

EXECUTIVE BOARD

WEDNESDAY, 20TH SEPTEMBER, 2023

PRESENT: Councillor J Lewis in the Chair

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

31 Exempt Information - Possible Exclusion of the Press and Public
RESOLVED – That, in accordance with Regulation 4 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt from publication on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-

(A) That appendices 1 - 3 to the report entitled, 'Provision of a Loan to Leeds Culture Trust to cover Culture Sector Tax Relief', referred to in Minute No. 44 be designated as being exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 and be considered in private. This is on the grounds that appendices 1 – 2 present advice provided by Moore Kingston Smith which refer to the financial and business affairs of Leeds Culture Trust (LCT) and as such, it is considered that the public interest in maintaining the exemption from publication outweighs the public interest in disclosing this information. Regarding appendix 3, this appendix presents the findings of the related due diligence exercise which also refers to the financial and business affairs of LCT, and as such, it is considered that the public interest in maintaining the exemption from publication outweighs the public interest in disclosing this information.

32 Late Items
Supplementary Information – Leeds Inclusive Growth Strategy 2023 - 2030
With the agreement of the Chair, supplementary information was circulated to Board Members and published ahead of the meeting in relation to agenda item 13, 'Leeds Inclusive Growth Strategy 2023 – 2030' in the form of Appendix 2 which was the proposed strategy document. (Minute No. 42 refers).

33 Declaration of Interests
With regard to agenda item 15, 'Provision of a Loan to Leeds Culture Trust (LCT) to cover Culture Sector Tax Relief', Councillor Pryor drew the Board's attention to the fact that he is a Trustee of the Leeds Culture Trust, a role appointed to by the Council. Councillor Pryor confirmed that whilst this was

not a Disclosable Pecuniary Interest and he was not required to declare an interest in relation to this under the Council's Code of Conduct, he wished to take the opportunity to clarify that in terms of his consideration of the submitted report as a member of the Executive Board, he would approach this based upon what he believed to be the best outcomes for the Council, notwithstanding his position as a Trustee of LCT. (Minute No. 44 refers).

34 Minutes

Further to Minute No. 20 (26 July 2023), the Chair highlighted that at the July meeting the Board had approved the minutes from the 21 June 2023 meeting as a correct record, subject to a matter of accuracy raised by Cllr Lamb (regarding Minute No. 6, '*Leeds Safeguarding Children Partnership Annual Report 2021/23*'), being noted and looked into. The Chair confirmed that the matter of accuracy had been considered and that in his position as Chair, he was satisfied that the 21 June Executive Board minutes were a correct record, as previously agreed by the Board.

Following this, the Board considered the draft minutes from the previous meeting (26 July 2023) and it was

RESOLVED – That the minutes of the previous meeting held on 26th July 2023 be approved as a correct record.

SUSTAINABLE DEVELOPMENT AND INFRASTRUCTURE

35 Leeds Rail Infrastructure - Integrated Rail Plan for the North and Midlands

The Director of City Development submitted a report which provided an update on the Government's delivery of the Integrated Rail Plan and which sought endorsement of the SLCRail recommendation for a phased approach towards the delivery of rail capacity, frequency and connectivity for the eastern regions and in particular the initial delivery of a 'T' shaped station in Leeds and line to connect into an upgraded and electrified route from Sheffield to Moorthorpe.

Responding to an enquiry, the Board received information regarding the extent of potential impact upon existing site allocations within the city centre and its vicinity arising from the recommended approach of SLCRail and also in terms of the Government's proposals following its recent publication of Terms of Reference for the study into how to bring HS2 trains to Leeds. In terms of the latter, it was noted that specific impact would not be known until further detail on the Government's proposals was brought forward.

Further to this, an update was provided on the depth of the partnership working which continued in this area with other Authorities and key agencies including the Department for Transport.

Emphasis was placed upon the need to continue to be mindful of the strategic approach required to ensure that any proposals which were brought forward delivered sufficiency of capacity and effective integration across rail and other

public transport networks, including the bus network. Those comments were acknowledged, with an update being provided on how such matters were being taken into consideration.

RESOLVED –

- (a) That the update on the Integrated Rail Plan for the North and Midlands, as detailed within the submitted report, be noted;
- (b) That the Board's endorsement be given to the SLCRail recommendation, as detailed within the submitted report and appendices, for a phased approach to delivering rail capacity, frequency and connectivity for the eastern regions and in particular the initial delivery of a 'T' shaped station in Leeds and line to connect into an upgraded and electrified route from Sheffield to Moorthorpe.

