

SCRUTINY BOARD (STRATEGY AND RESOURCES)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Monday, 18th November, 2019 at 10.30 am

(A pre-meeting will take place for ALL Members of the Board at 10.00 a.m.)

MEMBERSHIP

Councillors

G Almass	-	Beeston and Holbeck;
P Carlill	-	Calverley and Farsley;
D Chapman	-	Rothwell;
L Cunningham	-	Armley;
S Firth	-	Harewood;
M Harland (Chair)	-	Kippax and Methley;
H Hayden	-	Temple Newsam;
D Jenkins	-	Killingbeck and Seacroft;
J McKenna	-	Armley;
M Robinson	-	Harewood;
S Seary	-	Pudsey;

Please note: Certain or all items on this agenda may be recorded

Principal Scrutiny Adviser:
Angela Brogden
Tel: 37 88661

Produced on Recycled Paper

A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded). (* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).	
2			EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC 1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report. 2 To consider whether or not to accept the officers recommendation in respect of the above information. 3 If so, to formally pass the following resolution:- RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information 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 press and public were present there would be disclosure to them of exempt information, as follows: No exempt items have been identified.	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			LATE ITEMS To identify items which have been admitted to the agenda by the Chair for consideration. (The special circumstances shall be specified in the minutes.)	
4			DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.	
5			APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES To receive any apologies for absence and notification of substitutes.	
6			MINUTES - 14TH OCTOBER 2019 To confirm as a correct record, the minutes of the meeting held on Monday 14th October 2019.	1 - 4
7			EMBRACING DIGITAL TECHNOLOGY SOLUTIONS- TRACKING OF SCRUTINY RECOMMENDATIONS To receive a report from the Head of Democratic Services presenting the progress made in responding to the recommendations arising from the Scrutiny Board's earlier inquiry around embracing digital technology solutions.	5 - 14
8			REVENUE BUDGET UPDATE FOR 2020/21 TO 2024/25 INCLUDING PROPOSED SAVING PROPOSALS. To receive a report from the Head of Democratic Services presenting a revenue budget update for 2020/21 to 2024/25, including proposed saving proposals, as reported to Executive Board in October.	15 - 46

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			SCRUTINY INQUIRY INTO THE REDUCTION OF ENERGY CONSUMPTION IN COUNCIL BUILDINGS - DRAFT INQUIRY REPORT To receive a report from the Head of Democratic Services presenting the Board's draft report following its recent Inquiry into the reduction of energy consumption in Council buildings.	47 - 66
10			WORK SCHEDULE To consider the Scrutiny Board's work schedule for the 2019/20 municipal year.	67 - 88
11			DATE AND TIME OF NEXT MEETING Monday, 20th January 2020 at 10.30 am (Pre-meeting for all Board Members at 10.00 am) THIRD PARTY RECORDING Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda. Use of Recordings by Third Parties – code of practice a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title. b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.	

SCRUTINY BOARD (STRATEGY AND RESOURCES)

MONDAY, 14TH OCTOBER, 2019

PRESENT: Councillor M Harland in the Chair

Councillors G Almass, P Carlill,
D Chapman, L Cunningham, S Firth,
H Hayden, D Jenkins, J McKenna,
M Robinson and S Seary

CHAIRS COMMENT

The Chair welcomed Councillor Cunningham who has recently been appointed to the Board.

33 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

34 Exempt Information - Possible Exclusion of the Press and Public

There were no exempt items.

35 Late Items

There were no late items.

36 Declaration of Disclosable Pecuniary Interests

No declarations of disclosable pecuniary interest were made.

37 Apologies for Absence and Notification of Substitutes

There were no apologies.

38 Minutes - 9th September 2019

RESOLVED – That the minutes of the Strategy and Resources Scrutiny Board meeting held on 9th September 2019, be approved as a correct record.

39 Scrutiny Inquiry into the reduction of energy consumption in Council buildings - draft terms of reference

The report of the Head of Democratic Services presented the draft terms of reference relating to the Scrutiny Board's Inquiry into reduction of energy consumption in Council buildings. Members were requested to consider and formally agree the terms of reference as set out at Appendix 1.

In attendance for this item were:

Councillor James Lewis – Executive Member for Resources

Neil Evans – Director of Resources and Housing

Polly Cook – Chief Officer for Sustainable Energy and Air Quality

Mark Mills – Head of Asset Management

Lisa Thornton – Executive Manager, Strategic Asset Management

Draft minutes to be approved at the meeting
to be held on Monday, 18th November, 2019

Members recognised the timeliness of this piece of work and its link to the Change the Workplace (CTW) programme and the Asset Management Strategy.

RESOLVED – To agree the draft terms of reference relating to the Scrutiny Board's Inquiry into the reduction of energy consumption in Council buildings.

40 Scrutiny Inquiry into the reduction of energy consumption in Council buildings - Session One

The report of the Head of Democratic Services outlined the arrangements which had been made in relation to the first session of the Scrutiny Board's Inquiry into the reduction of energy consumption in Council Buildings.

In attendance for this item were:

- Councillor James Lewis – Executive Member for Resources
- Neil Evans – Director of Resources and Housing
- Polly Cook – Chief Officer for Sustainable Energy and Air Quality
- Mark Mills – Head of Asset Management
- Lisa Thornton – Executive Manager, Strategic Asset Management

Members were presented with information in relation to key areas currently reflected within the terms of reference for session one of the inquiry.

The presentation included the following information:

- The Council has 900 operational properties which include; offices, libraries, Town Halls, the Civic Hall, museums, and community hubs;
- The Council also has 37 schools still under its control;
- Energy Audits are taking place at a variety of buildings;
- Work is underway to extend District Heating to some of the larger civic buildings including the Town Hall and the Civic Hall;
- Where upgrades are taking place to offices energy efficient boilers are being installed;
- Work is taking place in the 37 schools still owned by the Council including providing information to Head Teachers on energy efficiency and savings, also changing lights to LED;
- Use of SALIX Funding which is a national fund. Members were advised how this funding works;
- The Asset Management Strategy 2020-25 will set out the vision of Council to have sustainable, affordable, well maintained estates that can deliver high quality services;
- The focus of the Council is to reduce the size of its estate and to better utilise the buildings that it keeps operational;
- The Asset Review will be a robust evidence based exercise which will consider the entire operational estate including heritage assets.

The Boards discussions included the following points:

Draft minutes to be approved at the meeting
to be held on Monday, 18th November, 2019

- The need to ensure stringent rules about the selling off of assets including heritage assets;
- SALIX funding;
- Issues in relation to homeworking including transference of carbon footprint and how this data can be captured;
- Lease properties;
- Staff travel arrangements for those who work as visitors, social workers or surveyors;
- Carbon footprint of Council's fleet vehicles;
- Use of Community Hubs for staff involved in locality working;
- Staff engagement including hints and tips for staff to use at home as well as in the work environment;
- Street lighting;
- Use of different products to produce energy, including dog waste;
- Quick solutions such as planting trees and building of green walls, similar to the wall on the recycling plant;
- Information on energy efficiency for private owners of older buildings;
- District Heating for Council owned tower blocks.

Members requested more information in relation to SALIX Funding for the second session.

Members noted that the second session would be a workshop to be held on Monday 4th November 2019 at 10:30am.

RESOLVED – Members noted the content of the information presented.

41 Work Schedule

The Principal Scrutiny Adviser introduced the report which requested Members to consider the work schedule for the Board for the municipal year 2019/20.

Appendix 1 of the submitted report set out the Boards work schedule.

RESOLVED – To note the content of the report and agree the work schedule set out at Appendix 1.

42 Date and Time of Next Meeting

The next meeting of the Strategy and Resources Scrutiny Board will be on 18th November 2019 at 10:30am, with a pre meeting for all Members at 10:00am.

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Report authors: Angela Brogden

Tel: 0113 37 88661

Report of the Head of Democratic Services

Report to Scrutiny Board (Strategy and Resources)

Date: 18th November 2019

Subject: Embracing Digital Technology Solutions– Tracking of Scrutiny Recommendations

Are specific electoral wards affected?	☐ Yes	☒ No
If yes, name(s) of ward(s):		
Has consultation been carried out?	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Will the decision be open for call-in?	☐ Yes	☒ No
Does the report contain confidential or exempt information?	☐ Yes	☒ No
If relevant, access to information procedure rule number:		
Appendix number:		

1. Purpose of this report

- 1.1 This report sets out the progress made in responding to the recommendations arising from the Scrutiny Board's earlier inquiry around embracing digital technology solutions.

2. Background information

- 2.1 Linked to the Council's Medium Term Financial Strategy 2019/20 – 2021/22, it was recognised last year that the Strategy and Resources Scrutiny Board could add particular value to the 'Digital' budget workstream focusing on the further use of technology to help reduce costs and improve customer experience. The Board therefore agreed to undertake an Inquiry around embracing digital technology solutions.
- 2.2 This inquiry concluded in December 2018 and a report setting out the Scrutiny Board's conclusions and recommendations was agreed in April 2019 ([Link to Scrutiny Report](#)).
- 2.3 In July 2019, the Strategy and Resources Scrutiny Board received a formal response to the recommendations arising from the inquiry.

3. Main issues

- 3.1 Scrutiny Boards are encouraged to clearly identify desired outcomes linked to their recommendations to show the added value Scrutiny brings. As such, it is important for the Scrutiny Board to also consider whether its recommendations are still relevant in terms of achieving the associated desired outcomes.
- 3.2 The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. The Board will then be able to take further action as appropriate.
- 3.3 This standard set of criteria is presented in the form of a flow chart at Appendix 1. The questions in the flow chart should help to decide whether a recommendation has been completed, and if not whether further action is required. Details of progress against each recommendation are set out within the table at Appendix 2.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Where internal or external consultation processes have been undertaken with regard to responding to the Scrutiny Board's recommendations, details of any such consultation will be referenced against the relevant recommendation within the table at Appendix 2.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Where consideration has been given to the impact on equality areas, as defined in the Council's Equality and Diversity Scheme, this will be referenced against the relevant recommendation within the table at Appendix 2.

4.3 Council policies and the Best Council Plan

- 4.3.1 The Best Council Plan recognises that the Council's journey to become a more efficient and enterprising organisation centres on an ongoing programme of organisational cultural change. Whilst face-to-face customer contact remains important, the Plan acknowledges the need to continue using and developing technology and training to grow people's digital skills, making it easier for staff and citizens to self-serve online and enabling a quicker, more streamlined response to customers who can access services at times that best suit them.

Climate Emergency

- 4.3.2 One of the key desired outcomes linked to this particular Scrutiny Inquiry was for more service areas across directorates to be proactive in making the most of emerging digital automation, on-line service delivery and mobile working solutions which also have an impact in terms of influencing climate change and sustainability.

4.4 Resources, procurement and value for money

- 4.4.1 Details of any significant resource and financial implications linked to the Scrutiny recommendations will be referenced against the relevant recommendation within the table at Appendix 2.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This report does not contain any exempt or confidential information.

4.6 Risk management

- 4.6.1 Any specific risk management implications will be referenced against the relevant recommendation within the table at Appendix 2.

5 Conclusions

- 5.1 The progress made in responding to the recommendations arising from the Scrutiny Board's earlier inquiry around embracing digital technology solutions is set out within Appendix 2 of this report for the Board's consideration.

6 Recommendations

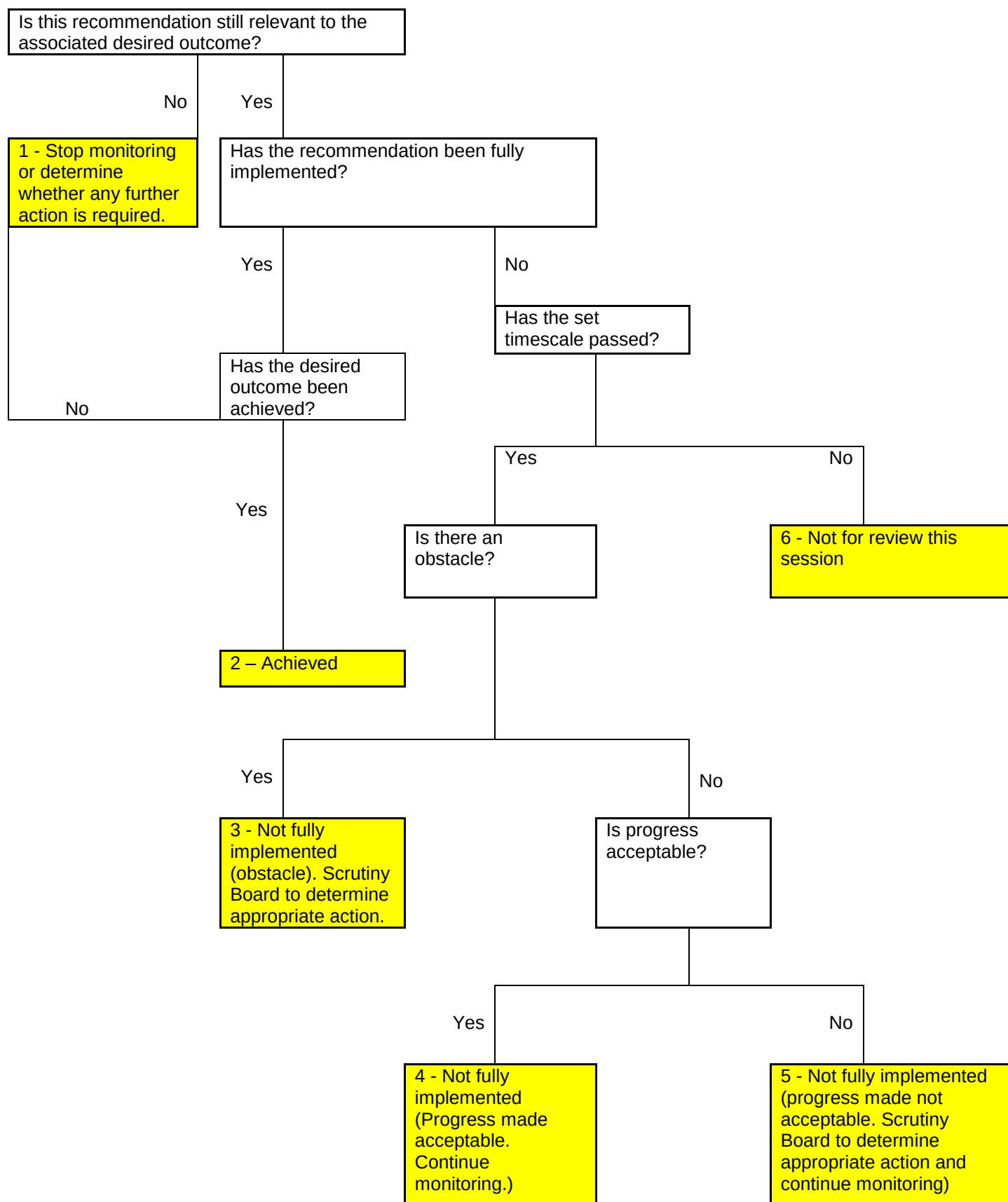
- 6.1 The Board is requested to:
- Agree those recommendations which no longer require monitoring;
 - Identify any recommendations where progress is unsatisfactory and determine the action the Board wishes to take as a result.

7 Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Recommendation tracking flowchart and classifications: Questions to be considered by Scrutiny Boards



Appendix 2

Position Status Categories

- 1 - Stop monitoring or determine whether any further action is required
- 2 - Achieved
- 3 - Not fully implemented (Obstacle)
- 4 - Not fully implemented (Progress made acceptable. Continue monitoring)
- 5 - Not fully implemented (Progress made not acceptable. Continue monitoring)
- 6 - Not for review this session

Desired Outcome - That there is an effective digital leadership skills learning offer put in place by the Council to develop its own workforce.

