



Leicester  
City Council

## **MEETING OF THE OVERVIEW SELECT COMMITTEE**

**DATE: WEDNESDAY, 31 JULY 2024**

**TIME: 5:30 pm**

**PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ**

### **Members of the Committee**

Councillor Cassidy (Chair)

Councillors Batool, Dawood, March, Osman, Porter and Rae Bhatia

1 Labour Vacancy

### **Youth Council Representatives**

To be advised

Members of the Committee are invited to attend the above meeting to consider the items of business listed overleaf.

For Monitoring Officer

#### **Officer contacts:**

**Ed Brown (Senior Governance Officer)**

Tel: , e-mail: [edmund.brown@leicester.gov.uk](mailto:edmund.brown@leicester.gov.uk)

Leicester City Council, 115 Charles Street, Leicester, LE1 1FZ

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- ✓ to ensure that the sound on any device is fully muted and intrusive lighting avoided;
- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

### Further information

If you have any queries about any of the above or the business to be discussed, please contact:

**Governance Services:** [governance@leicester.gov.uk](mailto:governance@leicester.gov.uk), Alternatively, email [edmund.brown@leicester.gov.uk](mailto:edmund.brown@leicester.gov.uk), or call in at City Hall.

For Press Enquiries - please phone the **Communications Unit on 0116 454 4151**.

# **PUBLIC SESSION**

## **AGENDA**

### **NOTE:**

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#### **1. WELCOME AND APOLOGIES FOR ABSENCE**

To issue a welcome to those present, and to confirm if there are any apologies for absence.

#### **2. DECLARATIONS OF INTEREST**

Members are asked to declare any interests they may have in the business to be discussed.

#### **3. MINUTES OF THE PREVIOUS MEETING**

**[Appendix A](#)**

The minutes of the meeting of the Overview Select Committee held on 11 April 2024 have been circulated, and Members will be asked to confirm them as a correct record.

#### **4. CHAIR'S ANNOUNCEMENTS**

The Chair is invited to make any announcements as they see fit.

#### **5. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE**

The Monitoring Officer to report on the receipt of any questions, representations and statements of case submitted in accordance with the

Council's procedures.

## **6. PETITIONS**

The Monitoring Officer to report on any petitions received.

## **7. MEMBERSHIP OF THE COMMISSION 2024/25**

Members will be asked to note the membership of the committee for 2024/25 as follows:

Councillor Cassidy - Chair  
Vacancy – Vice-Chair  
Councillor Batool  
Councillor March  
Councillor Dawood.  
Councillor Osman  
Councillor Rae Bhatia  
Councillor Porter

## **8. TERMS OF REFERENCE**

**Appendix B**

The Committee will be asked to note the Terms of Reference.

## **9. DATES OF MEETINGS FOR THE COMMISSION 2024/25**

Members will be asked to note the meeting dates of the committee for 2024/25 as follows:

31 July 2024  
26 September 2024  
12 December 2024  
30 January 2025  
27 March 2025  
1 May 2025

## **10. TRACKING OF PETITIONS - MONITORING REPORT**

**Appendix C**

The Monitoring Officer submits a report that updates Members on the monitoring of outstanding petitions. The Committee is asked to note the current outstanding petitions and agree to remove those petitions marked 'Petitions Process Complete' from the report.

## **11. QUESTIONS FOR THE CITY MAYOR**

The City Mayor will answer questions raised by members of the Overview Select Committee on issues not covered elsewhere on the agenda.

## **12. OVERVIEW OF OSC PORTFOLIO**

The Director of Finance will give a verbal rundown of the main responsibilities of the Committee.

## **13. EQUALITY STRATEGY AND ACTION PLAN - 2024-28 [Appendix D](#)**

The Director of Corporate Services submits a report updating on the final draft of the corporate Equality Strategy and the accompanying action plan to support its delivery. The strategy will be adopted for the next four years and the action plan will be updated annually.

## **14. REVENUE BUDGET MONITORING OUTTURN - [Appendix E](#) 2023/24**

The Director of Finance submits the final Revenue Budget Outturn in the monitoring cycle for 2023/24 and reports performance against budget for the year.

## **15. CAPITAL BUDGET MONITORING OUTTURN - 2023/24 [Appendix F](#)**

The Director of Finance submits a report showing the final position of the capital programme for 2023/24.

## **16. INCOME COLLECTION - APRIL 2023 - MARCH 2024 [Appendix G](#)**

The Director of Finance submits a report detailing progress made in collecting debts raised by the Council during 2023-24, together with debts outstanding and brought forward from the previous year. It also sets out details of debts written off under delegated authority that it has not been possible to collect after reasonable effort and expense.

## **17. REVIEW OF TREASURY MANAGEMENT ACTIVITIES [Appendix H](#) 2023/24**

The Director of Finance submits a report reviewing how the Council conducted its borrowing and investments during 2023/24.

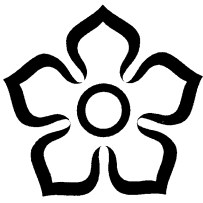
## **18. SCRUTINY ANNUAL REPORT - 2023/24 [Appendix I](#)**

The City Barrister and Head of Standards submits a report providing a summary of the Scrutiny Annual Report 2023-24.

## **19. OVERVIEW SELECT COMMITTEE WORK [Appendix J](#) PROGRAMME**

The current work programme for the Committee is attached. The Committee is asked to consider this and make comments and/or amendments as it considers necessary.

**20. ANY OTHER URGENT BUSINESS**



Leicester  
City Council

# Appendix A

Minutes of the Meeting of the  
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 11 APRIL 2024 at 5:30 pm

P R E S E N T :

Councillor Cassidy (Chair)

Councillor Dave  
Councillor Joel

Councillor Waddington

Councillor Osman  
Councillor Porter

Also present:

Sir Peter Soulsby

City Mayor

\* \* \* \* \*

**25. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr Dawood.

**26. DECLARATIONS OF INTEREST**

Members were asked to disclose any pecuniary or other interests they may have in the business on the agenda.

There were no declarations of interest.

**27. CHAIR'S ANNOUNCEMENTS**

The Chair announced that this was the last meeting of the municipal year and as such the next meeting may have different members on the Committee.

**28. MINUTES OF THE PREVIOUS MEETING**

Reference was made to the Council spend in 2024/25 being more than that of past budgets, during which time, costs associated with Adult Social Care (ASC) had increased. The Director of Finance would follow up on this outside the meeting.

AGREED:

That the minutes of the meeting held on 8 February 2024 be confirmed as a correct record.

**29. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING**

The Treasury Management training session for members had been well attended. All members of the Committee had been invited and there had been no requests for it to be rearranged. The Chief Finance Officer was asked to consider whether further sessions could be arranged, perhaps online.

**30. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE**

The Monitoring Officer reported that no questions, representations and statements of case had been submitted in accordance with the Council's procedures.

**31. PETITIONS**

The Monitoring Officer reported that no petitions had been received.

**32. TRACKING OF PETITIONS - MONITORING REPORT**

The Monitoring Officer submitted a report which provided an update on the status of outstanding petitions against the Council's target of providing a formal response within three months of being referred to the Divisional Director.

It was noted that none were marked as 'red'.

AGREED:

That the status of the outstanding petitions be noted, and to remove those petitions marked 'Petition Complete' Ref: from the report.

**33. QUESTIONS FOR THE CITY MAYOR**

The Chair reminded members that he would prefer for all questions to be provided in advance, which would help to provide more detailed responses at meetings.

