

EXECUTIVE BOARD

WEDNESDAY, 12TH FEBRUARY, 2025

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

94 Welcome to Ed Whiting, Chief Executive

In opening the meeting, on behalf of the Board, the Leader welcomed Ed Whiting to his first meeting of Executive Board following his appointment to the position of Chief Executive, Leeds City Council.

95 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 B to the report entitled, 'Capital Receipts Programme Annual Update', referred to in Minute No. 107 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 in exempt Appendix B relates to the financial and business affairs of the Council. It is considered that the release of such information would, or would be likely to prejudice the Council's commercial interests in relation to property transactions. It is considered that the public interest in maintaining the exemption from publication outweighs the public interest in disclosing this information at this point in time; and
- (B) That Appendix 1 to the report entitled, 'Agreement for Less than Best lease for the development of Old Cockburn Sports Hall', referred to in Minute No. 108 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 within exempt Appendix 1 provides details of unconfirmed or unsecured funding applications to external funders. As detailed within paragraph 43 of the submitted report, it is therefore considered not in the public interest to disclose this information and that any public interest in disclosure would not outweigh the requirements of keeping the information exempt from publication.

96 Late Items

Late Item of Business – Agenda Item 6 - ‘Delays to Plans for New Hospital Provision in Leeds’

With the agreement of the Chair, a late item of business was admitted to the agenda entitled, ‘Delays to Plans for New Hospital Provision in Leeds’. The report was circulated to Board Members and published ahead of the meeting.

Given the significance of this issue, it was deemed appropriate for the Board to receive an update at the earliest opportunity in respect of the recent announcement from Government regarding the New Hospital Programme (NHP) and the implications arising from that announcement in relation to Leeds. However, this report was submitted to Executive Board as a late item of business, due to the short timescales between the Government announcement and the agenda publication requirements for the 12 February 2025 Board meeting.

The late item of business was considered by the Board at agenda item 6. (Minute No. 99 refers).

Supplementary Information – Agenda Item 12A - 2025/2026 Revenue Budget and Council Tax

With the agreement of the Chair, supplementary information was circulated to Board Members and published ahead of the meeting for inclusion within agenda item 12A, ‘2025/2026 Revenue Budget and Council Tax’. This presented details of the final Local Government Finance Settlement for 2025/26 as received from Government on 3 February 2025, together with the resultant changes to the position as contained within the original report submitted to the Board and a revised Table 1 (Summary of Changes in Resources, Costs and Savings Proposals in the Council’s Budget 2025/26). Also provided were details of Public Health Grant allocations for 2025/26 which had been received on 7 February 2025; and Annexe 1 to the submitted report (Movement in Net Managed Budget by Directorate 2024/25 to 2025/26).

The supplementary information was considered by the Board as part of agenda item 12A. (Minute No. 105 refers).

97 Declaration of Interests

Regarding the report entitled, ‘Request for Consent and Agreement on Combined Authorities (Adult Education Functions) (Amendment) Order 2025’, Councillors Lamb and Lewis, in the interests of transparency, both respectively drew the Board’s attention to their positions on the West Yorkshire Combined Authority Board. (Agenda Item 7, Minute No. 100 refers).

98 Minutes

RESOLVED – That the minutes of the previous meeting held on 11th December 2024 be approved as a correct record.

EQUALITY, HEALTH AND WELLBEING

99 Delays to Plans for New Hospital Provision in Leeds

Further to Minute No. 57, 16 October 2024, the Chief Executive submitted a report which presented an update to Executive Board in respect of the recent announcement from Government regarding the New Hospital Programme (NHP) and the implications arising from that announcement for the city and the wider region, including the delivery of new hospital facilities for Leeds. The report also sought the Board's support for further negotiation with Government and the undertaking of further conversations with cross-sectoral partners.

With the agreement of the Chair, the submitted report had been circulated to Board Members as a late item of business and published prior to the meeting for the reasons as set out in Minute No. 96.