CHILDREN'S SOCIAL CARE AND HEALTH PARTNERSHIPS

36 Outcome of consultation on a proposal to change the age range of Rothwell Primary School from 3-11 years to 4-11 years and permanently close the school nursery

The Director of Children and Families submitted a report presenting details of a proposal brought forward to change the age range of Rothwell Primary School from 3-11 years to 4-11 years and permanently close the school nursery. The report noted that a public consultation on the proposal took place between 30 June 2023 and 21 July 2023, with the report summarising the responses received. Finally, the report sought approval to publish a Statutory Notice on the proposal.

In presenting the report, the Executive Member provided details of the proposal and an overview of the consultation responses, as detailed within the report, with it being noted that relevant Ward Councillors had not expressed any concerns in relation to the proposal.

RESOLVED –

- (a) That the outcome of the public consultation for this proposal, as detailed within the submitted report, be noted;
- (b) That the publication of a Statutory Notice on the proposal to change the age range of Rothwell Primary School from 3-11 years to 4-11 years and to permanently close the school nursery, be approved;
- (c) That it be noted that the implementation of the proposal would be subject to the outcome of the Statutory Notice;
- (d) That the intention for a further report to be presented to the December 2023 Executive Board meeting, be noted;
- (e) That it be noted that the responsible officer for the implementation of such matters is the Head of Learning Systems.

LEADER'S PORTFOLIO

37 Best City Ambition Update - Scoping

The Director of Strategy and Resources submitted a report which sought the Board's endorsement for the scope of the proposed Best City Ambition update and which recommended the submission of a further report to Executive Board in November 2023 presenting the initial proposals.

Whilst welcoming the consideration being given to measuring the Best City Ambition's performance, a Member made enquiries about how the success of the updated strategy would be defined. In response, the Board received further information on the factors being taken into consideration in this area, including the central role which would be played by data from the Leeds Social Progress Index. Also, it was undertaken that the comments made during the discussion would be noted and taken into consideration as part of the process in submitting the initial proposals to the Board in November 2023.

RESOLVED –

- (a) That the scope of the update of the Best City Ambition, as set out within the submitted report, be endorsed;
- (b) That a further report presenting initial proposals for a draft update of the Best City Ambition be submitted to Executive Board in November 2023 ready for further consultation and engagement.

(The resolutions referred to within this Minute, given that they were decisions being made in accordance with the Budget and Policy Framework Procedure Rules, were not eligible for Call In, as Executive and Decision Making Procedure Rule 5.1.2 states that the power to Call In decisions does not extend to those decisions made in accordance with the Budget and Policy Framework Procedure Rules)

38 Annual Corporate Risk and Resilience Report

The Director of Strategy and Resources submitted a report presenting the Council's Annual Corporate Risk and Resilience report. The report provided an update on the risk and resilience activities undertaken by the Council, detailed the most significant risks currently on the Council's corporate risk register and provided details of summary assurances describing the key controls established and further actions planned to manage those risks.

In presenting the report, the Leader highlighted the importance of receiving this annual report to ensure that the Executive Board was aware of the key risks being faced by the Council and the actions being taken to monitor and mitigate those risks.

Members acknowledged that managing the Council's budgetary pressures remained key in terms of risk and resilience, however it was acknowledged that such matters would be considered in detail later in the agenda as part of the dedicated financial reports.

Responding to a Member's specific enquiry regarding the work which continued to mitigate the key risks around safeguarding children and the provision of services in that area, the Board received a detailed update on the challenges which continued to be faced both locally and nationally and the range of ongoing cross-directorate work and partnership working with other agencies that was being undertaken.

RESOLVED – That the annual risk and resilience report together with the assurances given on the most significant corporate risks which are in line with the Council's Risk Management Policy and Strategy, as detailed within the submitted cover report and appendix, be noted, with the Board's overarching responsibility for their management also being noted.

RESOURCES

39 Annual Corporate Performance Report 2022/23

The Director of Strategy and Resources submitted a report which provided an overall update on the Council's performance in 2022/23. Specifically, the report highlighted performance against the range of Key Performance Indicators (KPIs) monitored, covering all five directorates.

