00
Council Tax Automisation-digitising transactional activity	Resources	0.38	0.34	0.00	0.00
CEL staff time spent on Transformational projects	Resources	0.12	0.12	(1.52)	(1.52)
Legal - Staff supporting the Delivery of Documents and Time recording system	Resources	0.06	0.06	0.00	0.00
Sharing back-office and administrative services	Resources	0.47	0.47	0.00	0.00
Service Transformation - supporting the delivery of various projects	Resources	0.27	0.03	0.00	0.00
Investment in service reform feasibility work	PACS	0.78	0.78	(4.00)	(2.00)
Statutory redundancy payments	Strategic/ Corporate	1.00	2.02	(1.00)	(1.00)
Driving a digital approach to the delivery of Core Business Transformation Programme	Strategic/ Corporate	5.83	1.58	0.00	0.00
Transformational Change- Leadership Team	Children & Families	0.12	0.12	0.00	0.00
Service Transformation - supporting the delivery of various projects	Children & Families	0.53	0.53	0.00	0.00
Service Transformation - supporting the delivery of various projects	Resources	0.70	0.70	0.00	0.00
IDS - Service Transformation	Resources	0.32	0.00	0.00	0.00
IDS - Highways Enterprise Architecture system	Resources/ City Development	0.70	0.07	0.00	0.00
Capital Scheme support City Development HOS	City Development	0.06	0.06	0.00	0.00
Capital Scheme support City Development LUF	City Development	0.07	0.07	0.00	0.00
Total		18.01	11.40	(10.52)	(8.52)

Directorate	Description of Reserve	Balance at	Transfers To &	Balance at	Reason for the Reserve
		1st April 2021	From Reserve	Outturn 2021/22	
		£k	£k	£k	
	GENERAL FUND	(33,248)	0	(33,248)	
Adults & Health	S256 funding for Health Inequalities	(1,823)	0	(1,823)	Specific funding from Leeds South and East CCG for tackling health inequalities.
Adults & Health	Health & Social Care (CCG)	(17,067)	7,371	(9,696)	To fund Health and Social Care priorities
Adults & Health	Prisons Reserve	(79)	0	(79)	CCG funding for social work in prisons
Adults & Health	Drugs Commissioning	(133)	0	(133)	Carry forward of external income for drug and alcohol priorities
Adults & Health	Transforming Care	(2,393)	0	(2,393)	Provision to mitigate against costs associated with the NHS England led transfer of care packages to a community setting
Adults & Health	Social Care Development Reserve	(976)	693	(283)	Provision to meet costs associated with development of social care models e.g. Recovery Model
Adults & Health	Resilience Reserve	(837)	837	0	Provision to mitigate against unforeseen demand pressures e.g. caused by hot summers, cold winters, flu outbreaks etc.
Adults & Health	Safeguarding (Adults)	(244)	(27)	(271)	Independent Safeguarding Board - carry forward of partner contributions.
Adults & Health	Spring Budget	(6,964)	4,823	(2,141)	Carry forward of Spring Budget monies from DLUHC.
Adults & Health	Skills for Care	(193)	0	(193)	To provide funding for training of Care Workers
Children & Families	Trauma Informed programme	(60)	1	(59)	S256 funding agreement with CCG to set up new service.
Children & Families	Dewsbury Road Annexe	(122)	(69)	(191)	0-19 Public health Integrated Nursing Service funding allocated to Dewsbury Road Annexe capital programme.
Children & Families	NEW: Roma Capacity Funding	0	(10)	(10)	To fund a Family Outreach Worker in 2023/24.
Children & Families	Henry 5-12 project	(18)	(35)	(53)	Public Health funding to support a healthy weight programme for families with children aged 5-12 years old.
Children & Families	Health & Wellbeing	(167)	0	(167)	S31 Grant to provide training and advisory support to schools and colleges on mental health and wellbeing.
Children & Families	Health Innovations	(300)	0	(300)	Monies given by Health Service for a number of joint initiatives around commissioning & children's centres
Children & Families	NEW: Families First	0	(17)	(17)	To fund potential future years shortfall in Stronger Families Grant
City Development	Armed Forces Day	(6)	0	(6)	Funding for Armed Forces Days
City Development	NEW: Heritage Assets Refund reserve	0	(2,422)	(2,422)	To carry forward one-off business rates refund to provide additional funding for City Development savings requirements
City Development	NEW: LMG Exhibitions	0	(162)	(162)	To carry forward saving generated by Museums & Galleries, to access the Government's Museums and Galleries Exhibition Tax Relief scheme
Communities, Housing & Environment	Casino License	(505)	(49)	(554)	Social Inclusion Fund as per licence bid
Communities, Housing & Environment	Local Welfare Support Fund	(662)	0	(662)	To provide ongoing funding to the Local Welfare Support Fund service who provide support to Leeds residents experiencing financial hardship
Communities, Housing & Environment	Self-Isolation Payment Reserve	(134)	134	0	Self-Isolation Payment funding to carry forward
Communities, Housing & Environment	Economic, Social and Environmental Wellbeing Fund	(687)	39	(648)	To carry forward balances on the wellbeing budgets of Community Committee.
Communities, Housing & Environment	Communities Innovation Fund	(213)	184	(29)	To fund work with 3rd sector to develop future financial sustainability in the sector.
Communities, Housing & Environment	Waste Management	(697)	0	(697)	Balance of waste disposal contract savings secured in 19/20 to support the delivery of the Refuse route review and the developing waste strategy.
Communities, Housing & Environment	NEW: Car Parking Upgrade of Meters	0	(100)	(100)	To cover cost of upgrading pay and display parking meters to 4G when 3G is no longer supported.
Communities, Housing & Environment	Homelessness Prevention Fund	(1,753)	178	(1,575)	To fund homelessness prevention
Communities, Housing & Environment	Supporting People	(137)	65	(72)	To fund homelessness prevention
Communities, Housing & Environment	Civil Penalties	(250)	0	(250)	To fund potential legal costs/future shortfalls in income from Civil Penalties.
Resources	Lord Mayor	(10)	0	(10)	Balance of budget carried forward.
Resources	Low Carbon Programme	(158)	0	(158)	To support delivery of work on Air Quality
Resources	Energy Efficiency Reserve - LCC	(235)	(102)	(337)	Energy efficiency reserve to fund invest to save energy efficiency initiatives.
Strategic & Central	Section 256	(942)	(206)	(1,148)	Funding from the CCG to be utilised by DIS to fund development of Digital Solutions for Personalised Care
Strategic & Central	General Insurance	(6,828)	(3,942)	(10,770)	To help fund cost of future insurance claims
Strategic & Central	Mutual Municipal Insurance	(11)	0	(11)	Reserve to fund potential claw backs of past insurance receipts from MMI.
Strategic & Central	Legal Cost of VAT claims	(63)	0	(63)	Funds set aside from £8.4m VAT claim refund received in 10/11 to help fund legal costs for remaining VAT cases
Strategic & Central	Capital Reserve	(2,452)	1,879	(573)	Directorate contributions towards borrowing costs of capital schemes. Contributions received over life of asset and released back to revenue to cover debt costs over life of loan.
Strategic & Central	Merrion House Reserve	(2)	(22,296)	(22,298)	Balance of Merrion House capital receipt, to fund future unforeseen budget pressures and to ensure the Council continues to become more financially resilient
Strategic & Central	S31 Business Rates reserve	(34,339)	23,734	(10,605)	Reserve to carry forward S31 NDR relief grants
Strategic & Central	Strategic Contingency Reserve	(37,476)	17,541	(19,935)	To fund future unforeseen budget pressures and to ensure the Council becoming more financially resilient
Strategic & Central	COVID Reserve	(3,455)	2,090	(1,365)	Government funding to be applied to pressures arising as a consequence of COVID
Strategic & Central	Council Tax Tax Income Guarantee (TIG) reserve	(2,234)	0	(2,234)	Government Income guarantee COVID funding for lost Council Tax in 20/21, to be applied over 3 years.
Strategic & Central	Business rates Tax Income Guarantee (TIG) reserve	(1,003)	0	(1,003)	Government Income guarantee COVID funding for lost Business Rates income in 20/21, to be applied over 3 years.
Strategic & Central	Energy contingency reserve	(1,071)	1,071	0	To provide contingency funding should energy costs exceed provision in the Budget
Strategic & Central	Investment/Innovation	(2,844)	315	(2,529)	Fund to get projects off the ground that will generate future revenue savings.
Strategic & Central	Business Rates Distribution	(1,465)	1,175	(290)	To carry forward prior years Business Rates Pool surplus and funding allocated to projects.
Strategic & Central	Schools Income	(194)	(153)	(347)	To carry forward schools income
	Sub-total Earmarked Reserves	(131,202)	32,540	(98,662)	
	Total non-ring fenced Reserves	(164,450)	32,540	(131,910)	
Schools	Extended Schools Balances	(6,188)	(816)	(7,004)	Surpluses on extended school activities carried forward
Schools	Schools Balances	(36,652)	12,419	(24,233)	Schools balances net of VER, Children's Services and BSF PFI borrowing
Schools	Dedicated Schools Grant	(119)	(8,891)	(9,010)	Carry forward of ring fenced DSG funding.
Adults & Health	Rapid Test Fund	(115)	0	(115)	Funding from Central Government to support COVID rapid testing of individuals
Adults & Health	Community Discharge Grant	(1,129)	(410)	(1,539)	Funding from Central Government for transitions costs from Hospitals back to Community Settings
Adults & Health	Public Health Grant	(4,160)	1,413	(2,747)	Public Health grant carried forward
Communities, Housing & Environment	NEW: S31 Elections Act Grant	0	(31)	(31)	Unspent Government grant carried forward
Communities, Housing & Environment	Taxi & Private Hire Licensing Surplus	(173)	(54)	(227)	Ring fenced reserve for taxi and private hire licensing service.
Strategic & Central	Energy Efficiency Reserve - Salix	(626)	(110)	(736)	Energy efficiency reserve to fund invest to save energy efficiency initiatives.
Strategic & Central	Staffing and Management Support	0	(383)	(383)	To support HR initiatives
Strategic & Central	Revenue Grants	(6,397)	(6,720)	(13,117)	Revenue grants carried forward as per IFRS requirements (see note 1 below)
	Sub-total General Fund Ring-fenced Reserves	(55,559)	(3,583)	(59,142)	
	Note 1: Revenue Grants				
Adults & Health		(280)	0	(280)	Revenue Grants Carried Forward
Children & Families		(803)	(377)	(1,180)	Revenue Grants Carried Forward
City Development		(3,303)	(1,862)	(5,165)	Revenue Grants Carried Forward
Communities Housing & Environment		(1,407)	(4,481)	(5,888)	Revenue Grants Carried Forward
Resources		(418)	0	(418)	Revenue Grants Carried Forward
Strategic Accounts		(186)	0	(186)	Revenue Grants Carried Forward
	Sub-total Revenue Grants	(6,397)	(6,720)	(13,117)	
	HRA RING FENCED RESERVES				
	HRA General Reserve	(7,375)	(300)	(7,675)	
	Housing Advisory Panels (HAPs)	(204)	165	(39)	To fund projects identified by Housing Advisory Panels which benefit the tenants and residents in the community they represent.
	Wharfedale View SF	(34)	(20)	(54)	Contribution from shared owners towards future costs of replacing furniture and carpets at Wharfedale View Extra Care facility
	Changing the Workplace	(151)	(150)	(301)	To fund the cost of 'new ways of working' for staff in Housing Leeds as office moves are completed.
	eFiles Box It Project	(257)	257	0	Principally to fund the scanning of Housing Management paper files to electronic files - to assist the Housing Service in the preparation for moving to Community Hubs.
	NEW: Local Authority Housing Fund	0	(2,589)	(2,589)	To provide match funding to add to the LAHF being received in 23/24 to fund the acquisition of new homes for Ukrainian guests.
	Swarcliffe PFI Sinking Fund	(4,628)	429	(4,199)	PFI Sinking Fund
	LLBH&H PFI Sinking fund	(3,911)	148	(3,763)	PFI Sinking Fund
	Revenue Repairs Reserve	(1,640)	1,571	(69)	Carry forward of in year underspend due to COVID
	Major Repairs Reserve	(11,256)	8,057	(3,199)	Ring-fenced to fund capital expenditure or redeem debt.
	Sub-total HRA Reserves	(29,456)	7,568	(21,888)	
	Total Ring-fenced Reserves	(85,015)	3,985	(81,030)	
	TOTAL RESERVES	(249,465)	36,525	(212,940)	