The Chair accepted the following questions to be asked to the City Mayor:



1. Mario Duda, a youth representative asked:

*At a previous meeting of OSC, a presentation was given, and a proposal was raised in relation to the use of unused school meal food. Please can you tell us if there is any update in relation to this?"*

In responding to this question, the City Mayor made the following points:

- Much research had been conducted into the possibility and this had been followed up. This was a very important issue as food waste cost money and used resources as well as not being good for the environment and was a particular issue as many did not have access to sufficient food.
- However, unfortunately the idea of re-distributing unused school meal food to families for free had many constraints on it, most notably the food safety regulations that needed to be followed. These regulations stipulated that hot food was only safe for 90 minutes and cold food was deemed unsafe after four hours at room temperature.
- Boxing up unused food and distributing it would most likely take more than 90 minutes and therefore it was concluded that hot food, which made up much of the food that went to waste, could not be passed on. Cold food could potentially be used for another dinner sitting.
- Allergen information also needed to be managed.
- As leftover food could not be packed up and sent safely, the focus should perhaps be on preventing food waste. Schools needed to look to reduce waste and the Council had been encouraging this through the e-bulletin, the 'keeping-in-touch' meetings and the Eco Schools Team. The Council's own provider, City Catering, was working on new ways of reducing waste, such as encouraging the pre-ordering of meals a day in advance so that the right number of meals were provided, although this could be challenging for young people. Portion sizes, menus to meet children's preferences and tasting sessions for positive food choices were also being looked at.
- Above all, it was important to record and monitor food waste to enable City Catering to make decisions on future production.
- The Council continued to support families in need through local food banks and food initiatives and a range of projects including holiday activities and food programmes for children who receive holiday meals.

In response to a question around parents being asked to make meal

choices in advance and choose meals based on the preferences of the child and whether this could be explored to see if it resulted in a reduction in food waste before it was rolled out across the city. The City Mayor noted that the system may not always result in a reduction in food waste, particularly due to changing preferences of children, but took the point on board.

In response to a question regarding the sign-off of the accounts for year-end 31 March 2023 by external auditors Grant Thornton. The Director of Finance confirmed the papers would be going to Governance and Audit the following week, when it was anticipated they would be approved.

In response to further questions regarding challenges on the valuation of buildings and land, the Director of Finance noted that there were national issues surrounding valuation and the rules were complex to follow.

With particular regard to the value of a building recently sold on Vaughan Way, the Director of Finance would look into this and make contact with Cllr Porter outside the meeting.

The Chair noted the importance of submitting questions to the City Mayor in advance of the meeting as it allows a chance to prepare responses.

AGREED:

- (1) That the responses to the questions raised be noted; and
- (2) Further detail regarding the value of the building recently sold on Vaughan Way would be provided directly to Cllr Porter.

#### **34. REVENUE BUDGET MONITORING - APRIL-DECEMBER 2023/24**

The Director of Finance submitted the third report in the monitoring cycle for 2023/24 and provided an update on the financial pressures faced by the Council.

The Committee was recommended to consider the overall position presented within this report and make any observations it saw fit.

As part of the introduction to the item, the Director of Finance noted that:

- This was the third report of the financial year 2023/24.
- The Council was facing particular pressures in education and children's social care, which was showing an overspend of £12.2m.
- Further to this there were continued pressures in homelessness and

waste management.

- The pay award was £2.5m above what was budgeted for.
- The pressures were offset by some areas such as improvements around Adult Social Care (ASC), in which there had been an underspend of £5.8m.
- Additionally, with regard to capital financing there had been higher interest rates than forecast and cash balances have remained high.
- Growth in sports memberships had been higher than expected, leading to income of £0.7m, meaning that the budget could be reduced accordingly.
- Two recommendations, one related to additional grant that it is proposed to move to the managed reserve and the second identifies savings that can reduce budgets.

The Chair reminded the Committee that the recommendations in the report were for the Executive, and it was for the Committee to note and comment on the report.

In response to comments and questions from members, the following was stated:

- With regard to a query on the comparative spending on ASC in this budget compared to ten years ago, the Director of Finance noted the distinction between gross (without income) and net (with income) figures. The Director of Finance would ascertain the exact figures for comparison outside the meeting.
- In response to a query on forecasting, the Director of Finance clarified that forecasting was a best estimate and on the information we have available. predicted.
- In terms of the ASC budget increasing in 2023/24 despite the downward trend, it was clarified that whilst there had been an underspend, it was not near the level of growth put in, and additionally, the extra income was not known when setting the budget. When the 2024/25 budget was put together, some of the forecast was built in which fed into the growth, so the growth going into the 2024/25 budget would be reduced. If the improvement work had not been ongoing, the growth figure would have been higher.
- With regard to the allocation of additional funding from the government, funding is not always ringfenced to a specific service for example the business rates national surplus.
- Regarding overspend on Children, Young People and Families, it was confirmed £2m was set aside to provide local provision for residential homes for children. It was confirmed options were being looked at for the executive to consider at a later point. In terms of ways to better control the overspend, this was being looked at and an update would be brought to the Children, Young People and Education Scrutiny Commission.
- Annual accounts could not be used for outturn reporting as it included

aspects that could not be charged to the Council Taxpayer. Additionally, direct comparisons could not be made between different budget reports due to changes between years.

**AGREED:**

- 1) That the report and the recommendations to the Executive be noted.
- 2) That further information in relation to the queries detailed above be provided to members.
- 3) That a report come to a future meeting of the Children, Young People and Education Scrutiny Commission on Provision of Care Packages/Residential Accommodation on CLA – Council provision and the private sector.

**35. CAPITAL BUDGET MONITORING -APRIL-DECEMBER 2023/24**

The Director of Finance submitted a report to show the position of the capital programme at the end of December 2023 (Period 9).

The Committee was recommended to consider the overall position presented within this report and make any observations it saw fit and note the quarterly prudential indicators presented in Appendix F.

The Director of Finance noted that:

- This was the third such report for 2023/24. As per previous reports it continued to flag pressures and slippages.
- Members were reminded that once pressures were reported the ratings were reset.
- This was the first time the report had contained the additional index on prudential indicators. The Council had approved the Treasury Strategy in February. This appendix confirmed that the Council had complied with the Treasury limits.

In response to comments and questions from members, the following was stated:

- In response to a query about progress on the re-opening of Jewry Wall Museum, the City Mayor reported that he had visited the site with the media to look at progress made, and it was hoped to open early in 2025. The listed building had been used well and was fit for purpose. The importance of the site as the biggest example of non-military Roman masonry in the UK was highlighted.
- In terms of investment in Leicester Museum and Art Gallery (LMAG), a long period of investment had been undertaken and galleries had been moved around, including the important collection of Picasso exhibits. A new café was being developed as customers at museums often

expected refreshments, the café would make the museum more fit for purpose and accessible. It was further added that visitors would not stay long at the museum if they could not get refreshments. The new café was replacing the previous one as the previous café had been at the back of the building and there was now a better space that it could occupy. This was only a small part of the remodelling that continued for many years on a regionally important gallery.

- With regard to the paintings in the gallery, the gallery had many important paintings that were rotated.
- Regarding works on St George's churchyard, the scheme had been scaled back and trees were not the major focus. The area was currently perceived as safe or friendly and as such work was needed. The planning applications, which included the plans had been submitted, and were available to view.
- With regard to city estate shops on Thurncourt Road, these had been looked at pre-Covid. An adequate scheme was yet to be seen. The shops were an important part of the area they served and could benefit from investment. The City Mayor would ask Ward Councillors to consider and discuss how improvements could be approached.
- Regarding the developments at Leicester Railway Station, it was noted it was a complex project with many parties involved and was dependent on the availability of contractors was being awaited.
- It was suggested that a site visit to LMAG and Jewry Wall Museum be arranged for members of the Committee and also members of the Culture and Neighbourhoods Scrutiny Commission.
- With regard to the Lothbury fund, an extension had been granted for the fund to see if an acquisition could happen. This was a 60-day process, and an update would be available shortly. This would be updated in the Annual Treasury Report. Treasury advice would be sought once the decision was known.

**AGREED:**

- 1) That the report be noted
- 2) That the quarterly prudential indicators presented in Appendix F be noted.
- 3) That a site visit to LMAG and Jewry Wall Museum be arranged for members of the Committee and also members of the Culture and Neighbourhoods Scrutiny Commission.
- 4) That the City Mayor make contact with the Thurncourt Ward Councillors in respect of possible improvements to the Thurncourt Road shops; and
- 5) That an update on the Lothbury Fund be provided in the Annual Treasury Report.