Recommendation 1 – That the Director of Resources and Housing ensures that an initial evaluation of the Council's Digital Leadership Skills learning initiative is undertaken within 6 months of its formal launch and that the findings of this evaluation are shared with Scrutiny.

Formal response (July 2019):

This recommendation is accepted.

Digital Leadership Skills for Leaders and Decision Makers were launched along with a number of other digital related communications during ALL Digital Week which took place during the last week of March.

Since that point 11 Senior Managers have attended a one day Digital and Agile Awareness course run by the Government Digital Service (GDS) Academy with input to the content from Leeds City Council. Feedback from attendees was very positive and the council is now working with the GDS Academy to define a course with the aim that over 100 senior leaders complete this between September 2019 and April 2020.

The Head of Digital Efficiencies has also helped the GDS develop their 2 day Local Leaders Digital Accelerator course aimed at Chief Execs, Members, Chief Officers and Heads of Service. These are open, funded, 2 day residential courses and 4 senior managers from the council have attended the course in Newcastle at the end of June.

The Director of Resources and Housing will continue to monitor uptake and effectiveness of learning offers being provided to decision makers across the council and is able to report back within 6 months of the launch in September 2019. *The Scrutiny Board agreed during this meeting to schedule an update for November 2019.*

Current position:

A local government tailored one day Digital and Agile Awareness Course has now been developed in conjunction with the GDS Academy. Six courses have been booked to be delivered to senior leaders in the council, with each directorate sending members of their senior leadership teams on the course to raise awareness of the impact technology can have on public services and the importance of working closely with end users and citizens to deliver products and services that they will use. These courses are running from 12.11.19 through to the end of March 2020. 102 places are available with 86 places already booked.

At the Annual Leadership conference in October 2019 a fringe event was held delivering a brief overview of Digital Leadership to around 30 senior officers. A similar briefing was delivered to Extended CLT on Tuesday 5th November and this was to around a further 30 senior officers from across the council.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – To That there is a Directory of Digital Innovation in place for staff to easily access and use.

Recommendation 2 – That the Director of Resources and Housing ensures that an initial evaluation of the Council's Directory of Digital Innovation is undertaken within 6 months of its formal launch and that the findings of this evaluation are shared with Scrutiny.

Formal response (July 2019):

This recommendation is accepted.

A [Directory of Digital Innovation](#) has been created and is available for all council employees to view and contribute towards.

This is now the area where DIS Business Partners can add their research into what other organisations are doing in relation to the use of technology to deliver better customer services.

The Director of Resources and Housing will review the effectiveness of the Directory of Digital Innovation and report back to Scrutiny Board in September 2019. *The Scrutiny Board agreed during this meeting to schedule an update for November 2019.*

Current position:

The directory is still available for use across the council and is being promoted as part of the digital leadership briefings that are taking place, around 20 additional items have been added to the directory during this time.

It should be noted that the Ministry for Housing, Communities and Local Government have commissioned work to be undertaken on a national solution which will enable greater collaboration across local government and wider public sector which should provide a tool that can be used across all authorities to share successes and learn from each other regarding best practice.

Additionally 3 sets of Digital Show and Tell sessions have been held for decision makers demonstrating how technology is currently being used across the council to deliver better outcomes and more efficient services. These have been attended by around 200 officers with positive feedback from staff and many having a desire to use existing or similar technologies demonstrated in the delivery of their services, eg Hybrid Mail, Mobile Forms etc

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That learning from previous funding application processes is maximised to assist in securing future bid opportunities surrounding the delivery of digital solutions.

Recommendation 3 – That the Director of Resources and Housing leads on undertaking a review of lessons arising from the recent national funding application process for the delivery of digital solutions and maximises this learning to help prepare for similar bid opportunities in the future.

Formal response (July 2019):

This recommendation is accepted.

Senior Officers within the Digital Information Service now regularly scan for opportunities for funding or support to deliver technology solutions in a more cost effective way, so that we are able to maximise the time available to develop bids.

The council are now jointly working on 2 funded projects

- Working with Stockport Council and a number of other councils on [Family Context](#)
- Working with NE Lincs on Visualising failure in [Waste Services](#)

The council, jointly with York City Council, also won the bid to work with solution providers to improve housing conditions and improve health benefits through the project [Monitoring Housing for Better Health](#)

Current position:

Appendix A below provides a list of current opportunities that are being explored by the Digital Information Service to collaborate more across the public sector and obtain funding for initiatives.

The service ensures that bids made are focussing on priorities for the council that will deliver better outcomes and more efficient ways of working.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Scrutiny Response – Appendix A

Desired Outcome – That learning from previous funding application processes is maximised to assist in securing future bid opportunities surrounding the delivery of digital solutions.

Bid Made	Awarding Body	Value	Other Organisations LCC is working with	Status
Extension of Leeds Care Record	NHS	£48,000	LTHT, Leeds CCG, Forum Central, Community Links, VAL, Seacroft LCP, Adult Social Care, Public Health	Awarded - Discovery work being undertaken
How we can use technology to improve housing management and improve tenant health outcomes	GovTech Catalyst Fund	£50,000 to 5 companies which could lead to further £500,000 to 2 for companies to progress to Phase 2	York City Council	Awarded - About to reach end of Phase One - Research
Use of 5G in rural communities	Department for Digital Culture Media and Sport	TBC	Being led by West Yorkshire Combined Authority in conjunction with most of the neighbouring authorities. Strathclyde University and Capita are also involved in the bid	Bid being developed

Bid Made	Awarding Body	Value	Other Organisations LCC is working with	Status
Waste Reporting	MHCLG	TBC	NE Lincs (Lead Authority)	Awarded - Discovery work being undertaken
Family Context	MHCLG	£350,000 in total, Leeds to receive £90,000	Stockport MBC (Lead Authority), Social Finance, Manchester CC	Awarded and work in progress developing technical solution.
Taxi and Private Hire	MHCLG	TBC	Gateshead (Lead Authority)	Bid submitted

Report of Head of Democratic Services

Report to Scrutiny Board (Strategy and Resources)

Date: 18th November 2019

Subject: Revenue Budget Update for 2020/21 to 2024/25 including proposed saving proposals.

Are specific electoral wards affected?	☐ Yes	☒ No
If yes, name(s) of ward(s):		
Has consultation been carried out?	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Will the decision be open for call-in?	☐ Yes	☒ No
Does the report contain confidential or exempt information?	☐ Yes	☒ No
If relevant, access to information procedure rule number:		
Appendix number:		

1. Purpose of this report

- 1.1 The purpose of this report is to provide Board Members with a revenue budget update for 2020/21 to 2024/25 including proposed saving proposals.

2. Background information

- 2.1 In September 2019, the Strategy and Resources Scrutiny Board received a report presenting the Council's updated Medium Term Financial Strategy for 2020/21 to 2024/25. Linked to this, it was noted that during October the Executive Board would be receiving a further revenue budget update for 2020/21 to 2024/25, including proposed saving proposals. The report presented to Executive Board has now been provided for the Scrutiny Board's consideration (see appendix 1).

3. Main issues

- 3.1 Setting, supporting and monitoring the Council's financial strategy falls within the remit of the Strategy and Resources Scrutiny Board and therefore the Scrutiny Board is invited to consider the latest revenue budget update report that was presented to Executive Board during October, which includes proposed saving proposals.

- 3.2 Appropriate senior officers have been invited to the meeting to discuss the attached report and address any issues raised by the Scrutiny Board.

4 Corporate considerations

4.2 Consultation and engagement

- 4.2.1 The Authority's Financial Strategy is driven by its ambitions and priorities as set out in the Best Council Plan 2019/20 to 2020/21, approved by Full Council in February 2019. The Best Council Plan was subject to consultation with members and officers throughout its development with additional extensive stakeholder consultation carried out on the range of supporting plans and strategies.

- 4.2.2 The Medium Term Financial Strategy has also been informed by the public consultation on the Council's Initial Budget Proposals for 2019/20 and a further public consultation exercise will be undertaken following the receipt of the Council's Initial Budget Proposals for 2020/21 at Executive Board.

4.3 Equality and diversity / cohesion and integration

- 4.3.1 The Council is fully committed to ensuring that equality and diversity are given proper consideration when we develop policies and make decisions. In order to achieve this, the Council has an agreed process in place and has particularly promoted the importance of the process when taking forward key policy or budgetary changes. Equality impact assessments also ensure that we make well informed decisions based on robust evidence. Further details are set out within the attached Executive Board report.

4.4 Council policies and the Best Council Plan

- 4.4.1 The refreshed Best Council Plan 2019/20 – 2020/21 sets out the Council's priorities, aligned with the Medium Term Financial Strategy and the annual budgets. Developing and then implementing the Best Council Plan will continue to inform, and be informed by, the Council's funding envelope, staffing and other resources.

Climate Emergency

- 4.4.2 There are no specific implications for the climate emergency resulting from this report. However, it is noted that the response to the climate emergency is prominent in many aspects of the Council's budget, in particular large capital commitments in transport, energy, fleet and housing. Linked to this, any specific climate emergency issues arising from the outcome of the service and budgets reviews will be covered in respective decision reports.

4.5 Resources, procurement and value for money

- 4.5.1 All financial implications are detailed in the main body of the Executive Board report.

4.6 Legal implications, access to information, and call-in

- 4.6.1 There are no legal implications arising from this report.

4.7 Risk management

- 4.7.1 The Council's current and future financial position is subject to a number of risk management processes. Not addressing the financial pressures in a sustainable way is identified as one of the Council's corporate risks, as is the Council's financial position going into significant deficit in any one year. Both of these risks are subject to regular review. Further details are set out in the attached Executive Board report.

5 Conclusions

- 5.1 During October the Executive Board received a further revenue budget update report for 2020/21 to 2024/25, including proposed saving proposals. The report presented to Executive Board has now been provided for the Scrutiny Board's consideration.

6 Recommendation

- 6.1 That the Scrutiny Board considers the attached Executive Board report and agrees any specific scrutiny actions that may be appropriate.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Report of the Chief Officer Financial Services

Report to Executive Board

Date: 16th October 2019

Subject: - Revenue Budget Update for 2020/21 to 2024/25 including proposed saving proposals

Are specific electoral wards affected?	☐ Yes ☒ No
If yes, name(s) of ward(s):	
Has consultation been carried out?	☐ Yes ☒ No
Are there implications for equality and diversity and cohesion and integration?	☒ Yes ☐ No
Will the decision be open for call-in?	☒ Yes ☐ No
Does the report contain confidential or exempt information?	☐ Yes ☒ No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary

1. Main issues

- The Medium Term Financial Strategy report 2021/22 – 2024/25, received at Executive Board on 24th July 2019, reported a budget gap of £93.7m over the five years covered by the Strategy, with gaps of £36.8m, £43.5m and £17.3m in 2020/21, 2021/22 and 2022/23 respectively. This position is reviewed and updated during the budget setting process to take into consideration Government announcements and changes in the assumptions contain in this position.
- The forecast budget position now recognises the requirement to make the Council's Revenue Budget more financially resilient and sustainable. The Revenue Budget is currently supported by capitalisation of expenditure, the use of the Council's balance sheet and capital receipts. The revised budget position has been reviewed to move away from these requirements. The Revenue Budget now provides for increased resources to support demand led services within the Council. In addition provision has been included for contributions to the Council's general reserve to enable the Council to be more resilient in the future.
- Proposals to meet the estimated budget gap will be brought forward as usual in December. In one instance however it is proposed to begin consultation now to achieve a full year effect. This budget saving proposal within the planning service relates to planning charges for discretionary services and the introduction of premium development management services.

- As a result of the revisions to the forecast budget position outlined in this report the estimated budget gap for 2020/21 has reduced from £36.8m to £36.6m.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The Best Council Plan is the Council's strategic plan, setting out its ambitions, outcomes and priorities for the City of Leeds and for the Local Authority. The City ambitions set out in the Best Council Plan are: the Council, working in partnership, will continue to tackle poverty and inequalities through a combination of strengthening the economy and doing this in a way that is compassionate and caring. Three pillars underpin this vision: inclusive growth, health and wellbeing, and climate change emergency which aims to embed sustainability across the Council's decision-making. The Authority's internal 'Best Council' focus remains on becoming a more efficient, enterprising and healthy organisation.
- The Best Council Plan can only be delivered through a sound understanding of the organisation's longer-term financial sustainability which enables decisions to be made that balance the resource implications of the Council's policies against financial constraints. This is a primary purpose of the Medium Term Financial Strategy which then provides the financial framework for the annual budget. Initial proposals for the 2020/21 refreshed Best Council Plan and supporting Initial Budget will be brought to the Executive Board in December 2019, with final proposals being considered by the Board and subsequently Full Council in February 2020.

3. Resource Implications

- The financial position as set out in the report to July's Executive Board identified an estimated budget gap of £93.7m over the period of the Medium Term Financial Strategy. The proposals to make the Council's revenue budget more financially sustainable and resilient in the long term contribute towards increasing the estimated budget gap for the period 2020/21 – 2024/25 by £67.8m after taking into consideration the proposed saving for 2020/21.
- The identification of budget saving proposals to address the revised budget gap is an iterative process and proposals will be reported to February's Executive Board along with the 2020/21 Revenue Budget and Council Tax report.

Recommendations

a) Executive Board is asked to:

- Agree the revisions to the Council's Forecast Budget Gap for 2020/21 to 2024/25 as summarised in Table 2, and referenced in Paragraph 4.2 of this report and;
- Agree that a consultation process commences in respect of the planning charges budget saving proposal contained in this report.

1. Purpose of this report

- 1.1 The Medium Term Financial Strategy 2021/22 – 2024/25, received at Executive Board on 24th July 2019, reported a budget gap of £93.7m over the five years of the Strategy, with gaps of £36.8m and £43.5m in 2020/21 and 2021/22 respectively.

- 1.2 The July report to Executive Board referenced that work had commenced on a series of directorate service and budget reviews and that the outcome of these reviews would contribute towards addressing the identified estimated budget gaps contained in the Medium Term Financial Strategy. As set out in the July report any budget saving proposals to address the estimated budget gaps would be brought to this Board in advance of the 2020/21 Initial Budget Proposals being received by the Board in December.
- 1.3 This report updates Members in respect of any changes to assumptions contained in the Medium Term Financial Strategy. It details the announcement by the Chancellor on the 4th September regarding a one year settlement for 2020/21, the budget saving proposal for 2020/21 that have been identified since the July meeting of the Board, and also sets out the implications of these changes upon the estimated budget gaps that have previously been reported.

2. Background information

- 2.1 The Medium Term Financial Strategy was prepared against a background of uncertainty with regard to the Government's spending plans from April 2020. In the absence of any specific information the Strategy assumed a single year settlement for 2020/21 and a three year settlement commencing in 2021/22. As a consequence of this assumed delay it was anticipated that the outcome of the Government's Fair Funding Review, Business Rates Retention Reform and the move to 75% Business Rates would also be delayed until 2021/22. On this basis the Forecast Budget Position assumes that any changes would be revenue neutral and that transitional arrangements would be in place.
- 2.2 The Medium Term Financial Strategy report to July's Executive Board identified a funding gap of £93.7m between 2020/21 and 2024/25 with £36.8m and £43.5m falling in 2020/21 and 2021/22 respectively.
- 2.3 Recognising the scale of the estimated budget gap detailed in the Medium Term Financial Strategy, particularly in respect of 2020/21 and 2021/22, the Council embarked upon a series of service and budget reviews with the intention that the outcome of these reviews would be reported to Executive Board in advance of the 2020/21 Initial Budgets Proposals being received by this Board in December.
- 2.4 The Chancellor announced the results of the Government's Spending Review on 4th September which covered the financial year 2020/21 only. It is understood that a full multi-year spending review will be conducted in 2020 for capital and resource budgets beyond 2020/21.