Capital Programme Funding Statement 2022-2027

Appendix 6A

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
EXPENDITURE						
GENERAL FUND (GF)						
IMPROVING OUR ASSETS	91,057	173,727	162,189	86,869	81,275	595,117
INVESTING IN MAJOR INFRASTRUCTURE	111,257	70,285	30,206	7,090	9,182	228,020
SUPPORTING SERVICE PROVISION	45,717	35,514	36,819	22,022	20,611	160,683
INVESTING IN NEW TECHNOLOGY	8,078	15,216	5,030	4,214	3,300	35,838
SUPPORTING THE LEEDS ECONOMY	14,318	29,243	22,883	7,325	1,053	74,822
CENTRAL & OPERATIONAL EXPENDITURE	30,763	48,936	49,748	39,646	71,068	240,161
TOTAL ESTIMATED SPEND ON GF	301,190	372,921	306,875	167,167	186,489	1,334,642
HOUSING REVENUE ACCOUNT (HRA)						
IMPROVING OUR ASSETS - COUNCIL HOUSING	145,927	144,529	170,152	121,578	99,312	681,498
TOTAL ESTIMATED SPEND ON HRA	145,927	144,529	170,152	121,578	99,312	681,498
TOTAL ESTIMATED SPEND	447,117	517,449	477,027	288,745	285,801	2,016,139
RESOURCES						
GENERAL FUND (GF)						
Specific Resources						
GOVERNMENT GRANTS	161,744	168,906	157,125	73,019	68,427	629,220
OTHER GRANTS & CONTRIBUTIONS	18,023	25,259	6,939	7,954	5,622	63,796
RCCO / RESERVES	91	1	0	0	31	123
CAPITAL RECEIPTS - Transformational Change	13,061	19,835	11,730	8,919	8,508	62,053
Corporate Resources						
BORROWING - Corporate	96,467	126,956	110,819	64,879	100,850	499,971
BORROWING - Departmental	11,805	31,963	20,261	12,396	3,053	79,478
CAP. RESOURCES REQD FOR GF	301,190	372,921	306,875	167,167	186,489	1,334,642
HOUSING REVENUE ACCOUNT (HRA)						
Specific Resources						
HRA SELF FINANCING	59,329	64,564	75,732	74,698	74,695	349,018
R.T.B. CAPITAL RECEIPTS	25,625	36,582	42,718	24,521	15,616	145,062
GOVERNMENT GRANTS	10,351	6,467	0	0	0	16,819
RCCO / RESERVES	0	0	0	0	0	0
OTHER GRANTS & CONTRIBUTIONS	11,438	2,199	3,143	0	0	16,780
BORROWING - Departmental	39,170	34,703	48,559	22,358	9,002	153,792
CAP. RESOURCES REQD FOR HRA	145,913	144,515	170,152	121,578	99,312	681,470
TOTAL CAP. RESOURCES REQD	447,104	517,435	477,027	288,745	285,801	2,016,111
BORROWING REQUIRED TO FUND THIS PROGRAMME						
	147,441	193,623	179,640	99,634	112,904	733,242
Average Interest rate (subject to change)	4.50%	4.25%	3.50%	3.00%	3.00%	

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Improving Our Assets						
Highways Maintenance	25,142	26,263	25,506	24,028	20,894	121,833
Corporate Property Management	3,405	11,350	9,000	6,500	11,500	41,755
Highways Bridges & Structures Maintenance	6,163	7,513	5,805	4,705	5,429	29,615
Section 278	2,921	6,505	3,940	3,209	3,500	20,074
Highways Maintenance Capitalisations	4,614	3,700	2,800	1,800	900	13,814
Climate Emergency	918	1,055	850	900	950	4,673
Demolition Programme	349	401	250	250	500	1,750
Library Books	626	450	300	200	100	1,676
Sports Maintenance	-2	137	100	100	100	435
	44,136	57,373	48,551	41,692	43,873	235,624
Supporting Service Provision						
Telecare ASC	454	517	1,200	600	600	3,371
Adaptation to Private Homes	504	647	470	470	470	2,561
Childrens Centres	0	146	90	90	50	376
	958	1,310	1,760	1,160	1,120	6,308
Investing In New Technology						
Digital Development	3,202	5,150	2,500	2,500	2,500	15,852
Essential Services Programme	3,008	7,192	2,500	1,700	800	15,200
	6,210	12,343	5,000	4,200	3,300	31,053
Supporting The Leeds Economy						
Project Support Fund - Groundwork	0	70	70	70	140	350
Central & Operational Expenditure						
Vehicle Programme	886	9,999	19,589	13,241	39,038	82,752
PFI Lifecycle Capitalisations	11,853	11,980	12,895	13,395	13,504	63,627
Transformational Change	9,827	9,106	8,919	8,919	8,508	45,279
General Capitalisations	3,900	3,300	2,700	1,800	900	12,600
Capital Programme Management	540	541	541	541	543	2,707
Capitalisation of Interest	1,228	700	543	0	0	2,471
	28,233	35,626	45,187	37,896	62,493	209,436
Total Annual Programmes 2022-2027	79,538	106,721	100,568	85,018	110,926	482,771

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
Improving our assets - Council Housing						
HRA Housing Leeds & BITMO & Other	94,577	83,808	88,734	83,827	83,824	434,769
HRA Council Housing Growth Programme	51,350	60,721	81,418	37,750	15,489	246,729
Improving our assets - General Fund						
City Centre Package & Armley Gyratory	14,634	23,164	8,960	0	0	46,758
Capital Maintenance / School Condition Allocation	7,304	4,778	5,512	7,321	21,427	46,342
Parks & Countryside Schemes	5,039	18,402	902	728	1,084	26,154
Corridor Improvement Programme (CIP)	1,482	7,606	13,454	460	0	23,001
Highways Transport Package	2,405	8,280	4,915	3,685	3,685	22,970
Strategic Investment Fund Acquisitions	97	1,419	10,000	10,361	0	21,877
LUF - Connecting West Leeds	2,694	16,675	2,247	0	0	21,617
A660 Woodhouse Lane Gateway (Uni)	65	960	8,225	8,225	3,025	20,500
Leeds Town Hall Restoration / Other Heritage Assets	1,292	6,271	10,365	0	0	17,928
Parklife Programme	403	1,241	15,474	0	0	17,118
Beckett Street Bus Priority Transformation	4	1,246	6,250	5,250	2,250	15,000
Fearnville Wellbeing Centre	361	6,913	6,000	0	0	13,274
Streetlighting Replacement LEDs	5,172	5,492	2,500	0	0	13,164
Devolved Formula Capital Grant	1,454	2,661	2,578	1,478	3,816	11,987
A6110 Elland Road South Churchwell Hill	201	576	1,034	5,312	1,087	8,210
Creating Healthier Streets, Spaces & Communities	21	999	2,170	2,170	840	6,200
Assisted Living Leeds	19	481	5,659	0	0	6,159
Community Hubs Programme	247	2,209	200	0	0	2,655
Future Ways of Working and Estate Realisation	506	329	0	0	0	835
Other smaller schemes within the objective	3,523	6,653	7,193	187	189	17,744
	192,848	260,883	283,790	166,755	136,714	1,040,991
Investing in Major Infrastructure						
Flood Alleviation Schemes	47,584	20,465	5,551	525	525	74,650
Leeds Integrated Station Masterplan	5,946	20,487	20,086	6,490	0	53,009
East Leeds Orbital Road (ELOR)	25,849	3,642	977	0	0	30,467
Decarbonisation Programme & Energy Efficiency	18,163	7,632	75	75	499	26,444
Sustainable Active Travel	4,200	8,840	2,989	0	0	16,029
Connecting Leeds - Leeds Public Transport Investment Programme (LPTIP)	8,030	6,746	0	0	0	14,776
Clean Air Zone	327	567	0	0	8,158	9,052
Other smaller schemes within the objective	1,158	1,907	529	0	0	3,594
	111,257	70,285	30,206	7,090	9,182	228,020
Supporting Service Provision						
Learning Places Programme / Basic Need Grant	21,966	18,046	22,487	11,290	6,513	80,302
Private Sector Renewal - Adaptations / Equity Loans	12,154	8,057	10,099	8,650	8,564	47,524
Childrens Homes	1,894	3,658	1,479	0	23	7,055
VINE Education Centre Rebuild	6,075	599	0	0	0	6,674
Other smaller schemes within the objective	2,670	3,844	994	922	4,391	12,821
	44,759	34,204	35,059	20,862	19,491	154,375
Investing in New Technology						
Digital Information Service - Full Fibre Network	1,627	1,665	0	0	0	3,293
Other smaller schemes within the objective	241	1,208	30	14	0	1,493
	1,868	2,874	30	14	0	4,786
Supporting the Leeds Economy						
Morley Town Fund	983	8,350	9,841	4,661	0	23,835
Kirkgate Market Strategy	2,495	6,432	3,021	0	0	11,948
Local Centres Programme & THI	498	4,059	0	1,934	0	6,491
Getting Building Fund	4,738	1,527	0	0	0	6,265
British Library at Temple Works	0	500	4,500	0	0	5,000
East of Otley Relief Road	316	2,000	2,593	0	0	4,909
Other smaller schemes within the objective	5,289	6,305	2,858	660	913	16,025
	14,318	29,173	22,813	7,255	913	74,472
Central & Operational Expenditure						
Core Systems Review	3,234	10,729	2,811	0	0	16,774
General Contingencies	0	1,808	1,750	1,750	8,575	13,883
Other smaller schemes within the objective	-705	774	0	0	0	69
	2,529	13,310	4,561	1,750	8,575	30,725
Total Major Programmes & Other Directorate schemes	367,580	410,728	376,459	203,726	174,875	1,533,368
Annual Programmes - See Appendix 6A (i)	78,565	99,853	103,322	86,959	116,108	484,807
Total Annual & Major Programmes	446,144	510,581	479,781	290,686	290,983	2,018,175

	Corporate Borrowing £000	Borrowing Supported by Revenue £000	Specific Resources £000	Total Resources £000
Network Rail Contribution Injection re Leeds Station Sustainable Travel Gateway (Mill Goit works)			9,524.6	9,524.6
District Heating Network Ph3 - Net Funding Injections	6,396.0		792.0	7,188.0
Capital Receipt (Roof tax) Injection re East Leeds Orbital Road	6,840.4			6,840.4
WY+TF Grant Injection re M2D2L A653 Beeston to Tingley			5,400.0	5,400.0
LA Housing Fund - Ukraine Housing			4,315.5	4,315.5
LA Housing Fund - Bridging Scheme (matched funded)		1,603.2	1,603.2	3,206.4
Brodetsky School Roofing Works - External Contribution Injections			1,935.2	1,935.2
External Funding Contribution Injections to Highways Schemes			1,492.9	1,492.9
Arts Council England (ACE) Grant injection re Armley Mills			680.0	680.0
Additional Departmental Borrowing Injection re Waste Depot		363.8		363.8
Capital Receipts Injection re Land at Stanks Garden	293.5			293.5
Realignment of future DfE Grant budgets in line with announced 23/24 allocations			202.4	202.4
External Funding Contribution Injections to P&C Schemes			172.3	172.3
Green Homes Grant Schemes - External Funding Adjustments			163.7	163.7
S106 Injection re Additional Learning Places at Parklands PS			129.8	129.8
Other External Contributions			189.1	189.1
Net Injections sought as part of this report	13,529.9	1,967.0	26,600.7	42,097.6
Net Injections with approvals in place	160,261.1	7,467.6	425,316.9	593,045.6
Total Net Injections in place since February 2022	173,791.0	9,434.6	451,917.6	635,143.2
Slippage Movements as at 2021/22 Outturn				56,064.0
Net Increase in funding since February 2022 to 2022/23 Outturn				691,207.2

CAPITAL PROGRAMME - 2022/23 OUTTURN VARIATIONS

Appendix 6B

The following table highlights main scheme variations between the estimates in February 2023 and the final outturn 2022/23 as at 19th May 2023.

The variations are based on those programmes / schemes with significant variations both over/under > £500k.

