

EXECUTIVE BOARD

WEDNESDAY, 23RD NOVEMBER, 2022

PRESENT: Councillor J Lewis in the Chair

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

76 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 1 to the report entitled, 'District Heating Annual Report 2022', referred to in Minute No. 85 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 considered in private on the grounds that this appendix contains information relating to the financial or business affairs of any particular person (including the authority holding that information). Specifically, the appendix includes commercially sensitive information regarding pricing structures for customers, and considerations of the impact of different options for revising tariffs on both customers and the Council. 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 1 as being exempt from publication, outweighs the public interest in disclosing the information.

77 Late Items

There were no late items of business submitted to the meeting for consideration.

78 Declaration of Interests

There were no interests declared during the meeting.

79 Minutes

RESOLVED – That the minutes of the previous meeting held on 19th October 2022 be approved as a correct record.

LEADER'S PORTFOLIO

80 Operation London Bridge: Leeds City Council and the City's response to the passing of the late HM Queen Elizabeth II

The Chief Executive submitted a report summarising the response across the Council and the city during the 10-day mourning period which marked the passing of the late HM Queen Elizabeth II, known as 'Operation London Bridge'. The report also provided an update on plans to permanently commemorate the life of HM Elizabeth II across the city and to progress lessons learnt into future 'Bridge' protocol and implementation.

The Leader introduced the key aspects of the report and on behalf of the Board, he, together with other Members, extended their thanks to all those from within the Council and from partner organisations who had ensured that Operation London Bridge had been appropriately and effectively conducted across the city.

Members were supportive of proposals to permanently commemorate the life of HM Elizabeth II, with assurance being provided that consultation on such matters would be undertaken on a cross-party basis prior to arrangements being finalised.

Responding to a specific enquiry raised regarding the timing of the cancellation of some formal meetings around this time, it was highlighted that such comments were welcomed as they would be taken into consideration as part of the lessons learnt review work taking place.

RESOLVED –

- (a) That the key impacts and wider response to Operation London Bridge, as detailed within the submitted report, be noted;
- (b) That on behalf of the Council, the Board extends its thanks to the Council's staff and its partners for their efforts, which ensured a timely and appropriate Council and city response;
- (c) That the plans, as outlined within the submitted report for permanent commemoration to mark the life of HM Elizabeth II, be supported.

RESOURCES

81 Financial Health Monitoring 2022/23 - Month 6 (September)

The Chief Officer Financial Services submitted a report presenting an update on the financial health of the Authority in respect of both the General Fund revenue budget and the Housing Revenue Account, as at Month 6 (September) of the 2022/23 financial year.

In presenting the report, the Executive Member for Resources provided an overview of the key information within it, which included reference to the fact that an overspend of £16.6m was projected for the Authority's General Fund services, as at month 6 of 2022/23. Emphasis was placed upon the range of

in-year pressures currently being faced, with the lower collection rates for Council Tax and Business Rates also being noted.

Responding to a specific enquiry regarding the month 6 projection of an underspend and carry forward into 2023/24 in respect of the Dedicated Schools Grant (DSG), the Board discussed and received further information on the actions being taken to allocate available funding in this area. Members also received an update on the actions being taken with regard to recruitment and the wider recruitment challenges being faced in this field nationally. Furthermore, details were also provided on the wider context around the relationship between the DSG and the High Needs Block funding. In conclusion, it was suggested that the directorate provide the Member in question with further information on such matters, as appropriate.

In response to a Member's enquiry on the projected level of underspend regarding the waste management service, the Board received further information on the work which continued on maximising income from recyclable waste, which it was noted would form part of the directorate's budget proposals moving forward. Also, an update was provided on the refuse collection route review taking place, with it being noted that no savings had been assumed from this work in 2022/23, however, wider benefits from the review would be delivered in 2023/24 and beyond.

Also, in response to a specific enquiry, officers provided the Board with further information regarding the cost recovery model for Leeds Building Services.