It was announced that in 2020/21 there would be a £13.4 billion increase in total public spending: £11.7 billion in revenue Departmental Expenditure Limits (DEL) and £1.7 billion in capital DEL. The Chancellor announced that no Department faces a cut to its day to day budget, each will increase at least in line with inflation. For Local Government this meant an overall increase of over £2.7 billion. Key announcements for Local Government included core Council Tax increases limited to 2% with a consultation on an additional 2% Adult Social Care precept to be undertaken in the autumn. The Adult Social Care precept could generate £0.5 billion funding nationally. In addition to this potential increase from the Adult Social Care precept, further new funding of £1 billion will be made available for social care nationally.

The Spending Review announced continued funding for the Northern Powerhouse. Other announcements included an additional £54 million for homelessness and

rough sleeping, confirming £3.6 billion for the new Towns Fund, and confirmation that there would be an increase in the Public Health Grant and through the NHS contribution to Adult Social Care through the Better Care Fund. Further information or announcements are expected for each of these.

In education, schools are to have funding increased by £7.1 billion by 2022/23, and the day to day funding for every school is to rise by at least inflation and pupil numbers. Secondary schools will receive a minimum of £5,000 per pupil, every primary at least £3,750 rising to at least £4,000 in the following year. Whilst the Spending Review only covered one year, schools were given a three year settlement. In other areas of education and skills there will be an increase in early years spending of £66 million to increase the hourly rate paid to childcare providers through the Government's free hours offer. There will also be an additional £400 million in 2020/21 for Further Education, increasing core funding and supporting targeted interventions.

Whilst not announced by the Chancellor in the Spending Review, it is understood from conversation with MHCLG that 75% business rates retention pilots will come to an end in March 2020 with no new pilots planned for 2020/21. Confirmation from Government may not be received until the publication of the provisional Local Government Finance Settlement in December 2019.

Whilst the implications of the Spending Review will be incorporated into the 2020/21 Initial Budget Proposals report, which is timetabled to be received at December's Executive Board, the assumed implications for Leeds are summarised in **Table 1** below.

Table 1: Assumed Impact of Spending Round 2019 on Leeds MTFS

	Current MTFS Assumptions for 2020/21	Indicative Assumptions SR2019	Variance	
	£m	£m	£m	
Settlement Funding Assessment	183.7	187.3	3.7	2% Inflationary Increase (July 2019 CPI)
Core Council Tax	332.4	329.2	(3.2)	2% referendum limit (3% assumed in MTFS)
ASC Precept	0.0	6.5	6.5	2% ASC Precept (0% assumed in MTFS)
iBCF and Spring Grant Assumptions	22.7	27.4	4.7	Confirmed one year, pending Social Care Review
New Social Care Grant (£1bn nationally)	10.1	10.0	(0.1)	Confirmed one year, pending Social Care Review
Winter Pressures Grant	3.3	3.3	0.0	Confirmed one year, pending Social Care Review
Social Care Support Grant	5.7	5.7	0.0	Confirmed one year, pending Social Care Review
Indicative variance before BR Pilot			11.5	
Business Rates Pilot			(10.0)	Assumption that BR Pilot will not continue 2020/21
Indicative variance if BR Pilot discontinued			1.5	

Note: This table only shows changes to funding included in Core Spending Power.

The indicative figures above will be confirmed in the Provisional Local Government Settlement, expected in December 2019.

3. Main issues

- 3.1 The Budget Position of the Council has been reviewed over the longer term to increase the financial sustainability and resilience of the Council. There have been a number of areas where a longer term approach to the financial position of the Council now needs to be considered.

- 3.2 Changes approved at Full Council to previous years MRP policy, based upon the fact that MRP had been overprovided for between 2008/2009 and 2014/15, enabled the Council to benefit from reduced MRP payments in 2017/18, 2018/19 and 2019/20. However this position starts to unwind from 2020/21 when MRP is forecast to increase by £27.6m and then a further £19.8m in 2021/22 and £6.6m in 2022/23. Recognising the impact of these increases on the Revenue Budget, particularly in 2020/21 where the £27.6m MRP increase contributes significantly towards the £36.8m estimated budget gap, it is therefore proposed to utilise an additional £10m capital receipt to fund the MRP Revenue Budget requirements in 2020/21 which will smooth the impact.
- 3.3 For the other four years of the period covered by the current Medium Term Financial Strategy, 2021/22 – 2024/25, there have been a number of other changes to the position reported to this Board in July and these are detailed below and summarised in **Table 2**.
- 3.4 Since 2011/12 the Council has received New Homes Bonus grant, an incentive grant based on housing growth. In 2018/19 the Government announced that they were intending to review the operation of the Bonus with the intention of introducing reforms to better align the scheme with local authorities' performance in meeting local housing demand. Whilst no further detail has been provided since this announcement it is widely anticipated that the Government's 2020 Spending Review will consolidate this resource into local authorities' SFA (Settlement Funding Assessment). Since Leeds accounts for the receipt of this grant in the year in which the housing growth took place, with the grant actually received in the following year, the potential switch of the grant into SFA would result in a shortfall of £9m in 2020/21, with any corresponding increase to the SFA not being reflected until 2021/22.
- 3.5 Previous years' budget strategies have utilised both the capitalisation of revenue expenditure and capital receipts to resource MRP payments to mitigate the impact of the Government's austerity agenda and the resultant reduction in funding to local authorities since 2010. However this policy is not sustainable and, in order for the Council's Revenue Budget to become both more financially resilient and sustainable, whilst at the same time reducing the risks associated with funding recurring revenue expenditure through a requirement to generate capital receipts, the revised budget position now seeks to unwind the extent to which the Revenue Budget is supported by these mechanisms. Consequently, as detailed in **Table 2** below, this will increase the estimated budget gap by £15m between 2023/24 and 2024/25.
- 3.6 The level of business rates appeals continues to be a risk. Whilst there is now little scope for new appeals against the 2010 ratings list, and the Council has made appropriate provision for these, there remains very limited information available on which to base an assessment of appeals against the 2017 list. Since successful appeals directly impact on the level of resources that the Council has to fund the services it provides, it is considered prudent to increase the contribution to the business rates appeals provision (£4m).
- 3.7 Under the 2003 Local Government Act, the Council's Statutory Financial Officer is required to make a statement to Council on the adequacy of reserves as a part of the annual budget setting process. The Medium Term Financial Strategy report received at July's Executive Board recognised the requirement to keep the level of the Council's reserves under review to ensure that they are adequate to meet identified risks. Subsequent to the receipt of this report the Council's external auditors, Grant Thornton, have issued their "Annual Audit Letter" for the year ended

31st March 2019 in which they note that “the Council has continued to maintain reserves at around 5% of net revenue expenditure” and that with future projections “the level of reserves may reduce. We recommend there is a need for the Council to consider the adequacy of its reserves going forward”. In accordance with this recommendation the revised budget position provides for a £3m contribution to the General Reserve.

- 3.8 In recognition of the requirement to adequately provide for insurance claims against the Council and specific insurance liabilities arising from having been a member of Municipal Mutual Insurance (MMI) it is necessary to increase the level of the insurance provision by £3m.
- 3.9 Against a background of reductions in Government funding the Council has used its balance sheet to support its Revenue Budget. In the context of making the Revenue Budget financially sustainable a planned reduction in the reliance on balance sheet items, as detailed in **Table 2**, has been provided for in the revised budget position.
- 3.10 Recognising the risk associated with demand led services with both Adults and Children’s Social Care the revised budget position provides a further £12m which anticipates the continuing increasing demand for these services and ensures that the Council has robust budgets in place to deal with this.
- 3.11 The impact of these variations is summarised in **Table 2**, which shows that the estimated budget gap has increased from £93.7m to £161.7m.

Table 2: Updated Medium Term Financial Strategy Showing Revised Budget Gap

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
2020/21 to 2024/25 Budget Gap MTFS	36.821	43.540	17.319	1.024	(5.002)	93.702
Changes to Budget Gap						
Capitalisation			5.000	5.000	10.000	20.000
Capital Receipts Funding Revenue Budget			5.000	5.000	5.000	15.000
Provision for Business Rates				2.000	2.000	4.000
General Fund Balances				3.000	0.000	3.000
Provision for Insurance				0.000	2.000	2.000
Provision for MMI				0.000	1.000	1.000
Repayment of Borrowing from Ring Fenced Resources including Section 106, HRA and School Balances (£4m)				1.000	1.000	2.000
New Homes Bonus Accrual (Potential 2021/22)		9.000				9.000
Demand Pressures			4.000	4.000	4.000	12.000
Updated Budget Gap	36.821	52.540	31.319	21.024	19.998	161.702

- 3.12 As outlined in paragraph 2.3 above the Council has embarked upon a process of identifying budget savings proposals which will help address the estimated budget gaps over the period of the Medium Term Financial Strategy.

4. Savings Proposals

4.1 Savings proposals, which will be incorporated into the 2020/21 Initial Budget Proposals report to be received at December's Executive Board, will fall into the following categories:

- **Business as Usual** which are savings proposals that do not require any consultation. They include;
 - o Identification of alternative funding resources to continue with the service
 - o Generation of additional income for the Council without impacting on service users
 - o Improving the efficiency of the service
 - o Cost reduction measures with no impact on service users.
- **Service Review** which relates to a review of a service to identify options for savings, which will then be considered by a future meeting of the Executive Board.
- **Service Delivery** which relates to changes in the way that a service is delivered and therefore consultation will be required with service users;
- **Workforce Proposal** which relates to the restructure of a service and consultation with staff will be required;
- **Service Delivery/ Workforce Proposal** budget savings proposals may require consultation with service users on options for future service delivery and also with staff on the proposed option.

4.2 Service Delivery savings of £0.2m-£0.25m have been identified through proposals in the Planning service to increase planning charges for discretionary services and the introduction of premium development management services. Full details can be found in Appendix A.

4.3 In addition the capital receipts forecast will be revised with a view to smoothing out the impact of MRP.

4.4 After taking account of the saving proposal a there is an estimated revised budget gap of £161.5m for the period 2020/21 to 2024/25 which compares to the £93.7m gap reported to Executive Board in July. This increase in the 5 year gap largely reflects the strategy to ensure that the Council's Revenue Budget is financially resilient and sustainable with an appropriate level of general reserve.

5. Corporate considerations

5.1 Consultation and engagement

5.1.1 The Medium Term Financial Strategy received at Executive Board in July was informed by the public consultation on the Council's Initial Budget Proposals and a further public consultation exercise will be undertaken following the receipt of the Council's Initial Budget Proposals at December's Executive Board.

5.1.2 Details of a budget saving proposal ready for a consultation exercise in October 2019 are contained in **Appendix A**.

5.2 Equality and diversity / cohesion and integration

- 5.2.1 The Equality Act 2010 requires the Council to have “due regard” to the need to eliminate unlawful discrimination and promote equality of opportunity. The law requires that the duty to pay “due regard” be demonstrated in the decision making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show due regard.
- 5.2.2 The Council is fully committed to ensuring that equality and diversity are given proper consideration when we develop policies and make decisions. In order to achieve this, the Council has an agreed process in place and has particularly promoted the importance of the process when taking forward key policy or budgetary changes. Equality impact Assessments also ensure that we make well informed decisions based on robust evidence.
- 5.2.3 Where appropriate, equality impact assessments will be carried out on the specific budget saving proposal detailed in **Appendix A**.

5.3 Council policies and the Best Council Plan

- 5.3.1 The refreshed Best Council Plan 2019/20-2020/21 sets out the Council's priorities aligned with the Medium Term Financial Strategy and the annual budgets. Developing and then implementing the Best Council Plan will continue to inform, and be informed, by the Council's funding envelope, staffing and other resources.

5.4 Climate Emergency

- 5.4.1 There are no specific implications for the climate emergency resulting from this report. Where there are specific climate emergency issues arising from the outcome of the service and budgets reviews these will be covered in respective decision reports.

5.5 Resources, procurement and value for money

- 5.5.1 All resources, procurement and value for money implications are considered in the summary and the main body of the report.

5.6 Legal implications, access to information, and call-in

- 5.6.1 The Financial Strategy itself and any proposals resulting from ongoing service / policy reviews will be subject to specific decision-making processes in which the legal implications, access to information and call-in will be considered in accordance with the Council's decision-making framework. This includes compliance with the legal requirements around managing staffing reductions.

5.7 Risk management

- 5.7.1 The Council's current and future financial position is subject to a number of risk management processes. Not addressing the financial pressures in a sustainable way is identified as one of the Council's corporate risks, as is the Council's financial position going into significant deficit in any one year. Both of these risks are subject to regular review.

- 5.7.2 Failure to address these issues will ultimately require the Council to consider even more difficult decisions that will have a far greater impact on front-line services, including those that support the most vulnerable and consequently upon our Best Council ambition to tackle poverty and reduce inequalities.
- 5.7.3 Financial Management and monitoring continues to be undertaken on a risk based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk e.g. those budgets that are subject to fluctuating demand. This risk based approach is incorporated into the Financial Health reports that are brought to Executive Board.
- 5.7.4 In addition, risks identified in relation to specific proposals and their management will be reported to relevant members and officers as required. Specific risks relating to some of the assumptions contained within this Medium Term Financial Strategy are identified below.

5.8 Risks to Funding

- 5.8.1 The level of resources available to the Council is estimated to increase from £516.7m to £530.0m in 2020/21, a £13.3m increase. Over the five year period to 2024/25 the total increase is estimated to be £75.0m. The key assumptions and risks underpinning this increase in resources are discussed below.
- 5.8.2 The period covered by the Government's current spending review ends in March 2020. Whilst the Spending Review on the 4th September provided details of the Government's spending intentions for 2020/21 these have not yet been ratified by Government through the annual Budget process. Further, it remains uncertain what the quantum of funding for local government will be from April 2021.
- 5.8.3 Between 2019/20, the final year of the current Spending Review period, and 2020/21 it is assumed that austerity will cease and there will be no further reduction in Government funding available to local government. Therefore, the Settlement Funding Assessment remains the same in these two years. Between 2020/21 and 2021/22 it is assumed that there will be a Business Rates Baseline reset and the growth in business rates accumulated by authorities across England between 2013/14 and 2019/20 will be redistributed in full through the Settlement Funding Assessment. However, the timing, extent and redistribution of this reset remain highly uncertain and constitute a risk to the Authority's future funding levels.
- 5.8.4 The current estimates in this Strategy assume that approximately £1,300m will be redistributed between authorities nationally in 2021/22 following the current distribution mechanism, which will result in Leeds City Council's Settlement Funding Assessment increasing by £15.6m. However, the Authority's Business Rates Baseline will also increase to its 2019/20 retained income levels following such a reset reducing the Authority's locally retained growth by £15.2m compared to 2020/21. Should the Government hold back any of the national accumulated growth or should the Fair Funding Review (see below) not be to Leeds City Council's advantage, there is a risk that the Council could see reduced funding from a Business Rates Baseline reset.
- 5.8.5 Business rates figures to 2024/25 are based on the current 75% Business Rates Retention Pool remaining in place until 75% retention is rolled out nationally. The Government originally signalled their intention to introduce 75% retention nationally from 2020/21 along with reforms to the retention scheme, however, they announced at the 2019 Spending Review that national roll-out of 75% retention will be delayed by a year. The Medium Term Financial Strategy currently assumes that the

Government will not return the current 75% retention pilots to 50% retention in 2020/21. However, whilst not announced by the Chancellor in the Spending Review, it is understood from conversation with MHCLG that 75% business rates retention pilots will come to an end in March 2020 with no new pilots planned for 2020/21. Confirmation from Government may not be received until the publication of the provisional Local Government Finance Settlement in December 2019.