The Executive Member introduced the report, noting that the Government had placed the new hospital provision on the LGI (Leeds General Infirmary) site in the second of 5 waves as part of the NHP, which meant that building works were not expected to begin on site until after 2030. The significance of this announcement was highlighted and the disappointment felt was emphasised, with it being noted that the report recommended that further negotiation be undertaken with Government to try and bring forward funding and delivery timeframes wherever possible. Importance was placed upon the continuation of the cross-sector approach with the aim of progressing the Innovation Village before the LGI build commenced. It was also noted that parallel to this, the LTHT, the Council and other partners would continue to progress other related projects, where possible.

The Board welcomed Jenny Ehrhardt, Director of Finance, Teaching Hospitals NHS Trust (LTHT) to the meeting, who was in attendance for the consideration of this item.

The Director of Finance (LTHT) provided Members with further information and context in relation to the current position from LTHT's perspective, with the Trust's disappointment in the announcement echoing that of the Council's. Further detail was provided on the work that would continue by LTHT and partners in response to the current position. This included working with the NHP in order to ensure that the hospital rebuild remained ready for delivery when funding was in place; mitigating any risks arising from the recent announcement and continuing to take actions to progress other related schemes in the meantime, as appropriate.

The Chief Executive highlighted the partnership approach that would continue in relation to delivering new hospital provision in Leeds. The critical importance of the new facilities was highlighted both in terms of healthcare provision and also in relation to the innovation opportunities it would create. The importance of the work to be undertaken prior to the build commencing was also highlighted, to ensure that the project and the city was best positioned to take any opportunities arising in the coming years.

A Member highlighted the need for the response to Government to be more robust and to go further in stressing the urgency of the required provision. In doing so the Member raised their concerns regarding the significant implications arising from the Government's announcement. Further to this, the Member proposed that an opportunity be provided for this matter to be discussed by all Members of Council.

In responding to the Member's comments, the Board received further information and clarification on the range of implications arising from the Government's announcement. It was also reiterated that the Council and its partners would continue to work collaboratively to make the case to Government regarding the urgent need for new hospital provision to be delivered in Leeds. It was also undertaken that as work progressed in this area, further updates would be provided to Executive Board at the appropriate time.

With regard to the consideration of this matter by all Members, the suggestion that it be potentially considered by Health and Wellbeing Board was noted, and in response to the request made, it was undertaken that Group Whips would be asked to consider the possibility of a discussion by all Members of Council.

The Board also considered the delivery of the NHP from a national perspective and received information regarding the nature of the proposed developments which had been allocated NHP wave 1 status.

RESOLVED –

- (a) That the strategic importance to Leeds and the health and care system of the need to replace existing hospital facilities on the Leeds General Infirmary site with new state of the art buildings and equipment be further noted;
- (b) That negotiation with Government to consider earlier funding and bring forward planning and construction on the LGI site, be supported, and that the Council be requested to make a further submission to Government clearly stating the importance of modernised hospital provision in Leeds;
- (c) That the continued support for LTHT and the new hospital programme by the partners of the Leeds Innovation Partnership including the Council, University of Leeds and Leeds Beckett University, be noted;
- (d) That the Board's support be given for the undertaking of conversations in Leeds and across the region with cross-sectoral partners including the West Yorkshire Combined Authority to accelerate the development of the Innovation Village before the LGI build commences, and to examine ways to otherwise mitigate the impact of the later start date for the project.

ECONOMY, TRANSPORT AND SUSTAINABLE DEVELOPMENT

100 Request for Consent and Agreement on Combined Authorities (Adult Education Functions) (Amendment) Order 2025

The Director of City Development submitted a report which sought the Board's approval, in Leeds' role as a constituent Council, to provide consent in principle to the Department of Education's creation of a statutory instrument conferring additional funding powers for adult education functions to established Combined Authorities.

In introducing the report, the Executive Member provided an overview of the proposals. It was noted that there was a requirement for Combined Authorities and their constituent Councils to provide their respective consent to enable the Government to create a statutory instrument conferring additional funding powers for adult education functions to those Combined Authorities. It was also noted that this would allow Combined Authorities to use their Adult Skills Fund budget to fund the new technical qualifications from 2025.

