

EXECUTIVE BOARD

17TH FEBRUARY 2006

PRESENT: Councillor A Carter in the Chair
Councillors D Blackburn, J L Carter, Harker,
Harrand, Harris, Jennings, J Procter, Smith
and Wakefield

Councillor Blake – Non-voting advisory member

197 **Former Councillor Marlene Lyons**

The Chair referred to the recent death of former Councillor Marlene Lyons and the Board stood in silent tribute.

198 **Late Item**

The Chair reported that he had admitted a late report to the agenda with regard to proposals in relation to a memorial (minute 221)

199 **Exclusion of the Public**

RESOLVED – That the public be excluded from the meeting during consideration of Appendix 1 to the report referred to in minute 203, Appendix 1 to the report referred to in minute 206, Appendices 1 and 2 to the report referred to in minute 216, and Appendix 1 to the report referred to in minute 220 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 or confidential information, defined in Access to Information Rules as indicated in the minute.

200 **Declarations of Interest**

Councillor Jennings declared a personal Interest in the item relating to the procurement of a strategic partner – ICT for Education in Leeds (Minute 216 refers) as a personal friend of a member of one of the bid teams.

Councillors Wakefield and Smith declared personal interests in the revenue budget 2006/07 (Minute 202 refers) and the item relating to issues arising from the appointment of the Director of Childrens Services (Minute 206 refers) as non-executive members of the East and South Leeds PCT's respectively.

Further declarations of interest made during the meeting are referred to in minute 209 (Councillors A Carter, Harris and J Procter) and minutes 219 and 220 (Councillor Harris).

201 **Minutes**

RESOLVED – That the minutes of the meeting of the Board held on 18th January and of the meeting of the Access to Information Appeals Committee held on 17th and 18th January 2006 be approved.

CENTRAL AND CORPORATE

202 Revenue Budget 2006/2007

- (A) Final Local Government Finance Settlement 2006/07 and 2007/08
The Director of Corporate Services submitted a report on the Local Authority Revenue Finance Settlement for 2006/07 and 2007/08 announced by Government on 31st January 2006.

RESOLVED – That the report be noted.

- (B) Revenue Budget 2006/2007
The Director of Corporate Services submitted a report on the Council's budget for 2006/07 following detailed consideration of services requirements and taking account of the Local Government Finance Settlement. The report indicated that the budget would result in a Band D Council Tax of £971.99 for consideration by Council.

RESOLVED –

- (i) That Council be recommended to approve the Revenue Estimates for 2006/07 totalling £486.5m, as detailed and explained in the submitted report and accompanying papers.
- (ii) That the virements for 2005/06, as proposed in paragraph 3.10 of the report, be approved.
- (iii) That a further report be brought to this Board on the recommendations of the Overview and Scrutiny Committee arising from their consideration of the Financial Plan review.
- (C) Housing Revenue Account Budget 2006/2007
The Directors of Corporate Services and Neighbourhoods and Housing submitted a joint report on the Housing Revenue Account budget and ALMO management fee distribution for 2006/07.

RESOLVED –

- (i) That the Council be recommended to approve the budget and that, in order to meet the requirement of the Office of the Deputy Prime Minister that average rent increases be kept to 5%, pro rata reductions be applied to the rent restructuring figure of 5.85% in respect of all tenants' rents.
- (ii) That the Council be recommended to approve that service charges be increased in line with average rent rises and that the charges for garage rents be increased to £5.00 per week.
- (D) Capital Programme 2005 to 2009
The Director of Corporate Services submitted a report setting out the updated capital programme for 2005/2009.

RESOLVED –

- (i) That the Council be recommended to approve the capital programme as attached to the submitted report.
- (ii) That the Council be recommended to authorise the Director of Corporate Services to manage a process whereby schemes not already committed and reliant on council funding be held pending the identification of additional resources.
- (iii) That quarterly monitoring reports on the capital programme be brought to this Board.

(E) Treasury Management Policy and Strategy Statements

The Director of Corporate Services submitted a report on the proposed Treasury Management Strategy for 2006/07, and providing an update on the implementation of the 2005/06 strategy.

RESOLVED –

- (i) That the initial treasury strategy for 2006/07 as set out in Section 3 of the report be approved and that the review of the 2005/06 strategy and operations set out in Section 2 be noted.
- (ii) That the Council be recommended to set borrowing limits for 2006/07, 2007/08 and 2008/09 as set out in Section 4 of the report and to revise the 2005/06 borrowing limits as set out in paragraph 2.9.
- (iii) That Council be recommended to set treasury management limits for 2006/07, 2007/08 and 2008/09 as set out in Section 5 of the report.
- (iv) That Council be recommended to set investment limits for 2006/07, 2007/08 and 2008/09 as set out in Section 6 of the report.
- (v) That the finance officers who have worked on the preparation of the budget documents referred to in this minute be informed of the thanks of this Board.