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Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
Adults & Health	Services for Older People	Care Home Refurbishments	774.0	148.6	(625.4)	Works delayed due to the sign off of designs and appointment of contractors.
	Adults & Health General	Various	500.0	18.9	(481.1)	No material variances but primarily due to the Assisted Living Leeds scheme (-£231.1k) that experienced delays in determining the specification for its new site and planning and design fees were not as great as expected, and Burmantofts Health Centre Redevelopment (-£200.0k) that has slipped to 23/24 as a fundamental reassessment is required.
	Digital Information Services	Digital Transformation	654.7	(24.6)	(679.3)	Additional Revenue Grant funding received so capital funding not required. Spend lower than anticipated on some schemes due to the unavailability of staff to undertake the work.
	Other schemes		1,518.5	1,512.5	(6.0)	No material variances on the 10 remaining schemes within Adults & Health.
			3,447.2	1,655.4	(1,791.8)	

Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
Strategic & Central	Strategic Priorities	DCLG Capitalisation	0.0	(799.0)	(799.0)	As part of the closure of accounts the balance on the Equal Pay Provision has been returned to the Capital Programme from where it was originally funded.
	Strategic Priorities	Core Systems Review	1,573.8	3,234.3	1,660.5	This is primarily due to the accelerated purchase of £1.6m of software licences.
	Central Accounts	Capitalisation of Interest	720.3	1,228.4	508.1	Increase relates primarily to the East Leeds Orbital Road scheme.
	Other schemes		25,476.7	26,290.4	813.7	No material variances on the 57 remaining schemes within Strategic & Central. Variance primarily due to increased charges for Transformational Change (+£410.9k) and PFI Lifecycle Capitalisations (+£390.7k).
			27,770.8	29,954.1	2,183.3	

Appendix 6B continued

Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
City Development	Highways	Streetlighting	4,542.3	5,172.0	629.7	Larger than expected accrual raised in 2022/23 for works in relation to Replacement LEDs. While works have been carried out it's taking time to settle these claims based on contractor information.
	Highways	Flood Alleviation Schemes	35,099.2	47,583.9	12,484.7	Primarily relates to the Leeds Flood Alleviation Scheme Phase 2 (LFAS2). Costs increasing primarily due to inflation. The contract is designed to protect and limit LCCs pain share liability so will not result in an overspend on the current budget. Contractor negotiations were ongoing from November to February and additional costs incurred per month were not factored into the 22/23 projection reported to Feb '23 Executive Board. The £12.5m variance that was incurred is covered by secured additional grant.
	Highways	Highways Maintenance Annual programmes & CRSTS	25,969.8	29,756.0	3,786.2	The net outturn variation of £3.8m on the combined Highways Maintenance programme is mainly as a result of inflationary pressures which were incurred in the latter months of the financial year.
	Highways	East Leeds Orbital Road	22,323.7	25,785.4	3,461.7	Early negotiated settlement payment to complete the ELOR scheme.
	Highways	Corridor Improvement Programme	2,646.9	1,481.6	(1,165.3)	Delays in individual scheme designs and start on sites have led to this variance.
	Highways	Connecting West Leeds	3,217.9	2,694.4	(523.5)	LUF funded programme includes a mixture of schemes taking time to design and start on site. DLUHC have been kept informed of progress at regional meetings.
	Highways	City Centre Package & Armley Gyatory	10,815.6	14,617.9	3,802.3	Schemes delivering quicker than expected, together with some inflationary increases. Mainly grant funded.
	Highways	Connecting Leeds	8,074.6	6,463.3	(1,611.3)	Some delays in completing the Connecting Leeds - Leeds Public Transport Investment Programme (LPTIP) Programme with retentions still to be finalised. Actual programme was due to complete in 22/23 but now extended to Dec 2023.
	Regeneration	Local Centres Programme	850.6	123.5	(727.1)	Delays in individual scheme designs and start on sites have led to this variance. Funding c/fwd to spend in future years.
	Other schemes		43,909.7	42,215.6	(1,694.1)	No material variances on the remaining 404 schemes within City Development but primarily due to slippage on Economic Development schemes (-£904.2k) and Culture & Sport schemes (-£690.5k).
			157,450.3	175,893.6	18,443.3	

Appendix 6B continued

Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
Children & Families	Learning Places	Allerton High School	5,284.7	5,809.2	524.5	A number of variations were issued during the year which largely relate to changes in the survey information and changes in the spend profile.
	Capital Maintenance	Brodetsky School	0.0	1,081.5	1,081.5	For February Executive Board it was not clear that this scheme needed to be included within LCC's capital programme as Brodetsky School is Voluntary Aided, and therefore responsible for managing its own capital expenditure. However, the school is not linked to a diocese who would usually assist with administrating / cashflowing large contractor payments, and therefore they needed to utilise LCC school budget resources for this purpose.
	Social Care / Youth / Early Years	Field Terrace Residential Childrens Home	1,700.0	1,157.7	(542.3)	Variance is primarily due to a combination of slippage in planned works undertaken by the contractor and planned expenditure such as that relating to ICT being slipped into 2023/24.
	Other schemes		32,710.8	31,410.9	(1,299.9)	No material variances on the remaining 155 schemes within Children & Families but primarily due to slippage on the rebuild of the VINE Education Centre (delays from utilities installing new meters for substation to facilitate switch over) and Learning Places schemes at Allerton Grange High School (final account and deed of variation still to be agreed) and Brigshaw High School Academy (no claim submitted by the Academy for cost reimbursement by LCC).
			39,695.5	39,459.3	(236.2)	

Appendix 6B continued

Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
Resources	Leeds Building Services	LBS Mobilisation Vehicles & Equipment	867.9	94.1	(773.8)	Scheme ongoing but expected expenditure in 22/23 didn't materialise. Plans under review to spend in 23/24.
	Corporate Property Management	Civic Estate Fire Prevention Works 22/23	751.8	0.0	(751.8)	Lack of specialist contractors. Procurement exercise carried out and new contract should be in place by August 2023.
	Civic Enterprise Leeds	Electric Vehicle Trial Local Businesses	586.2	3.3	(582.9)	Delay in securing procurement approvals and lead times in ordering vehicles.
	Civic Enterprise Leeds	Catering Equipment & Refurbishment of Schools	770.1	77.4	(692.7)	Budget used for Service Level Agreement renewals and tenders expected not to be spent. An assessment is made at the renewal of each SLA to determine whether any new equipment is required in school kitchens. It is purchased against this budget if it is. The assessments over the past year have not required the full budget. The budget rolls on to be utilised as and when required.
	Sustainable Energy & Climate Change	District Heating Network Ph3	1,165.0	5,309.7	4,144.7	Revised spend profile reported at Feb 22 Executive Board not reflected in the Overall Budget report. Spend will be novated to Leeds Pipes during 23/24 - budget cashflowed by injection of capital receipts until this happens.
	Sustainable Energy & Climate Change	PSDP1 - Energy Efficiency	1,204.0	1,767.3	563.3	Overspend primarily relates to the window replacement scheme at Leeds Town Hall due to delays in securing / increased costs regarding listed building consent (+£486.0k). Overspend funded by release of general contingencies.
	Other schemes		30,176.0	24,721.9	(5,454.1)	No material variances on the remaining 217 schemes within Resources.
			35,521.0	31,973.7	(3,547.3)	

Appendix 6B continued

Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
Communities, Housing & Environment	Strategic Housing Partnership & Support	Adaptations (Disabled Facilities Grants)	9,454.3	10,710.4	1,256.1	Demand and applications for adaptations continue to rise. Review to be undertaken for 23/24 in light of grant announcement.
	Parks & Countryside	Indoor Playbarn at Temple Newsam	3,327.5	2,394.6	(932.9)	Delays in contractor progress on scheme.
	Parks & Countryside	Replacement Parks Equipment & Machinery	789.7	213.2	(576.5)	Slippage actioned for supply chain delays for the purchase of replacement equipment and machinery.
	Other schemes		11,177.3	8,936.0	(2,241.3)	No material variances on the remaining 331 schemes within Communities, Housing & Environment.
			24,748.8	22,254.2	(2,494.6)	

Total General Fund Variances	288,633.6	301,190.3	12,556.7	
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Directorate	Service	Programme / Scheme	Feb 2023 £000	2022/23 Actual £000	Variation Under (-) / Over £000	Reason for variation
HRA - Strategic Landlord	HRA Council Housing Growth Programme		59,547.3	51,349.9	(8,197.4)	The Housing Growth programme required slippage on projects due to higher than estimated rise in costs at a gateway review due to external inflation pressures. This resulted in delays in start on site for the projects while investigations were carried out to negate the total impact to the HRA. The new acquisition cap results in slippage of start on site projects impacting the number of acquisitions we are allowed to fund using our right to buy receipts. This resulted in slippage in the acquisition budget to follow the reprofiled start on site numbers.
	HRA Housing Leeds, BITMO and Other		94,954.1	94,576.9	(377.2)	No material variances on the 168 remaining schemes within the HRA. Variance relates to Housing Leeds (-£425.5k), BITMO (-£12.7k) and Other HRA (+£61.0k) schemes.
			154,501.4	145,926.8	(8,574.6)	

Total Capital Programme Variances	443,135.0	447,117.1	3,982.1	
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Ward Based Initiative (WBI) Allocations							
	Initial WBI Allocation from 2008	Total CRIS Injection to Sep '22	CRIS Injection Oct '22 - Mar '23	Total WBI Allocation	Spent / Committed (as at Mar '23)	Total Balance Available	Scheme ref
	£000	£000	£000	£000	£000	£000	
ADEL AND WHARFEDALE	40.0	32.7	75.0	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	0.0	207.5	95.8	111.7	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	0.0	156.3	113.7	42.6	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	146.0	83.7	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	75.0	22.9	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	0.0	60.8	56.1	4.7	14236\GAR\000
GIPTON AND HAREHILLS	40.0	194.3	0.0	234.3	224.8	9.5	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	175.5	4.8	220.3	193.3	27.0	14236\HOR\000
LITTLE LONDON AND WOODHOUSE	40.0	497.5	0.0	537.5	224.9	312.6	14236\HYD\000
KILLINGBECK AND SEACROFT	40.0	85.1	0.0	125.1	72.6	52.5	14236\KIL\000
KIPPAX AND METHLEY	40.0	50.7	0.0	90.7	42.7	48.0	14236\KIP\000
KIRKSTALL	40.0	54.8	75.0	169.8	70.1	99.7	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	161.7	55.5	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	247.3	45.9	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	118.9	71.1	14236\WET\000
TOTALS	1,320.0	4,626.9	223.6	6,170.5	4,046.4	2,124.1	

Community Committee Allocations							
	Percentage	Total CRIS Injection to Mar '22	CRIS Injection Oct '22 - Mar '23	Total Community Committee Allocation	Spent / Committed (as at Mar '23)	Total Balance Available	Scheme ref
	%	£000	£000	£000	£000	£000	
INNER SOUTH	14.83%	211.3	11.0	222.3	178.2	44.1	16933\000\000
OUTER SOUTH	9.60%	153.3	7.2	160.5	91.9	68.6	16934\000\000
OUTER EAST	8.83%	147.3	6.6	153.9	65.7	88.2	16935\000\000
INNER WEST	13.02%	171.3	9.7	181.0	163.6	17.4	16936\000\000
INNER NORTH WEST	8.33%	143.7	6.2	149.9	137.1	12.8	16937\000\000
OUTER WEST	8.66%	133.5	6.5	140.0	109.2	30.8	16938\000\000
OUTER NORTH WEST	7.24%	124.6	5.4	130.0	57.0	73.0	16939\000\000
INNER NORTH EAST	7.64%	128.0	5.7	133.7	89.1	44.6	16940\000\000
INNER EAST	16.70%	241.9	12.4	254.3	186.0	68.3	16941\000\000
OUTER NORTH EAST	5.15%	87.5	3.8	91.3	59.3	32.0	16942\000\000
TOTALS	100.00%	1,542.4	74.5	1,616.9	1,137.1	479.8	

Total CRIS Injection Oct '22 - Mar '23 **298.1**

Total CRIS Balance Available **2,603.9**

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TREASURY MANAGEMENT OUTTURN 2022/23

Date: 21st June 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

- 1.1 This report sets out for Members' approval the Treasury Management Outturn report for 2022/23.
- 1.2 This report shows that net external debt as at 31st March 2023 was £2,397m which is £5m lower than the February 2023 forecast. This movement is due to lower than anticipated revenue balances of £7m and a decrease in assumed treasury borrowing of £12m for the capital programme. The level of debt and liabilities should be viewed in the context of the Council's long-term assets which were valued at £6.779bn as at 31st March 2022. The equivalent total asset value at 31st March 2023 is not yet available, as the Council's 2022/23 draft accounts are not yet completed.
- 1.3 The level of debt has remained within the Authorised Limit and Operational Boundary as approved by the Council in February 2023.
- 1.4 The average rate of interest paid on the Council's external debt was 3.22% for 2022/23 down slightly from 3.28% recorded in 2021/22.
- 1.5 The outturn position for debt costs within the revenue budget was an underspend of £6.4m before taking into account the impact on MRP of applying the remaining balance of the Merion House capital receipt to reduce debt. This £6.4m underspend arose primarily because of opportunities to borrow at lower interest rates during the year, lower than anticipated overall borrowing requirement and lower than anticipated MRP. External interest income was also higher than had been budgeted for, as interest rates rose during the year.
- 1.6 A further saving of £22.3m in the level of MRP has been generated as a result of applying the remaining Merion House capital receipt to reduce debt. This saving has been transferred to earmarked reserves to be carried forward for use in future years.