**36. OVERVIEW SELECT COMMITTEE WORK PROGRAMME**

The Committee was asked to consider the current work programme and to make comments and/or amendments as it considered necessary.

It was noted that the next meeting would be in the next municipal year and items would need to be carried over.

It was further noted that the informal scrutiny group on Workforce Representation had met, and another meeting was due to take place, although this had been postponed due to the cyber incident.

AGREED:

That the current work programme be noted.

**37. ANY OTHER URGENT BUSINESS**

The Chair thanked the Director of Finance and other officers.

There being no other items of urgent business, the meeting closed at 18:38

## SCRUTINY COMMITTEES: TERMS OF REFERENCE

### INTRODUCTION

Scrutiny Committees hold the Executive and partners to account by reviewing and scrutinising policy and practices. Scrutiny Committees will have regard to the Political Conventions and the Scrutiny Operating Protocols and Handbook in fulfilling their work.

The Overview Select Committee and each Scrutiny Commission will perform the role as set out in Article 8 of the Constitution in relation to the functions set out in its Terms of Reference.

Scrutiny Committees may:

- i. review and scrutinise the decisions made by and performance of the City Mayor, Executive, Committees and Council officers both in relation to individual decisions and over time.
- ii. develop policy, generate ideas, review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas.
- iii. question the City Mayor, members of the Executive, committees and Directors about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to their initiatives or projects.
- iv. make recommendations to the City Mayor, Executive, committees and the Council arising from the outcome of the scrutiny process.
- v. review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Scrutiny Committee and local people about their activities and performance; and
- vi. question and gather evidence from any person (with their consent). •

**Annual report:** The Overview Select Committee will report annually to Full Council on its work and make recommendations for future work programmes and amended working methods if appropriate. Scrutiny Commissions / committees will report from time to time as appropriate to Council.

The Scrutiny Committees which have currently been established by the Council in accordance with Article 8 of the Constitution are:

- Overview Select Committee (OSC)
- Adult Social Care Scrutiny Commission
- Children, Young People and Education Scrutiny Commission (which also sits as the statutory Education Committee)

- Culture and Neighbourhoods Scrutiny Commission
- Economic Development, Transport and Climate Emergency Scrutiny Commission
- Housing Scrutiny Commission
- Public Health and Health Integration Scrutiny Commission

The key work areas covered by each Scrutiny Commission are to be found here <https://www.leicester.gov.uk/your-council/decisions-meetings-and-minutes/overviewand-scrutiny>

## **SCRUTINY COMMITTEE: OVERVIEW SELECT COMMITTEE**

The Overview Select Committee **will:**

- Scrutinise the work of the City Mayor and Deputy City Mayors and areas of the Council's work overseen by them.
- Consider cross cutting issues such as monitoring of petitions
- Consider cross-cutting issues which span across Executive portfolios.
- Manage the work of Scrutiny Commissions where the proposed work is considered to have impact on more than one portfolio.
- Consider work which would normally be considered by a Scrutiny Commission but cannot be considered in time due to scheduling issues.
- Report annually to Council.
- Be responsible for overseeing the work of scrutiny and the commissions and to refer certain matters to particular commissions as appropriate.

## **SCRUTINY COMMISSIONS**

Scrutiny Commissions **will:**

- Normally undertake overview of Executive work, reviewing items for Executive decision where it chooses.
- Engage in policy development within its remit.
- Normally be attended by the relevant Executive Member(s), who will be a standing invitee.
- Have their own work programme and may make recommendations to the Executive on work areas where appropriate.
- Consider requests by the Executive to carry forward items of work and report to the Executive as appropriate.
- Report on their work to Council from time to time as required.
- Be classed as specific Scrutiny Committees in terms of legislation but will refer cross cutting work to the OSC.



Date Petition referred to Divisional Director	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Cttee)	Lead Divisional Director	Current Position	Current Status
10/05/2023	Ben Glass	Knighton Area Experimental Traffic Order 2022 (TME 2980) Craighill Road Closure	(p)	79	Knighton		Andrew L Smith	Pro-forma sent to new executive portfolio holder for sign off and completion.	AMBER
15/05/2023	Abdul Karim	Steps to be demolished to stop antisocial behaviour on Mercury Close.	(p)	15	Wycliffe		Caroline Tote	The Proforma and final letter were being drafted to send to the lead petitioner.	AMBER
21/06/2023	Valerie Spence	Residential Parking Only in Shaeffer Court	(p)	5	Beaumont Leys		Andrew L Smith	Awaiting Signature of the Scrutiny Lead following Executive Signature in preparation for despatch to lead petitioner.	AMBER
11/01/2024	Mr Sharma	Harrison Road CCTV	(p)	79	Rushey Mead		Sean Atterbury	The proforma has been drafted and sent to the scrutiny chair for comment and signature.	COMPLETE
22/01/2024	Mr Joshi	Council Tax 2024/25	(p)	28	Rushey Mead		Sean Atterbury	Lead Director responded to the Lead Petitioner	COMPLETE
23/02/2024	Mr Vaidya	St Michael's Avenue	(p)	79	Rushey Mead		Andrew L Smith	Officers have liaised with the lead petitioner and are awaiting councillors feedback prior to finalising pro-forma.	AMBER
04/03/2024	Mr Sharma	Walking track in Rushey Fields	(p)	104	Rushey Mead		Sean Atterbury	Petition sent to lead Directors.	AMBER
11/04/2024	Councillor Dave	Traffic Calming Measures on Peebles Way, Rushey Mead	(c)	45	Rushey Mead		Andrew L Smith	Petition sent to lead Directors.	GREEN
17/06/2024	Marcia Stewart	Oakland Avenue	(p)	137	Rushey Mead		Andrew L Smith	Petition sent to lead Director	GREEN



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## **Equality Strategy & Action Plan 2024-28**

Overview Select Committee – 31<sup>st</sup> July 2024

Lead Member: Councillor Mustafa Malik  
Assistant City Mayor Communities, Adult Learning,  
Jobs and Skills

Lead Director: Andrew Shilliam,  
Director of Corporate Services

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## Useful information

- Ward(s) affected: All
- Report authors: Kalvaran Sandhu, Equalities Manager
- Author contact details: [kalvaran.sandhu@leicester.gov.uk](mailto:kalvaran.sandhu@leicester.gov.uk) ext. 0116 454 6344
- Report version number: 1

## 1 Summary

- 1.1 The report updates on the final draft of the corporate Equality Strategy and the accompanying action plan to support its delivery. The strategy will be adopted for the next four years and the action plan will be updated annually.

## 2 Recommendations

- 2.1 That OSC feedback on the following:
- a) Comment on the draft corporate Equality Strategy
  - b) Comment on the draft Equality Action Plan

## 3 Background

- 3.1 The Equality Act 2010 replaced all previous equalities legislation and focuses on the right not to be discriminated against based on what is referred to as a 'protected characteristic'.
- 3.2 The protected characteristics are age, race, sex, religion or belief, sexual orientation, disability, pregnancy and maternity, marriage and civil partnership and gender reassignment.
- 3.3 The council has additional responsibilities under the Equality Act; the Public Sector Equality Duty (PSED) which states that a public authority must have due regard to the need to eliminate discrimination, promote equality of opportunity and foster good relations between different groups of people.
- 3.4 Under the Public Sector Equality Duty, the council also has a specific duty to publish information to show their compliance with the Equality Duty at least annually and to set and publish equality objectives, at least every four years.
- 3.5 The Equality Strategy is due to be refreshed this year and, as part of this work, renewed equality objectives will be set as part of an Equality Action Plan. By reporting on our progress against a corporate Equality Action Plan we will also be able to demonstrate our compliance with the duty.