(The matters referred to in parts (B) (i), (C), (D) (i) and (ii) and (E) (ii), (iii) and (iv) of this minute, being matters reserved to Council were not eligible for Call In).

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he abstained from voting on the decision contained in part B of this minute)

203 Equal Pay Negotiations

The Director of Corporate Services submitted a report setting out the background and main issues regarding equal pay, the importance of reaching an agreed settlement with the trade unions and on a proposal to achieve the conclusion of negotiations.

Appendix 1 to the report was designated as exempt under Access to Information Procedure Rule 10.4(11) and was circulated at the meeting, following consideration of which, in private at the conclusion of the meeting it was:

RESOLVED – That the report be noted and that the proposed settlement as set out in the exempt appendix be approved.

204 Comprehensive Performance Assessment – Improvement Planning 2006/2008

The Chief Officer (Executive Support) submitted a report summarising the key findings of the assessment and specifically highlighting areas of concern and, where appropriate, recommending the action required to address the weaknesses identified.

RESOLVED – That the report be noted and that the actions being taken to make further improvements in the Council's performance be endorsed.

205 Local Area Agreement

The Chief Officer (Executive Support) submitted a report outlining the content of the final Local Area Agreement proposed for submission to Government for consideration and agreement.

RESOLVED –

- (a) That the contents of the Leeds Local Area Agreement be endorsed and approved as the final submission document and that the Chief Executive be authorised to make any minor amendments, including comments now suggested by Councillors Wakefield and Blake, and to sign the document on 25th February 2006 for submission to Government for consideration and agreement.
- (b) That the proposed governance and performance management arrangements as contained in the report be approved.

(This decision was exempt from Call In because of the requirement to submit the signed local area agreement to the GOYH on 25th February 2006 to present to Government).

206 Issues Arising from the Appointment of the Director of Children's Services

The Chief Executive submitted a report on a number of organisational changes that have been, or will be, implemented as a consequence of the appointment of a Director of Children's Services.

Following consideration of Appendix A to the report designated as exempt under Access to Information Procedure Rule 10.4 (1), (7) and (8) which was considered in private at the conclusion of the meeting it was:

RESOLVED – That the following be noted:

- (a) The organisational implications arising from the appointment of the Director of Children's Services;

- (b) The Leader's intention to amend the scheme for the delegation of executive decision making, to reflect the arrangements described in the report and that the amendment will be reported to Council for information;
- (c) The intention of the Chief Executive to:
 - (i) designate the Director of Learning and Leisure as the Director of Adult Social Services under the provisions of the Children Act 2004 with the remit set out in paragraph 3.2 of the report;
 - (ii) approve honoraria payments to the Director of Learning and Leisure and the Chief Officer (Development), and;
 - (iii) procure the services of a Chief Social Services Officer to manage the Department of Social Services on an interim basis; and
- (d) The intention of the Director of Corporate Services to approve the emoluments referred to in paragraph 5.3 of the report.

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he abstained from voting on this decision)

DEVELOPMENT

207 East Leeds Link Road

The Director of Development submitted a report on the current position on the East Leeds Link Road and the proposed legal and financial arrangements for delivering the scheme.

RESOLVED –

- (a) That the report and the proposed arrangements to deliver the East Leeds Link Road be noted.
- (b) That all previous approvals for expenditure on the scheme be rescinded.
- (c) That the scheme at a revised total cost of £34,114,200 be approved.
- (d) That the invitation of tenders for the main roadworks contract be authorised.
- (e) That the Director of Development be authorised to agree the final terms of the legal agreements required to secure funding and progress the scheme, and authority be given for the Council to enter into these agreements.
- (f) That expenditure be authorised in the sum of £34,114,200 (comprising £1,212,000 Land, £29,688,200 Works and £3,214,000 staff costs) on the implementation of East Leeds Link Road which is included within

the approved Capital Programme, subject to the budget provision being adequate as outlined in the report on the return of tenders.

208 West Yorkshire Local Transport Plan 2006-2011

The Director of Development submitted a report presenting the proposed West Yorkshire Local Transport Plan (LTP2) for approval by Council.

