

EXECUTIVE BOARD

WEDNESDAY, 20TH NOVEMBER, 2024

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

- 68 Exempt Information - Possible Exclusion of the Press and Public**
RESOLVED – That, in accordance with Regulation 4 of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt from publication on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-
- (A) That Appendix 5 to the report entitled, ‘District Heating Update – Network Expansion and Approach to Commercial Delivery’, referred to in Minute No. 72 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 the information contained within Appendix 5 relates to the financial or business affairs of any particular person (including the authority holding that information). Specifically, the appendix includes commercially sensitive information regarding and underpinning the project, and it is considered that disclosure of this information could seriously harm the Council’s negotiating position when discussing heat sales with potential customers. As such, it is considered that the public interest in maintaining the content of Appendix 5 as being exempt from publication outweighs the public interest in disclosing the information at this time.
- 69 Late Items**
There were no late items of business submitted to the Board for consideration.
- 70 Declaration of Interests**
There were no interests declared at the meeting.
- 71 Minutes**
RESOLVED – That the minutes of the previous meeting held on 16th October 2024 be approved as a correct record.

CLIMATE, ENERGY, ENVIRONMENT AND GREEN SPACES

72 District Heating Update - network expansion and approach to commercial delivery

Further to Minute No. 108, 13 March 2024, the Director of Communities, Housing and Environment submitted a report which provided an update on the development of the District Heating programme. The report also provided a specific update on the Wellington Street extension to the existing network and on the progress and strategy in relation to the South Bank scheme. The report recommended several actions, including approval for the creation of a joint venture company and the procurement of a delivery partner who would provide capital funding to enable the delivery of the South Bank network and who would develop this network and a wider city centre zone.

In introducing the report, the Executive Member provided an overview of the range of benefits realised and progress achieved in relation to the scheme to date. The proposals detailed within the report regarding next steps were highlighted for the Board's consideration.

The Board welcomed the report. A Member's suggestion to further celebrate the success of the District Heating network and the benefits arising from it was acknowledged.

Responding to an enquiry, the Board was provided with information regarding the benefits which were being experienced by residents connected to the network, specifically in relation to reduced energy bills. Members also received information on how the continued development of the network was enabling a reduced reliance upon gas boilers for those on the network.

Following consideration of Appendix 5 to the submitted report designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the public part of the meeting, it was

RESOLVED –

- (a) That the contents of the submitted report, including the update provided on the development of the district heating network, be noted;
- (b) That the contents of exempt Appendix 5 to the submitted report, be noted, and that the authority to spend £2,982,286 from the Capital Programme for the design and build of the Wellington Street extension, funded by £1m of Green Heat Network Fund (GHNF) grant and £1.982m of borrowing, be approved;
- (c) That authority to procure a development partner to commercialise a city-centre heat zone (as described at paragraph 41 of the submitted report as the "Zone"), be approved. This will include the South Bank GHNF scheme and subsequently to develop the Zone subject to meeting a range of specified mandatory requirements as assessed by the Council at an approval gateway prior to financial close. That it also

be noted that the decision to award will be the subject of a further report to Executive Board;

- (d) That it be noted and affirmed that decisions on the more detailed matters on the approach to the procurements referred to within the submitted report shall be taken by the Director of Communities, Housing and Environment in accordance with the Officer Delegation Scheme;
- (e) That subject to the development partner successfully meeting the requirements at the approval gateway, approval be given to the creation of a joint venture (JV) company involving the Council and the development partner; approval be given to the Council entering into any other ancillary agreements or taking other actions to facilitate delivery of the Zone, and that it be affirmed that decisions on detailed matters in relation to the creation and the establishment of the JV and delivery of the Zone shall be taken by the Director of Communities, Housing and Environment in accordance with the Officer Delegation Scheme;
- (f) That the decision on any land purchase or use of land in the Council's ownership for the development of an energy centre to support the South Bank network be delegated to the Director of City Development, subject to 'Value for Money' assessment and consultation with the Executive Member for Resources.