In presenting the report the Executive Member highlighted the regular performance reporting which continued to take place via Scrutiny Boards and other committees as appropriate. Updates were also provided on the consideration being given to the metrics recently adopted by the Office for Local Government and how they would be reflected in the Council's performance monitoring moving forward, and also in relation to the most recent visit of the Local Government Association Corporate Peer Challenge, with it being noted that whilst the accompanying report from the visit was awaited, the feedback received had been positive.

Responding to an enquiry regarding Council employee sickness rates, the Board received an update on the actions being taken in this area, with an undertaking that a separate briefing would be provided to the Member in question regarding the implications arising from the Council's sickness rate in terms of the impact upon the budget, service delivery and other staff.

Again in response to a Member's enquiry, the Board received an update on the trajectory of the data regarding those killed or seriously injured in road traffic collisions. In terms of the actions being taken in this area, the partnership approach being undertaken as part of the 'Vision Zero' initiative was highlighted as a key programme with the ambition that by 2040 no one will be killed or suffer serious injuries on roads in Leeds. As part of this discussion, the importance of encouraging the wider behavioural change of road users was highlighted.

RESOLVED – That the Annual Performance Report for 2022/23, as appended to the submitted report, be noted, together with the progress which has been made during that period.

40 Medium Term Financial Strategy 2024/25 - 2028/29

The Chief Officer Financial Services submitted a report presenting the Council's Medium Term Financial Strategy (2024/25 – 2028/29) which is a five-year rolling strategy used to inform the Council's annual budget process. Included within the strategy was information providing wider context and details of the range of factors which influence the shape of this financial plan.

By way of introduction to the report, the Executive Member provided an overview of the key points within it, highlighting that the report noted that the estimated revenue budget gap over the period 2024/25 to 2028/29 was currently £251m.

In considering the challenges highlighted within the report, a Member made comments regarding the need to consider reviewing the approach taken so as to work more collaboratively with other partner organisations around areas such as service delivery. In response, the Board was advised that work in this area was ongoing both on a cross-directorate basis within the Council and also with external partners. It was acknowledged that difficult decisions would continue to be required, with it being noted that savings proposals would be received at future Board meetings as appropriate.

Members also considered the Government's model for funding in areas such as regeneration and transport and infrastructure, with emphasis being placed upon the importance of ensuring that the benefits of devolution were maximised. In considering such matters, the importance of collaborative working with partners such as WYCA was highlighted.

RESOLVED –

- (a) That the updated Medium Term Financial Strategy for 2024/25 to 2028/29, as presented in the submitted report and appendices, be noted;
- (b) That it be noted that savings proposals will be received at future meetings of Executive Board in advance of the Proposed Budget for 2024/25 being received at this Board in December 2023.

41 Financial Reporting 2023/24 – Month 4

The Chief Officer Financial Services submitted a report presenting the Council's projected financial health position as at month 4 of the 2023/24 financial year in respect of both the General Fund revenue budget and the Housing Revenue Account.

In introducing the report, the Executive Member extended her thanks to the work that the Chief Officer Financial Services and her team continued to undertake in very challenging circumstances. The Board received an overview of the key points within the submitted report and noted the forecasted overspend of £33.9m on the Authority's General Fund as at Month 4 of the financial year.

Responding to a Member's comments and concerns around the level of projected overspend at this point in the financial year and how this linked to the budget setting process, the Board received further details and assurance regarding the timeframe for the budget setting process and its robustness, and the work which continued to monitor and mitigate the pressures faced, with clarification also being provided around the key messages which continued to be communicated across the Authority to support ongoing actions.

In addition, the Board specifically considered the challenges that continued to be faced around the delivery of services for Children Looked After, which reflected the position nationally. In considering this, Members specifically referenced increasing levels of demand and also the significant increase in costs for external placements. Responding to an enquiry, the Board received an update on the actions which continued to be taken in this area around mitigating the challenges faced, how Leeds was performing when considering the performance of other comparable Authorities and how such pressures were being monitored and responded to in terms of the budget setting process.

Further context was provided on a number of areas and processes which challenged the Council's ability to take a medium term approach towards its budgetary process, with it being highlighted that these were areas where Local Government needed to continue to work with national Government, in order to make those planning processes easier.