Recommendations

That the Executive Board:

- 2.1 Note the Treasury Management outturn position for 2022/23 and that treasury activity has remained within the treasury management strategy and policy framework

What is this report about?

- 3.1 This Treasury Management Outturn Report for 2022/23 provides a final update on loans undertaken to fund the capital programme requirements for both General Fund and HRA. Treasury activity during the year was conducted within the approved borrowing limits for the year and resulted in an overall saving to the revenue budget of £6.4m.

What impact will this proposal have?

- 4.1 The 2022/23 treasury management strategy was approved by Executive Board on 9th February 2022. This report provides members with a final update on Treasury Management strategy and operations in 2022/23.

How does this proposal impact the Three Pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 5.1 The Treasury Management strategy secures funding to support the Council's Policies and City Priorities as set out in the Council's capital programme and is consistent with the Best City Ambition and 3 key pillars.
- 5.2 Equality, diversity, cohesion, and integration requirements are addressed as part of individual capital scheme and programme approvals. The borrowing to deliver these capital schemes is executed through treasury strategy and as such there are no further equality, diversity, cohesion, and integration issues.

What consultation and engagement has taken place?

Wards Affected:

Have ward members been consulted? Yes No

- 6.1 This report is an update on 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.

- 6.2 The borrowing requirement is an outcome of the capital programme which has been the subject of consultation and engagement as outlined in the February capital programme report approved by full Council.

What are the resource implications?

- 7.1 This update on the treasury strategy recognises the borrowing necessary to fund the capital programme requirements of both General Fund and HRA. The revenue costs of borrowing are included within the revenue budgets of the General Fund and HRA.
- 7.2 A surplus of £6.4m has been generated, primarily because of opportunities to borrow at lower interest rates during the year, a lower than anticipated overall borrowing requirement and lower than anticipated MRP. External interest costs were £5.2m below budget, of which £4.0m was attributable to the general fund and the remainder to the HRA. The MRP charge for the year was £1.9m lower than had been budgeted for, largely as a result of slippage in the 2021/22 capital programme. External interest income was also £1.0m higher than had been budgeted for, as interest rates rose during the year.
- 7.3 The total underspend of £28.7m in the debt budget also includes the application of the remaining £22.3m balance of the Merrion House capital receipt which has been used to repay debt, with a consequent reduction in the level of MRP. The resulting saving has been transferred to an earmarked revenue reserve to be carried forward to future years.

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

- 8.1 This report sets out the performance against the 2022/23 Treasury strategy. The execution of the strategy and associated risks are kept under regular review through:
- Monthly reports to the officer led Finance Performance Group.
 - Quarterly strategy meetings with the Chief Officer Financial Services and the Council's treasury advisors and
 - Regular market, economic and financial instrument updates, and access to real time market information.
- 8.2 The above monitoring mitigates the directorate level risk of "Failure to recover money invested in other financial institutions" and in addition the Treasury Management Strategy is linked to the corporate risk on 'Financial Forecasting'.

Review of Strategy 2022/23

- 8.3 Table 1, shows that net borrowing in 2022/23 was £2,397m, £5m lower than the February 2023 forecast. This movement is due to lower than anticipated revenue balances of £7m, and a decrease in assumed treasury borrowing of £12m for the capital programme. The actual movement in the capital programme is explained in the Financial Outturn report elsewhere on the agenda.

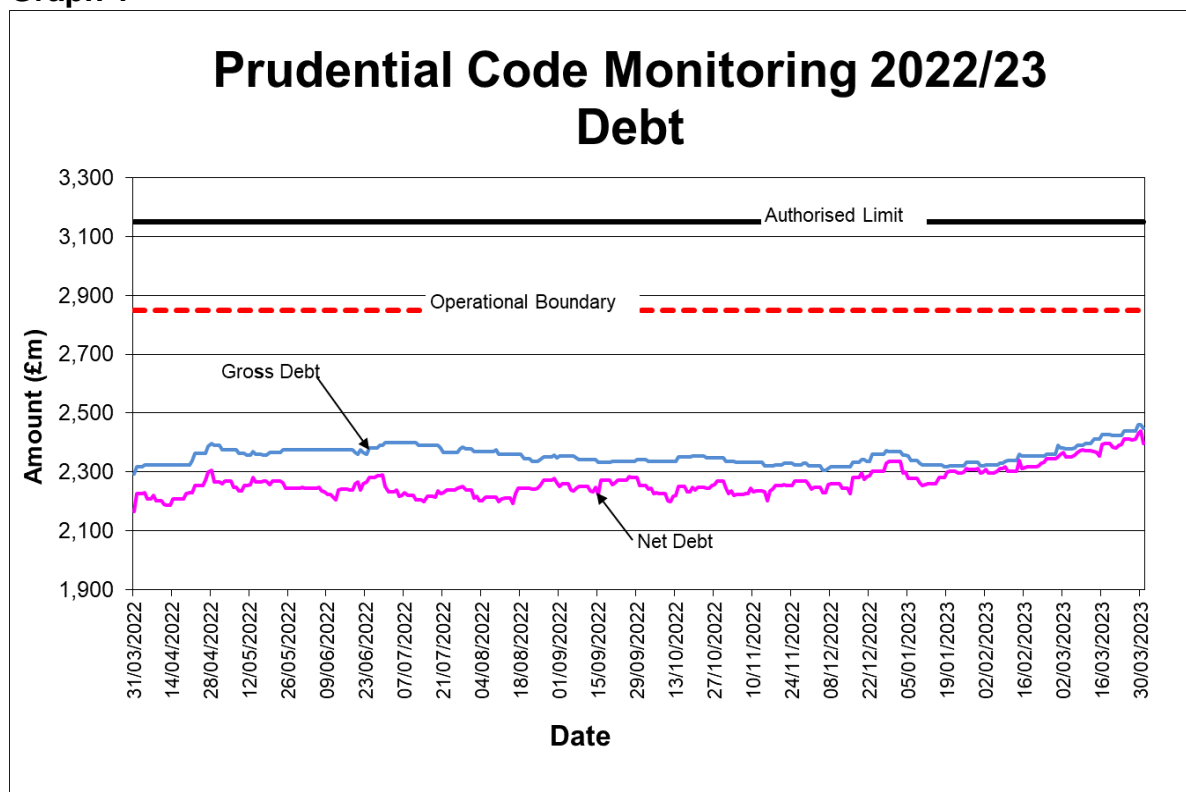
TABLE 1

	2022/23 Nov 22 Report	2022/23 Feb 23 Report	2022/23 This Report
	£m	£m	£m
ANALYSIS OF BORROWING 2022/23			
Net Borrowing at 1 April	2,165	2,165	2,165
New Borrowing for the Capital Programme – GF	152	123	107
New Borrowing for the Capital Programme – HRA	43	36	40
Debt redemption costs charged to Revenue (Incl HRA)	(61)	(60)	(60)
Reduced/(Increased) level of Revenue Balances	138	138	145
Net Borrowing at 31 March	2,437	2,402	2,397
Capital Financing Requirement*			2,783
Other long term liabilities capital financing requirement			519
Net Borrowing 31st March comprised as follows			
Long term Fixed	2,259	2,279	2,279
Variable (less than 1 Year)	20	0	0
New Borrowing	182	147	154
Short term Borrowing	16	16	16
Total External Borrowing	2,477	2,442	2,449
Less Investments	40	40	52
Net External Borrowing	2,437	2,402	2,397
% borrowing funded by short term and variable rate loans	9%	7%	7%
Limit for variable rate Borrowing	40%	40%	40%

* The Capital Financing Requirement (CFR) is the maximum level of debt (i.e. borrowing 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.

- 8.4 The level of debt and liabilities should be viewed in the context of the Council's assets which were valued at approximately £6.779bn as at 31st March 2022. The equivalent total asset value at 31st March 2023 is not yet available, as the Council's 2022/23 draft accounts are not yet completed. The Capital programme outturn position is reported in the June Financial Performance - Outturn Report to Executive Board elsewhere on the agenda.
- 8.5 In 2022/23 the level of debt remained within Authorised limits during the year, and this is shown in Graph 1. The Authorised Limit is the maximum permitted amount of borrowing the Council can have outstanding at any given time and has not been breached during 2022/23. The Operational Boundary is a key management tool and can be breached temporarily depending on cash flow. This limit acts as a warning mechanism to prevent the Authorised Limit from being breached. Treasury Management activity has resulted in no breach of its prudential indicators, which are detailed in Appendix A. All other prudential indicators are within the normal tolerance levels of treasury management.

Graph 1



8.6 The 2022/23 borrowing strategy was initially to fund the capital programme borrowing requirement from longer term borrowing to reduce interest rate risk, taking advantage of long-term funding opportunities when they arise during the year. Short term borrowing is used during the year to temporarily fund the borrowing requirement where necessary, ensuring that long term borrowing is not undertaken at unfavourable rates. Whilst this approach continues to deliver lower costs of financing, the level of borrowing funded by short terms loans has increased to £170m at 31/03/2023. During 2022/23 both actual short- and long-term rates have increased significantly however the Council’s advisors are forecasting that rates will fall back from currently levels which are the highest seen in over a decade. As a result, the strategy has been updated to fund from short term until longer term rates fall at which time short term funding will be switched into lower cost longer term funding. In addition, the government will bring forward a new discounted PWLB policy margin to support local authorities borrowing for Housing Revenue Accounts and the delivery of social housing. The Council’s HRA currently has capacity to borrow £129m at these reduced rates when they are introduced by HMT in June.

8.7 Since the economic update to Members in February, the uncertainty surrounding the impact of the Covid-19, Ukraine and continuing supply chain disruption have provided the backdrop for the economic performance outlined below. Inflation is expected to fall reasonably quickly from its current levels of over 10% during the rest of 2023/24 although the exact pace and timing of this fall remains uncertain.

- The Monetary Policy Committee (MPC) increased the bank rate from its emergency level of 0.10% to 0.25% on 16/12/2021. Since that initial move the MPC have steadily raised rates a further 11 times to its current level of 4.50% from 11th May 2023. Whilst base rate is currently at 4.50% many market commentators expect that the peak may be higher than this however expectations are that by the end of 2023/24 a fall in base rate will be seen. In addition, the MPC had issued total Quantitative Easing (QE) of £895bn although from November 2022 the MPC has been slowly unwinding this in a process called Quantitative

Tightening (QT) by selling some holding into the market and allowing other to naturally mature.