EQUALITY, HEALTH AND WELLBEING

73 Improving Housing for Better Health: progress update for Leeds' Health and Housing Programme

The Director of Public Health and the Director of Communities, Housing and the Environment submitted a joint report which provided an annual update on the Leeds Health and Housing Programme as overseen by the Health and Housing Steering Group, chaired by the Executive Member for Equality, Health and Wellbeing.

The Executive Member introduced the report and provided information on the composition of the Health and Housing Steering Group and also on the outcomes that it was delivering through the programme. The partnership approach being taken by the Steering Group was highlighted. It was also noted that housing was a key priority for the Marmot city programme, with further detail being provided on how the Marmot programme had supported work in this area, such as in the field of Selective Licensing.

A Member highlighted the positive work being undertaken in this area and emphasised the need to ensure that the reach and benefits of the programme were maximised by its escalation wherever possible. The key role of health partners in this process was also highlighted.

Responding to the comments made, Members agreed that greater benefits would be realised by the scaling up and joining up of the work undertaken through the programme. Whilst the limitations to available resources were acknowledged, it was highlighted that the aim would be to utilise, with NHS partner support, the Marmot city programme and the Marmot city housing recommendations, as presented in the report, to deliver such scaling up and joining up where possible.

Members also noted the work being undertaken with asset management and regeneration colleagues in order to further embed the promotion of health ambitions in these areas.

RESOLVED –

- (a) That the progress of the Health and Housing Programme, as set out within the submitted annual update report, be noted;
- (b) That the potential direction of travel for the Health and Housing programme, in response to the 'Fairer, Healthier Leeds (Marmot City): Housing' recommendations, as outlined in the submitted report, be noted.

CHILDREN AND FAMILIES

74 Outcome of statutory notice on a proposal to change the age range of Moor Allerton Hall Primary School from 3-11 years to 4-11 years and permanently close the local authority-maintained nursery.

Further to Minute No. 23, 24 July 2024, the Director of Children and Families submitted a report presenting the outcomes from the published statutory notice regarding a proposal to change the age range of Moor Allerton Hall Primary School from 3-11 years to 4-11 years and permanently close the Local Authority-maintained nursery with effect from 1 January 2025. The report sought a final decision in respect of this proposal.

In presenting the report, the Executive Member highlighted the proposals as detailed within the statutory notice and the report.

It was noted that the Local Authority-maintained nursery had been temporarily closed since September 2024, and would be permanently closed from 1 January 2025, should the Board approve the recommendations within the report.

RESOLVED –

- (a) That the outcome of the statutory notice period, as detailed within the submitted report, be noted;
- (b) That the recommendation to change the age range at Moor Allerton Hall Primary School from 3-11 years to 4-11 years and to permanently close the Local Authority-maintained nursery, with effect from 1 January 2025, be approved;

- (c) That the resolutions from the submitted report be exempted from the Call In process for the reasons as set out in paragraphs 30 and 31 of the submitted report;
- (d) That it be noted that the officer responsible for the implementation of such matters is the Deputy Director for Learning.

(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 (c) above, and for the reasons as set out within sections 30 - 31 of the submitted report)

RESOURCES

75 Financial Health Monitoring 2024/25 - September (Month 6)

The Interim Assistant Chief Executive – Finance, Traded and Resources submitted a report providing an update on the Council's financial performance against the 2024/25 revenue budget. The report also provided updates on the September 2024 (Month 6) position in respect of the Housing Revenue Account (HRA), the Schools' Budget (DSG) and the Council Tax and Business Rates Collection Fund.

In presenting the report, the Executive Member provided an overview of the key points in which it was noted that as at month 6 of the financial year, the Council was forecasting a General Fund overspend of £22.9m. The Executive Member also noted how the report provided detail on the range of mitigating measures being taken to address the overspend and also how it presented information on those key service areas where demand and cost pressures were highest. It was also noted that the NJC pay award had now been agreed and that it was expected to be paid in the December payroll, at which time it would be reflected in financial dashboards.