- 3.6** The current strategy, which we have extended up until now due to the covid pandemic, would have ran out in 2022. The aims of this strategy are to:
- Design, commission and deliver services that are accessible, inclusive and responsive to the needs of people and communities in Leicester
  - Raise awareness of equalities issues and tackle prejudices, both internally and externally
  - Attract, recruit, retain and progress a diverse range of employees in a culture which celebrates diversity and inclusion
  - Provide a working environment where employees are treated with fairness, dignity and respect
- 3.7** These aims have some similarity to the ones that have been developed in the new strategy and this is with the recognition that we want to continue some of the good work we have done previously. However, the new aims are more direct about the direction we wish to take and build on these.
- 3.8** There were many actions that were completed in the previous strategy, including:
- EIA training was regularly rolled out each year to hundreds of employees to ensure equalities implications are embedded into the decision-making process.
  - The EIA training was shortened to make it more accessible to employees so to achieve greater numbers of people attending and not having to take too much time out of their workday but get the essential information they need.
  - The EIA template has been changed and adapted following feedback and to include the Armed Forces Covenant.
  - Equalities sessions were held in targeted areas where requests were made to explain our equalities responsibilities.
  - A reverse mentoring programme was initiated and has been running each year on characteristics of race, sexual orientation, and disability.
  - The Management Information dashboard was modified to include data on team characteristics, so managers can better understand the profiles of their teams and those working for them.
  - Numerous events and sessions to raise awareness have been held over the lifetime of the strategy.
- 3.9** As mentioned, the covid pandemic disrupted the delivery of Council services and occurred when the delivery of the current strategy was underway. Because of this, the way we delivered services at the time changed, which required us to consider the equalities implications of these changes. This included completing an EIA on the New Ways of Working to help determine the equality impacts of changing the way we work. We also change the way people accessed services and the equality impacts of this were assessed and monitored during this time.

**3.10** Areas where further development was still needed, such as increasing the diversity of the workforce, better awareness raising, and support for staff facing discrimination, have all been added to the new strategy and action plan to ensure that we consider new ways to achieve those aims.

## **4 Approach to developing the Strategy**

**4.1** Our workforce was involved in the strategy refresh, which is especially important because their day-to-day actions shape the extent to which we are able to meet our Public Sector Equality Duty. If we are striving, as an organisation, to address equality and diversity during a continued period of change (the city's changing demography as well as the decreased availability of resources for service provision), it will be the actions of our workforce in their day-to-day practice, which will be essential to helping us achieve those outcomes.

**4.2** In addition to this, to successfully embed the principles of the Strategy across the organisation, our SMART (Specific, Measurable, Attainable, Relevant, Timely) actions need to lead to tangible and positive outcomes.

**4.3** An action plan which supports the strategy and is in keeping with the commitments outlined in the Equality and Diversity Charter, has been developed based on evidence such as demographic information, workforce profile, staff feedback and community feedback. The charter, which is described in the strategy, was agreed in 2018 and reaffirms the Council's commitment to equality, diversity, and inclusion.

**4.4** Staff were invited to attend one of four equality focus group sessions, and which focused specifically on disability, LGBTQIA+ communities, race, and women. Other informal conversations with staff either via training sessions or face to face/email conversation have also informed the findings.

**4.5** Whilst there were specific issues raised for each characteristic, the following themes came up during this engagement:

- LCC could do better to be more inclusive for staff.
- Many believed that a cumulative impact of more than one of their characteristics was important as it led to multi-layered reasons for a lack of progression (intersectionality).
- Not enough conversation around equality happens.
- The feeling of a lack of diversity in senior management may mean a lack of understanding of issues they faced.
- Need more support around language and training on equalities.
- Mentoring and pathways based on your characteristics should be considered to support underrepresentation and prevent discrimination for people not being allowed adequate experience.
- Our buildings and the organisation more generally do not feel inclusive.
- Should celebrate good things where they exist and celebrate difference rather than seeing it as a 'problem'.

- Derogatory and discriminatory comments from members of the public should not be tolerated, staff are often expected to 'ignore and move on'. Cultural awareness/celebration should become a part of engagement strategies.
- Having a safe space in the city for LGBTQIA+ people is important for people to feel safe and that they belong.
- Use of pronouns and gender inclusive language is important to be more inclusive.
- Succession planning should be done for all roles.
- Mixed recruitment panels are not just tokenistic but are about how someone feels when they are interviewed feeling more at ease when there is someone that might look like them.
- Reasonable adjustments for employees need to be implemented quicker, understanding the impact on the employee.
- List or map of gender-neutral toilets in LCC buildings as it is important for non-binary people who are excluded.
- Women are good leaders and need to redefine the qualities of a leader to not be male dominated terminology e.g., emotional and empathetic are important traits.
- It is a big inspiration having a woman as COO and this should be celebrated.

**4.6** VCSE groups representing some of the key equality characteristics and councillors were invited to two face to face sessions at City Hall and a further virtual session to explain the aims of the strategy and ask for any feedback on the aims and propose any actions they'd like to see.

**4.7** There was mostly support for the aims of the strategy, with no one disagreeing or suggesting changes. The following additional comments were made:

- When the VCSE organisations are asked to participate the council should go into the community, which gives a sense of respect to the organisations and appreciates their lived experience on their terms.
- When moving services online, the equality implications need to be considered for people either with language issues or those that may be digitally excluded to ensure we don't leave them out.
- The council's recruitment process can be quite long and onerous and potentially doesn't cater for the diversity of the city.
- The council's equality vision statement needs to be clear and something everyone can sign up to and understand.
- There needs to be accountability to this strategy and action plan to ensure the targets are met.
- It would be helpful to see the action plan to make suggestions on how to achieve the aims.

**4.8** There have also been two staff sessions in May to explain the aims and intended actions and again there was mostly support for the aims set out in the strategy and mostly people were interested.

## **5 Draft Equality Strategy 2024 – 2028**

**5.1** The Strategy has been developed to reflect the feedback received from staff and to reflect current trends and issues, including the current financial context, the equalities impact of covid-19, the census data, learning from issues in the east of the city and based on the engagement work done on race equality.

**5.2** The proposed Equality Strategy is also attached as at Appendix A. It sets out our approach for the next four years and covers;

- Scope of the Strategy
- Our commitment to equality and diversity
- Our legal responsibilities
- The current context and the challenges that we face as a city
- Our approach to embedding the principles of the strategy across the organisation and how the strategy will be monitored
- Governance arrangements

**5.3** The 4 key aims of the strategy have been listed as follows:

- Creating an inclusive environment and celebrating equality and diversity
- Lived experience and data driving improvements/decision making and raising awareness
- Diverse and representative workforce
- Complying with our legal duties including the Equality Act 2010 and the Public Sector Equality Duty (PSED)

**5.4** Initially, 'greater acknowledgement of intersectionality' was included as an aim, but after feedback from the engagement sessions it was felt that this should be embedded amongst the other four aims as it is important for it to be considered as part of each aim.

## **6 Draft Equality Action Plan**

**6.1** The action plan sets out desired outcomes for each of the 4 aims and how we might be able to achieve them. It must be acknowledged that although the action plan is for a year, and then will be revisited, some of the actions may take longer than a year to achieve.

**6.2** The previous iterations of the action plan were widely considered to be 'too corporate' with many of the actions being for either the Equalities Team or HR/OD to pick up. Whilst these areas will help enable the work on equalities, in order to achieve true cultural change, there needs to be specific actions taken in service areas and hence why there has been a separate service action plan developed for Directors and Heads of Service to manage key actions in their areas.



## **7 Next Steps**

- 7.1 The strategy will go to Full Council in September.
- 7.2 Work has already begun on elements of the Action Plan, and it will continue to be developed over the course of the strategy.
- 7.3 The strategy will be launched and we will share our ambitions with staff and partners and work towards making the intended outcomes a reality.

## **8 Financial, legal, equalities, climate emergency and other implications**

### **8.1 Financial implications**

There are no direct financial implications arising from this report.

Rohit Rughani, Principal Accountant, Ext 37 4003

### **8.2 Legal implications**

The legal and statutory implications are addressed within the body of this report. The renewal of the Equality Objectives is a statutory obligation and must be implemented otherwise the Authority will not be in compliance with its statutory duties under the Equality Act 2010.

*Mannah Begum, Principal Lawyer, Commercial and Contracts, Ext 1423*

### **8.3 Equalities implications**

The entire report is based on equality implications for the Council.