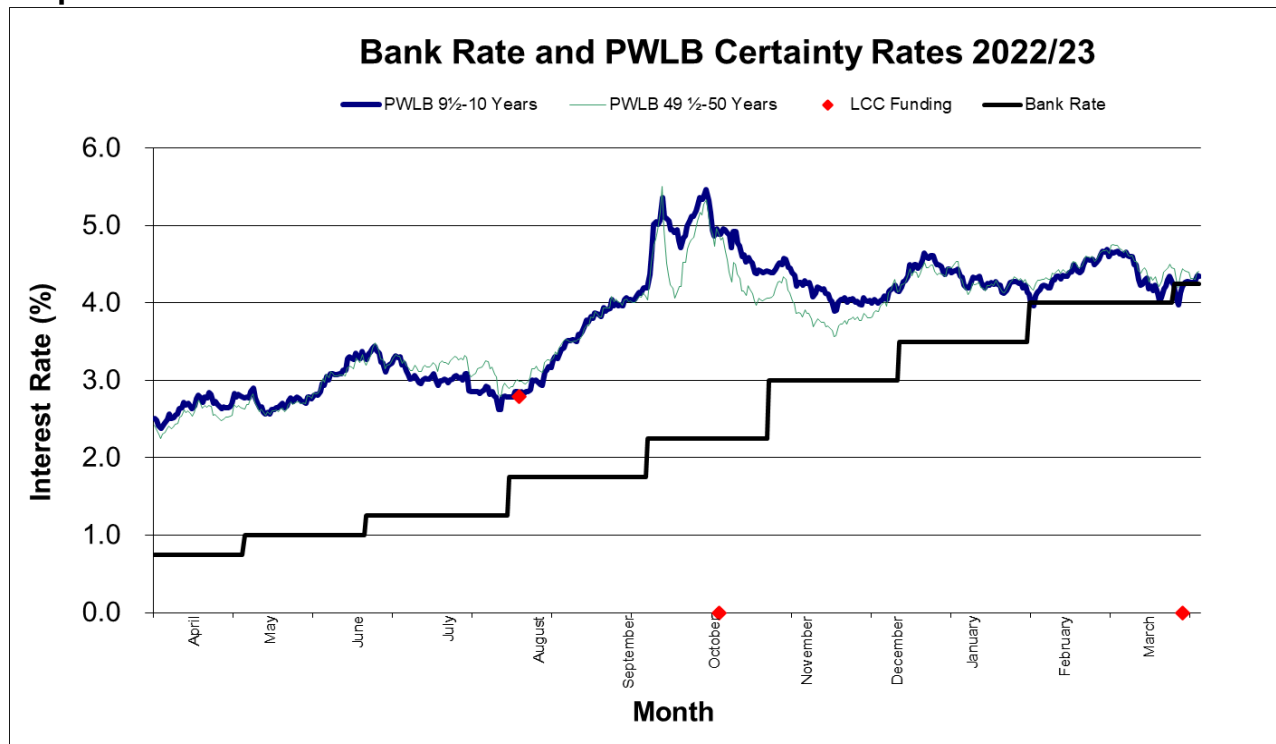
- During 2021/22 and 2022/23 inflation pressures Increased from around 2% to a peak in October 2022 of 11.1% and these have squeezed household disposable incomes. Inflation as at April 2023 has fallen back to 8.7% which was 0.5% above market expectations and whilst inflation is expected to fall further during 2023/24 as supply side shocks in food and energy begin to fall out of the calculation it is an indication that inflation may remain higher than the 2% target for longer.
- As inflation has risen GDP has subsequently fallen with the last 4 quarters posting growth rates which whilst positive are very close to 0%. This has been against a backdrop of stubborn inflationary pressures, easing of COVID restrictions in most developed economies, the ongoing Russian Invasion of Ukraine and changing UK policy priorities.
- The unemployment rate in the UK has increased from a low of 3.50% in August 2022 to 3.90% in March 2023 however this is still considered to indicate a tight labour market. When taken with CPI Inflation this has also driven the growth in wages in the economy which has been running at around 6% during most of the year with March posting a figure of 5.80%.
- These factors make it a difficult judgement call as to when to begin reducing base rates and by how much across many developed economies.
- In the United States the hawkish tone from Federal Open Markets Committee (FOMC) members has led to markets pricing in further increases of 25-50bp of rate tightening from its current level of 4.75% to 5.00%. The FOMC is also expected to continue unwinding its stock of QE held on its balance sheet however recent bank failures may cause the FOMC to be more circumspect in this regard until stability is assured. Inflation in the US is currently 4.90% down from the US peak of 9.10% in June 2022
- More positively the US economy has been adding between 250k to 350k of jobs per month except for March 2023 which was 165k. US unemployment currently stands at 3.4% posted in April and again indicates a very tight labour market.
- In Europe, the inflation rate has fallen below 7% however the ECB is expected to want to dampen Inflationary pressures so further increases in policy rates from the current 3.75% are expected. Overall EU growth is like the UK expected to be subdued at 0.1% in March and with unemployment across the area falling to 6.5%.

8.8 Graph 2 shows the movement in PWLB interest rates over the year. Underlying Gilt yields have risen during 2022/23 by around 1.5% to 2.0% over the year in longer dated periods. Longer term PWLB rates (49½-50 year) have varied during the year but ended the year at 4.41% but reached a high of 5.51% in late September and achieved a low point of 2.25% in April 2022. Shorter term rates (9½-10 year) have also risen from the start of the year and again hit a low point in early April. PWLB rates can now be summarised as follows

- **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

Graph 2 also shows the long-term funding activity undertaken as detailed in Table 2.

Graph 2



8.9 The strategy for 2022/23 has resulted in a surplus of £6.4m, primarily due to funding at lower rates than anticipated and by lower borrowing activity due to higher than anticipated revenue balances and lower than anticipated MRP.

8.10 Table 2 shows £23.426m of longer-term borrowing was secured during the year with £20m of this being from the PWLB together with £3.42m of SALIX funding. The table also shows that while no market loans options were exercised during the entire year, £1.3m of normal EIP (Equal Instalment of Principal) repayments were made on SALIX loans, whilst £37.6m of PWLB loans reached maturity during the period. Approximately half of market loans outstanding are termed Lenders Option Borrowers Option (LOBO) and contain clauses which allows the lender, at pre-determined dates, to vary the interest rate on the loan. If one of these options is exercised and the new rate is not accepted, the borrower then has the option to repay the loan without penalty. No options were exercised during 2022/23.

Table 2

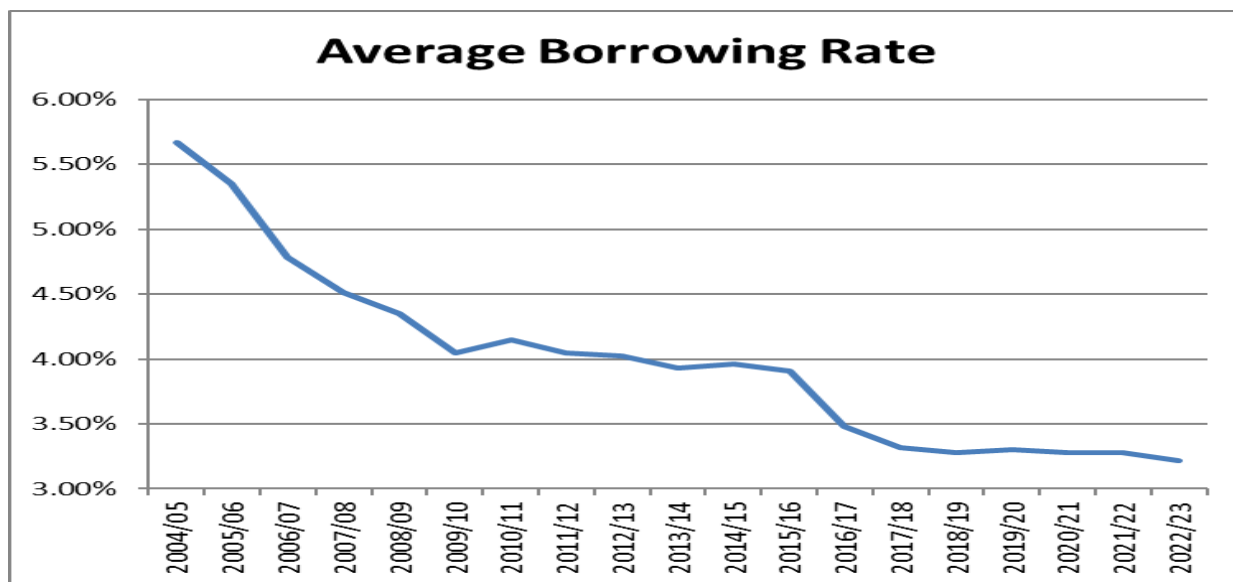
Loan repayments and borrowing 2022/23								
Loan Repayments					New Borrowing			
Date	Lender	Amount (£m)	Original Rate (%)	Discount Rate	Date	Amount (£m)	Term (Years)	Interest Rate (%)
PWLB Loans					PWLB			
04/03/2022	PWLB	8.812	3.74%	n/a	09/08/2022	20.000	48	2.79
17/05/2022	PWLB	8.812	3.26%	n/a				
11/05/2022	PWLB	10.000	2.95%	n/a				
21/05/2022	PWLB	10.000	2.90%	n/a				
Sub Total		37.624			20.000			
Non PWLB Loans					Non PWLB Loans			
01/04/2022	SALIX PH1	0.315	0.00	n/a	SALIX PH3	1.710	8	0.00
03/10/2022	SALIX PH1	0.315	0.00	n/a	SALIX PH3	1.710	8	0.00
01/09/2022	SALIX WLL	0.023	0.00	n/a				0.00
01/03/2023	SALIX WLL	0.024	0.00	n/a				
01/03/2022	SALIX PH2	0.618	0.00	n/a				
Sub Total		1.295			3.420			
Total		38.919			Total		23.420	

* Taken for the HRA account
Salix repayments are EIP Instalments

Interest Rate Performance and Average Maturity Profile

- 8.11 The average rate of interest paid on the Council's external debt was 3.22% (a small reduction from 3.28% in 2021/22) as shown in Graph 3. This stability in the average rate is due to the relatively low level of volatility in the external debt position and the impact of the timing of borrowing as well as the level of revenue balances used internally.

Graph 3



- 8.12 Whilst the average borrowing rate remains relatively low it is important to note the average maturity profile of the Council's debt. The average length of all loans to final maturity including temporary loans is 32.7 years. The average length of all loans to the next option date including temporary loans is 28.6 years. This provides a large degree of funding certainty within the overall debt portfolio.

What are the legal implications?

- 9.1 The operation of the Treasury Management function is governed by provisions set out under part 1 of the Local Government Act 2003 whereby the Council is required to have regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities. In particular:
- The Prudential Code requires that full Council set certain limits on the level and type of borrowing before the start of the financial year together with several Prudential Indicators.
 - Any in year revision of these limits must be approved by Council.
 - Policy statements are prepared for approval by the Council at least two times a year.
- 9.2 Updated versions of both the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice were published in December 2021, with the accompanying guidance notes for practitioners being published in late January 2022. Although the new Codes applied immediately, the Prudential Code states that the changes to reporting requirements that they introduce can be deferred until the 2023/24 financial year. These new reporting requirements include changes to the capital strategy, prudential indicators, and investment reporting. The evaluation of these new requirements has been completed during 2022/23 and the strategy report presented to

Executive board and full Council in February 2023 which included an update on 2022/23 were compliant with the new requirements.

Options, timescales and measuring success

a) What other options were considered?

This report provides the outturn position for the 2022/23 Treasury Management strategy. This update is provided to Executive Board regarding Treasury Management operation and activity. As such other options are not considered in this report.

b) How will success be measured?

Treasury Management continues to adhere to its governance framework including the CIPFA Code of Practice, the Prudential Codes 2021 and revised CIPFA guidance notes issued in 2022. All borrowing and investments undertaken have been compliant with the governance framework. The updated CIPFA Codes have been reviewed to identify any changes which are necessary for the Council to continue to comply with them, and these changes have been introduced during 2022/23, in line with the required timescales. The full adoption of the codes is required for the 2023/24 financial year. Success will therefore be the continued optimal performance of the Treasury Management function within this framework.

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. Comparative information on core cities balance sheets has been provided by the Council's Treasury advisers during the year.

c) What is the timetable for implementation?