- 5.8.6 If it is confirmed that the Authority will return to the 50% retention scheme this is estimated to represent an overall reduction in income of £10.2m. The detailed implications of this reduction in funding to the Council are currently being assessed and will depend on what pooling arrangements the Authority agrees for 2020/21. Executive Board will be updated in December 2019.
- 5.8.7 As detailed in this report, there is uncertainty surrounding the Government's future funding intentions with regard to social care. The ongoing delay with regard to the publication of the Green Paper means that local authorities are relying on annually determined allocations of grant to manage the pressures within adult social care. Although councils gaining 'access' to additional funding for social care in 2020/21 was announced during the 2019 Spending Review, any longer-term variance in assumptions around the receipt of improved Better Care Fund or Winter Pressures money will result in a potential shortfall in funding that will require the identification of further budget savings options.
- 5.8.8 Similarly, it cannot be certain that New Homes Bonus will continue to operate in the way it currently does or indeed that it will continue as a separate identifiable grant after 2019/20. Changes to the calculation methodology for NHB or its incorporation into the Settlement Funding Assessment (SFA) would have implications for the position outlined in this Medium Term Financial Strategy.
- 5.8.9 Annual increases in Business Rates Baseline funding and business rates growth are currently indexed to the Consumer Price Index. Changes to forecast inflation rates can impact on levels of funding.
- 5.8.10 The level of business rates appeals continues to be a risk. Whilst there is little scope for new appeals against the 2010 ratings list, and the Council has an appropriate provision for these, there remains very limited information available on which to assess appeals against the 2017 list. Therefore income from business rates could be adversely affected, which in turn would reduce the overall level of resource available to fund the services that the Council provides.
- 5.8.11 Alongside the introduction of 75% retention nationally, the Government has consulted on a series of reforms to the Business Rates Retention Scheme with the intention of limiting local government's exposure to appeals risk but these consultations only provide an outline of the proposed new system. The reforms may not be implemented at all and some options proposed by the Government may lead to two years' delay between growth being generated in an area and the relevant local authority being able to account for that growth. Due to these uncertainties the current Financial Strategy assumes that business rates will continue to be retained under the current retention scheme.
- 5.8.12 The outcome of the Government's Fair Funding Review of Local Government Finance, which is a thorough review of the needs and resources assessment formula used to allocate Government funding to Local Authorities, was expected in the autumn of 2019 after the Spending Review was published but in time for the 2020/21 Local Government Finance Settlement. However, following the 2019 Spending Review, it was announced that the Fair Funding Review would be delayed for a year with the current distribution methodology continuing for 2020/21

to reduce uncertainty for the sector. The Fair Funding Review is now not expected to be implemented until 2021/22. This Strategy assumes that any changes brought about will be revenue neutral at the point of introduction as transitional arrangements are expected, although there remains a risk that reductions in Government funding to the sector as a whole may continue.

5.9 Key Risks to Cost Assumptions

- 5.9.1 There is a risk that the amount specifically set aside in this plan for demand and demography is not sufficient, particularly in regard to the numbers of Children Looked After and the impact of the ageing population.
- 5.9.2 The Medium Term Financial Strategy makes a number of assumptions about the costs associated with managing the Authority's debt. The Council benefits from the low interest rates currently payable on debt. However, if there is an upward movement on interest rates over the period of the Strategy, this will be an additional cost that the Council will be required to manage.
- 5.9.3 The Council and City's economic and fiscal position is clearly impacted upon by the wider national economic context. The UK's decision to exit the EU has undoubtedly fuelled economic and political uncertainty and the outcome of the negotiations between the UK and the EU potentially, in the short term, weaken the pound, increase inflation, and reduce domestic and foreign direct investment and impact on borrowing costs. All of these have the potential to impact upon not only the level of resources available to the Council but also the level of demand for the services that it provides. Parliamentary time focused on the legislative changes needed to deliver the EU exit also impacts on the time available to Parliament to consider key issues of interest to local government, for example the recent further delay in the publication of the anticipated Adult Social Care Green Paper.

6. Conclusions

- 6.1 The Council's Medium Term Financial Strategy needs to be seen in the context of significant inherent uncertainty in respect of future funding and spending assumptions. Specifically the implications of the Government's future spending plans with regard to local government and other areas of the public sector after 2020/21 remain unknown. To compound this uncertainty the Government remains committed to move to 75% business rate retention nationally and the outcome of the Fair Funding review of the methodology which determines current funding baselines, which are based on an assessment of relative needs and resources, won't be known until 2020 at the earliest.
- 6.2 In the determination of the Council's Medium Term Financial Strategy a number of assumptions have been made as to the level of resources available to the Council. These assumptions are under constant review to reflect any changes in circumstances or if further information emerges in respect of known risks.
- 6.3 The Medium Term Financial Strategy report to July's Executive Board identified an estimated budget gap of £93.7m of which £36.8m related to 2020/21. As a result of the identification of the budget saving proposals detailed in this report plus recognising the requirement to make the Council's revenue budget more financially sustainable and resilient the estimated budget gap for the period has increased to £161.5m.

- 6.4 The Council is required to present a balanced budget to Full Council for approval in advance of the financial year. Before final proposals are considered for approval in February 2020, the Council's Initial Budget Proposals for 2020/21 will be received at Executive Board in December.

7. Recommendations

- 7.1 Executive Board is asked to:
- (i) Agree the revisions to the Council's Forecast Budget Gap for 2020/21 to 2024/25 as summarised in Table 2 and referenced in Paragraph 4.2 of this report and;
 - (ii) Agree that a consultation process commences in respect of the planning charges budget saving proposal contained in this report.

8. Background documents¹

- 8.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Pre consultation - Savings Programme Report



Date of meeting :

Portfolio
Report Author

Helen Cerroti

1.1

	EXECUTIVE SUMMARY
Proposal Title	Increase planning charges for discretionary services and introduction of premium development management services
Proposal No.	
Proposal Type	Service Delivery
Directorate	City Development
Service Area	Planning Services
Overview of Proposal	Following adoption of the joint Planning Protocol with the Chamber of Commerce and with greater emphasis of high quality pre-application advice service, to introduce a range of measures to generate additional income arising from the provision of discretionary services offered to customers using the development management service. These include: increasing fees for pre application enquiry services for all types of applications, introduce bespoke paid for pre application enquiry service for Small and Medium Sized Enterprises (SMEs) housebuilders, introduce bespoke paid for pre application enquiry service for Registered Providers (RPs) and roll out of Planning Performance Agreements (PPAs) for the largest and most complex applications.
Overall Impact of Proposed Change	Adequate resources will be required to ensure and guarantee that the service levels promoted and response times required, are delivered upon by the service. This may have organisational, business process, system, training and cultural impacts on the service. The increase in fees will have a financial impact on customers who choose to access the services.
Impact on Affected Service	

	There will be some service impact in ensuring that resources are aligned to facilitate delivery of the required level of service. The focus of the approach is to facilitate service improvement, with quality development as an outcome. However, this may have a potential impact on overall statutory determination times of planning applications. In anticipating this, there are project management tools currently available to the service. These include, Extensions of Time Agreements, which can ensure that the service delivers planning application decisions in time or in the agreed time period.
Savings Total	£200,000 - £250,000

Recommendation

- 2.1 Members are asked to consider the proposal to Increase planning charges for discretionary services and the introduction of premium development management services for consultation, as part of the Savings Programme 2020/21–2024/25.

This proposal relates to Planning Services

The impact on the service is in terms of being able to deliver its core function of determining planning applications within statutory timescales, due to an increased volume of pre application enquiries (which must be responded to within the published timescales). Failure to deliver applications in time, risks the Local Planning Authority being designated as “poorly performing”,. Where an authority is designated as underperforming, applicants have the option of submitting their applications for major and non-major development (and connected applications) directly to the Planning Inspectorate (who act on behalf of the Secretary of State) for determination. However based on 2018-19 data, the performance of the Leeds Planning Service is well above the designation thresholds. There is also the potential of reputational damage to the service, loss of business confidence in the Council to work collaboratively and expediently on development investment proposals, and financial penalties in the event of applications not being determined within six months (without an Extension of Time agreement). Based upon current determination in time performance, this does not pose a significant risk to the service; however performance can deteriorate quickly if resourcing or business processing difficulties arise.

It is anticipated that between £200,000- £250,000 can be generated from these proposals.

Reason for Recommendation

- 3.1 The Site Allocations Plan (SAP) has recently been adopted by this Council, providing a framework for development across the entire District. Within the SAP, over 800 sites have been identified for development, with a target for building over 50,000 new homes as well as identifying sites for new jobs, commercial and retail developments. The Plan was formally adopted by the City Council on 10th July. As a consequence, and from discussions with developers, the service is anticipating many new sites and development proposal coming forward in the near future, with at a significant in size and scale. The Plan to 2023 does not include phasing and so developers are able to submit plans for positive consideration from now. The National Planning Policy Framework (NPPF) considers that early engagement ('front loading') has significant potential to improve the efficiency, effectiveness of the planning application system and the quality of subsequent development. High quality, timely pre application engagement therefore benefits all stakeholders- the LPA, local communities, infrastructure providers and the development industry.

The proposed range of measures seek to provide a high quality and responsive service for both small scale housing schemes and RPs, where those developers have different needs to those of the volume housebuilders. The introduction premium services on the largest of schemes should enable those proposals to incorporate advice and be delivered expeditiously, assisting the Council in meeting its ambitions for housing and inclusive growth. The increase in the pre application fees for services already offered, provides a more comparative fee structure to the other Core Cities, most of which already charge higher fees.

These proposals would provide savings through increased income with the minimum disruption to the workforce and service provision.

Within the context of the above proposals, free pre application services will no longer be offered.

Key Points for Consideration

4.1

Overview of the proposal

A number of measures to increase discretionary fee income are proposed:

- We know that we benchmark low on current pre application fees across the Core Cities and the fees currently charged in Leeds are not competitively priced. It is proposed to increase existing pre application enquiry services, to reflect the true cost of providing those services to applicants and developers (and to enable these costs to be recovered).
- Introduce new pre application enquiry charges to RPs, who currently receive a free service and introduce a bespoke pre

4.2

applications service for SME housebuilders, to better meet their needs.

- Promote PPAs on the largest and most complex of planning applications.

Based on historic patterns of service usage and assuming this level of service going forward, it is anticipated that £200k-£250k can be generated. This is a challenging but realistic budget saving for next year.

Overall Impact of the proposed change

Whilst the fees will increase for pre application and PPA services, (having a financial impact on customers using the service), customers will obtain increased assurance on the services ability to deliver within the published timescales. We know from previous consultation with the development industry it is evident that certainty and timeliness are two key factors for developers in engaging at the pre application stage, rather than the advice fees charged.

There will be a potential impact on the Development Management service in terms of how workloads are currently managed, putting pre application enquires on a more equal footing with statutory application workload, with both being seen as important to deal with within the agreed timescales. This will require a systems and cultural change in service. There may some requirement to increase staffing levels in certain areas to ensure a high quality and timely service that encourages further patronage and levers greater income. Experience from other LPAs shows that increased charges on their own, with a failure to deliver an enhanced service, discourages use and leaves a shortfall in income.

Impact on affected service

Assumptions on the potential fees generated have been made based on historic levels of service. However, the service saw a reduction in the number of applications being submitted for the first time in over five years. In Leeds, applications were down by 7% in comparison with the previous year; nationally, this trend is also visible, with an average 5% decrease in application numbers. This could be attributed to the uncertainties around Brexit. However as mentioned at 3.1, with adoption of the SAP an increase in the number of major applications on allocated sites is anticipated.

The necessary cultural, system and procedural changes will need to be reflected as a Team Leeds approach, reaching beyond the Development Management team and will also include internal consultees such as Highways and Environment and Design Group and Policy and Plans Groups. Consultation, briefing work and training will need to be in place, prior to launching the new services and clear articulation of “the ask” of services in meeting the published service standards.

<u>Savings total</u> £200, 000-£250,000

Background

Alternatives Considered

*The following alternatives considered as part of this proposal are set out below:

Service efficiencies and rationalization through benchmarking

The service is currently undertaking a benchmarking exercise against key areas of work, including the Development Management function, Policy and Strategy function. CIPFA information suggest that Leeds benchmarks high against the cost of Planning Services at other Core Cities, and the planning committee/panel structure is more substantial. Given the volume and intensity of work in delivering the Core Strategy Selective Review and particularly the Site Allocations Plan, that resource commitment is understandable. However further benchmarking with the Core Cities will be necessary and is on-going, to understand if and where further service efficiencies could be identified. These would need to be considered within the context of Best Council Plan priorities for, inclusive economic growth, Planning for Health and Wellbeing and the declared Climate Change Emergency.

A Plans Panel review was recently conducted by independent consultants which indicated that it is unusual in having so many meetings, and that there is a substantial additional cost, both financial and resource, in taking any item to a Plans Panel for decision.

The outcome and actions from this exercise are yet to be concluded but there may be the potential to deliver savings going forward. Therefore this alternative has not been recommended, as it is premature to come to any firm conclusions around identifying efficiencies or any potential savings from Plans Panel and Member engagement activity at this stage.

Use of digital technologies to deliver services

The service is currently investigating how to deliver a more a frictionless customer experience, through use of new digital technologies, increasing use of self service and Artificial Intelligence (AI) solutions. Although this is at an early stage nationally, the AI agenda is gaining some traction, with some authorities such as Milton Keynes being early adopters. It is proposed to investigate what is currently available and see if this can be replicated or adapted in Leeds to meet the needs of service users, at the same time streamlining more transactional activities.

In terms of impacts, the digital agenda appears to have the potential to generate significant savings whilst still delivering a high quality reliable service to customers.

The outcome and outputs from this exercise are not yet concluded but there may be the potential to deliver savings going forward in the medium to long term. Therefore this alternative has not been recommended as it is premature to come to any firm conclusions around identifying efficiencies or any potential savings.

Members could decide not to take the proposal forward and identify alternative savings proposals

Costs and Budget Summary

- 5.1 The saving proposal is 12.85% of the total net managed budget for the Planning and Sustainable Development service (City Development).

Table 1 provides details of the proposal to increase planning charges for discretionary services and introduction of premium development management services

Table 1

	Savings 2020/21		Savings 2021/22		Savings 2022/23		Savings 2023/24		Savings 2024/25		Total Savings	
	£k		£k		£k		£k		£k		£k	
	On-going	One off	On-going	One off	On-going	One off	On-going	One off	On-going	One off	On-going	One off
Employees												
Other Costs												
Income lost (show as a minus)												
Net savings												
Additional income generated (show as a plus)	+250		+250		+250		+250		+250		+1,250	
Total savings												
Implementation costs (show as a minus)												
Cost of Capital required for the savings to happen (show as a minus)												
Total savings less implementation costs and cost of capital	+250		+250		+250		+250		+250		+1,250	

Risk and Policy Implications

6.1 Risk and Best Council Plan Implications

The following risks arise from the issues raised in this report as set out below:

6.1.1

Given the uncertainty around Brexit, there has been some impact on the development industry in bringing forward schemes; in Leeds there has been a 7% reduction in planning applications in 2018-19 in comparison with the previous year. In this context there is a risk that the economic climate is such that the market further slows down. In this event there will be fewer larger planning proposals coming forward for pre application

6.1.2

services or PPAs.