Kalvaran Sandhu, Equalities Manager, Ext 6344

### **8.4 Climate Emergency implications**

There are no significant climate emergency implications directly associated with this report. Any impacts that do occur from implementing the action plan could be managed through measures such as encouraging low carbon travel, using buildings and materials efficiently and following sustainable procurement guidance, as applicable.

Aidan Davis, Sustainability Officer, Ext 37 2284

## **9 Background information and other papers:**

None

**10 Summary of appendices:**

Appendix A – Draft Equality Strategy

Appendix B – Draft Equality Action Plan

**11 Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**12 Is this a “key decision”? If so, why?**

No

# Leicester City Council

## Corporate Equality and Diversity Strategy 2024-2028



## **Foreword**

We are pleased to introduce Leicester City Council's new Corporate Equality and Diversity Strategy for the period 2024-28. This new strategy demonstrates our continued commitment to tackling inequality and promoting diversity and within this document, we outline our clear vision for an inclusive Council.

Leicester is a city with a rich and unique diversity. It is a city where a wide variety of people from different backgrounds live and work together. As a service provider and as an employer, it is crucial that we understand, respect, and embrace this diversity and recognise it continues to change.

Through this Strategy, we want to make equality more visible so that, whether working for us or with us or as a person using our services, people are always treated fairly and with respect and dignity. We want to give everybody the opportunity to contribute to, and share in, a good quality of life for all.

Legislation places a public duty on Leicester City Council with which we must comply, but we strive to go beyond our duty to ensure that our practice in diversity and equality is embedded in everything we do. In recent years, the country was gripped by Coronavirus, and this brought about many new challenges for partners across the city. Unrest in parts of the city and confrontation between certain communities have highlighted that we must not be complacent.

We must also recognise that racism and hate crime are still an ugly part of our society. Against a background of tough economic times and a changing demography we need to be even more aware of the diverse needs of communities and how we can support them.

This Strategy has also been produced against continuing pressures on local authority finances as well as other, and significant, external uncertainties. Despite the challenges that we face collectively and as individuals, we believe that our Equality Strategy and the actions that will be developed under it to meet our equality objectives will have real benefits for the people of our city.

Our Equality Action Plan sets out clearly how we plan to achieve these aims by working collaboratively across the organisation, as well as showing how we will monitor our progress. We have made a commitment to reporting on our progress regularly, to ensure that there is accountability for the actions that we have said we will take forward.

We went through a considerable engagement process and would like to thank everyone who engaged with us to help us to develop the Strategy and Action Plan. We engaged with several groups across the VCSE sector, particularly those representing protected characteristics and held events for councillors to get their feedback and opinion on how we move forward. This was paramount to ensure that our strategy was well informed by key stakeholders and began a process of sustained engagement on equality matters. We continue to look forward to working together to make further progress in embedding equality and diversity into the work of Leicester City Council, for the benefit of citizens, service users, communities, visitors to Leicester and staff alike.

We are confident that this strategy sets out how we aim to achieve real and lasting progress for diverse groups and individuals alongside everyone else in Leicester over the next few years. We also stress that this represents only a small portion of the work we will do day-to-day on this agenda and that many other strategies and policies across the Council will also aid us to achieve our objectives.

We remain committed to making everyone's lives better and for everyone to have a safer, fairer, and more inclusive environment and we look forward to progressing this over the lifetime of the strategy.

**Councillor Mustafa Malik**  
**Assistant City Mayor Communities, Adult Learning, Jobs and Skills**

## **Introduction**

Leicester City Council is committed to support the most vulnerable people in Leicester and this includes tackling inequalities and ensuring fairness. This builds on the record of Leicester City Council's previous work to advance equality of opportunity, eliminate discrimination and foster good relations across a whole range of protected characteristics, as well as for other disadvantaged or vulnerable groups.

Whilst significant progress has been made to date, we must not become complacent in our ambition to further advance equality of opportunity for the people of Leicester and therefore, this strategy sets out our approach for the next four years.

The purpose of this strategy and the supporting action plan is not to capture everything that the Council does to address inequality, for example in addressing the cost-of-living crisis, child poverty, differences in educational attainment or health outcomes, etc. The ways in which the Council works to address inequalities are reflected in the relevant individual strategies, plans and policies that are in place across the organisation and in much of the council's day-to-day service delivery. These specific strategies, plans and policies will themselves have assessed and identified the equality implications and desired equality outcomes that they wish to achieve, as part of the council's Equality Impact Assessment process.

The aim of this strategy and supporting action plan is to embed and strengthen good equalities practice across the organisation and to support services to robustly assess the impacts of any changes. Also, to identify and put into place actions which will either reduce or eliminate any negative impacts on people arising from their age, disability, race, ethnic or national origin, sex, gender identity, religion and belief, sexual orientation, marital or civil partnership status.

We want to ensure that Leicester is a great place to live and work and make certain that we demonstrate equality to our citizens, to people using our services and to our employees. Leicester is proud of its diversity, and it is our aim that it is a happier and fairer place to live and work.

We are committed to promoting equality in respect of:

- **As a service provider** – providing a range of facilities and services which meet the differing needs of local people.
- **As an employer** – ensuring fair recruitment, having a representative workforce, and providing a working environment that is safe, accessible and free from harassment and discrimination.
- **As community leaders** – through our democratically elected Members, working with communities and partners in the statutory, voluntary and private sectors to improve quality of life for the people of Leicester and creating a welcoming environment.

### **What do we mean by Equality, Diversity and Inclusion?**

**Equality** is based on the idea of fairness and providing equality of opportunity, whilst recognising that everyone is different and may have differing needs.

**Diversity** is about the ways in which people differ. These differences should be recognised, celebrated, and treated as a natural part of society.

**Inclusion** is about being valued, respected and supported and giving all people the right to be appreciated and valued.

Recognising equality, diversity and inclusion and embedding them into what we do and how we do it underpins our strategy.

## Our legal responsibilities

### **The Equality Act 2010 (Service Provision)**

Section 149 of the Equality Act 2010 (Public Sector Equality Duty) requires the council, in the exercise of its functions, to have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
- Foster good relations between people who share a relevant protected characteristic and those who do not share it.

The protected characteristics covered by the Public Sector Equality Duty are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership (but only in respect of eliminating unlawful discrimination)
- Pregnancy and maternity
- Race – this includes ethnic or national origins, colour or nationality
- Religion and belief
- Sex
- Sexual orientation

The general duty supports good decision-making by requiring public bodies to consider how different people will be affected by their functions, helping them to deliver policies and services which are efficient and effective, accessible to all and which meet different people's needs.

The public sector equality duty is made up of the general equality duty above and is supported by specific duties.



The specific duties require public bodies:

- to publish relevant, proportionate information demonstrating their compliance with the Public Sector Equality Duty
- to set themselves specific, measurable equality objectives it thinks it should achieve to meet Section 149 (the general aims of the Public Sector Equality Duty)

### **The Equality Act 2010 (Employment)**

Leicester City Council also has legal responsibilities as an employer. Our legal responsibilities, as set out in statutory codes of practice, help us to make sure that people with the protected characteristics set out in the Act are not discriminated against in employment, when seeking employment, or when engaged in occupations or activities related to work.

There are also some provisions in the Act relating to equal pay between men and women. These provisions aim to ensure equality in pay and other contractual terms for women and men doing equal work.

### **The Human Rights Act 1998**

The Human Rights Act 1998 protects the fundamental freedoms of everyone in the United Kingdom. It acts to ensure that public authorities, such as Leicester City Council, treat everyone with dignity, respect and fairness. It also protects people's right to express their thoughts and ideas openly and to peacefully protest if they disagree with government policies or actions.

Everyone who works for a public authority must act in a way that is compatible with the Act. By providing services in a way that is consistent with the Act, Leicester City Council not only meets its duties, but can make a positive difference to people's lives.

Our Equality and Diversity Strategy aims to ensure the organisation is able to meet all the above legal requirements that are placed upon us, in terms of our practice and approach.