RESOLVED –

- (a) That it be noted that at Month 4 of the 2023/24 financial year the Authority's General Fund revenue budget is forecasting an overspend of £33.9m for 2023/24 within a challenging national context, and that a range of actions are being undertaken, or are proposed to achieve a balanced budget position;
- (b) That the virement of identified non-essential spend budgets out of respective Chief Officer budgets and into specific strategic cost centres within each directorate, be approved, as a measure to prevent further spend against these budgets where it has been identified that this spend is not required;
- (c) That the release of £1.3m from the Strategic Contingency Reserve to fund budgeted fleet savings which are not deliverable across the Council in year due to the impact of inflation, costs of maintaining an ageing fleet and increased demand for services, be approved;
- (d) That it be noted that where an overspend is projected, directorates, including the Housing Revenue Account, are required to present action plans to mitigate their reported pressures and those of the Council's wider financial challenge where possible, in line with the Revenue Principles agreed by Executive Board in 2019;

- (e) That it be noted that known inflationary increases including demand and demographic pressures in Social Care and known impacts of the rising cost of living, including the employer's 2023/24 NJC pay offer of £1,925 and the JNC pay settlement of 3.5%, have been incorporated into this reported financial position, with it also being noted that these pressures will continue to be reviewed during the year and reported to future Executive Boards as more information becomes available. That it also be noted that proposals would need to be identified to absorb any additional pressures;
- (f) That the Month 4 positions regarding the use of Invest to Save, Covid Backlog and Flexible Capital Receipt resources, be noted, with the additional planned use of £5.3m of Capital Receipts in 2023/24 also being noted which will support transformation projects and deliver savings in addition to the budgeted use;
- (g) That it be noted that at Month 4, the Authority's Housing Revenue Account is forecasting an overspend of £3.2m for 2023/24.

ECONOMY, CULTURE AND EDUCATION

42 Leeds Inclusive Growth Strategy 2023 - 2030

The Director of City Development submitted a report presenting the updated Leeds Inclusive Growth Strategy for the period 2023- 2030, with the updated strategy setting out nine refreshed 'Big Ideas' for how best to deliver growth that benefits all citizens and communities and which is set within the three themes of 'People', 'Place' and 'Productivity'.

Further to Minute No. 32, with the agreement of the Chair, supplementary information was circulated to Board Members ahead of the meeting in relation to this item in the form of Appendix 2, which was the proposed strategy document.

In presenting the report, the Executive Member provided an overview of the strategy's achievements to date together with a summary of the key proposals for the strategy moving forward.

Responding to an enquiry regarding how the success of the updated strategy would be defined, the Board received further details on how the progress being made by the strategy would be monitored and measured, with the Board also receiving further context on the range of factors which would need to be taken into consideration when judging the success of the strategy, with the Social Progress Index being highlighted as a key resource combined with other measures including the proposed submission of an annual progress report.

RESOLVED –

- (a) That the new Leeds Inclusive Growth Strategy 2023 - 2030, as appended to the submitted report, be agreed, and that approval also be given for the strategy's publication;

- (b) That approval be given for the Director of City Development to lead on implementing the delivery of the Leeds Inclusive Growth Strategy 2023 – 2030;
- (c) That approval be given to the proposed approach towards stakeholder engagement in order to support the implementation of the strategy;
- (d) That moving forward, approval be given for an annual progress report to be submitted to Executive Board.

43 Learning Places Programme and School Condition Update Report

The Director of Children and Families and the Director of City Development submitted a joint report which presented an update on the current Learning Places Programme delivery including places across the school estate delivered over the last 18 months, schemes currently in delivery and the potential future work programme. In addition, the report provided information on managing the condition of the school estate, the challenges faced, potential solutions and the financial implications to effectively meet the Council's statutory duties.

In presenting the report, the Executive Member provided the Board with an overview of the key points including the number of places which had been delivered across the school estate, the response to the decline in the birth rate across the city and the actions being taken in response to the increased demand for Special Educational Needs learning places. An update was also provided regarding the annual school condition funding allocation and the current position with regard to backlog maintenance in the school estate.

The investment into Wetherby High School, as referenced within the report was specifically welcomed, with thanks extended to all those involved in securing that investment.

Regarding the issue of RAAC (reinforced autoclaved aerated concrete) in relation to schools. Further to the details within the submitted report, Members' attention was drawn to the update provided at the full Council meeting of 13th September 2023. Responding to comments about the potential for this to impact upon buildings other than schools, the Board received an update about the wider Council estate outside of school sites which confirmed that to date there have been no cases of RAAC identified in buildings that the Council is responsible for and that an audit into appropriate Council buildings continued.

