



## Environment, Housing & Communities Scrutiny Board

### Working Group Summary: Budget Consultation

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17 December 2021

In accordance with the Council's Budget and Policy Framework, the Executive's initial budget proposals are submitted to Scrutiny for consideration and comment. As part of the consultation process this year, all five Scrutiny Boards are holding initial private working group meetings during December to consider the full range of budget saving proposals that fall within their individual remits.

All the Scrutiny Boards will then use their planned public meetings in January to formally consider the Executive's Proposed Budget 2022/23. At this stage, the Scrutiny Boards will also be able to take into account any significant developments following the settlement announcement.

### ATTENDEES

#### BOARD MEMBERS

Cllr B Anderson	Cllr D Collins	Cllr K Ritchie
Cllr J Akhtar	Cllr P Grahame	
Cllr A Blackburn	Cllr C Howley	
Cllr K Brooks	Cllr Ragan	

Apologies: Cllrs Charlwood, Finnigan, Gabriel, Midgley, Smith

#### NON-BOARD MEMBERS

Neil Evans (Director)	Coral Main (Head of Business Risk & Planning)
James Rogers (Director)	Kevin Mulvaney (Head of Finance)
Patrick McGuckin (Head of Finance -CEL)	Gerard Tinsdale (Chief Officer, Housing)

#### EXECUTIVE MEMBERS

Cllr Rafique	Cllr Harland	Cllr Hayden
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Apologies: Cllrs Coupar, Arif



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#### DISCUSSION SUMMARY

1. Coral Main delivered an introductory presentation setting out the latest position in closing the three-year financial gap, an overview of revenue savings proposals presented to Executive Board in September and December 2021 and additional information about 'business as usual' savings relevant to the remit of the Board
2. Coral highlighted that the financial gap forecast in September had been revised in the December report to reflect updated information about the resources available to the Council.
3. Neil Evans, James Rogers and Gerard Tinsdale then presented a 'line by line' summary of revenue savings identified in service areas that fall within the remit of the Board.

#### ISSUES RAISED BY BOARD MEMBERS

4. Members sought clarification about the ongoing programme of investment in Council housing stock to improve thermal efficiency, decrease carbon emissions and reduce fuel poverty. Reassurance was sort about specific plans to continue to retrofit back-to-back housing and multi-storey properties.
5. Members welcomed work carried out to date via this programme of investment and sought assurance that savings would not be achieved through a reduction of spending in this area given the significant impact of the work for tenants and their communities.
6. In response members were reassured that investment in Council housing stock will continue. It was noted that the team is very successful in securing external funding to support investment activity, which confirms the Council has been right to continue to grow capacity in this area.
7. Members were provided with an overview of ongoing activity including the installation of ground source heat pumps, provision of external wall insulation and progress with the district heating network. Members discussed a major programme of activity linked to 'greening' energy supplied to significant public buildings including the Civic Hall, library and Town Hall.
8. The use of solar panels and air source heat pumps at the John Charles centre was used as an illustrative example of the difference such schemes can make in practice and how the Council can be flexible in the measures used to decarbonise its estate by 'cross subsidising' buildings.
9. Specific reassurance was provided in relation to back-to-back housing. However, it was noted that the new retrofit standards framework (PAS2035) has seen the government favour projects such as the installation of air source heat pumps over a 'materials first' approach to retrofitting traditional housing. This is challenging for back-to-back houses,



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where the installation of heat pumps is not possible. Officers have made this position clear to government ministers and noted Leeds has a particularly high proportion of back-to-back properties as compared to many other areas.

10. The Executive Member reiterated that the Council is committed to high standards of construction in this area but also wanted to address the pragmatic challenges of retrofitting the back-to-back housing stock in Leeds.
11. Members requested that it be noted that retrofitting back-to-back housing and multi-storeys must remain a priority within this programme of activity.
12. Members discussed the impact of the additional presentation of waste since the onset of the Covid-19 pandemic and the uncertainty that has created in terms of spending pressures. It was noted that as the city recovers the service can more accurately predict the levels of over presentation for 2022/23 linked to trends such as increased home working.
13. It was noted that in 2021/22 the 'overspend' in the waste management service relating to Covid was funded via the Covid Contingency reserve that was held centrally. However, for 2022/23 the funding has been provided directly to the service to assist in tackling the anticipated cost pressures associated with the need to collect extra tonnage. It was noted that should the predictions of additional tonnage prove to be an overestimate a proportion of the contingency funding would be returned to the central reserve.
14. The Scrutiny Board asked that it be recorded that it is supportive of the covid contingency funding being provided directly to the service in 2022/23 to avoid the perception of an 'overspend' in the financial monitoring reports.
15. Members did, however, also seek clarity about the way in which waste presentation levels would be monitored so as to understand the additionality of funding required to meet actual tonnage levels.
16. The Board expressed concern about any proportion of funding being withdrawn from the waste service while presentation levels remain high.
17. Members sought clarification about the impact of the budget on staffing levels within Communities, Housing and Environment, particularly in frontline services. In response members were informed there would be minimal changes to staffing numbers within this service area.
18. Members sought clarity about the funding of the ongoing route review within waste management. In response it was confirmed that funding is in place to enable the project to ascertain the future requirements of the service. A view will then be taken about the associated costs of route redesigns. The intention is to deliver those changes



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within exiting budget but an accurate assessment of costs cannot be provided until the review process has been completed.

19. The Board was informed that proposals to increase Council rents are in line with government formulas. The proposed approach is comparable with that of other authorities. Members were informed that every 1% increase in rent delivers additional income of £2m.
20. The impact of the rent cap over a five-year period was discussed, with attention drawn to reduced staffing levels.
21. Board members sought clarity around the implications of transferring the £2.3m Sheltered Housing Reserve into the Major Repairs reserve. Members were assured work would still take place within sheltered housing stock at the levels planned but work would be funded by the mainstream capital programme in future years.
22. Concern was expressed about whether residents in independent living accommodation clearly understand what is currently included within their service charges, particularly given the disruption to support services and communal facilities during the last two years. It was agreed that further communication should be provided to reiterate the current position for residents to ensure clarity and transparency around service charges.
23. Members requested that consideration be given to providing more granular breakdowns of the proportion of the service charge that is spent on cleaning and maintenance, and that which is linked to the provision of communal areas.
24. Members were informed that the presentation and paperwork had been drafted in advance of the receiving provisional settlement figures from Government. Further information about the implications of the settlement would therefore be provided in January.
25. Members sought assurance that communication would be sent to all elected members with details of the public budget consultation that could be shared through local networks.

**Scrutiny Board (Environment, Housing and Communities)  
Budget Consultation: Working Group Summary  
December 2021**

**Report Author: Rebecca Atherton**