RESOLVED –

- (a) That, in Leeds City Council's role as Constituent Council, consent in principle be provided to the Department of Education's creation of a statutory instrument conferring additional funding powers for adult education functions to established Combined Authorities;
- (b) That the necessary authority be delegated to the Chief Executive of the Combined Authority, in consultation with Mayor of the Combined Authority, to finalise and consent to the final draft of the Order;
- (c) That approval be given for resolutions (a) and (b) above to be exempted from the Call In process on the grounds of urgency, and for the reasons as set out in paragraphs 16 to 18 of the submitted report.

(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 above were exempted from the Call In process, as per resolution (c) above, and for the reasons as set out within sections 16 - 18 of the submitted report)

HOUSING

101 Lettings Policy Review 2025

Further to Minute No. 76, 13 December 2023, the Director of Communities, Housing and Environment submitted a report presenting the outcomes from consultation exercise which had been undertaken in respect of the Council's Lettings Policy, and which sought the Board's approval to implement the proposed changes to the policy, as set out in the submitted report.

In introducing the report, the Executive Member provided an update on the current housing pressures in Leeds, with it being noted that demand for housing in the city was at an all-time high. An overview of the proposed changes to the policy was provided, which would enable the Council to further respond to the increasing demand and also support the Authority in managing the allocation of Council homes. It was also highlighted that the proposals had been the subject of wide-ranging consultation, in which 3,000 responses had been received and which had also been considered by the Communities, Housing and Environment Scrutiny Board and relevant forums.

Responding to a Member's enquiries, it was noted that:

- there was an intention to review relevant Local Lettings Policies where they exist;
- the removal of social housing tenants and applicants in Band C had been considered, but was not part of the proposals submitted; and
- a further update would be prepared in due course for Members, reviewing the implementation of the changes.

Also in response to an enquiry, Members received further information and context in respect of the proposal to remove applicants from the Register who had income, savings or assets worth over £60,000. It was highlighted that exemptions would be established as part of that proposal to ensure that all relevant factors were taken into consideration and that applicants were not discriminated against. It was also noted that further work would be undertaken into how the £60,000 threshold would respond over time to issues such as inflation.

RESOLVED –

- (a) That the results of the consultation exercise, as detailed within the submitted report, be noted; and that the contents of the full Equality, Diversity, Cohesion and Integration impact assessment, as appended to the report, be noted;
- (b) That the changes to and implementation of the new Lettings Policy, as proposed within the submitted report, and as summarised in section 10.14, be approved;
- (c) That it be noted that the Director of Communities, Housing and Environment is responsible for the implementation of the resolutions from the submitted report.

ADULT SOCIAL CARE, ACTIVE LIFESTYLES AND CULTURE

102 Design and Cost Report associated with the refurbishment of Unit 6 Waterside Road, Stourton for Assisted Living Leeds

Further to Minute No. 184, 20 March 2019, the Director of City Development and the Director of Adults and Health submitted a joint report providing an update on the acquisition of new premises for the Assisted Living Leeds (ALL) service. The submitted report sought further approval from the Board,

including an authority to spend an additional sum for the refurbishment of the new premises.

By way of introduction to the report the Executive Member outlined the aims and role of the ALL service, noted the proposals being considered by the Board and highlighted how such proposals would enable the service to provide support to more people across the city.

Members supported the proposals within the report.

In response to a Member's enquiry, it was noted that the new site would be more accessible than the current provision, and it was highlighted that the intention was to utilise part of the new site as a drop-in facility for service users.

RESOLVED –

- (a) That authority to spend an additional £3.4m for the refurbishment of the new premises, as set out within the submitted report, be approved;
- (b) That it be noted that Executive Board approved a previous 'authority to spend' of £5.6m in March 2019, taking the overall project budget to £9m (inclusive of costs associated with purchasing the site, construction, fees, and contingency);
- (c) That the necessary authority be delegated to the Director of City Development, to enable the Director to award the contract to the successful tenderer, in Spring 2025;
- (d) That the target programme dates, as detailed within paragraph 12 of the submitted report, be noted;
- (e) That it be noted that the responsible officer for the implementation of such matters is the Chief Officer Asset Management and Regeneration.