In terms of mitigation, there are no real measures to mitigate the risk as it a demand led service, but given the Site Allocations Plan is now adopted it is anticipated that the certainty around sites is sufficient to generate market interest and that the large scale proposals which do come in will be encouraged strongly to enter into PPAs or engage at the pre application stage.

6.0

6.4 Legal Implications

6.4.1 There are no legal implications arising from this report.

Equalities Impact

6.4.2

The following equality/community issues arise from the issues raised in this report as set out below:

6.4.3

Equality screening has taken place and it is considered that there are no equality issues arising from the proposals.

The detailed Equality, Diversity, Cohesion and Integration Screening is provided at Appendix 1.

Consultation

7.1 No formal consultation will be carried out on these proposals. However, the service engages with the Leeds Chamber of Commerce and has set up an SME group which discusses planning and related matters. The SME pre application proposal has been developed out of these discussions with that sector and has received support from the group, subject to the issues around delivery and timeliness.

7.2 Additionally, the service already engages with the Leeds Planning and Developers Forum, which is a meeting facilitated by the services with the main developers, agents, planning lawyers and community representatives in Leeds. Whilst these latest proposals have not explicitly been consulted

on, the issue of pre application enquiries and use of PPAs has been discussed several times, again with the development industry representatives indicating general support for the services, again subject to deliverability.

In terms of the RPs, the Housing Growth team have regular communication with this sector and the intention is for further engagement on these proposals. Given that pre application discussion and engagement is not a statutory part of the planning process, customers can choose whether to engage or not. However, the City Council's planning protocols, Customer Charter and Statement of Community Involvement encourages such an approach as best practice.

Within the context of a drive for continued improvement, the Council must ensure that it remains open minded throughout the consultation period to all alternative proposals and expressions of interest.

Background Papers	Place of Inspection
8. Here you should detail any background papers –	N/A

For Further Information Contact:	Helen Cerroti 0113 3788039 Helen.cerroti@leeds.gov.uk David Feeney 0113 3793558 David.feeney@leeds.gov.uk
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Sign Off

Appendix 1

Equality, Diversity, Cohesion and Integration Screening



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

Directorate: City Development	Service area: Planning Services
Lead person: Helen Cerroti	Contact number: 0113 3788039

1. Title: Increase planning charges for discretionary services and introduction of premium development management services

Is this a:

☐

Strategy / Policy

☒

Service / Function

☐

Other

If other, please specify

2. Please provide a brief description of what you are screening

Increasing existing pre application fees to reflect the true cost to the Council of providing the service, introducing bespoke and premium services for particular types of planning proposals. The service is not mandatory and customers do not have to access the paid for service.

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		N
Have there been or likely to be any public concerns about the policy or proposal?	Y	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	Y	
Could the proposal affect our workforce or employment practices?		NN
Does the proposal involve or will it have an impact on • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations		

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

Planning decisions made by the local planning authority can have far reaching implications, in terms of the effect on the future quality of the environment and also the amenities of local residents of the city. Decisions have the potential to effect the lives of many people. It is therefore important that the decision making process is robust and equally important that particularly on large scale or contentious planning applications that pre-application engagement with the Local Planning Authority is entered into at an early stage. Charging has been in place for a number of years for all most application types. The increased charges will affect all customer groups who wish to use the service, however the greatest charges are in relation to large scale major applications and reflect the complexity of those applications. Such applications are usually made by established commercial companies, rather than individuals.

Similarly Planning performance Agreements will only be offered on the largest and most sensitive applications and are usually made by companies, rather than individuals.

PPAs and the pre application enquiry service are both discretionary and not a mandatory part of the planning process; individuals can choose whether to access the service or not. All planning decisions are taken in accordance with the local plan (unless material considerations dictate otherwise), policy information, supplementary planning documents, the local plan which show applicants the policies against which their proposal is assessed are freely available online and in hard copy. Therefore, the new paid for service does not disadvantage any one group more than any other.

Applicants' background, race, gender or orientation are immaterial to planning issues and have no bearing on an officer's advice or recommendation.

The issues or concerns raise by the public is in terms of value for money and deliverability of the pre application service within the published timescales. The service will address these issues.

In terms of affecting how the service is delivered, the service will need to reprioritise the way the workload is dealt with and will require buy in of services outside of Planning Services in order to achieve success. Again, this work will be addressed in house.

• Key findings (think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another) No one group will be at an advantage over other groups
• Actions (think about how you will promote positive impact and remove/ reduce negative impact) Ensure that the Leeds City Council website provides current, clear information to support applicants make their application without having to use the paid for service.

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.	
Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

6. Governance, ownership and approval Please state here who has approved the actions and outcomes of the screening		
Name	Job title	Date
David Feeney	Chief Planning Officer	1 August 2019
Date screening completed 25 July 2019		

7. Publishing Though all key decisions are required to give due regard to equality the council only publishes those related to Executive Board, Full Council, Key Delegated Decisions or a Significant Operational Decision.
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A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record.

Complete the appropriate section below with the date the report and attached screening was sent:

For Executive Board or Full Council – sent to Governance Services	Date sent:
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent:
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent:

Appendix 2

Refer to relevant guidance when completing

Consultation Action Plan

Proposal Title:

Type of Consultation:

Group affected	Method of consultation	Date (s) consultation activity to be delivered	Resource required	Venue	Targeted survey questions

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Report of Head of Democratic Services

Report to Scrutiny Board (Strategy and Resources)

Date: 18th November 2019

Subject: Scrutiny Inquiry into the reduction of energy consumption in Council buildings – draft inquiry report

Are specific electoral wards affected?	☐ Yes	☒ No
If yes, name(s) of ward(s):		
Has consultation been carried out?	☒ Yes	☐ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	☒ No
Will the decision be open for call-in?	☐ Yes	☒ No
Does the report contain confidential or exempt information?	☐ Yes	☒ No
If relevant, access to information procedure rule number:		
Appendix number:		

1. Purpose of this report

- 1.1 Following its recent inquiry, the Board is in a position to report on its findings and recommendations resulting from the evidence gathered. The Board's draft inquiry report is therefore attached for Members' consideration and approval.

2. Background information

- 2.1 Climate Change provides one of the greatest challenges to humanity today, having detrimental impacts on both society and the environment internationally, nationally and locally.
- 2.2 At Full Council on 27 March 2019, the Council passed a motion declaring a "Climate Emergency". This is recognised as a significant milestone that requires the Council and the city to act at a faster pace.
- 2.3 At the beginning of the municipal year, the Strategy and Resources Scrutiny Board particularly acknowledged the role of the Council in demonstrating leadership in this field. In accordance with its remit, the Board therefore agreed to review how the Council is reducing energy consumption levels within its own corporate buildings in order to minimise both cost and carbon impact.

- 2.4 At its meeting on 14th October 2019, the Board formally agreed the terms of reference for its inquiry and also considered evidence in line with session one of the Inquiry. The second and final evidence session took place on 4th November 2019.

3. Main issues

- 3.1 The Board's inquiry has now concluded and the Board is in a position to report on its findings and recommendations resulting from the evidence gathered. The Board's draft report is therefore attached for Members' consideration and agreement.
- 3.2 Once the Board publishes its final report, the appropriate Director(s) will be asked to formally respond to the Scrutiny Board's recommendations.

4. Consultation and engagement

- 4.1.1 Details of those engaged in the Scrutiny Board's inquiry are set out within the inquiry report.
- 4.1.2 Scrutiny Board Procedure Rule 52 states that "where a Scrutiny Board is considering making specific recommendations it shall invite advice from the appropriate Director(s) prior to finalising its recommendations. The Director shall consult with the appropriate Executive Member before providing any such advice. The detail of that advice shall be reported to the Scrutiny Board and considered before the report is finalised".

4.2 Equality and diversity / cohesion and integration

- 4.2.1 Equality and diversity issues have been considered throughout this scrutiny inquiry and the individual, organisation or group responsible for implementation or delivery of the recommendations arising from this inquiry should also give due regard to equality and diversity and where appropriate, an equality impact assessment will be carried out.

4.3 Council policies and the Best Council Plan

- 4.3.1 This inquiry provided a particular opportunity for Scrutiny to influence the development of the Council's new Asset Management Strategy and to also consider the principles and proposals linked to Phase 2 of the CTW Programme in terms of improving the overall sustainability and efficiency of the Council's estate. There are also strong links with the Best Council ambition to be an Efficient, Enterprising and Healthy Organisation.

Climate Emergency

- 4.3.2 The key objectives of this inquiry are closely linked to the Council's Climate Emergency declaration.

4.4 Resources, procurement and value for money

- 4.4.1 The Scrutiny Board's Inquiry set out to review how the Council is reducing energy consumption levels within its own corporate buildings in order to minimise both cost and carbon impact.

4.5 Legal implications, access to information, and call-in

4.5.1 This report has no specific legal implications.

4.6 Risk management

4.6.1 This report has no specific risk management implications.

5. Conclusions

5.1 In accordance with its remit, the Strategy and Resources Scrutiny Board agreed to review how the Council is reducing energy consumption levels within its own corporate buildings in order to minimise both cost and carbon impact.

5.2 This inquiry has now concluded and the Board is in a position to report on its findings and recommendations resulting from the evidence gathered.

6. Recommendations

6.1 Members are asked to consider and agree the draft Inquiry report relating to the Scrutiny Board's recent Inquiry into the reduction of energy consumption in Council buildings.

7. Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Strategy and Resources

Reducing Energy Consumption in Council Buildings Draft Inquiry Report



leeds.gov.uk/scrutiny



@ScrutinyLeeds



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Desired Outcomes and Recommendations

Desired Outcome – That the Council is able to capture a true picture surrounding its energy consumption levels.

Recommendation 1 – That the Director of Resources and Housing ensures that the data we capture in terms of the Council's electricity consumption levels separates out any consequential increases linked to actions that are intended to have a positive impact on the environment, such as the expansion of the Council's electric vehicle fleet or enabling more energy systems to be powered by electricity rather than gas.

Desired Outcome – That all of the Council's operational buildings, including heritage buildings, are being considered as part of the asset rationalisation programme linked to the new Asset Management Strategy.

Recommendation 2– That the Executive Board supports the need to include all of the Council's Heritage buildings as part of the asset rationalisation programme and implementation plan linked to the new Asset Management Strategy.

Desired Outcome – That the Council's Asset Management Strategy reflects the role of the Council in leading the way to promote sustainable and efficient buildings aimed at reducing the city's overall carbon footprint.

Recommendation 3 – That the Executive Board supports the need for the Council to lead the way through its new Asset Management Strategy to make the Council's estate as sustainable and efficient as possible and also encourage proposals being brought forward for land and buildings being disposed by the Council to help reduce the city's overall carbon footprint.

Desired Outcome – That the Council is able to capture data to help correlate the carbon impact of staff working from home.

Recommendation 4 – That the Director of Resources and Housing leads on exploring ways to help correlate the carbon impact of staff working from home.

Desired Outcome – That the Council is maximising appropriate investment opportunities aimed at supporting significant energy efficient measures.

Recommendation 5 – As well as maximising the use of the SALIX Finance funding stream, the Director of Resources and Housing is recommended to lead on exploring alternative investment programmes which can help finance improvements which have a longer payback period.



Introduction and Scope

Introduction.

1. The Climate Change provides one of the greatest challenges to humanity today, having detrimental impacts on both society and the environment internationally, nationally and locally. A landmark report from the United Nations Intergovernmental Panel on Climate Change (IPCC) has warned that the window to limit world temperatures to under 1.5 °C and avoid the worst climate change impacts could close within the next 12 years.
2. It is estimated that if we are to have a good chance of avoiding dangerous climate change – that is average warming above 1.5°C, the world can emit no more than 420 giga-tonnes of greenhouse gases by 2050. Leeds' share of this on a per capita basis is estimated at 42 mega-tonnes – this is in effect our city's carbon budget to 2050. If we were to carry on at our current rate of emissions, we would have used our total budget for the period to 2050 within 9 years.
3. The District has achieved a reduction of 43% in emissions from its 2005 baseline. The Leeds Climate Commission have advised that to stay within our carbon budget we must achieve a further reduction of 27% by 2025 and an additional 15% by 2030, equating to an overall reduction of 85% from our 2005 baseline.
4. To date, the vast majority of carbon reduction realised in the District has been achieved through reductions in the carbon emissions from electricity generation in the national grid. These have been achieved mainly through the shift away from coal burning power stations and the increases in renewables (especially off-shore wind farms). While the trend towards greener energy will continue, due to the speed and size of reduction required it is unlikely that it can be achieved by changes to national energy infrastructure alone. Such a significant reduction will require action across every sector including transport, housing, commercial property, industry and agriculture. Importantly, it will therefore require reduction in energy consumption levels, achieved in part by enormous investment in energy efficiency, but it will also require major behavioural change.
5. At Full Council on 27 March 2019, the Council passed a motion declaring a "Climate Emergency". This is recognised as a significant milestone that requires the Council and the city to act at a faster pace.
6. At the beginning of the municipal year, we particularly acknowledged the role of the Council in demonstrating leadership in this field. In accordance with the remit of the Strategy and Resources Scrutiny Board, we agreed to review how the Council is reducing energy consumption levels within its own corporate buildings in order to minimise both cost and carbon impact.
7. We acknowledged that a key element of the Council's approach will be focused around asset rationalisation in order to improve the overall sustainability and efficiency of the Council's estate. A new Asset Management Strategy was therefore in the process of being prepared covering every aspect of the estate.



Introduction and Scope

8. However, reducing the size of the Council's office estate would also be linked to future phases of the Changing the Workplace (CTW) Programme in terms of delivering both asset rationalisation and cultural workforce changes.
9. Through the CTW programme, the Council has already consolidated 13 city centre buildings into just 4, delivering a reduction in energy consumption levels as well as achieving financial savings and an improved staff and customer experience.
10. Beyond the city centre, in large part, the same benefits have not been realised. The CTW programme therefore continues to be rolled out in a phased approach to ensure that the Council has an affordable and sustainable estate which provides fit for purpose, good quality accommodation in the right locations.
11. The timeliness of our inquiry provided an opportunity for Scrutiny to consider the principles and proposals linked to Phase 2 of the CTW Programme as it continues to be rolled out across localities. In doing so, we also set out to consider the potential implications and challenges associated with this next phase of the programme in terms of trying to minimise energy costs and carbon impact, with a particular focus around the promotion of flexible and mobile ways of working and aiming to reduce car usage and facilitate clean transport choices.

Scope of the inquiry.

12. The purpose of our inquiry was to make an assessment of and, where appropriate, make recommendations on the following areas:
 - The scale and impact of the Council's energy consumption levels across its corporate buildings;
 - The process to prepare the new Asset Management Plan;
 - The associated links and aims of the Council's Changing the Workplace Programme, including achievements to date;
 - The guiding principles, work streams and timeline associated with future phases of the Changing the Workplace Programme;
 - Potential implications and challenges linked to the future roll out of the Changing the Workplace programme in terms of trying to minimise energy costs and carbon impact, with a particular focus around the promotion of flexible and mobile ways of working and the aim to reduce car usage and facilitate clean transport choices.

Desired Outcomes, Added Value and Anticipated Service Impact.

13. We have welcomed the opportunity to share our views surrounding the potential implications and also challenges associated with the Phase



Introduction and Scope

2 roll out of the CTW programme in terms of trying to minimise the energy costs and carbon impact associated with the Council's estate. Our recommendations therefore aim to help towards the successful delivery of this programme as well as informing the development of the Council's new Asset Management Strategy.

Equality and Diversity.