RESOLVED –

- (a) That it be noted that as at Month 6 of the financial year (September), the Authority's General Fund services are forecasting an overspend of £16.6m and that the Housing Revenue Account is forecasting an overspend of £0.17m, with it also being noted that the General Fund position reduces to £15.83m when account is taken of additional budget action plans received to date;
- (b) 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, in line with the Revenue Principles agreed by Executive Board in 2019; with it also being noted that proposals received to date are included within the submitted report at Appendix 4 and that further action plans will be received at the December 2022 meeting of Executive Board;
- (c) That it be noted that known increased inflation and known impacts of the rising cost of living, including the agreed 2022/23 pay award, have been incorporated into this reported financial position, with it also being noted that these pressures will continue to be assessed, with the latest position being incorporated into future reports to be received by Executive Board.

82 Capital Programme 2022/23 - 2026/27 Quarter 2 Update

The Chief Officer Financial Services submitted a report presenting the updated Capital Programme for the period 2022-2027, which was split between the General Fund and Housing Revenue Account (HRA) and which also provided a forecast of resources available over that period. In addition, the report provided a specific update on the 2022/23 programme, and which sought a number of related decisions from the Board, as recommended in the report.

The Executive Member for Resources introduced the report noting the injections into the Capital Programme which were being proposed, highlighting the additional Capital Receipts Incentive Scheme (CRIS) allocations to Wards and Community Committees, proposing spending priorities for the investment of the Community Infrastructure Levy (CIL) Strategic Fund and which looked to insert Hunslet Hall into the Capital Receipt Programme for disposal in the current financial year.

Responding to Members' enquiries, the Board received an update on the West Yorkshire Combined Authority (WYCA) review of schemes within the West Yorkshire Transport Fund which was being undertaken in response to the significant inflationary pressures being experienced. With regard to the relevant decision making processes, it was noted that such matters were scheduled to be considered by the meeting of WYCA on the 8th December, at which point, if agreed by WYCA, they would be reflected, as appropriate, in the Council's Capital Programme budget proposals moving forward. Responding to Members' comments regarding the involvement of the Council in such matters and the timing of such involvement, further details were provided.

RESOLVED –

- (a) That the following injections into the Capital Programme, as detailed at Appendix A (iii) of the submitted report, be approved:-
- £4,710.0k of West Yorkshire Combined Authority Grant for the Active Travel Tranche 3 Programme;
 - £2,844.1k of Disabled Facilities Grant in line with the announced 22/23 Grant allocation;
 - £881.0k of Government and European Grant Funding, Private Sector (GF) and Major Repairs Reserve (HRA) contributions for the Holbeck Group Repair Phase 2 scheme;
 - £568.0k of Transforming Cities Fund (TCF) Grant and Network Rail contribution for the Leeds Station Sustainable Travel Gateway scheme;
 - £392.0k of ringfenced capital receipts to the Future Ways of Working (FWoW) Programme based on the actual value of realised capital receipts; and
 - £214.1k of other contributions to Highways schemes.
- (b) That it be noted that the above resolutions to inject funding of £9,609.2k will be implemented by the Chief Officer Financial Services;

- (c) That the latest position on the General Fund and HRA Capital Programme as at Quarter 2 of 2022/23, as detailed 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 2022 to September 2022 of £54.9k, be noted;
- (e) That the following spending priority for the investment of the Community Infrastructure Levy (CIL) Strategic Fund be agreed: for any successful Levelling Up Fund bids, the Leeds Flood Alleviation Scheme Phase 2, the City Square Enhancements Scheme and the David Oluwale Bridge Scheme;
- (f) That agreement be given to insert Hunslet Hall into the Capital Receipt Programme for disposal in the current financial year, which will be implemented by the Director of City Development.

83 Treasury Management Strategy Update 2022/23

The Chief Officer Financial Services submitted a report which presented a review and update of the Council's Treasury Management Strategy for 2022/23, and which sought a change to the Borrowing Strategy, as detailed.