## The current picture

Leicester's population at the 2021 census was 368,581. The following are some of the statistics from the census in relation to equalities:

### Age

- Leicester is a young city with a median age of 33 compared to 40 for England.
- Leicester has a large 20–24-year-old population due to students attending the city's two universities.
- 21% of Leicester residents are aged 15 and under, with 11.8% over 65 years of age.

### Disability

- 57,148 (15.5%) Leicester residents reported a long-term health condition which limits their day-to-day activities. These people would be defined as disabled under the Equality Act (2010).
- A further 17,029 (4.6%) Leicester residents reported having a long term physical or mental health condition, but day-to-day activities are not limited.

### Gender/Gender Reassignment

- 2,910 Leicester residents have a different gender to the sex they were assigned at birth. This represents 1.1% of the city's 16+ population.

### Marriage and Civil Partnership

- 43.4% of Leicester residents (16+) are married or in a registered civil partnership.

### Race

- 43.4% of Leicester's population is Asian, of whom the majority are of Indian (34.3%) heritage, 3.4% are of Pakistani heritage, 1.9% Bangladeshi heritage, 0.7% Chinese heritage and 3.1% Other Asian.
- 33.2% of Leicester's population are White British.
- Leicester also has 6.8% Eastern European (Polish, Romanian), 5.8% Black African (Somali, Nigerian), and 1.2% Caribbean populations.
- 3.9% of Leicester's population are of various mixed or multiple ethnic groups.
- 41% of Leicester residents were born outside of the United Kingdom.

## Religion and Belief

- Christianity is the largest religion in Leicester with 24.7% of residents identifying as Christians. Islam (23.5%) is the second largest religion in the city, followed by Hinduism (17.9%). The city is also home to one of England's largest Sikh (4.5%) communities.
- 23% of Leicester residents stated they have no religion.

## Sex

- 50.6% of Leicester residents are female and 49.4% male.

## Sexual Orientation

- 86% of Leicester residents (16+) identify as heterosexual, 2.9% as gay, lesbian, or bisexual, and 0.5% with another orientation. This equates to 10,014 Leicester residents who identify as gay, lesbian, bisexual, or another non-heterosexual sexual orientation.

The above describes how the city looks based on the 2021 census but we must also recognise that the population is always changing with inward migration and growth an ongoing feature. Our city is extremely diverse, and this is something that we have always celebrated as a city and will continue to do. As a council it also emphasises the importance of understanding the changing diverse nature and needs of our communities and taking account of those in the services we provide.

Across the country people are facing considerable financial pressures, and this has impacted large parts of the population. The Council is also continuing to face substantial budget cuts which will have significant impacts on the services we provide.

Budget cuts because of the financial pressures from the reduction in funding are likely to have significant equality implications and this will continue to be a priority area to ensure we are meeting our public sector equality duty.

## Equality and Diversity Charter

Our **Equality and Diversity Charter** outlines the commitments that Leicester City Council has made to achieve the general aims of advancing equality of opportunity, eliminating discrimination and to developing positive community relationships. It sets out what residents can expect from us in our day-to-day practice. Our day-to-day contact with people using our services, local residents and visitors to the city will determine how well we as a city and as a council understand, respect and respond to their diversity. Our Charter states:

- We are proud of, and celebrate, our city's diversity.
- We recognise that people have differing needs.
- When allocating resources, we will be clear on how we have prioritised individual and community needs.
- We will treat people with respect.
- We will provide accessible information on our services, community activities and events we support.
- We will aim to deliver services that are accessible and culturally appropriate to those using them.
- When making important decisions about local public services we will engage with local residents and communities.
- We will work with our employees to ensure that equality is embedded in the workplace.
- We have developed this equality and diversity strategy which reflects this commitment.

## **How the strategy has been developed**

This strategy has been developed by engaging with a range of people including our own staff, Councillors and VCSE organisations in the city. We've heard from these key stakeholders and then used these findings to set out our pledges and actions for the future. We plan to continue this engagement and fully recognise that this is crucial to ensure we do the best for our staff, residents and communities.

We've also looked back at the previous strategy and considered what worked well, any areas of learning and any actions that need to be revisited and reframed. In addition to this, we used data from the 2021 census, some of which have been described earlier, as well as workforce data to help inform us.

Feedback and information from other strategies from across the Council have also been considered to ensure that this strategy compliments the rest of the work we do.

We have held numerous sessions at various points with staff, which include discussing the strategy as a whole and some targeted sessions based on specific characteristics. The draft aims have also been taken to management teams across the Council for their input and understanding to help any actions we may consider implementing. These sessions have helped to understand what our staff would like the organisation to consider in terms of equality, diversity and inclusion.

There has also been face to face and virtual sessions where VCSE organisations and Councillors were invited to give their thoughts and feedback on the strategy.

As well as this, we have given importance to anecdotal evidence from informal conversations with staff either via training sessions or queries, which often present a more candid and honest feeling about how a person might feel and therefore giving a more complete picture.

All these methods of engagement have helped shape and frame our intentions and aims and will continue to be methods of communication we use as we look to implement the aims over the next four years.

## Our approach

Our strategy will continue to enable us to meet the legal requirements placed upon us and embed the commitments we have made in terms of equality, diversity and inclusion. In doing so, we will work to increase our understanding of the changing demography and diverse nature and needs of Leicester's communities through data and engagement.

In many areas we can evidence strong and improving practice in relation to equalities, but we can and must continue to go further and this strategy will seek to do that through an approach where we are open and honest in engaging and listening.

Staff and people using our services have informed us that it is important to recognise that there are many characteristics that define them as a person, and that when they add up, they may be treated even more unfairly. It is not enough to just consider one characteristic alone.

We know that a person may face disadvantage or discrimination due to a characteristic such as their age, gender, disability, race, sexual orientation, etc. However, if you add all those characteristics up, you may be fighting the discrimination to all of them at the same time, creating overlapping and interdependent systems of discrimination or disadvantage. This is known as intersectionality. An example might be if women are known to be disadvantaged, but if you are a Black woman, you are even more likely to face discrimination and add to that even still that you are a lesbian black woman, then the discrimination continues to add up for all those characteristics. Understanding intersectionality is something we will keep as a thread in all the work we do to have greater depth in our actions to succeed in our equality ambitions.

The following are a series of aims that we will look to achieve during the timeframe of this strategy:

1. Creating an inclusive environment and celebrating equality and diversity

As our understanding of diversity has broadened, the language we use must also move on and must be more inclusive of the diversity of people we are engaging with. Using 'catch all' terms with regards to people's race (such as BAME) and our LGBTQIA+ communities can be extremely unhelpful as it assumes all these people have the same needs, which is often untrue.

The way in which we use language can also make people feel they are not included or represented. We will work with our staff to ensure that we use more inclusive language that is representative and accurately reflects who we are engaging our services with.

The Women talking, City Listening project also highlighted the need for support, awareness, and publicity to support women and make them feel safe in the workplace and in the city.

We have also been told that by having our buildings and communications be more representative of our communities and showing inclusivity would make people more comfortable and feel safe, both for employees and people using our services. Having pictures that depict people from a range of backgrounds and having things such as Pride rainbows in support of our LGBTQIA+ communities on display may automatically make staff and people using our services feel more included and supported.

Staff have also stated the need to ensure they are safeguarded against discrimination from people using services, with a need to have adequate policies in place as support. This was also a recommendation in the Women Talking, City Listening Project to implement a zero-tolerance approach.

### **Desired Outcomes**

- Build a corporate programme of racial literacy to tackle racism.
- Guidance in place to support staff on use of inclusive language in their colleague and resident communications.
- Consideration and steps taken on how our buildings can be more inclusive.
- Produce a Corporate Zero Tolerance Policy against bullying, discrimination, and harassment.

## **We will measure this by:**

- Implementation of a corporate programme of racial literacy to tackle racism.
  - Staff have an understanding and show consideration of inclusive language in communications with colleagues and residents.
  - Customers and staff reporting our buildings feel more inclusive.
  - Implementation of a Corporate Zero Tolerance Policy against bullying, discrimination, and harassment.
2. Lived experience and data driving improvements/decision making and raising awareness.