Responding to a Member's enquiry, it was confirmed that the Chancellor's Autumn Budget statement did not impact upon the Council's in-year financial position for 2024/25. It was noted that in terms of future years, it was expected that the Council would receive the provisional Local Government Finance Settlement on 19 December 2024. It was also reiterated to Members that the Council's initial budget proposals for 2025/26 would be submitted to Executive Board in December.

Regarding the current financial year, the Board received an update on the demand pressures that continued to be felt both within Adults' and Children's services. An update was also provided on the ongoing actions being taken to mitigate such pressures and the impact that those actions were having. It was noted that a further update on such matters would be provided to the Board in December.

In response to an enquiry, it was noted that the Council expected to be compensated for increased costs arising from the increase in employers' National Insurance Contributions (NICs) for those employees directly funded by the Council. However, regarding any impact for the Council arising from the increase in employers' NICs in terms of those services which were commissioned and delivered by a third party, it was noted that this was currently a fluid situation, and that the Council awaited the outcomes from the ongoing national discussions on such matters.

Responding to a further enquiry it was confirmed that there was no change to the estimated revenue budget gap for 2025/26 of £104m, as previously reported to the Board.

RESOLVED –

- (a) That it be noted that at September 2024 (Month 6 of the financial year) the Authority's General Fund revenue budget is reporting an overspend of £22.9m for 2024/25 (3.7% of the approved net revenue budget) after application of reserves and within a challenging national context. That it also be noted that a range of actions are being undertaken to address this position as detailed within the submitted report;
- (b) That it be noted that at September 2024 (Month 6 of the financial year) the Authority's Housing Revenue Account is reporting a balanced position;
- (c) That it be noted that at September 2024 (Month 6 of the financial year), the DSG budget is projecting an in-year pressure of £15.1m, which equates to 2.73% of the total estimated DSG funding;
- (d) 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 have been incorporated into this reported financial position. It also be noted that the 2024/25 pay offer has now been agreed for both JNC and NJC staff, and that the JNC element was included in September's payroll and is reflected in directorate dashboards. The Council expects to pay the NJC element in December's payroll and these additional costs and associated mitigations will be shown in dashboards once payment is processed. That it also be noted that inflationary pressures will continue to be reviewed during the year and reported to future Executive Board meetings as more information becomes available, and that proposals would need to be identified to absorb any additional pressures;
- (e) 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 February 2024 through the annual Revenue Budget report;

- (f) That the delay in the go live date of the new MS Dynamics Finance System, be noted, with it also being noted that the Council continues to work to minimise additional costs and further delays, whilst ensuring sufficiently robust testing for effective implementation. It also be noted that an update is to be brought to Executive Board with the revised timescales.

76 Capital Programme 2024/25 - 2028/29 - Quarter 2 Update

The Interim Assistant Chief Executive – Finance, Traded and Resources submitted a report presenting an update on the Council’s Capital Programme for 2024-2029, split between General Fund and Housing Revenue Account. A specific update of the 2024/25 Capital Programme was also provided, as at Quarter 2 of the financial year. Additionally, the report sought the Board’s approval of several injections into the Capital Programme.

In presenting the report the Executive Member highlighted the key points and recommendations within it, noting that the Capital Programme for 2024/25 to 2028/29 totalled £1,574.9m, as at Quarter 2. Further detail was also provided on the outcomes from the review of the Capital Programme which had been undertaken.

Responding to a Member’s enquiry regarding the implications for the Council arising from the scheduling of capital expenditure and capital schemes to future financial years, it was undertaken that further information in response to this enquiry would be provided to a future Executive Board.