14. The Equality Improvement Priorities 2016 to 2020 have been developed to ensure that the Council meets its legal duties under the Equality Act 2010. The priorities will help the council to identify work and activities that help to reduce disadvantage, discrimination and inequalities of opportunity to achieve its ambition to be the best city in the UK.
15. Equality and diversity issues have been considered throughout this scrutiny inquiry and the individual, organisation or group responsible for implementation or delivery of the recommendations arising from this inquiry should also give due regard to equality and diversity and where appropriate, an equality impact assessment will be carried out.



Conclusions and Recommendations

Acknowledging the scale of the challenge.

16. Every year we capture our energy data to see what the trend is and to also identify any particular patterns. However, as we compare one year to another year, it is important to be mindful that gas usage in particular can vary dramatically depending on the winters that we have and therefore the data we do capture will require a level of normalisation.
17. As a Council we have over 900 operational properties ranging across offices, museums, leisure centres, community hubs, libraries and depots. The latest figures in relation to our operational properties showed we had used 155,893 MWh of gas, equating to 28,618 tonnes of CO2 emissions; and 65,815 MWh of electricity, equating to 18,107 tonnes of CO2 emissions. This accounted for two thirds of the Council's total emission levels, with the remaining levels being attributed to street lighting and travel/fleet.
18. Whilst this review was not specifically focusing on these other two contributing factors, we did recognise the need to ensure that the data we capture in terms of the Council's electricity consumption levels separates out any consequential increases linked to the Council's commitment towards expanding its fleet of electric vehicles in order to reduce the use of diesel and petrol fuelled vehicles.
19. More broadly, we recognise that the electrification of energy systems may

also increase in the future in terms of this becoming a more energy efficient pathway. As such, we will need to be able to correlate any future increases in our electricity consumption levels with actions that are intended to have a positive impact on the environment.

Recommendation 1

That the Director of Resources and Housing ensures that the data we capture in terms of the Council's electricity consumption levels separates out any consequential increases linked to actions that are intended to have a positive impact on the environment, such as the expansion of the Council's electric vehicle fleet or enabling more energy systems to be powered by electricity rather than gas.

20. Whilst we understand that the building figures do include some schools that the Council is responsible for maintaining, it is clear that our operational buildings play a really significant role in terms of the way we address climate emergency if we are to achieve net zero carbon emissions as a Council.
21. However, we do acknowledge that any building that is heated by gas will still have a carbon footprint at the end of it. Similarly with buildings that are powering lighting and computers, we accept that there is only so far we can get to in terms of achieving net zero at the moment.
22. Moving forward, we are pleased that there are plans nationally to get the whole of the UK down to a net zero electricity grid. However, such a



Conclusions and Recommendations

commitment is unclear in relation to the national gas grid and yet it is our gas usage in terms of our heating which is generating a bigger carbon footprint than our electricity.

the climate emergency, in relation to sustainability and energy use, will also be at the heart of this Strategy as well as the implementation plan that will sit behind it.

23. In terms of trying to find a solution locally, we welcome the positive steps being made by the Council to extend the existing city-wide district heating scheme to our corporate buildings within the Civic quarter, which will include the Civic Hall, Town Hall, Leeds City Museum, Art Gallery, Library and St George House. This will allow such buildings to be heated by a much lower carbon heat, which is the waste heat product coming out of the Recycling and Energy Recovery Facility (RERF).
24. In terms of the broader estate, we accept that a more radical approach is now needed in order to deliver an affordable and sustainable estate which provides fit for purpose, good quality accommodation in the right locations.

A recognised need for more robust asset rationalisation.

25. The development of a new Asset Management Strategy provides the opportunity to consider how we move forward in rationalising our existing assets.
26. This Strategy is to cover the period 2020 to 2025 and whilst cost and value for money will continue to be a significant driver in terms of estate planning, we are pleased to note that

27. As a Council we have already come out of 110 properties so far, equating to 1.2m sq ft of floor space. Whilst we accept that a lot of those properties will have had a large carbon footprint, linked to this new Strategy we are pleased that efforts are now being made to model what the future rationalisation programme might look like in terms of the carbon savings that we are able to generate, particularly in view of the future potential to reduce our office space by at least a further 200,000 sq ft on top of the space we have already saved.
28. We are also pleased to learn that any future asset rationalisation review will not be undertaken in isolation as the direction of travel is very much about how we support service transformation too. Linked to this, we are pleased that the new Asset Management Strategy aims to continue the good work that the Council is already doing through its Changing the Workplace (CTW) programme, whilst also supporting economic growth.

29. There are a number of key principles that sit behind the CTW programme which we understand will feed into the Asset Management Strategy itself. These cover a range of opportunities and considerations such as how people are working, the flexibility they are given and the way in which services can be delivered.



Conclusions and Recommendations

30. We appreciate that the asset rationalisation review will therefore warrant a robust data heavy exercise so that we are able to understand fully what our buildings are being used for; if they are occupied by staff as office space; what the numbers of staff are and how they are working; and crucially taking into account building conditions and carbon footprint. Such data will assist in determining future use opportunities, particularly for those that are to be retained by the Council.
31. We recognise that such work will also be very much informed by directorates' asset management plans, which are picked up as part of the void management process, as such plans will already identify the way in which services want to change the way in which they are working and the impact that will have on the assets themselves. As a Scrutiny Board, we undertook a separate review last year which aimed to improve the overall void management process.
32. We particularly recognise the value of working collaboratively across the Council to facilitate change and different ways of working in terms of process mapping so that we can try and make our service deliveries as efficient as possible. That will then have a direct correlation on the amount of work space we actually need and the impact on a reduction of the carbon footprint that the Council has.

Managing heritage buildings effectively.

33. There will inevitably be some buildings which have a high energy use that the Council will need to retain such as the Town Hall and Civic Hall. Here the focus will very much be on exploring what the art of the possible is in terms of reducing the energy use of these buildings.
34. We therefore welcome the work being commissioned to undertake deep dive energy audits. By selecting a representative sample of heritage buildings or buildings that are quite different in characteristic, the Council will be able to see how far we can take down the energy consumption levels in such buildings. We understand that the deep dive energy audits will commence with the Town Hall and Civic Hall initially and then include the Leeds City Museum, Killingbeck Court, Tribeca House, Waterside and John Charles Centre for Sport.
35. Separate to these we acknowledge that the Council will still have a large collection of heritage assets ranging from civic buildings, museums, libraries and cemetery chapels and that not all of these will be very well used and remain expensive to maintain.
36. Moving forward, we are supportive of the need to include such properties as part of the planned asset rationalisation programme. In doing so, the Council will be able to review their potential future use, which may involve questioning whether the Council remains best placed to be the



Conclusions and Recommendations

custodians and owners of some of these properties.

Recommendation 2

That the Executive Board supports the need to include all of the Council's Heritage buildings as part of the asset rationalisation programme and implementation plan linked to the new Asset Management Strategy.

A need to mitigate against any potential offloading of carbon.

37. It is important that an appropriate solution is found for any buildings that the Council disposes of due to them being surplus to requirements, particularly if such buildings are also producing a large carbon footprint. However, as we strive towards saving our own carbon tonnage, there would be no net carbon reduction if we simply offloaded this carbon onto someone else without any assurance that appropriate action would be taken to address the carbon footprint of that building or land.
38. As a Council we have a duty to achieve best consideration for property disposals and in recent years we acknowledge that where we have come out of buildings and disposed of them, these have either been replaced by new buildings or had significant modern refurbishment work done by the new owners. Such development work is required to meet the minimum design, construction and alteration

standards that are set nationally as part of the Building Regulations, which will include the sustainability standards of a building.

39. Linked to our duty to achieve best consideration for property disposals, we believe that the Council should be leading the way through its new Asset Management Strategy in terms of encouraging proposals being brought forward for land and buildings being disposed by the Council to help reduce the city's overall carbon footprint.

Recommendation 3

That the Executive Board supports the need for the Council to lead the way through its new Asset Management Strategy to make the Council's estate as sustainable and efficient as possible and also encourage proposals being brought forward for land and buildings being disposed by the Council to help reduce the city's overall carbon footprint.

40. Linked to the principles of the CTW programme, we acknowledge the positive benefits to be gained in terms of changing the way our workforce works through the use of technology, including the impact on reduced travel demands which will also help towards reducing their carbon footprint.
41. However, we are mindful that those that are aided to work at home for longer periods of time will still be generating carbon in terms of the heating and electricity being used in their own homes.



Conclusions and Recommendations

42. Whilst we acknowledge the complexity of trying to find a way to correlate the carbon impact of staff working from home, particularly as homes will be heated outside of work hours anyway, we believe that this still warrants further consideration and research.

Recommendation 4
That the Director of Resources and Housing leads on exploring ways to help correlate the carbon impact of staff working from home.

Enabling sustainable travel options for staff.

43. Linked to the CTW programme, one of the key principles is around the flexibility of the entire office portfolio or where we have office space. We acknowledge that some people, for whatever reason, cannot easily work from home, and so they should also be assisted in avoiding unnecessarily travel into the city centre or across the city to reach their office location.
44. Linked to this, we recognise the importance of ensuring there is a good availability of touch down spaces across the city so people can use the council facilities and have access to a desk or work space within a locality.
45. Historically there has been a pattern of working which involves traveling from an office to a site location where there might be a meeting and then travelling back to their home office before leaving for home at the end of the day.

46. Such journeys could potentially be reduced if staff are assisted to either work at home or from an office base not too far away from their home and travel from there to meetings.
47. Linked to this, it is also crucial that staff are able to travel sustainably as we need to avoid a situation whereby we retain buildings that are not on public transport routes or very difficult to get to by public transport or sustainable modes of travel. This will therefore underpin a lot of the decision making around the buildings that we will retain as ultimately we want to ensure that people can get between our buildings as sustainably as possible. It is also vital that the Council seeks to provide more sustainable transport options for those staff that do have to travel around the city for work purposes and therefore we will be undertaking a separate piece of work this year to look at this in more detail.
48. Another key success factor will be around ensuring that staff are made aware of all of these workplace opportunities too.

Encouraging the workforce to adopt positive practices.

49. More broadly, we recognise that in order to successfully deliver the CTW programme in accordance with the new Asset Management Strategy, it is vital that we support staff to improve their own working practices.



Conclusions and Recommendations

50. Linked to this, we welcome plans to set up a new staff climate energy group which aims to recruit passionate members of staff and empower them to provide that challenge back in terms of what they are seeing within their own workplace, as well as helping to identify solutions and embed more positive energy efficient practices within the workforce.
51. We also see the merit in extending such advice and support to those that are working from home in terms of considering how they can reduce their own carbon footprint within the home.
52. Linked to this, we understand there are plans to undertake this engagement work through the Big Leeds Climate Conversation as well as utilising the Leeds by Example website that is to be delivered citywide to help give people hints and tips about what they can be doing in their own life. However, we welcome that this resource is to be rolled out internally to the workforce too.
53. In terms of investing in our existing stock, it is vital that the Council remains fully committed to invest in more energy efficient measures as part of any future maintenance or building/refurbishment work.
54. In helping to deliver this, particular reference was made to Salix Finance which provides interest-free government funding to the public sector to improve their energy efficiency, reduce carbon emissions and lower energy bills. This is a revolving fund, with up to £400k currently being allocated to the Council to be match funded, thereby generating £800k of available resource. Any service using the fund for energy efficiency measures is required to pay that money back. However, the energy cost savings generated by such efficiency measures should help towards paying back the loan rather than to the energy supplier. This should therefore generate a cost neutral outcome to help improve the carbon efficiency of a building.
55. Woodhouse Lane Car Park is cited as a particularly good example of this working in practice in terms of replacing the existing lighting to LEDs which will help to reduce the energy demand of that building by 85% from £70k at an investment cost of £291k that will be paid back in less than 5 years.
56. We acknowledge that the deep dive energy audits and asset rationalisation review are primarily aimed at seeing where we think we are going to get to in terms of reducing our carbon footprint without the need to do other additional things to offset whatever carbon we may be left with. However, the reality is that we will be left with something for as long as we remain dependant on the existing gas network. It is therefore important that we also start to look at investment opportunities linked to appropriate solutions, which might include larger scale renewables, tree planting or the development of more green 'living' walls that provide vital bio-diversity.

Maximising investment opportunities.



Conclusions and Recommendations

57. Linked to the above, whilst we note that particular attention has been around maximising the use of the SALIX Finance funding stream, we recognise the importance of also exploring alternative investment programmes which can help finance improvements which have a longer payback period.

Recommendation 5

As well as maximising the use of the SALIX Finance funding stream, the Director of Resources and Housing is recommended to lead on exploring alternative investment programmes which can help finance improvements which have a longer payback period.

Working proactively with schools.

58. We welcome that the Council's Sustainability and Air Quality Team is continuing to work closely with Children's Built Environment Team to look at utilising SALIX funding within part of the annual maintenance programme to deliver energy saving technologies as well as the general maintenance/expansion work that will be delivered over the school holidays.
59. As a result, we learned that 37 maintained schools (mainly primary schools) have now taken up this investment opportunity generating a saving of around £170k a year in energy, with an overall investment of £950k in terms of energy efficiency.
60. Whilst we appreciate that schools may have become more risk averse in terms of taking on loans, particularly within the current economic climate, we welcome the continued efforts of the Council towards encouraging greater investment in energy efficiency measures.
61. We welcome that the Council has also started doing a lot of targeted work with schools, not just about what they can do with their buildings, but in terms of the influence they can have with the students.
62. Linked to this, help is provided to schools to help them navigate around existing training courses and resource tools, as well as offering advice on practical measures in terms of access to funding, particularly as not all schools can access all types of funding. Whilst the Council is maximising the use of existing communication channels, such as the 'Leeds for Learning' website, to point schools in the right direction, we were pleased to learn that efforts are also being made to try and reflect all the different strands of work into one package for schools in order to make it easier for them to access.
63. We also recognise the valuable role that Elected Members can play, particularly in their capacity as school governors, in terms of encouraging more positive action and signposting schools to available support and advice.



Conclusions and Recommendations

Maintaining an overview of the implementation processes.

64. Whilst the recommendations set out within this particular report aim to assist the successful delivery of the next phase of the CTW programme and the development of the new Asset Management Strategy, we also recognise the value of this Scrutiny Board and the relevant successor Scrutiny Board, to maintain an overview of the implementation processes associated with the CTW programme and the Asset Management Strategy.



Evidence

Monitoring arrangements

Standard arrangements for monitoring the outcome of the Board's recommendations will apply.

The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.

Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

Reports and Publications Submitted

Session 1 - Scrutiny Board Meeting on 14th October 2019

- Presentation on the reduction of energy usage in council buildings.

Session 2 - Scrutiny Working Group on 4th November 2019

- Verbal clarification surrounding the use of the SALIX Finance funding stream.

Dates of Scrutiny

Scrutiny Board Meeting – Agreeing terms of reference/Session 1 – 14th October 2019

Scrutiny Working Group Meeting (Session 2) – 4th November 2019

Witnesses Heard

Councillor James Lewis – Executive Member for Resources

Neil Evans – Director of Resources and Housing

Polly Cook – Chief Officer for Sustainable Energy and Air Quality

Mark Mills – Head of Asset Management

Lisa Thornton – Executive Manager, Strategic Asset Management

Scrutiny Board (Strategy and Resources)
Reducing Energy Consumption in Council Buildings
November 2019
Report author: Angela Brogden



www.scrutiny.unit@leeds.gov.uk

Report of Head of Democratic Services

Report to Scrutiny Board (Children and Families)

Date: 18th November 2019

Subject: Work Schedule

Are specific electoral wards affected? If yes, name(s) of ward(s):	☐ Yes ☒ No
Has consultation been carried out?	☒ Yes ☐ No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes ☒ No
Will the decision be open for call-in?	☐ Yes ☒ No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	☐ Yes ☒ No

1. Purpose of this report

- 1.1 The purpose of this report is to consider the Scrutiny Board's work schedule for the remainder of the current municipal year.