CHILDREN AND FAMILIES

103 Annual Fostering Report 2023/24

The Director of Children and Families submitted a report presenting the annual update in respect of the Council's Fostering Service for the period 2023/24. The report provided an overview of the services that support the city's Foster Carers, including reference to the increase in Kinship Carers and the work underway to increase the number of mainstream Foster Care placements. The report also provided a review of the progress made in relation to the service priorities set for 2023/24 and looking ahead, highlighted the updated service priorities for 2024/25.

The Executive Member highlighted the key points in the Annual Report and thanked the Fostering Service for the work that it continued to undertake. The wide range of actions being taken around recruitment and enrichment,

together with the support provided to Foster and Kinship Carers was highlighted. Thanks was also extended to all Foster and Kinship Carers across the city for the crucial role that they continued to play.

Members welcomed the comments made and supported the work which continued to be undertaken in this service area.

RESOLVED – That the ‘Leeds City Council Fostering Service: Annual Fostering Report 2023/24’, as presented at Appendix 1 to the submitted report, be adopted, together with the recommendations contained within the Annual Report.

104 Determination of School Admission Arrangements for 2026/27

The Director of Children and Families submitted a report which sought approval of the Leeds City Council school admission arrangements (Admission Policy) for September 2026.

In introducing the report, the Executive Member specifically highlighted that these arrangements applied to all Leeds community and voluntary controlled maintained schools. The Board’s attention was also drawn to the proposals regarding reduction in the published admission numbers (PAN) for Greenside Primary School, as identified within the report, reflecting the falling birth rate in the local area, which had been incorporated into the proposed admission arrangements for 2026/27.

Responding to a Member’s enquiry, it was confirmed that in relation to Queensway Primary School, the consultation exercise regarding the proposed closure of the school had concluded and no decision had yet been made regarding the future of the school. It was also noted that the Council was not intending to change its admission arrangements as a result of any future decision taken in respect of Queensway Primary School.

RESOLVED –

- (a) That in determining the school admissions arrangements for the academic year 2026/27, the admissions policies for the Leeds community and voluntary controlled maintained primary and secondary schools (as detailed at Appendices A, B and C to the submitted report), be approved;
- (b) That the resolutions within this minute be exempted from the Call In process for the reasons as set out in paragraphs 35 and 36 of the submitted report;
- (c) That any necessary authority be delegated to the Lead for Admissions and Family Information Service, to enable that officer to take any actions should there be a need to revise these arrangements after they have been determined, where this revision is necessary to give effect to a mandatory requirement of the School Admission Code 2021, admissions law, a determination of the Schools Adjudicator or any

misprint in the admission arrangements, under regulation 19 of the School Admissions Regulations 2012;

- (d) That the following be noted:-
- (i) The coordinated scheme for admissions arrangements for entry in September 2026 (as detailed at Appendix D to the submitted report) has been set;
 - (ii) That the officer responsible for this work is the Lead for Admissions and Family Information Service;
 - (iii) That the statutory date for implementation (i.e. determination of the policies) is no later than 28 February 2025, with the arrangements published by 15 March 2025.

(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 (b) above, and for the reasons as set out within sections 35 - 36 of the submitted report)

LEADER'S PORTFOLIO

105 2025/26 Revenue Budget and Council Tax Report including reports on the Capital Programme and Treasury Management Strategy

Further to Minute No. 91, 11 December 2024, the Interim Assistant Chief Executive – Finance, Traded and Resources submitted a suite of reports regarding: proposals for the City Council's Revenue Budget for 2025/26 and the Leeds element of the Council Tax to be levied during the same period; proposals regarding an updated Capital Programme for 2025 – 2029, including a specific update on the 2024/25 programme and also a proposed updated Treasury Management Strategy for 2025/26, alongside an update on the implementation of the 2024/25 strategy.

With the agreement of the Chair, supplementary information was circulated to the Board and published ahead of the meeting for Members' consideration as part of agenda item 12A, '2025/2026 Revenue Budget and Council Tax'. This presented details of the final Local Government Finance Settlement for 2025/26 as received from Government on 3 February 2025, together with the resultant changes to the position as contained within the original report submitted to the Board and a revised Table 1 (Summary of Changes in Resources, Costs and Savings Proposals in the Council's Budget 2025/26). Also provided were details of Public Health Grant allocations for 2025/26 which had been received on 7 February 2025; and Annexe 1 to the submitted report (Movement in Net Managed Budget by Directorate 2024/25 to 2025/26).