From a wider perspective, it was suggested that it may be beneficial for further detail to be provided to Board Members in due course which covered the potential for structural issues more generally across the Council estate.

RESOLVED –

- (a) That the progress made to date with the Learning Places Programme delivery, as detailed within the submitted report, be noted, together with

the current schemes in development and delivery across primary, secondary and SEN provision and the forward programme;

- (b) That the progress made regarding the Planned Maintenance Programme delivery, as detailed within the submitted report, be noted;
- (c) That the challenges and issues being experienced across the programme, together with the measures in place where possible to mitigate for these, be noted.

44 Provision of a Loan for Leeds Culture Trust to cover Culture Sector Tax Relief claims

The Director of City Development submitted a report which sought the Board's approval for Leeds City Council to provide a loan to Leeds Culture Trust (LCT) for the purposes of providing cash flow assistance to cover claims to HMRC for both Theatre Tax Relief and Museums and Galleries Exhibition Tax Relief for financial years 2022-23 and 2023-24, with the report noting that any loan provided would be repaid by LCT upon their receipt of Cultural Sector Tax Relief.

In presenting the report, the Executive Member highlighted that the provision of such a loan would allow LCT to maximise the amount of funding it could invest in LEEDS2023 in-year. In addition, it was emphasised that both LCT and the Council had respectively sought their own legal and financial advice in relation to this matter.

A Member raised concerns and confirmed their disagreement with the proposal, highlighting the risk involved for the Council, in the event that the proposed loan was not repaid.

Members discussed a number of areas relating to this matter including the level of funding which had been provided by the Council towards LEEDS2023 and the impact of national financial challenges upon the delivery of the initiative. As part of the discussion the provision of respective legal and financial advice to both the Council and LCT was reiterated. It was also further emphasised that the loan would allow LCT to maximise the amount of in-year funding it could invest in the programme.

Responding to a Member's specific enquiry regarding the risk involved, it was acknowledged that there were almost certain risks arising from the Council not providing the loan in terms of the potential impact upon the remainder of the LEEDS2023 programme. Conversely, with respect to the loan, it was confirmed that, although the level of risk to the Council is considered to be low, should the tax relief not be received by LCT, then the return of the monies advanced by the Council would be at risk.

Following consideration of appendices 1 - 3 to the submitted report designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which were considered in private at the conclusion of the public part of the meeting, it was

RESOLVED –

- (a) That approval be given for Leeds City Council to provide an unsecured interest free loan to Leeds Culture Trust to a maximum value of £1,845,407 which would, subject to the resolutions below, be payable in 3 instalments;
- (b) That approval be given for Leeds City Council to pay a first instalment of £960,831 to Leeds Culture Trust in October 2023 for a term of up to 6 months, in order to cash flow the Trust's Theatre Tax Relief claim for the financial year 2022-23;
- (c) That in principle approval, which is subject to further due diligence on LCT's financial position in November, be given for Leeds City Council to pay a second instalment of £366,571 to Leeds Culture Trust in November 2023 for a term of up to 13 months, in order to cash flow the Trust's Theatre Tax Relief claim for the financial year 2023-24, and a third instalment of up to £518,005 to cash flow Museum Galleries and Exhibition Tax Relief (MGETR) for the financial year 2023-24 for a term of up to 13 months; with the payment of the third instalment being subject to a further assessment by independent advisors;
- (d) That approval be given for the necessary authority to be delegated to the Director of City Development, to enable the Director, in consultation with the Chief Officer Financial Services, to enter into a loan agreement with Leeds Culture Trust on the terms as set out within the submitted report / resolutions above;
- (e) That the decisions taken in relation to this report be exempted from the Call In process, due to matters of urgency and for the reasons as set out in section 47 of the submitted report, as any delay would impact upon the Year of Culture programme and seriously prejudice the public's interests.

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process by the decision taker if it is considered that the matter is urgent and any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, as per resolution (e) above, and for the reasons as detailed above and as set out within section 47 of the submitted report)

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

DATE OF PUBLICATION: FRIDAY, 22 SEPTEMBER 2023

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00PM, FRIDAY, 29 SEPTEMBER 2023