RESOLVED –

- (a) That the following injections into the Capital Programme, as detailed at Appendix B1(iii) of the submitted report, be approved:-
- £22,913.0k of Major Repairs Reserve funding for Capitalised Voids and Repairs;
 - £1,760.0k of Brownfield Land Housing Grant for Newbuild at Amberton Terrace and Seacroft Crescent;
 - £2,126.0k of Local Authority Housing Fund Round 3; and
 - £697.9k Various other HRA borrowing and other contributions.
- (b) That it be noted that the above resolution to inject funding of £27,496.9k will be implemented by the Interim Assistant Chief Executive – Finance, Traded and Resources;
- (c) That the latest position on the General Fund and HRA Capital Programme as at Quarter 2 2024/25, as presented within the submitted report, be noted;
- (d) That the additional Capital Receipts Incentive Scheme (CRIS) allocations to Wards and Community Committees for the period April 2024 to September 2024 of £199.9k, be noted;

- (e) That the spending priority for investment of the Community Infrastructure Levy (CIL) Strategic Fund as matched funding contributions for Strategic Highways and Supporting Older People Schemes, be agreed.

77 Treasury Management Strategy Update 2024/25

The Interim Assistant Chief Executive – Finance, Traded and Resources submitted a report presenting a review and update of the Council’s Treasury Management Strategy for 2024/25.

The Executive Member introduced the report and in doing so highlighted that the Council’s level of net external debt as at 31st March 2025 was now forecast to be lower than previously forecast when the strategy was approved in February 2024. This was due to a lower Capital Programme borrowing requirement together with balance sheet movements.

Responding to a Member’s specific enquiry, the Board received information regarding the processes that the Council had in place as part of the Treasury Management Strategy to monitor any potential changes to interest rates in future and to take action to manage and mitigate against any associated risk. It was noted that due to the actions taken as part of the Treasury Management Strategy alongside the Capital Programme review, a saving of £800,000 had been achieved in this financial year against the Council’s debt budget.

RESOLVED – That the update on the Treasury Management borrowing and investment strategy 2024/25, as presented within the submitted report, be noted.

COMMUNITIES, CUSTOMER SERVICES AND COMMUNITY SAFETY

78 Cost of Living - Update Report

Further to Minute No. 121, 17 April 2024, the Director of Communities, Housing and Environment submitted a report which provided an update on the cost-of-living situation in Leeds and which reflected upon national policy interventions and the actions being taken by the Council and partners in response to such matters.

By way of introduction to the report, the Executive Member provided an overview of the key issues being faced in Leeds in relation to the ongoing cost-of-living situation, together with details of the range of actions being taken by the Council and its partners. It was noted that the focus of the Council’s work in this area continued to be on those in most need. The Board also received an update on national policy developments.

The Board discussed the impact of national policy developments on the cost-of-living situation for Leeds residents both in terms of the previous Government and also the policy announcements of the current Government. As part of the discussion on this matter, a Member raised concerns regarding the Government’s policy announcements and their potential impact upon the

cost-of-living situation and requested information regarding the number of Leeds residents that would be impacted by the Government's policy announcement on changes to Winter Fuel Payments. In response, it was undertaken that the Member in question would be provided with such information.

As part of this wider discussion, Members noted the work which continued in Leeds to increase the uptake of Pension Credit by those entitled to it. It was noted that Pension Credit was an underclaimed and 'gateway' benefit, and that this work aimed to ensure that more people entitled to Pension Credit received it, which in turn would allow them access to other benefits, including Winter Fuel Payments.

Thanks was extended to those officers and partner organisations involved in the continued provision of key services in this area.

RESOLVED –

- (a) That the contents of the submitted report, be noted, and that the approach being adopted, be endorsed;
- (b) That it be noted that the Director of Communities, Housing and Environment is responsible for overseeing and implementing any actions arising from the submitted report.

DATE OF PUBLICATION: FRIDAY, 22ND NOVEMBER 2024

LAST DATE FOR CALL IN OF ELIGIBLE DECISIONS: 5.00PM, FRIDAY, 29TH NOVEMBER 2024