A Member raised a specific enquiry about the increase in Employers' National Insurance Contributions (ENICs) in relation to the provision of Government funding to public sector organisations to cover additional costs, and also how

the increase may potentially impact upon third sector partners. In response, the Board was advised that following receipt of the final Local Government Finance Settlement, there was a shortfall of £3.9m between the funding received from Government and the estimated additional costs for the Council arising from the increase in ENICs.

(A) 2025/2026 Revenue Budget and Council Tax

RESOLVED –

- (a) That, subject to the inclusion of the updated position detailed within the supplementary information as provided to the Board and incorporated into the agenda for the meeting, Council be recommended to note the recommendation of the Council's statutory Section 151 officer (the Interim Assistant Chief Executive – Finance, Traded and Resources) that the Budget proposals for 2025/26 are robust and that the proposed level of reserves is adequate, as set out at Part 7 of Appendix 1 to the submitted report;
- (b) That, subject to the inclusion of the updated position detailed within the supplementary information as provided to the Board and incorporated into the agenda for the meeting, Council be recommended to adopt the following:-
- (i) That the revenue budget for 2025/26 totalling £655.7m be approved. This means that the Leeds element of Council Tax for 2025/26 will increase by 2.99% plus the Adult Social Care precept of 1.99% compared with 2024/25. This excludes the Police and Fire precepts which will be incorporated into the Council Tax report to be submitted to Council on 26th February 2025;
 - (ii) That approval be given to grants totalling £74k to be allocated to parishes, as shown at Appendix 5 to the submitted report;
 - (iii) That approval be given to the revised virement rules at Appendix 7 to the submitted report - Virement Decisions to Amend Approved Budgets, in line with the constitutional changes implemented in May 2024, specifically in regard to the decision making categories and associated rules;
 - (iv) That approval be given to the strategy at Appendix 9 to the submitted report in respect of the flexible use of capital receipts, specifically the planned use of £16.8m in respect of 2025/26;
 - (v) That in respect of the Housing Revenue Account, the budget be approved with:-
 - An increase of 2.7% in dwelling rents;
 - An increase of 2.7% in garage and travellers site rent;
 - An increase of 2.7% for the standing charges in district heating schemes and the district heating unit rate will remain at 10p per kwh;
 - A 2.7% increase in heat consumption charges in sheltered complexes;
 - An increase in service charges for low/medium rise flats to £5.30 per week and for multi-storey flats to £12.52 per week;

- An increase in the charge for tenants who benefit from the sheltered support service to £9.82 per week;
 - An increase in the Retirement Life charge for the provision of additional community facilities to £12.52 per week for services within complexes and £5.30 per week where they are within a standalone community centre;
 - An increase in the service charges for Wharfedale extra care scheme to £52.09 per week;
 - An increase in the service charge for Gascoigne House extra care scheme to £65.76 per week;
 - The support charge at both extra care schemes (above) to increase from £28.76 in 2024/25 to £30.75 in 2025/26;
- (vi) That in respect of the Schools Budget, that the High Needs Block budget for 2025/26, as set out in paragraph 3.4 of the Schools Budget Report at Appendix 8 to the submitted report (specifically the table at paragraph 3.4.6), be approved;
- (c) That Executive Board's thanks be conveyed to Scrutiny Boards and all those who took part in the public consultation for their comments and observations made in consideration of the Council's Proposed Budget;
- (d) That in respect of the Scrutiny Board consultation on the Proposed Budget:-
- (i) The conclusions and comments of the five Scrutiny Boards, as set out in the composite report provided at Appendix 3 to the submitted report, be noted;
- (ii) The following joint recommendations from the five Scrutiny Boards, be considered and noted:-
- Scrutiny Boards sought assurances from senior officers and Executive Members around the assumptions reflected in the Proposed Budget 2025/26 including the deliverability of the budget savings. Given the scale of the challenge and the context of increased demand for key services, it is recommended progress continues to be monitored through the Strategy and Resources Scrutiny Board in addition to the Executive Board; and
 - It is recommended that the Executive Board also seeks the views of the Member Champion (Equality) Working Group about the overall impact of the budget proposals on groups with protected characteristics.