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

- | | | |
|----|------------|---|
| 1. | Appendix A | Prudential indicators 2022/23 to 2024/25 |
| 2. | Appendix B | Liability benchmark 2022/23 |
| 3. | Appendix C | Prudential Code Monitoring – Debt 2022/23 |

Background papers

None

Appendix A - TMSS PI's

DM14b

Notes

Current
2022.23

Year+1
2023.24

Year+2
2024.25

PRUDENTIAL CODE INDICATORS

CAPITAL EXPENDITURE

Estimate of Capital Expenditure

General Fund	a	£k	301,190	372,921	306,875
Housing Revenue Account		£k	145,927	144,529	170,152
Total		£k	447,117	517,450	477,027

Capital Financing Requirement

Borrowing - General Fund	b	£k	2,024,777	2,138,962	2,223,993
Borrowing - Housing Revenue Account		£k	758,600	793,318	841,877
Sub Total Borrowing		£k	2,783,377	2,932,280	3,065,870

Other Long Term Liabilities - GF		£k	411,381	386,110	359,397
Other Long Term Liabilities - HRA		£k	107,623	99,376	90,579
Sub Total Other Long Term Liabilities		£k	519,004	485,486	449,976

Total Capital Financing Requirement £k 3,302,381 3,417,766 3,515,846

EXTERNAL DEBT

Operational Boundary

External Borrowing	c	£k	2,850,000	2,850,000	2,900,000
Other Long Term Liabilities		£k	610,000	580,000	550,000
Total			3,460,000	3,430,000	3,450,000

Authorised Limit

External Borrowing	c	£k	3,150,000	3,200,000	3,200,000
Other Long Term Liabilities		£k	630,000	600,000	570,000
Total		£k	3,780,000	3,800,000	3,770,000

Actual External Debt (year end Forecast)

PWLB	d	£k	1,805,172	1,763,737	1,738,737
Market (Inc LOBO)		£k	474,319	472,084	469,529
Short term (Actual)		£k	170,000	0	0
Short term (Forecast)		£k	0	395,356	601,911
Total Gross External Debt		£k	2,449,492	2,631,177	2,810,177
Other Long Term Liabilities		£k	519,004	485,486	449,976
Total Including OLTL		£k	2,968,496	3,116,663	3,260,153

Gross Debt and the CFR

External Borrowing	e		ok	ok	ok
Other Long term Liabilities			ok	ok	ok
Total Gross Debt and the CFR			ok	ok	ok

AFFORDABILITY

Estimate of Financing Cost to Net revenue Stream

External Borrowing Only - General Fund

Financing Cost	f	£k	109,105	123,129	128,774
Net Revenue Stream		£k	521,942	573,357	615,012
Ratio		%	20.90%	21.48%	20.94%

Including Other Long Term Liabilities - GF

Financing Cost	f	£k	157,524	171,361	176,729
Net Revenue Stream		£k	521,942	573,357	615,012
Ratio		%	30.18%	29.89%	28.74%

External Borrowing Only - Housing Revenue Account

Financing Cost	f	£k	27,726	30,182	30,919
Net Revenue Stream		£k	249,609	266,931	277,599
Ratio		%	11.11%	11.31%	11.14%

Including Other Long Term Liabilities - HRA

Financing Cost	f	£k	44,253	46,572	47,140
Net Revenue Stream		£k	249,609	266,931	277,599
Ratio		%	17.73%	17.45%	16.98%

INVESTMENTS

Limit on non-Treasury Loans	g	80,000	80,000	80,000
Limit on non-Treasury Investments	g	250,000	250,000	250,000
<u>Limit on Non Treasury loans and Investments</u>		330,000	330,000	330,000
Estimate of Net Income from Investments for Commercial and Service Purposes	g			
Income	£k	7,052	6,710	7,030
Ratio of Income from Commercial and Service Purposes to Net revenue Stream	%	1.35%	1.17%	1.14%

TREASURY MANAGEMENT CODE INDICATORS

Liability Benchmark for Borrowing See attached

Liability Benchmark for Investments Not Applicable

Maturity Structure of Borrowing 2022/23	h	Lower	Upper	Actual	
				31/03/2023	%
under 12 mths		0%	15%	314,171	13%
12 mths and within 24 mths		0%	20%	52,556	2%
24 mths and within 5 years		0%	35%	157,060	6%
5 years and within 10 years		0%	40%	142,782	6%
10 years and within 20 years				95,000	
20 years and within 30 years				174,123	
30 years and within 40 years		25%	90%	679,302	73%
40 years and within 50 years				715,000	
50 years and above				125,000	
				<u>2,454,994</u>	<u>100%</u>

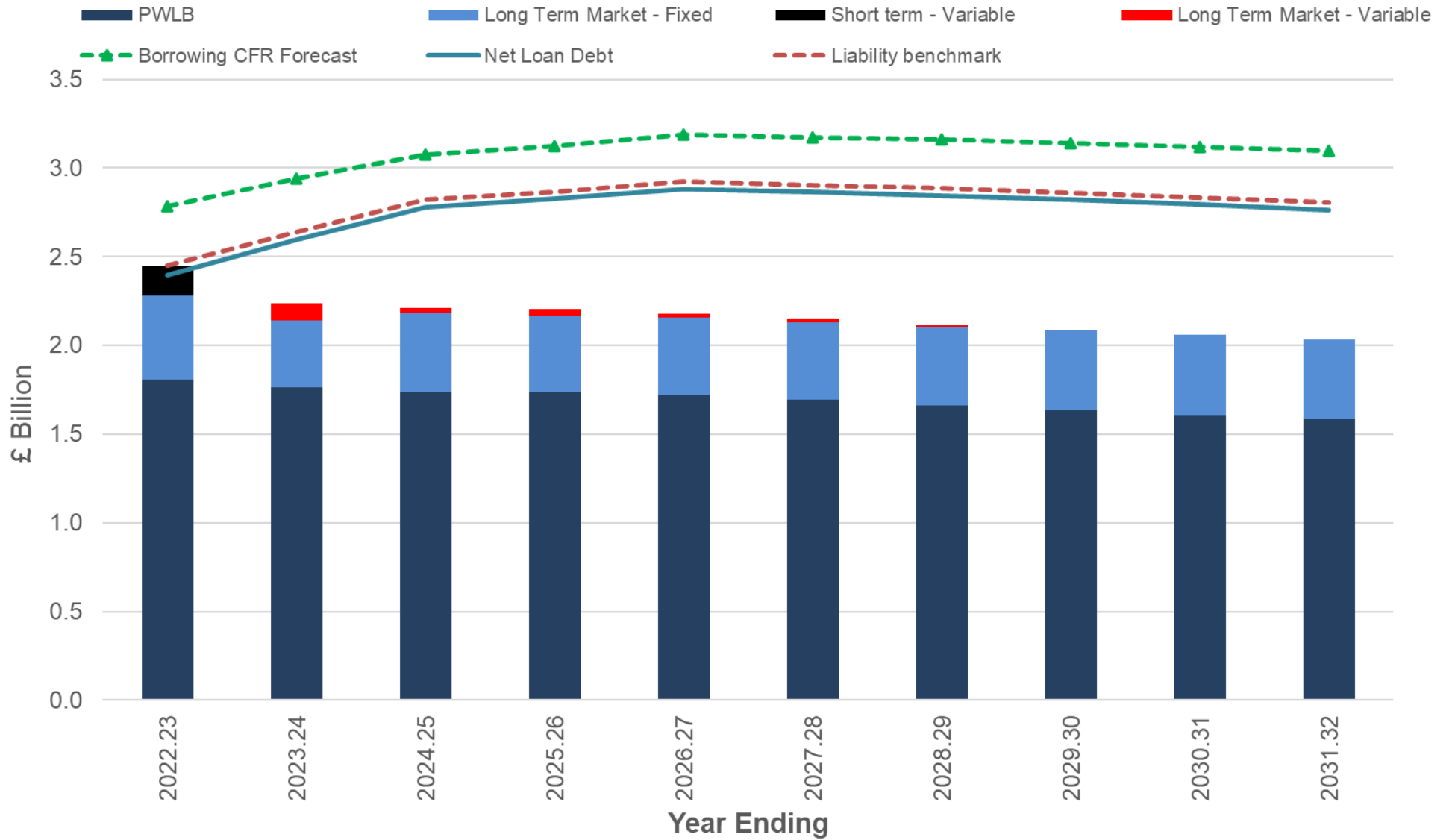
Upper limit for long term Treasury Investments to mature in following years i

Year +1	150,000
Year +2	150,000
Year +3	150,000

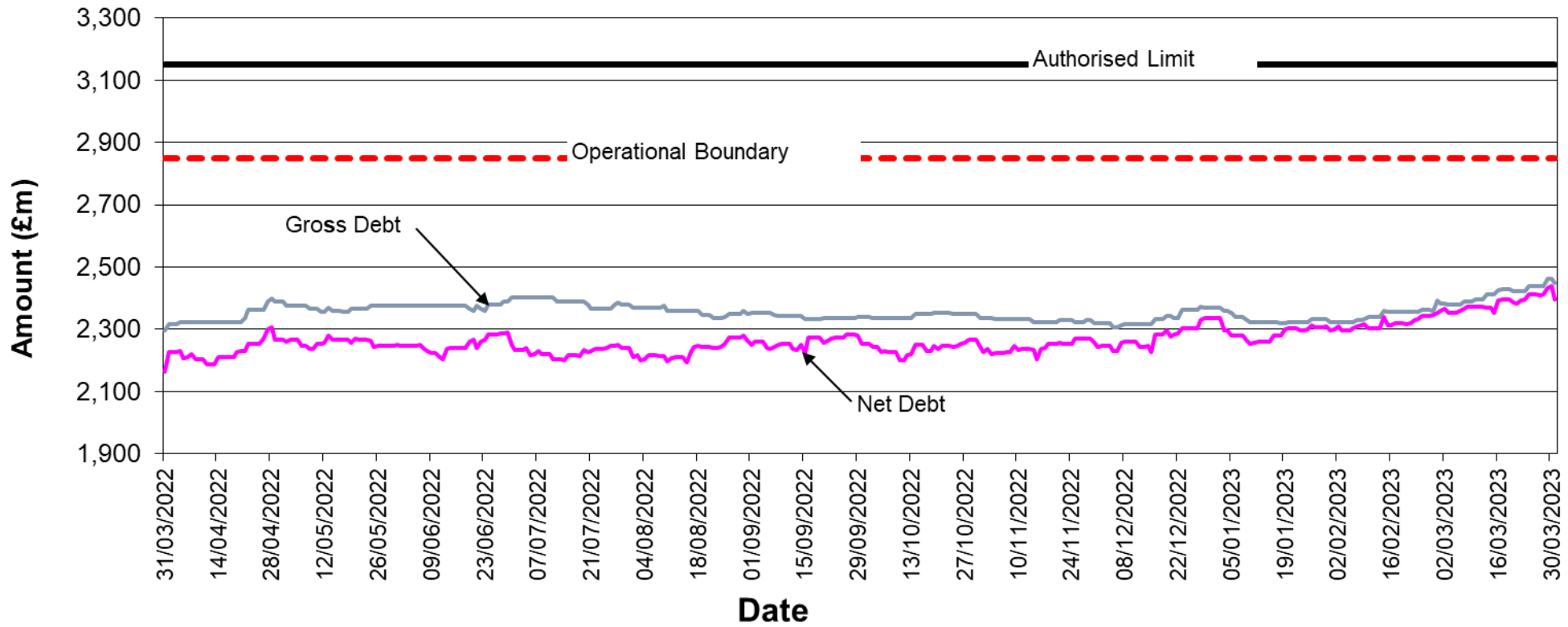
Notes

- 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 Outturn 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 B - Liability Benchmark Borrowing 10 years from 2022/23



Prudential Code Monitoring 2022/23 Debt



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Work Programme

Date: 17 July 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Strategy & Resources)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The report sets out the draft 2023/24 work programme for the Scrutiny Board (Strategy & Resources) and reflecting initial views from Board members at the June meeting.

All Scrutiny Boards are required to determine and manage their own work programme for the municipal year. In doing so, the work programme should not be considered a fixed and rigid schedule, it should be recognised as a document that can be adapted and changed to reflect any new and emerging issues throughout the year.

The Scrutiny Board Procedure Rules also state that, where appropriate, all terms of reference for work undertaken by Scrutiny Boards will include 'to review how and to what effect consideration has been given to the impact of a service or policy on all equality areas, as set out in the Council's Equality and Diversity Scheme'.

Members will be invited to review and discuss the work programme at each public Scrutiny Board meeting that takes place during the 2023/24 municipal year.

Recommendations

- a) Members are requested to consider and discuss the Scrutiny Board's work programme for the 2023/24 municipal year.

What is this report about?

- 1 A draft work programme for the Strategy & Resources Scrutiny Board is presented at Appendix 1 for consideration and discussion. Reflected in the programme are known items of scrutiny activity, including performance and budget monitoring and identified Budget and Policy Framework items.
- 2 The latest Executive Board minutes from the meeting held on 21 June 2023 are also provided at Appendix 2. The Scrutiny Board is asked to consider and note the Executive Board minutes, insofar as they relate to the remit of the Scrutiny Board; and consider any matter where specific scrutiny activity may also be warranted.
- 3 Under the Sources of Work agenda item considered at the 19 June meeting of the Board initial views on work programming were put forward by Board Members, Executive Board Members and comments were also heard from senior officers. Appendix 1 to this report attempts to reflect that discussion.
- 4 Board members may also note some slight adjustments to the timing of agenda items with the planned Office for Local Government (OFLOG) report now moved to September largely because it was only officially announced by Government on 4 July and the procurement item moved back to the October meeting.

What impact will this proposal have?

- 5 All Scrutiny Boards are required to determine and manage their own work programme for the municipal year.

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

Health and Wellbeing Inclusive Growth Zero Carbon

- 6 The terms of reference of the Scrutiny Boards promote a strategic and outward looking Scrutiny function that focuses on the best council objectives.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 7 To enable Scrutiny to focus on strategic areas of priority, it is recognised that each Scrutiny Board needs to establish and maintain an effective, early dialogue with relevant Directors, senior officers and Executive Board Members.
- 8 The Vision for Scrutiny also states that Scrutiny Boards should seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources prior to agreeing items of work.

What are the resource implications?