The Executive Member introduced the report, providing the Board with details on the key issues within it and highlighting the current approach being taken towards longer term borrowing.

Members welcomed the submitted report and extended their thanks to those within the Treasury Management team for the work that they continued to undertake.

RESOLVED –

- (a) That the update provided on the Treasury Management borrowing and investment strategy for 2022/23, as detailed within the submitted report, be noted;
- (b) That the change to the Borrowing Strategy, as detailed at section 6.3.13 of the submitted report, be approved.

ECONOMY, CULTURE AND EDUCATION

84 Outcome of consultation on a proposal to close Queensway Primary School

At the commencement of this item, in his position as the Leader of Council and Chair of the Board, Councillor Lewis confirmed the withdrawal of the submitted report by the Director of Children and Families from the Executive Board agenda.

In doing so, the Leader invited comment from the Executive Member for Economy, Culture and Education who provided an overview of the reasons why the proposal to reduce the number of primary school places within the Guiseley and Yeadon areas of Leeds by the closure of Queensway Primary School had originally been put forward for consultation. It was noted that the withdrawal of the report from the agenda responded to the outcomes from the consultation exercise, which was overwhelmingly in favour of keeping the school open. The strength of feeling in the area and the effectiveness of the related campaign were acknowledged. It was also noted that consideration would continue to be given to addressing the challenges which continued to exist in this area.

In inviting comment from Board Members, responses to enquiries were provided on several related matters, including: liaison which had been undertaken with local Ward Members on this issue; the next steps following the withdrawal of this report in terms of looking to address the challenges which continued to exist; and the actions that would be taken pursuant to the White Paper Motion regarding Queensway Primary School which was resolved by full Council on 16th November 2022.

INFRASTRUCTURE AND CLIMATE

85 District Heating Annual Report 2022

The Director of Resources submitted a report which presented the District Heating annual report 2022. The report reviewed the operational and financial performance of the programme over the past year and forecasted key activities and anticipated performance for the short term. The report also considered the impact of global gas price increases on the pricing strategy for current and future customers, outlined the likely impact of key forthcoming legislation and recommended actions with regard to proposed changes to heat tariff indexation and also regarding proposals to extend the district heating connection to the Lovell Park multi-storey flats.

In introducing the report, the Executive Member for Infrastructure and Climate provided an overview of the key themes within it and the progress which continued to be made through the district heating network. The Executive Member also extended her thanks to the Sustainable Energy and Air Quality team for the work that it had undertaken to get the network to its current position.

Responding to a Member's enquiry, the Board was provided with further details on the level of financial support which had been provided by Government in this area. With regard to the specific Government support relating to the district heating scheme, it was undertaken that further information on this would be provided to the Member in question.

In relation to an enquiry regarding maximising the benefits of the district heating scheme and other alternative sustainable energy schemes for domestic customers across the city, the Board received an overview of the work which the Council continued to undertake with partners in this area.

Following consideration of Appendix 1 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 approval be given to offer the proposed changes to heat tariff indexation, as set out in exempt Appendix 1 to the submitted report, in order to deal with the ongoing global spikes in gas prices;
- (b) That approval be given to commit £840k of Housing Revenue Account (HRA) budget to secure the district heating connection to the Lovells in anticipation of securing Social Housing Decarbonisation and Home Upgrade Grant Funding as match funding;
- (c) That the proposal to seek accreditation from the Heat Trust for the Leeds PIPES network by summer 2023, be supported, in order to help prepare for future heat network regulation;
- (d) That the financial performance of the network, as detailed within the submitted report, be noted; with it being acknowledged that the Director of Resources will continue to have delegated authority to take operational decisions to optimise commercial performance, with such matters being reported annually to Executive Board.

DATE OF PUBLICATION: FRIDAY, 25TH NOVEMBER 2022

LAST DATE FOR CALL IN OF ELIGIBLE DECISIONS: 5.00 P.M., FRIDAY, 2ND DECEMBER 2022