We want to create a more open and honest environment to allow people a safe space to talk about their diversity and to have this lived experience inform and drive improvements. Community engagement work done on race inequality, has identified that including the very people that are impacted and affected by inequality to talk about their experience and be part of informing the improvement process helps to contextualise data and lead to more tangible actions.

Engagement sessions with staff found that being able to showcase our diversity and raise awareness of equality issues helps people to build their understanding of the importance of diversity and promote inclusion.

There are also areas of good practice which showcase support for equality, diversity and inclusion across the council and promoting this work more and the benefits derived from prioritising equalities as part of work in our service areas will lead to better outcomes for all people.

The council has commissioned Scope to consider our practices and processes around disability and we want to build on this work to embed knowledge and understanding to be more inclusive of disability across the council.

There has also been work done to understand how our frontline services work with people with additional access needs and how we as a council cater to their needs to find a consistent approach and share learning.



## **Desired Outcomes**

- More informed decision making which takes account of a diverse range of views and perspectives from people within our communities that might be impacted.
- Staff feel supported to express diverse views and perspectives which are taken account of in decision making.
- A consistent approach is implemented across the council for people with additional access needs so that people accessing services will have the same positive experience.
- Staff are confident and equipped to provide good quality services for people with a disability.
- Greater organisational awareness and understanding of intersectionality which helps to reduce the possibility of inequality.

## **We will measure this by:**

- A robust method of data collection and dissemination is in place.
- Increased engagement with the community that informs decision making.
- Greater numbers of staff reporting that they are positively engaged in change in the annual Healthy Workplace Survey.
- Greater number of engagement events aligned to key awareness days for protected characteristics with staff and communities.
- Reduction of staff reporting they feel unsupported based on their characteristics in the annual Healthy Workplace Survey.
- Staff engagement in awareness events that are aimed at understanding intersectional communities.
- Communities with additional accessible needs reporting that they feel supported with their needs being understood.

### 3. Diverse and Representative workforce

We have an increasingly diverse population in the city, but this diversity is not mirrored across all levels of our workforce. Having a diverse workforce is important to make sure that we represent the people that we serve. The council also benefits from being able to draw upon a range of different approaches and points of view. We would like to focus on making sure that there are people of diverse characteristics and backgrounds in senior leadership positions within the Council and in other areas where they may be under-representation.

It has been recognised that we are particularly lacking diversity with regards to race in senior positions. It is important to understand why this is and develop actions to encourage applications from diverse racial backgrounds and allow internal candidates the experience and confidence to work in senior positions.

#### **Desired Outcomes**

- A workforce that is reflective of the community it serves
- Greater diversity in senior leadership positions in the council
- Effective plans in place to allow people from diverse backgrounds in positions below management to build experience to have a fair chance of getting more senior posts.
- Develop a coaching offer for staff based on their characteristics utilising external coaches to support internal ambitions.
- Improved use of data across the organisation to better understand at a more detailed level who is impacted and how they are impacted.

#### **We will measure this by:**

- Greater number of staff from diverse backgrounds moving into roles where there is an underrepresentation.
- Greater numbers of staff reporting that there are opportunities to grow in the annual Healthy Workplace Survey.
- A coaching offer for staff in place.

#### 4. Complying with our legal duties including the Equality Act 2010 and the Public Sector Equality Duty (PSED)

Whilst all areas of our work will lead to ensuring we are compliant with our legal duties, there are very specific areas for us to focus on to ensure that we as a council are meeting the requirements of the PSED and the Equality Act. We must also ensure we are compliant with and give regard to the Human Rights Act 1998 and the Armed Forces Covenant Duty.

#### **Desired Outcomes**

- An effective and well embedded approach to Equality Impact Assessments (EIAs) across the organisation and, which form a core part of the decision-making process around service change and the impacts on people who share a protected characteristic.
- Good understanding of the PSED at all levels of the organisation with staff who are skilled and competent to complete EIAs to a high standard.

#### **We will measure this by:**

- Staff have attended training sessions and are confident in completing good quality EIAs.
- Robust and well considered EIAs are developed from the outset of any decision-making process and appended to decision reports.
- EIAs and reports have data that is broken down to understand the intersectional impact.

#### **Embedding the strategy**

The priority areas identified above will be supported by an Action Plan which contains actions with a 'Lead Officer' who is accountable for implementing the action and providing progress updates.

The action plan will help us to make progress in our priority areas and to embed the principles of the Strategy across the organisation. An annual report will be provided to the Executive and Scrutiny which will detail progress against the previous years' action plan and with an updated action plan with new areas for work and specific actions identified for the forthcoming year.

## **Governance**

The City Mayor and the Executive provide the strategic direction for the council's equality and diversity policies and practices. The Assistant City Mayor for Communities, Adult Learning and Jobs & Skills has a specific responsibility to ensure that equality is championed and embedded in all the work of the council.

The Corporate Management Team maintains a corporate overview of the implementation of the council's equality and diversity policies and approves operational proposals for new equality and diversity practice.

The Overview Select Committee regularly reviews actions undertaken by the council in meeting its Public Sector Equality Duty.

All decision-making reports contain an equalities implications section to highlight issues for consideration by those making the decisions and by those reading about the decisions being made.

**Leicester City Council Equality Action Plan 2024 - 2025**

**Aim 1:** Creating an inclusive environment and celebrating equality and diversity

**Aim 2:** Lived experience and data driving improvements/decision making and raising awareness

**Aim 3:** Diverse and Representative workforce

**Aim 4:** Complying with our legal duties including the Equality Act 2010 and the Public Sector Equality Duty (PSED)

Priority	Ref	Desired Outcome	Action	Lead Service Areas	Lead Officer	Timeframe	How will we measure success?
1	1a	Build a corporate programme of racial literacy to tackle racism.	Build and implement a programme of racial literacy.	Equalities Team	Kal Sandhu	<ul style="list-style-type: none"> <li>• 3-6 months engagement</li> <li>• 3-6 months consider existing good practice</li> <li>• 6-12 months analyse information and begin putting together a programme</li> <li>• 12-18 months share the draft programme</li> <li>• 18-24 months begin implementation</li> </ul>	Programme in place and communicated to all staff. Staff have a better understanding of racial literacy. Feedback received from staff.
	1b	Guidance in place to support staff on use of inclusive language in their colleague and resident communications.	Further promote the guidance on use of pronouns. Use Scope training recommendations to develop guidance on acceptable language for disabled people.	Equalities Team	Kal Sandhu	<ul style="list-style-type: none"> <li>• 3-6 months engagement</li> <li>• 3-6 months consider existing good practice</li> <li>• 6-12 months analyse information and begin putting together a programme</li> <li>• 12-18 months share the draft programme</li> <li>• 18-24 months begin implementation</li> </ul>	Guidance in place and staff reporting better awareness and support. Feedback received from staff
	1c	Ensure we have inclusive buildings.	Ensure that buildings have accessibility for physical disabilities. Ensure that hearing loops are installed. Photos and imagery is inclusive and reflective of the populations of the city. Consider use of rainbows to support LGBTQ+ communities.	Estates and Buildings Services		<ul style="list-style-type: none"> <li>• 0-6 months consider what already exists in our buildings</li> <li>• 6-12 months assess the options available</li> </ul>	Customers and staff reporting our buildings feel more inclusive.
	1d	Managers feel empowered to support inclusive behaviour in the workplace	Deliver the Active Bystander programme to managers and provide post-learning support	Organisational Development	Sarah Taylor	<ul style="list-style-type: none"> <li>• Train the trainer events already taken place in HR</li> <li>• Look to begin roll out of the training within a year</li> </ul>	Programme in place and evaluation data showing good engagement and increase in confidence levels. Uplift in MAGIC indicators reported in Healthy workplace survey.
	1e	Support people with Care Experience to be more included in decision making	Develop a plan to ensure that care experience can be treated almost as a protected characteristic to increase inclusion.	Corporate Parenting	Laurence Jones David Thrussell	Currently assessing options and will consider the timeframe following this	A plan is in place with actions to ensure care experienced children and adults are feeling better supported. The plan must be well communicated across the Council so that everyone understands their responsibility. Care Experience added to the EIA.
	1f	Produce a Corporate Zero Tolerance Policy against bullying, discrimination, and harassment.	Policy is built and implemented. Communication is evident where staff have to interact with people using services that bullying, discrimination and harassment of our staff won't be tolerated. Where staff have been victims, they are well supported by managers.	Equalities Team	Kal Sandhu	<ul style="list-style-type: none"> <li>• 0-6 months consider what currently exists including good practice</li> <li>• 6-12 months begin putting together a policy</li> <li>• 12-18 months share the policy and consider comms to inform the public of zero tolerance</li> </ul>	Policy is implemented and communicated to all staff. Reduction of hate incidents directed towards staff. Staff feel supported. Message of zero tolerance is clear to members of the public.