RESOLVED – That the Council be recommended to approve the West Yorkshire Local Transport Plan for submission to the Government by 31st March 2006 in accordance with their requirements.

(The matters referred to in this minute, being matters reserved to Council were not eligible for Call In).

209 Leeds City Council's Shareholding in Leeds/Bradford International Airport

The Director of Development submitted a report on proposals in respect of the Council's shareholding in the Airport.

The report presented the options of continuing under present arrangements, increased investment by the shareholders, a concession to a private operator, a minority disposal, majority disposal or outright disposal.

RESOLVED –

- (a) That the City Council participate in a majority or outright disposal of its shares in the Leeds Bradford Airport Company.
- (b) That the decision to participate in a disposal be subject to a decision by one or more of the other shareholding authorities to dispose in order to enable at least 51% of the Company to be offered to the market.
- (c) That the City Council, in partnership with the other shareholding authorities, procure appropriate financial and legal advice to project manage the disposal.
- (d) That the precise form of the disposal to be progressed be subject to financial advice from the retained financial consultants and be reported back to this Board at a later date.
- (e) That the cost of financial and legal advice be charged to the purchaser as fees over and above the final capital receipt.
- (f) That, subject to the agreement of the other participating shareholders, Leeds City Council undertake the project co-ordination function for the disposal and that this be charged to the purchaser as part of the disposal fees.
- (g) That the proposal to procure financial and legal advisers through the Office of Government Commerce's existing S-Cat framework be noted.

- (h) That it be noted that the submitted report had been shared with the other shareholding authorities to aid them in their decision making on this matter.

(Councillors A Carter, Harris and J Procter declared personal interests in this item as members or alternate members of the Airport Board).

(Under the provisions of Council Procedure Rule 16.5 Councillor Wakefield required it to be recorded that he abstained from voting on this decision.

210 Leeds Unitary Development Plan Review – Response to the Inspector’s Report and Proposed Modifications

The Director of Development submitted a report on the proposed response of the Council to the UDP Inspector’s Report.

RESOLVED –

- (a) That the schedule and plans referred to in para 2.9 of the report be approved as the Council’s statement setting out its response to the Inspector’s recommendations.
- (b) That the Modifications to the UDP Review (First and Revised Deposit) contained in the schedule be placed on deposit for formal consultation.
- (c) That this Board accepts the Development Plan Panel recommendation (made at the Panel meeting on 24 January), that officers be instructed to bring forward suggestions as to how the authority can return PAS land to Green Belt prior to 2016 and suggest ways of safeguarding green field and PAS land from development generally.

NEIGHBOURHOODS AND HOUSING

211 Revision of the Neighbourhoods and Housing Lettings Policy

The Director of Neighbourhoods and Housing submitted a report on a proposed revision of the Council’s Lettings Policy.

RESOLVED –

- (a) That the implementation of the Lettings Policy with effect from 6th March 2006 be approved.
- (b) That a progress report be brought back to this Board after 6 months of operation.

212 Gipton Low Cost Home Ownership ‘Homebuy’ Scheme

The Chief Executive of Leeds East Homes and the Director of Neighbourhoods and Housing submitted a joint report on amendments to the proposed Gipton Low Cost Home Ownership scheme to convert it to a ‘Homebuy’ scheme. In presenting the report the Director indicated a correction to paragraph 3.3 to the effect that purchasers would own their own home with the Council’s interest protected by other means.

RESOLVED -

- (a) That the conversion of the agreed Gipton Low Cost Home Ownership Scheme from a Cash Incentive Scheme to a HomeBuy Scheme be approved.
- (b) That the Directors of Neighbourhoods and Housing and Legal and Democratic Services be authorised to agree the final details of the operation of the scheme.
- (c) That the scheme will continue to be administered by Leeds East Homes as part of the EASEL Regeneration Initiative with the same criteria applied for participation in the HomeBuy Scheme as was proposed for the Low Cost Home Ownership Scheme, namely prioritising local people affected by demolition.

213 Regional Home Loans Fund

The Director of Neighbourhoods and Housing submitted a report on the proposed administering of Home Appreciation Loans by Sheffield City Council to enable eligible owner-occupiers in the Leeds City Council area to access regional funding via the Regional Housing Board for private sector housing improvements.

RESOLVED – That under the provisions of the Local Government Act 2000 and Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000, the Leeds City Council's function of making payments of Home Appreciation Loans approved under the Leeds City Council Private Sector Renewal Policy in accordance with the Regulatory Reform (Housing Assistance) Order 2002, be discharged by the Executive of Sheffield City Council, this enabling eligible vulnerable owner-occupiers in Leeds City Council to access regional funding, for private sector housing improvement, from the Regional Housing Board.