(B) Capital Programme 2024 – 2029

RESOLVED –

- (a) That Executive Board recommends to Council:-
- (i) the approval of the Capital Programme for 2024-2029 totalling £1,809.4m, including the revised projected position for 2024/25, as presented in Appendix A to the submitted report;
- (ii) the approval of the MRP policy statements for 2025/26, as set out in Appendix C to the submitted report; and

- (iii) the approval of the Capital and Investment Strategy, as set out in Appendix D to the submitted report; with it being noted that as part of the Capital and Investment Strategy, the Council is required to set prudential limits for the total value of its non-treasury investments and, specifically, limits for the total value of service investments and the total value of commercial investments that it holds; and as such, Council be recommended to approve, as detailed within Appendix D that:-
- the prudential limit for service investments be set at £80m;
 - that a limit of £200m should be set for the carrying value of assets which are classed as commercial investments; with it being noted that these limits represent no change between 2024/25 and 2025/26.
- (b) That Executive Board approval be given to the following net injections totalling £234.6m into the Capital Programme, as set out in Appendix A(iii) to the submitted report:-
- £32.6m to address Capital Programme Review budget pressures, as detailed at Appendix A(iv) to the submitted report;
 - £53.7m of Leeds City Council funded annual programme injections, as detailed at Appendix A(v) to the submitted report;
 - £15.9m of Grant funded annual programme injections, as detailed at Appendix A(v) to the submitted report;
 - £82.6m of Housing Revenue Account (HRA) funding to deliver Council House Growth and the Housing Leeds/BITMO refurbishment programmes;
 - £8.5m of Community Infrastructure Levy (CIL) Strategic Fund monies; and
 - £41.3m of other net injections, primarily relating to capital grant allocations, one off capital grant allocations, invest to save borrowing schemes and other secured external grant funding, as listed in Appendix (Aiii) to the submitted report.
- (c) That it be noted that the above resolutions to inject funding of £234.6m will be implemented by the Interim Assistant Chief Executive - Finance, Traded and Resources.

(C) Treasury Management Strategy 2025/2026

RESOLVED –

- (a) That the Treasury Strategy for 2025/26, as set out in Section 8.5 of the submitted report, be approved, and that the review of the 2023/24 strategy and operations, as set out in Sections 8.3 and 8.4 of the submitted report, be noted;
- (b) That full Council be recommended to approve that the borrowing limits for the Authorised Limit and Operational Boundary for 2024/25, 2025/26 and 2026/27 for external borrowing be confirmed as set in February 2024, and that for Other Long-Term Liabilities the revised limits be set as detailed in Section 8.6 of the submitted report to allow

for the adoption of IFRS16, as outlined in 8.6.3 of the submitted report. Also, that new limits for 2027/28 for the Authorised Limit be approved at £3,250m for Borrowing and £640m for Other Long-term Liabilities. For 2027/28 full Council be recommended to approve that the Operational Boundary be set at £3,050m for Borrowing and £610m for Other Long-term Liabilities, as detailed in Section 8.6 of the submitted report;

- (c) That full Council be recommended to approve the treasury management indicator for the maturity structure of the Council's borrowing as detailed in Section 8.7 and Appendix A to the submitted report;
- (d) That full Council be recommended to approve that the investment limits for periods greater than 364 days for 2024/25, 2025/26, 2026/27 be confirmed at £150m, and that a new limit be set for 2027/28 at £150m, as detailed in Section 8.8.9 of the submitted report.