2. Background information

- 2.1 All Scrutiny Boards are required to determine and manage their own work schedule for the municipal year. In doing so, the work schedule should not be considered a fixed and rigid schedule, it should be recognised as something that can be adapted and changed to reflect any new and emerging issues throughout the year; and also reflect any timetable issues that might occur from time to time.

3. Main issues

- 3.1 The latest iteration of the Board's work schedule is attached as Appendix 1 for consideration and agreement of the Scrutiny Board – subject to any identified and agreed amendments.
- 3.2 Executive Board minutes from the meeting held on 16th October 2019 are also attached as Appendix 2. The Scrutiny Board is asked to consider and note the Executive Board minutes, insofar as they relate to the remit of the Scrutiny Board; and identify any matter where specific scrutiny activity may be warranted, and therefore subsequently incorporated into the work schedule.

Developing the work schedule

- 3.3 When considering any developments and/or modifications to the work schedule, effort should be undertaken to:
- Avoid unnecessary duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue.
 - Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
 - Avoid pure “information items” except where that information is being received as part of a policy/scrutiny review.
 - Seek advice about available resources and relevant timings, taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place.
 - Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year.
- 3.4 In addition, in order to deliver the work schedule, the Board may need to take a flexible approach and undertake activities outside the formal schedule of meetings – such as working groups and site visits, where deemed appropriate. This flexible approach may also require additional formal meetings of the Scrutiny Board.

Developments since the previous Scrutiny Board meeting

- 3.5 There are no significant developments to report since the previous Scrutiny Board meeting.

4. Consultation and engagement

- 4.1.1 The Vision for Scrutiny states that Scrutiny Boards should seek the advice of the Scrutiny officer, the relevant Director(s) and Executive Member(s) about available resources prior to agreeing items of work.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The Scrutiny Board Procedure Rules state that, where appropriate, all terms of reference for work undertaken by Scrutiny Boards will include ‘to review how and to what effect consideration has been given to the impact of a service or policy on all equality areas, as set out in the Council’s Equality and Diversity Scheme’.

4.3 Council policies and the Best Council Plan

- 4.3.1 The terms of reference of the Scrutiny Boards promote a strategic and outward looking Scrutiny function that focuses on the best council objectives.

Climate Emergency

- 4.3.2 When determining potential areas of work this year, the Board was particularly mindful of the Council’s own role and responsibilities around influencing climate change and sustainability. Linked to this, the Board agreed to consider existing and future efforts towards the reduction of energy consumption in council buildings and to also explore methods and opportunities to promote sustainable travel options for staff. Both areas of work are reflected within the Board’s work schedule.

4.4 Resources, procurement and value for money

- 4.4.1 Experience has shown that the Scrutiny process is more effective and adds greater value if the Board seeks to minimise the number of substantial inquiries running at one time and focus its resources on one key issue at a time.
- 4.4.2 The Vision for Scrutiny, agreed by full Council also recognises that like all other Council functions, resources to support the Scrutiny function are under considerable pressure and that requests from Scrutiny Boards cannot always be met. Consequently, when establishing their work programmes Scrutiny Boards should:
- Seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources;
 - Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue;
 - Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.

4.5 Legal implications, access to information, and call-in

- 4.5.1 This report has no specific legal implications.

4.6 Risk management

- 4.6.1 This report has no specific risk management implications.

5. Conclusions

- 5.1 All Scrutiny Boards are required to determine and manage their own work schedule for the municipal year. The latest iteration of the Board's work schedule is attached as Appendix 1 for consideration and agreement of the Scrutiny Board – subject to any identified and agreed amendments.

6. Recommendations

- 6.1 Members are asked to consider the matters outlined in this report and agree (or amend) the overall work schedule (as presented at Appendix 1) as the basis for the Board's work for the remainder of 2019/20.

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Scrutiny Board (Strategy & Resources) Work Schedule for 2019/2020 Municipal Year

June	July	August
Meeting Agenda for 10th June 2019	Meeting Agenda for 15th July 2019	No Scrutiny Board meeting scheduled.
Scrutiny Board Terms of Reference and Sources of Work (DB) Performance Update (PM)	Financial Performance – 2018/19 Outturn (PM) Treasury Management – 2018/19 Outturn (PM) Scrutiny Inquiry ‘Embracing Digital Technology Solutions’ – formal response (RT) Scrutiny review on the management and financial implications of council owned void properties – formal response (RT)	
Working Group Meetings		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Strategy & Resources) Work Schedule for 2019/2020 Municipal Year

September	October	November
Meeting Agenda for 9 th September 2019	Meeting Agenda for 14 th October 2019.	Meeting Agenda for 18 th November 2019.
Medium Term Financial Strategy (PM) Annual Corporate Risk Management Report (PM) Scrutiny review of resilience and emergency planning – formal response (RT) Local Brexit Preparations – Update (PSR)	Inquiry into the reduction of energy consumption in Council buildings – terms of reference and first evidence gathering session (PSR)	Revenue Budget Update for 2020/21 to 2024/25 including proposed saving proposals. Scrutiny Inquiry ‘Embracing Digital Technology Solutions’ – recommendation tracking (RT) Inquiry into the reduction of energy consumption in Council buildings – agree final report
Working Group Meetings		
		Inquiry into the reduction of energy consumption in Council buildings – session 2 – 4th November 2019 @ 10.30 am
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Strategy & Resources) Work Schedule for 2019/2020 Municipal Year

December	January	February
No Scrutiny Board meeting scheduled.	Meeting Agenda for 20th January 2020	Meeting Agenda for 24th February 2020
	Performance report (PM) Financial Health Monitoring (PSR) 2020/21 Initial Budget Proposals (PDS) Best Council Plan Refresh – Initial Proposals (PDS) Promoting Sustainable Travel for Staff – terms of reference (PSR)	Devolution Update (PSR) Promoting Sustainable Travel for Staff – evidence gathering session (PSR)
Working Group Meetings		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response



Scrutiny Board (Strategy & Resources) Work Schedule for 2019/2020 Municipal Year

March	April	May
Meeting Agenda for 30th March 2020	No Scrutiny Board meeting scheduled.	No Scrutiny Board meeting scheduled.
Promoting Sustainable Travel for Staff – agree final report/Statement (PSR) Scrutiny review of resilience and emergency planning – recommendation tracking (RT) Scrutiny review on the management and financial implications of council owned void properties – recommendation tracking (RT) Inquiry into the reduction of energy consumption in Council buildings – Formal Response (RT)		
Working Group Meetings		
Site Visits		

Scrutiny Work Items Key:

PSR	Policy/Service Review	RT	Recommendation Tracking	DB	Development Briefings
PDS	Pre-decision Scrutiny	PM	Performance Monitoring	C	Consultation Response

EXECUTIVE BOARD

WEDNESDAY, 16TH OCTOBER, 2019

PRESENT: Councillor J Blake in the Chair

Councillors A Carter, R Charlwood,
D Coupar, S Golton, J Lewis, L Mulherin,
J Pryor, M Rafique and F Venner

82 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, 'Redevelopment of 6-32 George Street', referred to in Minute No. 92 be designated as being exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that the information contained within Appendix 1 to this report relates to the financial or business affairs of a particular person and of the Council. This information is not publicly available from the statutory registers of information kept in relation to certain companies and charities. It is considered that since this information was provided to enable the Council to consider the commercial viability and funding option for the redevelopment of the George Street shops, then it is not in the public interest to disclose this information at this point in time. Also, the release of such information would, or would be likely to prejudice the Council's commercial interests in relation to the OJEU procurement exercise. It is considered that whilst there may be a public interest in disclosure, much of this information will be available from the Land Registry following completion of the development structure and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time;
- (b) That Appendix 1 to the report entitled, 'Financial Health Monitoring 2019/20 – Month 5', referred to in Minute No. 94 be designated as being exempt from publication in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that the information contained within Appendix 1 to this report relates to the financial or business affairs of any particular person (including the authority holding that information), in this case Leeds City Council and other relevant parties. It is considered that since this information

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to be held on Monday, 25th November, 2019

concerns negotiations with other parties to effect the realisation of capital receipts then it is not in the public interest to disclose this information at this point in time as this could affect the integrity of those negotiations. It is considered that the public interest in maintaining the content of the appendix as being exempt from publication outweighs the public interest in disclosing the information, as doing so would prejudice the Council's commercial position and that of relevant third parties should it be disclosed at this stage.

83 Late Items

With the agreement of the Chair, a late item of business was admitted to the agenda entitled, 'Update on Leeds City Council's Preparations for the UK's exit the European Union'.

The report was submitted to Executive Board as a late item of business due to the fast-developing nature of this issue at a national level, which impacts upon how preparations are made locally. The report details the Council's preparation for the UK's exit from the European Union including for a 'no deal' scenario, based on the most recent information available at the time of the publication of this report. As such, in order to provide Members with the most up to date information, it was not possible to include the report within the agenda, as published on 8th October 2019. The Government's planned exit date from the EU is 31st October 2019. Given that this meeting is the last scheduled Executive Board prior to this date, it was deemed necessary by the Chair that this matter be considered as a late item of business at the 16th October 2019 Board meeting. (Minute No. 89 refers).

Also, although not formal late items of business, prior to the meeting, Board Members were provided with the following which had been omitted from some the paper agenda packs. To ensure that all Board Members were in possession of all relevant information, these documents were provided/re-provided to Board Members ahead of the meeting so that they could be incorporated into their agenda packs and could be taken into consideration when the Board discussed those items at the meeting:

- Appendices 1-2 of Item 10 (Better Lives for People with Care & Support Needs in Leeds: The 2018-19 Annual Adult Social Care Local Account) (pages 119-122 of the agenda pack refer) (Minute No. 90 refers); and
- Appended illustrations to Item 12 (Redevelopment of 6-32 George Street) (pages 155-160 of the agenda pack refer) (Minute No. 92 refers).

84 Declaration of Disclosable Pecuniary Interests

There were no Disclosable Pecuniary Interests declared at the meeting.

85 Minutes

RESOLVED – That the minutes of the previous meeting held on 18th September 2019 be approved as a correct record.

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ENVIRONMENT AND ACTIVE LIFESTYLES

86 Proposal for road-safety park, family cycle trails and new event space at Temple Newsam

The Director of Communities and Environment submitted a report regarding proposals for the potential development of a family cycling scheme, events space and new approach to landscape management at the current location of Temple Newsam golf course. Specifically, the submitted report sought the Board's view on whether to progress with a public consultation exercise on such matters.

It was highlighted that Board Members had been in receipt of correspondence regarding the proposals in the run up to the meeting, with it being undertaken that all of the submissions which had been received would be taken into consideration as part of the proposed consultation exercise.

In considering the submitted report, the Board received an overview of what the proposed consultation exercise would entail, with assurance being provided that any consultation undertaken would be genuine.

Having raised concerns regarding the proposals detailed within the report, a Member requested that the submitted report be withdrawn from consideration at today's meeting to enable further work to be undertaken on the options which could potentially be considered at Temple Newsam including introducing new facilities alongside golf provision. The Member also requested that the matter be referred to the relevant Scrutiny Board with all relevant information and proposals then being brought back to Executive Board for determination.

Following this, a Member requested that officers ensure that any proposals which were brought forward for consideration and determination took into consideration the community's needs and wishes.

To conclude the discussion, it was further proposed that following the conclusion of the consultation exercise, the outcomes from that consultation together with any proposals regarding the future of Temple Newsam golf course be brought back to Executive Board for the Board's consideration and determination, with it being highlighted that should the relevant Scrutiny Board wish to consider such matters, then it would be free to do so.

RESOLVED –

- (a) That, in taking into consideration the comments made during the discussion on the submitted report, the Board's consent be provided for the Parks and Countryside service to commence a public consultation exercise on the proposed closure of the golf course and the proposed developments, as outlined within the submitted report;
- (b) That following the conclusion of the consultation exercise (as detailed in resolution (a) above), the outcomes from such consultation together with any proposals regarding the future of Temple Newsam golf course

be submitted to Executive Board for consideration and determination, with it being noted that the relevant Scrutiny Board could consider such matters, should it wish to do so.

(Under the provisions of Council Procedure Rule 16.5, both Councillor A Carter and Councillor S Golton required it to be recorded that they respectively abstained from voting on the decisions referred to within this minute)

COMMUNITIES

87 Procurement of Housing Responsive Repairs and Voids Services for the West of Leeds

The Director of Resources and Housing submitted a report which sought approval of the proposed strategy to deliver Housing Responsive Repairs, Voids and Cyclical Maintenance services to the city's housing stock from 2021, specifically including a proposal to internally deliver provision through Leeds Building Services (LBS) in the South and East of the city, with a proposal that a procurement exercise be undertaken for an external contractor to deliver such services in the West.

The following options were detailed in the submitted report, with option 4 being the recommended option:

- 1: External contractors to deliver the service citywide;
- 2: Maintain current arrangements, LBS to deliver for the East only;
- 3: LBS and external contractors each deliver to about half of the city;
- 4: LBS delivers for the East and South, and an external contractor delivers for the West;
- 5: LBS delivers the service citywide.

Members welcomed the mixed economy approach which was being proposed.

In terms of a Member's comments regarding the recruitment and retention of staff as part of the proposed approach, a request was made that the Member in question received a briefing on such matters, as and when appropriate. In addition, the Board was provided with information on the actions which would be taken to minimise any risk in this area, whilst the need for LBS to be viewed as an attractive employer was emphasised, with the associated apprenticeship schemes being highlighted as a current successful example.

Members also received further information on the proposed contract period of 5 years, with it being highlighted that following consultation with the private sector, this was seen as the minimum period in which to attract competitive interest in this area, however it was emphasised that there was no intention to go beyond a 5 year contractual period.

Responding to a Member's enquiry, the Board was provided with further information on the actions which would be taken to monitor and promote sustained performance by both the internal and external provider.

RESOLVED –

- (a) That approval be given for LBS to deliver housing responsive repairs and voids services for the East and South of the city, and that an external contractor deliver such services for the West (in line with option 4 above / detailed in the submitted report), with it being noted that the new arrangements are planned to start from autumn 2021;
- (b) That it be noted that this proposal involves changing existing service delivery boundaries in order to align with Leeds electoral Wards;
- (c) That it be noted that the feedback received from the proposed consultation exercises will be considered and taken into account by the Director of Resources and Housing in implementing the proposals;
- (d) That the Board's agreement be given that a procurement exercise should be undertaken for housing responsive repairs, voids & cyclical maintenance services in the West of the city, using a restricted procedure in accordance with the Public Contracts Regulations 2015, in order to establish a contract;
- (e) That agreement be given that the procured contract should be for a period of 5 years, with an estimated total value of £72m, given an estimated annual value of £14.35m;
- (f) That it be noted that LBS' housing responsive repairs and voids service delivery will expand from the current provision of 33% of the city (circa 17,000 of a total of circa 51,000 properties), to 61% of the city (circa 31,000 properties), with it also being noted that this represents an 83% increase;
- (g) That approval be given to delegate the responsibility for implementing these proposals to the Director of Resources and Housing.

INCLUSIVE GROWTH AND CULTURE

88 Revenue Budget Update for 2020/21 – 2024/25 including Proposed Saving Proposals

Further to Minute No. 34, 24th July 2019, the Chief Officer (Financial Services) submitted a report providing an update on any changes to assumptions contained in the Medium Term Financial Strategy, as reported to the Board in July 2019; which detailed the announcement by the Chancellor on the 4th September 2019 regarding a one year settlement for 2020/21; presented a budget saving proposal which had been identified since the July Board meeting for 2020/21 and which set out the implications of such changes upon the estimated budget gaps that have previously been reported.