LEARNING

214 School Funding 2006/07

The Chief Executive of Education Leeds submitted a report on the results of the budget consultation and decisions and recommendations arising from the meeting of the Schools Forum held on 26th January 2006.

RESOLVED –

- (a) That the decisions of the Forum taken within their statutory powers be noted.
- (b) That the following proposals of the Forum be approved:
 - (i) that the funding for Teachers' Pay Reform be run through the Age Weighted Pupil Unit factor;
 - (ii) that a factor be introduced to target funding at key stage 2 and 3 personalisation using low attainment and social deprivation as indicators;

- (iii) the introduction of a factor to protect schools with April admissions to Nursery;
 - (iv) that the priorities for the use of any real terms growth in 2007/08 be secondary achievement and workforce reform;
 - (v) that where possible all formula factors should be updated annually.
- (c) That a further report be brought to this Board as this matter progresses.

215 Deputation to Council – Great Preston Primary School

The Chief Executive of Education Leeds submitted a report in relation to the Deputation to Council on 11th January 2006 by representatives of Great Preston C E Primary School.

RESOLVED –

- (a) That the concerns expressed in the deputation from Great Preston C E Primary School be noted.
- (b) That it be noted that Education Leeds has been working with the school to develop a building scheme with a view to delivery in the future when funds are available.

216 Procurement of a Strategic Partner – ICT for Education in Leeds

The Chief Executive of Education Leeds submitted a report on the progress made in the procurement process and on the proposed shortlist bidders to be taken through to the invitation to negotiate 2 stage of the process.

Following consideration of Appendices 1 and 2 to the report designated as exempt under Access to Information Procedure Rule 10.4 (9) which was considered in private at the conclusion of the meeting it was:

RESOLVED – That approval be given to the procurement of a Strategic Partner for IT and that the approach taken in relation to the procurement to date be noted.

(Councillor Jennings having declared a personal and prejudicial interest under minute 200 left the room during consideration of this matter).

LEISURE

217 Leeds PALS Regiment Memorial

The Director of Learning and Leisure submitted a report on proposals in relation to memorials to the Leeds Pals Regiment.

RESOLVED –

- (a) That a commemorative stone and plaque in Victoria Gardens be commissioned and in place for 1st July 2006.

- (b) That the landscaping scheme for the Colsterdale Memorial be further developed in consultation with appropriate groups and funding sought to contribute to the scheme cost of c £40,000.
- (c) That permission be sought and costings obtained for the replacement statue in the Parish Church.
- (d) That the costs of the repair to the Parish Council Memorial, the provision of a memorial stone and plaque, and a contribution to the Colsterdale Memorial be injected to the 2006/07 Capital Programme at a maximum cost of £50,000.

CHILDREN'S SERVICES

218 Local Safeguarding Children Board

The Director of Social Services submitted a report on the proposed establishment of a Local Safeguarding Children Board by 1st April 2006.

RESOLVED – That approval be given to the actions being taken to progress the setting up of a Local Safeguarding Children Board in Leeds.

DEVELOPMENT

219 Route 4 Showcase Bus Project

Further to minute 168 of the meeting held on 14th December 2005 the Director of Development submitted a report on proposed bus stop improvements along the service number 4 bus route between Pudsey and Whinmoor, as part of the Yorkshire Bus Initiative.

RESOLVED –

- (a) That approval be given to the design and implementation of bus stop improvements along the Service Number 4 bus route between Pudsey and Whinmoor, as part of the "Yorkshire Bus Initiative", as set out in the report at a total cost of £750,000; and
- (b) That authority be given to incur expenditure of £600,000 works and £55,000 staff costs (£95,000 previously approved) which can be met from the Integrated Transport scheme 99609 within the approved Capital programme.

(Councillor Harris declared a personal and prejudicial interest in this item arising from his personal commercial activities and left the room during consideration of the matter).

CITY SERVICES

220 Leeds Street Lighting PFI – Approval to Enter into a Contract

The Director of City Services submitted a report (the 'Report') on progress in securing the procurement of a PFI contract to operate and maintain the entire street lighting stock and to replace approximately 80% of the street lighting columns in Leeds over a five year capital investment period and undertake

further replacements during the life of the contract with a total capital value of over £100m (the 'Project').

Following consideration of Appendix 1 to the Report designated as exempt under Access to Information Procedure Rule 10.4(7), (8) and (9) which was considered in private at the conclusion of the meeting it was.