(The matters referred to in Minute Nos. 105(A)(a) – 105(A)(d)(ii) (Revenue Budget and Council Tax); 105(B)(a)(i) – 105(B)(a)(iii) (Capital Programme) and 105(C)(b) – 105(C)(d) (Treasury Management Strategy), given that they were decisions being made in accordance with the Budget and Policy Framework Procedure Rules, were not eligible for Call In)

(Under the provisions of Council Procedure Rule 16.5, Councillor A Lamb required it to be recorded that he abstained from voting on the decisions referred to within this minute)

RESOURCES

106 Financial Health Monitoring 2024/25 – December 2024 (Month 9)

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 as at Month 9 of the financial year. The report also included updates 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 9 of the financial year, the Council was forecasting a General Fund overspend of £6.8m, with it being noted that the projected overspend had decreased through the use of reserves and via other mitigating factors. Further detail was also provided on the progress that was being made in relation to the budget action plans which continued to be delivered.

Responding to a Member's specific enquiry, in noting the demand pressures which remained in both children's and adult's social care, the Board received an update on the range of actions being taken to mitigate against those pressures and to manage the related financial implications arising when

meeting the needs of such service demand. Further information was also provided on how such matters had been taken into consideration as part of the budget setting process for 2025/26.

RESOLVED –

- (a) That it be noted that at December 2024 (Month 9 of the financial year) the Authority's General Fund revenue budget is reporting an overspend of £6.8m for 2024/25 (1.1%) of the approved net revenue budget after application of reserves set up for this purpose and one-off measures; with it being noted that the overspend should be considered within the challenging national context, and that a range of actions are being undertaken to address this position;
- (b) That it be noted that at December 2024 (Month 9 of the financial year) the Authority's Housing Revenue Account is reporting a balanced position;
- (c) That it be noted that at December 2024 (Month 9 of the financial year), the DSG budget is projecting an in-year pressure of £16.0m which equates to 2.84% of the total estimated DSG funding;
- (d) That it be noted that in response to the significant in-year financial pressures, the reported position includes a reduction in the planned contribution of £1.5m to the General Reserve, and as a consequence of which no contribution will be made in 2024/25;
- (e) 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. That it also be noted that the 2024/25 pay offer has now been agreed for both JNC and NJC staff and is reflected in directorate dashboards with any associated mitigations. That it be further 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 a number of actions are being taken to reduce the budgetary pressures being forecast including a review of Agency and Overtime;
- (f) That the allocation of an additional £0.3m of Capital Receipts in respect of the Flexible Use of Capital Receipts, be approved, and that the forecasted year end spend and savings in respect of this scheme, be noted;
- (g) That it be noted that where an overspend is projected, directorates, including the Housing Revenue Account and the Dedicated Schools Grant, 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.

107 Capital Receipts Programme Annual Update

Further to Minute No. 101, 7 February 2024, the Director of City Development submitted a report presenting an update and overview of the Council's Capital Receipts Programme and which recommended to the Board a number of related approvals in relation to the programme.

In introducing the report, the Executive Member provided an overview of the actions which were ongoing in relation to the Capital Receipts Programme. It was noted that the Council's estate was larger than required, and as such, the Capital Programme would continue to be reviewed. The Board was advised that the review of locality buildings across the city would continue in liaison with local Ward Councillors. It was also noted that further reports were expected to be submitted to Executive Board on such matters, as and when appropriate.

A Member highlighted the importance of continuing to work with the local communities when determining such matters. Responding to a Member's specific enquiry, whilst it was acknowledged that the pace at which the Council released properties needed to be accelerated to reduce the size of the estate, assurance was provided that the service would continue to work with local Ward Councillors in circumstances where a building had been identified for sale or a Community Asset Transfer.

Following consideration of Appendix B 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 in line with the Board's earlier resolution (Minute No. 95 refers), it was -

RESOLVED –

- (a) That the contents of the submitted report, together with that of the three appendices, be noted, and that the previous Key Decisions which have been taken in relation to the disposal of assets, as set out at paragraph 13 of the submitted report also be noted;
- (b) That the progress made and progress achieved since Executive Board considered the last report on 7 February 2024, be noted;
- (c) That those assets identified in Appendix A and exempt Appendix B as "Proposed for Inclusion", and as set out at paragraph 14 and Table 2 of the submitted report, be declared surplus, and that approval be given to their disposal. Also, that agreement be given to their addition to the Council's Capital Receipts Programme of surplus properties for disposal;
- (d) That the withdrawal of properties from the Capital Receipts Programme, as set out in Appendix A and exempt Appendix B to the submitted report, be approved, which will be implemented by the Director of City Development;