- 9 Experience has shown that the Scrutiny process is more effective and adds greater value if the Board seeks to minimise the number of substantial inquiries running at one time.

10 The Vision for Scrutiny, agreed by full Council also recognises that like all other Council functions, resources to support the Scrutiny function are under considerable pressure and that requests from Scrutiny Boards cannot always be met.

11 Consequently, when establishing their work programmes Scrutiny Boards should:

- Seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources;
- Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue;
- Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.

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

12 This report has no specific risk management implications.

What are the legal implications?

13 This report has no specific legal implications.

Appendices

- Appendix 1: Draft work programme 2023/24
- Appendix 2: Minutes of the Executive Board meeting on 21 June 2023.

Background papers

- None

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Appendix 1 Scrutiny Board (Strategy & Resources) Work Schedule for 2023/24 Municipal Year

June	July	August
Meeting Agenda for 19 June 2023	Meeting Agenda for 17 July 2023	No Scrutiny Board meeting scheduled.
Scrutiny Board Terms of Reference / Sources of Work (DB) / Co-opted members reports Performance Update (PM) Organisation Plan (PDS)	Leeds 2023 Progress Update (PM) People Management Update (PSR) Financial and Treasury Management Outturn (PM)	
Working Group Meetings		
Site Visits		

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Scrutiny Work Items Key:

PSR	Policy/Service Review	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring



Appendix 1 Scrutiny Board (Strategy & Resources) Work Schedule for 2023/24 Municipal Year

September	October	November
Meeting Agenda for 18 September 2023	Meeting Agenda for 16 October 2023	No meeting
Electoral Services Update – 2023 Election Review/Postal Voter Validation (PM) Staff Survey Analysis (PM) Attendance Management and Mental Health Well Being (PM) OFLOG (PDS)	Medium Term Financial Strategy and Financial Health Monitoring (PM) LGA Peer Challenge Update (PSR) Best City Ambition (PDS) Procurement Update and Commissioning (PM)	
Working Group Meetings		
<i>EDI S&R Board Training Session - TBC</i>		
Site Visits		

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Scrutiny Work Items Key:

PSR	Policy/Service Review	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring



Appendix 1 Scrutiny Board (Strategy & Resources) Work Schedule for 2023/24 Municipal Year

December	January	February
Meeting Agenda 11 December 2023	Meeting Agenda for 15 January 2024	Meeting Agenda for 19 February 2024
Equality, Diversity and Inclusion – Progress Update and Corporate Approach (PSR) Staff Networks – Feedback Item (PSR) Annual Corporate Risk Management Report (PM) Customer Contact – Performance Update (PM)	Performance Report (PSR/PM) Financial Health Monitoring (PM) 2023/24 Initial Budget Proposals (PDS) ICO Audit (PM)	Leeds 2023 Evaluation and Legacy (PM) Digital Strategy Update – Impact on Leeds Residents (PM) DIS Helpdesk Update (PM) LCC Approach to AI (PDS)
Working Group Meetings		
Budget Working Group – date to be confirmed		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring



Appendix 1 Scrutiny Board (Strategy & Resources) Work Schedule for 2023/24 Municipal Year

March	April	Notes
Meeting Agenda for 25 March 2024	No Scrutiny Board meeting scheduled.	Items to be scheduled
LCC Apprenticeships Update (PSR)		
Working Group Meetings		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring

EXECUTIVE BOARD

WEDNESDAY, 21ST JUNE, 2023

PRESENT: Councillor J Lewis in the Chair

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

APOLOGIES: Councillor S Arif

1 Exempt Information - Possible Exclusion of the Press and Public

There was no information contained within the agenda which was designated as being exempt from publication.

2 Late Items

There were no late items of business submitted to the Board for consideration.

3 Declaration of Interests

There were no interests declared at the meeting.

4 Minutes

RESOLVED – That the minutes of the previous meeting held on 19th April 2023 be approved as a correct record.

5 Chair's Opening Comments

The Chair welcomed all in attendance to the first Executive Board meeting of the 2023/24 municipal year, and in doing so specifically welcomed Councillors A Lamb and J Lennox to their first meeting as Board Members.

CHILDREN'S SOCIAL CARE AND HEALTH PARTNERSHIPS

6 Leeds Safeguarding Children Partnership - Annual Report 2021/23

The Director of Children and Families submitted a report introducing the Annual Report of the Leeds Safeguarding Children Partnership (LSCP). The report provided details of the range of activity which had been undertaken by the LSCP over a 24-month period between 2021-2023 in relation to the Partnership's priorities, leadership, progress and its impact. The report also provided details of the learning from reviews undertaken during this period.

The Board welcomed to the meeting Jasvinder Sanghera CBE, Independent Chair of the LSCP; together with representatives of the LSCP Executive Group: Chief Superintendent Steve Dodds, West Yorkshire Police; Gill Marchant, Designated Nurse, Safeguarding Children, NHS Leeds; and Julie Longworth, Director for Children and Families, Leeds City Council.

Draft minutes to be approved at the meeting
to be held on Wednesday, 26th July, 2023

By way of introduction, the Executive Member highlighted several key points including the strength of the partnership and the key role played by all partners including the third sector; the ongoing learning processes in place and the complex and challenging circumstances being experienced nationally which formed the backdrop to which all safeguarding work was being undertaken.

Throughout the discussion Board Members and partners extended their thanks to Jasvinder Sanghera, given that she was coming to the end of her term of office as LSCP Independent Chair. Members highlighted the dedication that she has shown throughout her time in the role and welcomed the challenge that she brought as Independent Chair.

Chief Superintendent Dodds, as a member of the LSCP Executive Group, provided a summary of the key issues highlighted within the annual report together with the identified priorities moving forward. This was followed by Jasvinder Sanghera providing a precis of the annual report from her perspective as Independent Scrutineer.

Responding to questions from Members and associated discussion arising from the report, the Board was provided with further detail on the following:-

- how the dissemination and embedding of learning from reviews was being implemented in practice;
- clarification was provided that the intention was for the partnership to continue to have an 'independent scrutineer' in place which would follow on from the role of the Independent Chair of the LSCP, with it being noted that the recruitment process for the new 'scrutineer' was underway;
- an update regarding the role and ongoing work of the LSCP sub groups;
- the process, associated consultation and timeframe for the review of the partnership's priorities moving forward;
- the current position regarding children being educated at home in Leeds, and the work being undertaken in this area;
- the ongoing relationship between the LSCP and the Council's Scrutiny Board;
- the levels of demand and challenging circumstances that continued to be experienced in the delivery of safeguarding services, and the need to ensure that such matters continued to be raised with Government.

In conclusion, Members welcomed the detailed discussion which had taken place and thanked all of the partner organisations for the ongoing role that they played in relation to the provision of safeguarding of children and young people across the city.

RESOLVED –

- (a) That the contents of the submitted report, the contents of the Leeds Safeguarding Children Partnership's Annual Report for 2021/23, as appended, together with the comments made during the discussion, be noted;

- (b) That the journey of significant improvements to the safeguarding system within Leeds, as detailed within the submitted report, be noted;
- (c) That the areas for further improvements and/or assurance, as detailed within the submitted report, be noted.

7 'Thriving': The Child Poverty Strategy for Leeds

Further to Minute No. 68, 19 October 2022, the Director of Children and Families submitted a report presenting a further update on 'Thriving' – the Child Poverty Strategy for Leeds and the ongoing activity that sat beneath the strategy. The report presented an update on each workstream, including outcomes to date and next steps, and considered the impact that the national cost of living crisis continued to have upon local levels of poverty, including the effect upon children and families.

In introducing the report, the Executive Member highlighted the key themes within the update and provided clarification on the statistics for the number of people living in 'relative poverty' from the Department for Work and Pensions (DWP), underlining that the DWP had advised that such figures should not be used in comparison with previous years.

In considering the report, Members discussed the respective roles that both the Council and Government had in mitigating the levels and impact of child poverty in Leeds. In addition to the work already being undertaken by the Council in this area, it was highlighted that any suggestions of ways in which the Council could further mitigate the impact of child poverty would be welcomed.

RESOLVED –

- (a) That the ongoing strategic framework in place to mitigate the impact of child poverty, together with the work being undertaken by the Council and other partners in the key areas of activity, be endorsed;
- (b) That the need to promote the work of the 'Thriving' strategy across the city and across Council directorates and through our wider city partnerships, in order to highlight the impact of poverty on children and their families, be acknowledged;
- (c) That it be noted that the responsible officer for such matters is the Chief Officer for Family Help, Children and Families.

8 Report to consider a Council Resolution agreed at a meeting of Full Council on 22 March 2023

The Director of Children and Families submitted a report following a White Paper Motion resolution of Full Council at its meeting on 22nd March 2023 regarding the issue of Children's Safeguarding (Minute No. 99, meeting of Full Council, 22 March 2023 refers).

In introducing the report, the Executive Member highlighted key points arising from it, together with the cross-party approach which had been taken during the compilation of the report via a recent meeting with Political Group Leaders and given the report's recommendation for the Council to issue a cross-party letter to Government.

Responding to questions from Members, the Board was provided with further detail on the following:-

- The learning which had been undertaken and the effective procedures established to ensure that appropriate notification procedures were in place in the event of a serious safeguarding incident;
- The robustness of the referral process in place to the Review Advisory Group, and the actions being taken to ensure that the correct culture was being embedded so that colleagues felt able to escalate a matter at the appropriate time; with a Member seeking further information on the number of referrals which had been made and the source of those referrals;
- The level of notifications regarding serious safeguarding incidents in Leeds, when compared to other Authorities, and how such matters were being monitored;
- Emphasis was placed upon the commitment to openness and transparency in relation to safeguarding matters, but with the acknowledgement that the welfare of any children involved would always take priority;
- In discussing the Local Authority's legal responsibility regarding the reporting of serious incidents and responding to a Member's question and comments about the relevant processes established in Leeds, the Board discussed the current position in Leeds and the partnership approach being taken. Also, given the complex nature of this area, strong partnership working alongside the embedding of learning were highlighted as key factors in ensuring that such processes remained effective. It was also emphasised that consideration of such matters would continue.

RESOLVED –

- (a) That the work the Council is undertaking to safeguard children where they may be linked to persons posing risk of sexual harm, in the circumstances as set out within the submitted report, be noted and endorsed;
- (b) That it be noted and endorsed that the Council upholds and enacts the principles of openness and transparency for independent and democratic scrutiny of children's safeguarding;
- (c) That it be noted and endorsed that the Council is committed to continuing the current model of independent oversight, by having a role of Independent Scrutineer;
- (d) That agreement be given for a cross-party letter to be sent to central Government, addressed to the newly established Child Protection

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Ministerial Group, and in view of the issues raised by the submitted report and the learning from Child Safeguarding Practice Reviews, this letter will request a review of legislation and statutory guidance, in order to identify improvements and/or amendments to legislation; in particular those that will strengthen the voice of the child and the child's need and right to know about their individual circumstances. This letter will also highlight the multiple use of different assessment risk tools, across agencies, and request a review into these, and whether a more standard approach could be adopted.

ECONOMY, CULTURE AND EDUCATION

9 UK Shared Prosperity Fund Years 2 and 3

Further to Minute No. 70, 19 October 2022, the Director of City Development submitted a report which provided an update on the development and progress of the UK Shared Prosperity Fund (UKSPF) in Leeds and which proposed arrangements for the delivery approach and authorisation of expenditure for projects in years 2 and 3.

RESOLVED –

- (a) That the progress made regarding delivery, together with the challenges experienced in relation to the UKSPF hyper local programme in Leeds in year one, be noted;
- (b) That the Leeds City Council delivery plan for years two and three, as detailed within the submitted report, which form part of the West Yorkshire Local Investment Plan (LIP), be supported;
- (c) That approval be given to the delegation of the necessary authority to the following for the authorisation of expenditure for projects in years two and three:-
 - (i) The Director of City Development who also retains overall responsibility for UKSPF Programme delivery;
 - (ii) The Director of Adults and Health in relation to those projects designated for delivery by Adults and Health in paragraph 24 of the submitted report;
 - (iii) The Director of Communities, Housing and Environment in relation to those projects designated for delivery by Communities, Housing and Environment in paragraph 24 of the submitted report;
 - (iv) The Director of Strategy and Resources in relation to those projects designated for delivery by Strategy and Resources in paragraph 24 of the submitted report.

10 Leeds' Cultural Investment Programme

Further to Minute No. 20, 27 July 2022, the Director of City Development submitted a report setting out proposals to enable the Council to modernise its cultural investments and relationships with the independent cultural sector across the city following the review and consultation undertaken. The report

summarised the headline findings from the work undertaken and presented the recommendations arising for the period April 2024 to March 2027.