RESOLVED –

- (a) That the Report and recommendations 6.1 to 6.7 thereof, drawing attention to specific matters, be noted, and the decision of the PPP/PFI Co-ordination Board, under Section 3.1 of the powers delegated to it by the Executive Board on 13th October 2005 to submit the Final Business Case for this Project in advance of the meeting of this Board, be supported.
- (b) That approval be given to the financial implications for the City Council of entering into this contract as detailed in Appendix 1 of the report and that the maximum affordability threshold for the City Council, set out in Appendix 1 be confirmed.
- (c) That the contract be awarded to Tay Valley Lighting (Leeds) Limited for the provision and maintenance of public street lighting and illuminated traffic signage within the Metropolitan District of Leeds for a period of twenty five (25) years, in accordance with the terms of an agreement (the Project Agreement) to be entered into between the City Council and Tay Valley Lighting (Leeds) Limited, and, in connection therewith, subject to:
 - (i) Department for Transport approval of the Final Business Case (FBC);
 - (ii) the Deputy Chief Executive (or in his absence the Director of Corporate Services) being satisfied that the Project remains within the affordability constraints set out in Appendix 1 to the report;
 - (iii) receipt of a report satisfactory to the Deputy Chief Executive (or in his absence the Director of Corporate Services) from the Council's external legal advisers, as described in paragraph 4.15 of the report; and
 - (iv) the Director of Corporate Services (or in his absence the Chief Officer – Financial Management) assessment on the Balance Sheet treatment as set out in paragraph 6.5 of the report;
- (1) that the Council's entry into the Project with Tay Valley Lighting (Leeds) Limited, the special purpose company of the Tay Valley Lighting consortium be approved; and
- (2) that the Deputy Chief Executive (or in his absence the Director of Corporate Services) be authorised to give final approval to the

completion of the Project, including (but not by way of limitation) the terms of the following:

- (i) The Project Agreement;
- (ii) The Funders Direct Agreement;
- (iii) The pensions Admission Agreement;
- (iv) An agreement to appoint an Independent Certifier to assess the quality of the Contractor's work;
- (v) Sub Contractor Direct Agreement and Direct Indemnity Agreement with the Sub-contractor, Southern Electrical Contracting Limited;
- (vi) Appropriate Collateral Warranties from other second tier sub-contractors;

together with any other documentation ancillary or additional to the above necessary for the completion of the Project (Project Documents)

- (d) That the Director of Corporate Services, as the statutory officer under section 151 of the Local Government Act 1972, or in his absence the Chief Officer – Financial Management, be authorised to sign any necessary certificates under the Local Government (Contracts) Act 1997 in relation to this transaction.
- (e) That, in respect of certification under paragraph (d) above, and subject to the advice of the Director of Legal and Democratic Services, a contractual indemnity be provided to the Director of Corporate Services, or the Chief Officer – Financial Management in respect of any personal liabilities arising from the certification.
- (f) That the execution of all necessary agreements be approved by affixing the Council's common seal and/or signature (in accordance with Articles 14.4 and 14.5 of Part 2 of the City Council's Constitution), and that the Director of Legal and Democratic Services (or any other officer of the City Council authorised by her) take any necessary further action to complete the Project including any final amendments to the Project Documents and give effect to Members' resolutions and delegated decisions referred to in these recommendations.
- (g) That the Director of City Services implement any post completion arrangements necessary to monitor and administer the contract documentation (subject to the approval of the PPP/PFI Co-ordination Board under the Council's governance arrangements for PPP/PFI contracts).

- (h) That the Report, the minutes of this meeting of the Executive Board and such other information, and including any necessary amendments as the Deputy Chief Executive may approve to the Final Business Case be submitted to the Department for Transport.

(This decision was exempt from Call In as any delay in taking the decision would be seriously prejudicial to the Councils interest).

(Councillor Harris declared a personal and prejudicial interest in this item arising from his personal commercial activities and left the room during consideration of the matter).

221 Proposals for a Memorial (10.4)(7)

The Chief Officer (Executive Support) submitted a report on proposals to provide a memorial in the City

RESOLVED – That the proposal contained in the report be approved subject to one minor amendment.

DATE OF PUBLICATION: 20TH FEBRUARY 2006
LAST DATE FOR CALL IN: 27TH FEBRUARY 2006 (5.00 PM)

(Scrutiny Support will notify relevant Directors of any items Called In by 12.00 noon on 28th February 2006).