- (e) That the approach being taken in relation to the review of locality buildings across the city, be supported, with support also being given to how this will be informed by the review of locality service delivery;
- (f) That the progress being made on the work to review the locality buildings, be noted, with the work to release further buildings in 2025/26 also being noted;
- (g) That the list of properties, as set out at paragraph 8 of the submitted report, be approved as having the potential and being suitable for Community Asset Transfers.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Lamb required it to be recorded that he abstained from voting on the decisions referred to within this minute)

108 Agreement for Less than Best lease for the development of Old Cockburn Sports Hall

The Director of City Development and the Director of Communities, Housing and Environment submitted a joint report on proposals for the redevelopment and future use of the Old Cockburn Sports Hall site, brought forward by Hamara, a registered charity and community business limited by guarantee. The report sought approval for a new lease agreement on a less than best basis to be issued to Hamara, together with the termination of the existing lease, in order to facilitate the proposals.

In introducing the report, the Executive Member provided an overview of the context which had led to the current position together with details of the proposal submitted to the Board. It was noted that the current building had come to the end of its lifespan and that Hamara had secured planning consent for a scheme to demolish the current building and develop a new building on the site. The challenges faced within the local community that the building served were noted, and the benefits that the proposed facility would bring to that community were highlighted.

A Member raised several concerns in relation to the proposals including the potential risks involved for the Council, and proposed that the report be deferred to the next Board meeting in order to provide an opportunity for further consideration of the matter prior to any final decisions being taken. In response, officers acknowledged the areas of risk as set out within the submitted report and highlighted the actions which were being taken to mitigate against such risk, with the establishment of an Escrow account being highlighted. It was also undertaken that officers would continue to work through the associated risks in order to protect the Council's interests as the scheme progressed.

In considering the proposal to defer the report, the significant time taken to develop the proposals to the current position was highlighted, with it being noted that such a deferral could have implications for Hamara in securing other funding opportunities.

At this point in the meeting and following the Board's earlier resolution (Minute No. 95 refers), the Board entered into private session in order to consider the contents of Appendix 1 to the submitted report which was designated as being exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3). As part of that private discussion and in response to enquiries raised, the Board received further information and assurances on the due diligence which had been undertaken to date together with the actions taken to mitigate against associated potential risks to the Council. Also, it was proposed that should the recommendations in the report be agreed by the Board, then prior to the Director of City Development approving final terms for both the agreement to lease and also the termination of the existing lease, then Councillor A Lamb be provided with a full briefing on such matters.

Having considered exempt Appendix 1, the Board returned to public session and it was -

RESOLVED –

- (a) That the contents of the submitted report, together with that of the three appendices, be noted, with the proposals being brought forward by Hamara for the site of the Old Cockburn Sports Hall, as detailed within the submitted report, also being noted;
- (b) That an Agreement for Lease on a less than best basis on the provisionally agreed terms as set out in Appendix 2 to the submitted report, and which will be issued to Hamara, be agreed. This will set out the conditions on which the Council will agree to the demolition of Old Cockburn Sports Hall and the construction of a new community facility in its place;
- (c) That the intention for an Escrow account to be used as a means of holding funds committed by Hamara to underwrite the project until project completion, or confirmation of additional grant funding being secured to support the project, be noted;
- (d) That the necessary authority be delegated to the Director of City Development to enable the Director to approve the final terms for the agreement to lease, however, prior to the final terms being approved by the Director, the Board's agreement be given for Councillor A Lamb to receive a full briefing on such matters;
- (e) That agreement be given to the termination of the existing lease to take place simultaneously with entering into the Agreement for Lease;
- (f) That the necessary authority be delegated to the Director of City Development to enable the Director to approve the final terms for the termination of the existing lease, however, prior to the final terms being approved by the Director, the Board's agreement be given for Councillor A Lamb to receive a full briefing on such matters.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Lamb required it to be recorded that he abstained from voting on the decisions referred to within this minute)

DATE OF PUBLICATION: FRIDAY, 14TH FEBRUARY 2025

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 5.00PM, FRIDAY, 21ST FEBRUARY 2025