

Variation to Schedule 9 Agreement between Leeds City Council and VGC Leeds Limited

Date: 21st July 2021

Report of: Financial Inclusion Manager

Report to: Chief Officer Community Hubs, Welfare and Business Support

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report seeks approval of a variation of contract for the Schedule 9 agreement between the council and VGC Leeds Limited, in respect of the annual financial contributions.
- The Social Inclusion Fund managed by the Council's Financial Inclusion team from legally agreed contributions from VGC Leeds Limited contributes to the Best Council Plan focus of tackling poverty and reducing inequalities, and achieving the council's ambition for a strong economy and compassionate city. The activities funded by the Social Inclusion Fund support the Best City Priorities of Safe, Strong Communities, Inclusive Growth, Health & Wellbeing, Child-Friendly City, Age-Friendly Leeds and Housing.

Recommendations

- a) The Chief Officer Community Hubs, Welfare and Business Support is requested to approve the variation to the Schedule 9 agreement attached as appendix 1.

Why is the proposal being put forward?

- 1 Under the terms of the Schedule 9 legal agreement between Leeds City Council and VGC Leeds Limited to operate the Victoria Gate Casino, an annual financial contribution is made to the Social Inclusion Fund managed by the Council's Financial Inclusion Team.
- 2 Following the closure of the Victoria Gate Casino in March 2020 because of the COVID-19 pandemic a variation to the Schedule 9 agreement was agreed in September 2020, which is due to end in August 2021. The variation was agreed on the basis that the Victoria Gate Casino would reopen on 15th August 2020 and remain operational. Due to further local and national restrictions this was not the case.
- 3 The Victoria Gate Casino closed operations in November 2020 due to national government restrictions and remained closed until May 2021.
- 4 To ensure the sustainability of the casino and in consideration of the impacts that COVID-19 has had upon the business, proposals have been made to review and reschedule

payments once again. Changes to the terms of the financial contributions under the Schedule 9 legal agreement require a variation of contract, which is attached at appendix 1.

What impact will this proposal have?

Wards Affected: n/a

Have ward members been consulted? Yes No

- 5 It is possible that as a result of the variation there will be a reduced income for the Council compared to pre-pandemic years. The reduced income for Social Inclusion Fund will result in the reductions to funding for projects and initiatives supported by the fund to tackle poverty and reduce inequalities. However, without these revisions to the financial contributions the casino's sustainability may be impacted.

What consultation and engagement has taken place?

- 6 The Executive Member for Communities provides overview and scrutiny for the Social Inclusion Fund and is consulted on decisions related to the distribution of the Social Inclusion Fund.

What are the resource implications?

- 7 The variation to the agreement will likely result in reduced financial contributions to the Social Inclusion Fund for 2021/20. In order to avoid a budget pressure, expenditure on projects and initiatives will need to be restricted to the value of the projected income in any given year.

What are the legal implications?

- 8 The variation will be agreed in a letter sent by Leeds City Council to VGC Leeds Limited.
- 9 Under the current Officer Delegation scheme the Director of Communities, Housing and Environment is able to approve the variation of contract as part of delegated Licensing functions, with the recommendation that the relevant Executive Members and the Chair of Licensing Committee are consulted.
- 10 The contents of this report are exempt information under Access to Information Procedure Rule 10.4(3) as it includes information relating to the financial or business affairs of any particular person and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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

- 11 The main risk is that despite the mitigation measures put in place, the Victoria Gate Casino will be unable to open due to continued impacts of COVID-19, which will result in no funding being received by the Council.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

Options, timescales and measuring success

a) What other options were considered?

13 None

b) How will success be measured?

14 Regular meetings will continue to be held between Leeds City Council and VGC Leeds Limited to review the agreement and commitments in place.

c) What is the timetable for implementation?

15 From August 2021.

Appendices

16 Variation to Schedule 9 at appendix 1.

Background papers

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