In introducing the report, the Executive Member highlighted the range of economic, social and wellbeing benefits arising from a strong cultural sector in Leeds.

Responding to an enquiry regarding the impact of the LEEDS 2023 initiative, the Board received an update on the delivery of the programme to date, providing details of key events and the economic impact being realised as a result of LEEDS 2023.

RESOLVED –

- (a) That approval be given to redesignate the current grant programmes (arts@leeds and Leeds Inspired) to the 'Leeds Cultural Investment Programme', which will work to the shared aims, priorities, principles and implementation approach, as set out in the submitted report;
- (b) That approval be given to a new three-year investment programme for 2024/25 to 2026/2027, based upon the existing annual investment of £1,835,720 across the two present funds (arts@leeds and Leeds Inspired), and that it be noted that funding commitments will be subject to annual Council budget setting and therefore subject to potential change;
- (c) That following resolution (b) (above), agreement be given to the Director of City Development using his existing delegated powers to approve grant funding decisions for these programmes, with awards of grants being made in accordance with the proposed aims, principles and priorities, and in support of the Best City Ambition.

LEADER'S PORTFOLIO

11 Being Our Best - Our Organisational Plan for 2023 Onwards

The Director of Strategy and Resources submitted a report presenting a revised organisational plan for the Council from 2023 onwards. The proposals respond to the recommendations of the 2022 Local Government Association (LGA) Corporate Peer Challenge across a range of areas and sets out the vision to be the best Council in the best city, whilst also further establishing the Council's role as a key partner in the Best City Ambition.

Responding to a specific enquiry regarding the proportion of Council employees working from home and how this affected productivity levels, it was undertaken that information would be provided to the Member in question with regard to workplace occupancy levels and also relevant details from the recent staff survey.

In response to concerns raised by a Member regarding the principle of no longer displaying comments from the public on the Council's Planning Portal and the process by which that change was made, the Board was provided

with further information on the reasons for the change together with details of the process and consultation undertaken to implement it. The reasons for the change included resourcing constraints and key risks in relation to the inappropriate use of Public Access as a forum for antagonistic comments and a number of implications arising from that. It was emphasised that, consistent with the statutory process, comments from the public on planning applications could still be submitted and although not publicly visible, would still be recorded and considered. It was also noted that this was a 6 month trial and that the matter would be considered by Scrutiny at the conclusion of the trial. In conclusion, it was undertaken that the Member in question would be provided with specific details of the consultation process.

Reflecting on the issues experienced with regard to the online portal and any lessons that could be learned, it was suggested that further consideration with Members could be given to the way in which the Council interacts with the public more generally in future.

RESOLVED –

- (a) That the Council's 'Being Our Best – Our Organisation Plan for 2023 Onwards', as appended to the submitted report, and which has been established in response to the Best City Ambition and the findings and recommendations of the recent LGA Corporate Peer Challenge, be approved;
- (b) That it be noted that the 'Being Our Best' publication has been considered by Strategy and Resources Scrutiny Board at its 19 June 2023 meeting;
- (c) That it be noted that the Director of Strategy and Resources will be responsible for the refresh of the 'Being Our Best' plan following feedback during the year as the 'Be Your Best' manager development programme is implemented and progressed.

RESOURCES

12 Financial Health Monitoring 2022/23 - Outturn financial year ended 31st March 2023

The Chief Officer Financial Services submitted a report presenting details on the financial health of the Authority in respect of both the General Fund revenue budget and the Housing Revenue Account, as at the financial outturn position for 2022/23. The report also sought several related approvals from the Board.

The Executive Member extended her thanks to the Chief Officer, Financial Services and her team for the work that had been undertaken throughout the year, given the range of extremely challenging circumstances that continued to be faced.

As referenced within the report it was highlighted that at the financial outturn position for 2022/23 there was an overspend of £12.4m on the Authority's

General Fund services, with the recommendation that the Strategic Contingency Reserve be used to balance that overspend.

Responding to an enquiry, it was noted that HRA reserves would be used to balance the 2022/23 HRA overspend.

Again, responding to a Member's enquiry, the Board received an update and assurances upon the range of ongoing actions being taken to mitigate the significant financial pressures that continued to be faced across the Children and Families directorate, with reference being made to the significant levels of demand being experienced and the fact that this remained a national issue, with dialogue continuing with Government on such matters.

RESOLVED –

- (a) That it be noted that at the outturn position for 2022/23, the Authority's General Fund services show an overspend of £12.4m and that the Housing Revenue Account shows a net overspend of £6.8m;
- (b) That it be noted that during the year where an overspend was projected, directorates, including the Housing Revenue Account, were required to present action plans to mitigate their reported pressures in line with the Revenue Principles agreed by Executive Board in 2019, with it also being noted that savings actions identified are included within the reported overspend position;
- (c) That it be noted that increased inflation and impacts of the rising cost of living, including the agreed 2022/23 pay award, have been incorporated into the reported outturn position;
- (d) That the use of £12.4m Strategic Contingency Reserve to balance the General Fund overspend, be approved;
- (e) That the use of Housing Revenue Account (HRA) Reserves to balance the HRA overspend of £6.8m, be approved;
- (f) That the updated planned use of flexible use of capital receipts, specifically the additional planned use in 2022/23 of £0.8m, as shown at paragraph 3.12.1 of the submitted report, be approved;
- (g) That the creation of earmarked reserves, as detailed at Appendix 5 to the submitted report, be agreed, and that approval be given to delegate their release to the Chief Officer, Financial Services;
- (h) That the following injections into the Capital Programme, as detailed at Appendix 6A(iii) of the submitted report, be approved:-
 - £13,529.9k of Capital Receipt injections, primarily in relation to the East Leeds Orbital Road and District Heating Phase 3 schemes;
 - £1,967.0k of Departmental Borrowing injections, primarily to provide matched funding for a Local Authority Housing Fund scheme; and
 - £26,600.7k of external contributions, primarily relating to:

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- o £9,524.6k Leeds Station Sustainable Travel Gateway (Network Rail);
- o £5,918.7k HRA Schemes (Local Authority Housing Fund);
- o £5,400.0k A653 Beeston to Tingley (West Yorkshire Combined Authority);
- o £2,267.4k of external contributions for works on School schemes;
- o £1,492.9k of external contributions for works on Highways schemes;
- o £680.0k Armley Mills (Art Council England); and
- o £1,317.1k of other external contributions.

- (i) That the additional Capital Receipts Incentive Scheme (CRIS) allocations to Wards and Community Committees for the period October 2022 to March 2023 of £0.3m, be noted;
- (j) That it be noted that the Chief Officer, Financial Services will be responsible for the implementation of the resolutions detailed above following the conclusion of the associated “Call In” period.

13 Treasury Management Outturn 2022/23

The Chief Officer Financial Services submitted a report presenting the Council’s Treasury Management outturn position for 2022/23.

Members welcomed the report and paid tribute to the officers involved in the area of Treasury Management for the outcomes which had been achieved.

RESOLVED – That the Council’s Treasury Management outturn position for 2022/23, as detailed within the submitted report, be noted, with it also being noted that treasury activity has remained within the Treasury Management Strategy and Policy Framework.

14 Reducing Gambling Harm

The Director of Communities, Housing and Environment and the Director of Public Health submitted a joint report which presented a series of recommendations to the Executive Board in response to the statement issued by the Scrutiny Board (Environment, Housing and Communities) to the Executive in relation to ‘Reducing Gambling Harm’.

In introducing the report, the Executive Member highlighted the range of Council services and partner organisations involved in the reduction of gambling harm.

On behalf of the Board, Members thanked all involved, including the Executive Member for Communities, the continuing work of Council services, such as the Financial Inclusion Team and Public Health, and with tribute being made to the valuable role of the Scrutiny Board Communities, Housing and Environment, with special reference to the Scrutiny Board’s previous Chair, Councillor B Anderson.

In considering the report, whilst the significance of the gambling industry and its contribution to the economy was acknowledged, Members highlighted the key importance of ensuring that robust safeguards were in place at a national

level to reduce gambling harm, with the gambling industry being required to play its part in the delivery of such safeguards. It was also highlighted that the relevant legislation needed to be reviewed in order to reflect the significant changes which had occurred across the industry with regard to online gambling.

RESOLVED –

- (a) That the conclusions of the Scrutiny Board (Environment, Housing & Communities) as set out in the Scrutiny Board’s statement appended to the submitted report, be noted, together with the further information and recommendations provided to the Executive Board in response;
- (b) That the approach, as set out in the submitted report, be approved, specifically:-
 - (i) The formalisation of the Leeds Gambling Harms Group;
 - (ii) The introduction of an annual reporting process;
 - (iii) Respond to consultations resulting from the Government’s White Paper on gambling reform;
 - (iv) Respond to Government consultations regarding exposure to gambling products;
- (c) That the Director of Communities, Housing and Environment be responsible for the implementation of such matters.

COMMUNITIES

15 Tackling Inequality and Disadvantage in Communities: Locality Working in Our Priority Wards

Further to Minute No. 129, 16 March 2022, the Director of Communities, Housing and Environment submitted a report which provided an update on the progress being made in relation to expanding the city’s approach towards Locality Working within our Priority Wards and which provided details regarding the range of actions intended to be taken as part of the next stage of implementation.

In introducing the report the Executive Member highlighted the key themes within it including an update on the continuing work being undertaken alongside partners. Specific reference was also made to the respective reviews of Community Committees and Community Centres proposed to be undertaken, with it being highlighted that Members would be invited to be involved in both reviews. Also, emphasis was placed upon the links between this report and the ‘Thriving: The Child Poverty for Leeds’ report considered earlier in the meeting within the ‘Children’s Social Care and Health Partnerships’ portfolio.

Members welcomed the inclusion of the Social Progress Index data in the report.

Responding to a Member’s comments around the potential role of Community Committees moving forward regarding the consideration of further localised

decision making, and separately, highlighting the need to continue to consider the needs of those pockets of deprivation located outside of the Priority Wards, it was emphasised that any review and associated work relating to such matters would be undertaken in the most transparent and engaging way as possible.

In conclusion, on behalf of the Board, the Executive Member extended her thanks to Councillor B Anderson, previous Chair of the Scrutiny Board Communities, Housing and Environment for the related work that the Scrutiny Board had undertaken and highlighted that the Scrutiny Board's continued work in this area moving forward would be welcomed.

RESOLVED –

- (a) That the contents of the submitted report, be noted;
- (b) That the progress made in delivering the new locality ways of working within Priority Wards, together with the comments made during the consideration of this report, be noted;
- (c) That the review of Community Committees and their constitutional role in helping to shape and influence place, as referenced within the submitted report, be supported;
- (d) That the development of the new Priority Ward Partnership Plans, as detailed in the submitted report, together with the comments made during the consideration of this report, be noted.

SUSTAINABLE DEVELOPMENT AND INFRASTRUCTURE

16 Transpennine Route Upgrade - Transport and Works Act Order

The Director of City Development submitted a report summarising the progress made as a result of ongoing consultation with Network Rail regarding works proposed under the Transpennine Route Upgrade Transport and Works Act Order (TWAO) for the East of Leeds. In addition to outlining the key consultation undertaken to date, the report also provided details of the works proposed in the TWAO and concerns identified. Finally, the report sought support for the Council's proposed approach in response to the TWAO, and approval of the letter appended to the report which set out the Council's current and substantive position.

In introducing the report, the Executive Member highlighted the key points within it and the significant implications arising from the proposed TWAO.

A Member made enquiries regarding the actions which were proposed to mitigate the disruption to those communities directly affected and also the wider area, and the processes for the associated communications strategy. In response, the significance of the wide ranging impact arising from this project was highlighted. As a result, the importance of the associated consultation process as referenced within the report together with the appended letter proposed to be submitted Network Rail were underlined, as the Council would

look to use these processes to demonstrate its views and raise its concerns, with the aim of such matters being taken into consideration moving forward as part of the formal TWAO process.

A concern was raised on the proposals specifically affecting a public right of way in Micklefield.

RESOLVED –

- (a) That the proposed Transpennine Route Upgrade Transport and Works Act Order for the East of Leeds, be noted;
- (b) That the approach to respond to the TWAO under the Director of City Development's delegation scheme within the statutory 42-day period, as detailed within the submitted report, be supported;
- (c) That the letter to the Programme Director of the Transpennine Route Upgrade, as detailed at Appendix B to the submitted report, which sets out the Council's current and substantive position, be approved.

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**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00 P.M., FRIDAY, 30TH JUNE 2023