Members commented upon a number of issues including the current position of the Minimum Revenue Provision and the ongoing exercise of re-financing the Council's debt. In response to an enquiry, the Board received further detail

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on the current position regarding that re-financing exercise, and also in respect of the Government's recent decision to increase the interest rate of the Public Works Loan Board (PWLB). Regarding the interest rate rise of the PWLB, the Board noted that representations had been made to Civil Servants about the timing of the rise together with the lack of consultation which had taken place.

RESOLVED –

- (a) That the revisions to the Council's Forecast Budget Gap for 2020/21 to 2024/25, as summarised in Table 2 and as referenced in paragraph 4.4 of the submitted report, be agreed;
- (b) That agreement be given for a consultation process to be commenced in respect of the planning charges budget saving proposal, as contained within the submitted report.

89 Update on Leeds City Council's Preparations for the UK's Exit from the European Union

Further to Minute No. 57, 4th September 2019, the Chief Executive submitted a report which provided the Board with a further update on the preparations being made by the Local Authority regarding the UK's exit from the European Union.

With the agreement of the Chair, the submitted report had been circulated to Board Members as a late item of business prior to the meeting for the reasons as set out in sections 4.5.2-4.5.3 of the submitted report, and as detailed in Minute No. 83.

A Member raised a concern regarding the late submission of this report, with a suggestion that in terms of future update reports, those reports be provided as part of the regular Board agenda and include the information available at the time, with an update and briefings for Members being provided as appropriate.

Responding to a Member's request, officers undertook to include a section regarding the agricultural sector in future reports. In addition, the Board received further information on the actions being taken in this area, with it being noted that the Chief Executive had met with the National Farmers' Union on such matters.

In conclusion, it was noted that such reports were produced with the aim of keeping Members as up to date as possible with all related matters.

RESOLVED –

- (a) That the ongoing work being undertaken to prepare the Council and the city for the UK's exit from the European Union, together with the latest assessment of preparedness and the ongoing concerns which exist around the lack of clarity about the nature of EU exit, be noted;

- (b) That the contents of the Strategic Response Plan, as attached to the submitted report at Appendix A, together with the updates provided in the submitted report, be noted, with it being recognised that assumptions and planning will continue to develop as new information becomes available;
- (c) That it be requested that further updates be provided to Executive Board, Scrutiny Board and Members, as appropriate.

HEALTH, WELLBEING AND ADULTS

90 Better Lives for People with Care and Support Needs in Leeds: The 2018-19 Annual Adult Social Care Local Account

Further to Minute No. 64, 19th September 2018, the Director of Adults and Health submitted a report which presented the 2018/19 Local Account of Adult Social Care Services for Leeds citizens, together with related data from the 2018-19 Leeds Adult Social Care Outcomes Framework (ASCOF) and 'Better Lives' Strategy measures.

Prior to the meeting, Board Members were provided/re-provided with appendices 1 and 2 to this report, as following the publication and distribution of the agenda it had come to light that these appendices had been omitted from some of the paper agenda packs.

Responding to a Member's comments, the Board received further information on the 'person centred' and 'strength based' approaches being taken to encourage individuals to remain independent and stay in their own homes for as long as possible.

A Member highlighted the level of support being provided to individuals with learning disabilities across the city to help them live independent lives. Also, the 'community catalyst' work being undertaken in the city was emphasised and the need to ensure that wherever possible, regardless of where an individual lived, the level of services available to them remained consistent.

RESOLVED –

- (a) That the contents of the submitted report, together with the appended Local Account: 'Creating Better Lives for People with Care and Support Needs in Leeds', and the appended Adult Social Care Outcomes Framework (ASCOF) and the 'Better Lives' measures, be noted;
- (b) That agreement be given that a published version of the Local Account is produced and made available to the public and partners, which will include being placed on the Leeds City Council website following this consideration by Executive Board.

CHILDREN AND FAMILIES

91 Family, Drug, Alcohol and Problem Solving Court

The Director of Children and Families submitted a report providing an update on the successful work of the Leeds Family Drug and Alcohol Court (FDAC) and which set how the Children and Families directorate aimed to work with Government and local partners in order to secure and expand this valuable service.

Responding to a Member's enquiry, the Board was informed that Leeds had been successful with the submission of an FDAC funding bid to Government, however, it was highlighted that as two bids of differing levels had been submitted, it was not yet known what level of funding would be received. In response to an enquiry, it was noted that both bids did include provision to tackle domestic violence and substance abuse, although the scale of the provision between the two bids was different. Finally, it was requested that Executive Members be notified when the Government provided confirmation of which bid had been successful.

Responding to a Member's enquiry, the Board received further detail on the extent to which this programme could help to inform the public health approaches being taken to address issues regarding the misuse of drugs and alcohol, with it being highlighted that although there was a multi-agency approach being taken in such areas, it was acknowledged that the preventative measures for drug and alcohol misuse were wide ranging and needed to be implemented at the earliest opportunity.

In response to a Member's enquiry, officers undertook to provide the Member in question with the information regarding the age ranges of the parents involved in this initiative.

RESOLVED –

- (a) That the contents of the submitted report, together with the success of Leeds' FDAC, be noted;
- (b) That it be noted that the Director of Children and Families will lead future work with national and local partners with the aim of securing investment for an expanded FDAC service in Leeds.

LEARNING, SKILLS AND EMPLOYMENT

92 Redevelopment of 6 - 32 George Street

Further to Minute No. 113, 13th December 2017, the Director of City Development submitted a report providing an update on the ongoing associated redevelopment works regarding Kirkgate Market's George Street frontage and which sought further approvals from the Board, including for an injection into the Capital Programme and related 'authority to spend' for the purposes of acquiring a fifty percent share of the completed development, as detailed within the submitted report.

Prior to the meeting, Board Members were provided/re-provided with the appended illustrations to this report, as following the publication and distribution of the agenda it had come to light that this appendix had been omitted from some of the paper agenda packs.

Responding to a specific enquiry, it was noted that the proposed additional cost to the Council would not adversely affect the Capital Programme, as it was highlighted the additional cost would be financed by the value generated in the scheme.

Following the 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 meeting, it was

RESOLVED –

- (a) That the contents of the submitted report, including the current position of the scheme, be noted;
- (b) That the injection into the Capital Programme and the 'Authority to Spend' of an additional £917,000, as detailed within the exempt Appendix 1 to the submitted report, be approved, for the purpose of acquiring a fifty percent share of the completed development, whilst approval also be provided for the Council's payments to acquire its interest in the completed development to be made on a phased basis through the construction period against approved architect's certificates;
- (c) That the scheme, as detailed within the submitted report, together with the previous recommendation, as approved by Executive Board at its meeting on 13th December 2017, be endorsed, namely that the Council should grant a 250 year ground lease of the development site to a Limited Liability Partnership (LLP) to be formed between the Council and Town Centre Securities and that the LLP will appoint Town Centre Securities to undertake the development on behalf of the LLP;
- (d) That the necessary authority be delegated to the Director of City Development to enable the Director to make all subsequent decisions that may be necessary to deliver this scheme, with the concurrence of the Executive Member for Learning, Skills and Employment;
- (e) That the Chief Officer, Financial Services and the Director of City Development, in liaison with the Executive Member for Resources and the Executive Member for Learning, Skills and Employment, be authorised to investigate further the opportunity for further financial savings, if the Council was to forward fund the entire scheme. If it is considered to be financially beneficial to the Council to proceed on this basis, then the necessary authority be delegated to the Chief Officer, Financial Services and the Director of City Development in order to enable the Director and Chief Officer to take all further decisions in

respect of this proposal, including the delegation of appropriate financial approvals.

93 Improving Employment Outcomes for People with Learning Disabilities

The Director of Children and Families, the Director of City Development and the Director of Adults and Health submitted a joint report which provided an update on the work being undertaken to improve the employment outcomes for people with learning disabilities in Leeds in line with the resolution of Full Council at its meeting on 10th July 2019. (Minute No. 32 refers).

In welcoming the submitted report, a Member highlighted the need for work to continue around the co-ordination of provision in this area, and also to complement the vital role played by third sector organisations.

In order to ensure that progress continued to be made in this area, it was requested that a further update report be submitted to the Board in a year's time.

RESOLVED –

- (a) That the work undertaken to date and the progress achieved against the priorities in the employment strand of 'Being Connected' in the 'Being Me' Strategy, as detailed within the submitted report, be noted;
- (b) That the Board's support be provided for engagement to continue with a broad range of stakeholders to improve employment outcomes for people with learning disabilities; and that the opportunities presented through the ongoing work to develop a Hub for the city and also on the provision of additional targeted employment support for adults with learning disabilities, be noted;
- (c) That it be noted that the Chief Officer, Employment and Skills will work with the Chief Officer, Human Resources, the Deputy Director, Adults and Health and the Deputy Director, Learning, Children and Families in order to support the continuing work to improve employment outcomes for people with learning disabilities;
- (d) That a further update report be submitted to the Board in a year's time.

RESOURCES

94 Financial Health Monitoring 2019/20 – Month 5

The Chief Officer (Financial Services) submitted a report which presented the Council's projected financial health position for 2019/20 as at Month 5 of the financial year.

Responding to a Member's enquiry regarding the transport budget for children and young people with special educational needs and disability and the independence of the panel which considered appeals against an application decision, the Board received a range of information on the related application process and also on the current budgetary position for the service. However,

in response to the specific enquiry raised, the Chief Executive undertook to respond to the Member in question together with the Director of Children and Families.

In response to an enquiry regarding the budgetary pressure in the Children and Families directorate arising from external residential and Independent Fostering Agency placements for children and young people, the Board received an update on the actions being taken in this area.

Following the 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 meeting, it was

RESOLVED –

- (a) That the projected financial position of the authority, as at Month 5 (August 2019) of the financial year, be noted;
- (b) That the requirement for the Director of Children and Families' proposals to identify further budget savings to address the projected overspend in the directorate, be noted;
- (c) That the risk that the budgeted level of Capital receipts, as detailed in exempt appendix 1 to the submitted report, may not be receivable in 2019/20, be noted.

95 Proposed Suitability (Convictions) Policy for Taxi and Private Hire

The Director of Communities and Environment submitted a report that proposed arrangements for the implementation and review of a new Suitability Policy for applicants and licensees of drivers of taxis and private hire vehicles.

In response to a Member's enquiries, it was confirmed to the Board that all the other Licensing Authorities in West Yorkshire together with the City of York had signed up to the this policy. Members also received an update on the work being undertaken with the aim of ensuring that a consistency of approach was taken towards the enforcement of the policy by the relevant Licensing Authorities.

Responding to an enquiry, it was confirmed that Councillors and MPs were not permitted to act as referees for those applying for taxi or private hire licenses in Leeds. With regard to the other Licensing Authorities in West Yorkshire and the City of York, officers undertook to provide the Member in question with further information on the approach taken by those Authorities.

In conclusion, it was acknowledged that Leeds' approach in this area was more robust than some Authorities and given the cross-boundary nature of the issue, the importance of consistency across neighbouring authorities was highlighted. Finally, it was noted that representations would continue to be made to Government regarding the concerns which existed in terms of the national policy in this area.

RESOLVED –

- (a) That the contents of the submitted report, be noted;
- (b) That the Suitability Policy, as appended to the submitted report, be approved, which is to be implemented by Taxi and Private Hire Licensing within two months of this Executive Board meeting.

CLIMATE CHANGE, TRANSPORT AND SUSTAINABLE DEVELOPMENT

96 Bridgewater Place Wind Monitoring

Further to Minute No. 131, 10th February 2016, the Director of City Development submitted a report providing an update on the wind amelioration scheme undertaken subsequent to the consideration of the matter by the Board in 2016 and which sought a decision by the Board on the recommendation that the high winds protocol be lifted, following receipt of peer reviewed independent expert advice. The report also provided an update on the agreement reached in relation to the further works required to ameliorate the wind hot spots in the private land to the south of Bridgewater Place.

As part of the introduction to the submitted report, the Board's attention was drawn to the expert analysis on the wind conditions following the establishment of the wind mitigation measures. It was noted that the analysis had been carried out on behalf of the Building Owners and had been peer reviewed and validated by an independent wind analyst expert retained to act on behalf of the Council.

On the basis of the expert advice which had been received, the submitted report recommended that the high wind protocol was no longer necessary. However, notwithstanding this recommendation, the Board noted that precautionary safeguarding measures, as detailed in the report, were recommended to be retained, together with further recommendations, again as detailed in the report, regarding the residual hotspot areas.

A Member raised concern regarding the reliance upon expert advice in respect of the recommendation to stop the high wind protocol and suggested that the matter be deferred until the further testing had been carried out on the hot spot area at Back Row. In response, it was highlighted that the Coroner had recommended in 2013 that a road closure protocol be established under specified conditions, until a mitigation scheme had been established and which had been shown to be effective. It was noted that such recommendations had been followed and it was highlighted that the expert advice, which had been peer reviewed and validated, had confirmed that the high wind protocol was no longer needed, with it being acknowledged that although residual hot spots did exist, they did not impact upon the road closure protocol. As such, in determining this matter, the Board was asked to consider the expert advice as detailed within the submitted report, and should they not be minded to agree to the lifting of the protocol, what additional evidence would they require before doing so.

Responding to Members' comments, the Board received further detail on the 3 hot spots which remained, and the actions being taken in these areas.

Also in response to a Member's enquiry, it was confirmed to the Board that on the basis of the peer reviewed expert advice received, there were no longer any safety failure points to the north of the building which failed the Lawson Safety Criteria, which according to the experts was the only measure available to the development industry to assess wind conditions, and on that basis the experts had advised that the area was safe and no different to any other city centre environment. In addition to this, the Director of City Development confirmed that he supported the recommendation in the report to lift the road closure protocol, based upon the peer reviewed expert advice received.

Members considered the options available to them, and in response to comments, officers undertook to ensure that the monitoring of the wind conditions in the affected area would continue, and that Executive Members would be kept informed as appropriate on the outcomes of such monitoring, and also on the actions which were being taken in respect of the hot spot areas, to provide assurance to Members that the mitigation measures continued to be effective.

RESOLVED –

- (a) That the updated information in relation to the installation and efficacy of the Wind Amelioration Scheme since this matter was last reported upon, as detailed within the submitted report, be noted;
- (b) That the results of the post-installation wind monitoring exercise undertaken and of the expert advice received thereon, as detailed within the submitted report, be noted;
- (c) That on the basis of the expert advice which has been received, the Board confirms its agreement that the implementation of the high winds protocol can be stopped, on the expiry of the related Call In period;
- (d) That the agreement reached with the owners of Bridgewater Place to seek planning permission and implement the additional structures to ameliorate the wind conditions at the hot spot sites on privately owned land to the south of Bridgewater Place as soon as possible, be noted and supported;
- (e) That the minor safety exceedance within the highway at Back Row, as detailed in the submitted report, be noted, with it also being noted that further investigations will be carried out at this location and that if this minor safety exceedance remains unmitigated the Council will seek that the Building Owner takes appropriate remedial action;
- (f) That in noting that the monitoring of the wind conditions in the affected area would continue, Executive Members be kept informed, as

appropriate, on the outcomes of such monitoring, and also on the actions which were being taken in respect of the hot spot areas, to provide assurance to Members that the mitigation measures continued to be effective.

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

DATE OF PUBLICATION: FRIDAY, 18TH OCTOBER 2019

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** FRIDAY, 25TH OCTOBER 2019