2	2a	More informed decision making which takes account of a diverse range of views and perspectives from people within our communities that might be impacted.	A robust method of data collection and dissemination is in place by staff knowing where available data sources are. Increased engagement with the community that informs decision making by engaging relevant VCSE groups into the decision making process to capture lived experience.	Equalities Team CMT	Kal Sandhu	<ul style="list-style-type: none"> <li>• 0-12 months Service areas to consider how they engage with communities and the data they hold</li> <li>• 1-2 years Service areas develop the method to which they engage and are using lived experience to help inform services</li> </ul>	Intersectional data is used in reporting to have a better understanding of who is impacted. Lived experience is used to inform decision making through engagement panels.
	2b	Staff feel supported to express diverse views and perspectives which are taken account of in decision making.	Develop an EDI Forum which allows employee groups and other employees the chance to engage directly with CMT. Create more mechanisms, such as the Healthy Workplace Survey for staff to give anonymised and honest feedback.	Organisational Development	Sarah Taylor	EDI Forum already exists and work is underway to consider how employee groups and other staff can be involved in a clear communication model with senior managers. Further timelines will be developed following this.	Greater numbers of staff reporting that they are positively engaged in change in the annual Healthy Workplace Survey. A robust and clear method of engagement for staff has been implemented.
	2c	A consistent approach is implemented across the council for people with additional access needs so that people accessing services will have the same positive experience.	Bring together a group of key officers from across the council in front line and support roles to ensure that key technology and advice is consistent and allows staff to understand the process for people with differing needs. Create a key information sheet for staff to understand what to do when they encounter someone with additional accessible needs.	Equalities Team	Kal Sandhu	The officer group already exists and the next stage will be to consider how work can be collaborated to have a more consistent approach. The next stage will be to look at pooling resources and developing an information sheet for frontline staff.	Communities with additional accessible needs reporting that they feel supported with their needs being understood.
	2d	The organisation demonstrates its commitment to equality issues and events and progresses its work to support this.	Develop a comms plan to respond to awareness days/events which focuses both internally and externally. A programme of work is developed to ensure support and awareness is raised across all protected characteristics. Ensure CMB is informed and work is supported by the Lead Member.	Equalities Team Organisational Development Communications Employee Groups	Kal Sandhu Sarah Taylor	Work on developing the comms plan has begun and more internal engagement on awareness days is already taking place.	Greater understanding of equality issues, with a focus on intersectional characteristics, across the council and better presence of Council support to awareness days/events.
3	3a	A workforce that is reflective of the community it serves, including greater diversity in senior leadership positions.	1. Develop a guide to succession planning for all staff which puts the emphasis on managers to train all staff up to have the necessary experience to apply for their roles.	Organisational Development	Sarah Taylor	A guide exists and is available to all managers but discussion is taking place to ensure implementation.	Greater number of staff from diverse backgrounds moving into roles where there is an underrepresentation. Greater numbers of staff reporting that there are opportunities to grow in the annual Healthy Workplace Survey.
			2. Promote reverse mentoring to managers for them to better understand the impacts on people with certain protected characteristics.	Organisational Development	Sarah Taylor	The programme has taken place for the last 3 years and is happening again this year. An evaluation of this is taking place.	
			3. Consider how we recruit new staff and if there are ways to reach a more diverse audience to where there is underrepresentation.	HR	Craig Picknell	<ul style="list-style-type: none"> <li>• 0-12 months to asses and review.</li> </ul>	
			4. Managers to be given staff data in their areas to understand who works for them and how they might be impacted if there is an underrepresentation.	HR	Craig Picknell	The management dashboard already exists and the next stage will be to consider if this is being looked at part of service equality action plans.	
			5. Understand why some staff feel they can't progress (potential need for anonymity) and put measures in place to mitigate any reasons for this.	Organisational Development HR Equalities Team	Sarah Taylor Craig Picknell Kal Sandhu	This will be looked at as a specific element to action 2b with a plan to engage staff over the next year.	

		6. Consider inclusive leadership training rollouts for senior managers.	Organisational Development	Sarah Taylor	Sessions were held a couple of years ago and we are reviewing the success of them along with the reverse mentoring program before considering the next steps.	
3b	Develop a coaching offer for staff based on their characteristics utilising external coaches to support internal ambitions.	A system for coaching is developed and communicated to staff, with external, or internal coaches where relevant, identified and contactable to support staff based on their characteristics.	HR Organisational Development	Craig Picknell Sarah Taylor	A mentoring platform is currently being developed and the next stage will be to consider how to get mentors involved based on characteristics.	A coaching offer for staff in place.

## Leicester City Council Equality Action Plan 2024 - 2025

**Aim 1:** Creating an inclusive environment and celebrating equality and diversity

**Aim 2:** Lived experience and data driving improvements/decision making and raising awareness

**Aim 3:** Diverse and Representative workforce

**Aim 4:** Complying with our legal duties including the Equality Act 2010 and the Public Sector Equality Duty (PSED)

Service Area: \_\_\_\_\_

### Aim 1

Are there any buildings that I look after? Could they be more inclusive?

How can I support staff that have been subjected to bullying, harassment and/or discrimination by members of the public?

### Aim 2

How do I gather data?

Do I know how to build a lived experience panel when needed?

How do people with additional accessible needs access my service?

How does my service area get involved in and promote awareness days?

Have I partook in the EDI Forum? Have my staff been encouraged to participate?

### Aim 3

Have I partook in reverse mentoring?

Is succession planning for all roles done in my service area?

How do I capture EDI experience of my staff to allow me to act on any issues?

Would anyone benefit from a coach with similar characteristics as them to help them to succeed?

### Aim 4

How many staff that are involved in policy/decision making have completed EIA training?

Has an EIA been considered when making a decision, changing a policy, removing a service or introducing something new?



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# **Executive Decision- Revenue Budget Monitoring Outturn 2023/24**

Overview Select Committee

Decision to be taken by: City Mayor

Date of decision: 31 July 2024

Lead director/ officer: Amy Oliver, Director of Finance

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### **Useful information**

- Ward(s) affected: All
- Report author: Catherine Taylor
- Author contact details: catherine.taylor@leicester.gov.uk
- Report version number: 1

## **1. Summary**

This report is the final one in the monitoring cycle for 2023/24 and reports performance against budget for the year.

The final outturn for the year is a £1.7m underspend against budgets; this includes some one-off income items and does not fairly represent the significant financial pressures the Council is facing.

Cost pressures in the year totalled some £24.6m, more than offset by £26.3m of underspends and additional income received in year, but that cannot be relied on to support future budgets. The corporate contingency of £3.6m was not required and is also included in the final outturn position.

### **The £24.6m of cost pressures consist mainly of:**

- £14.2m in Education and Children's Services, of which £11.3m relates to increased costs of children looked after, where placement costs remain high, although the number of placements has stabilised;
- £6.2m in support to homeless households (a gross pressure of £7.8m, offset by additional grant funding)
- £2.5m additional costs of the local government pay award over and above the budget provision.

These cost pressures have largely been met from one-off departmental reserves, allowing the balance available for the managed reserves strategy to be maintained.

### **The £26.3m of savings consist mainly of:**

- Adult social care spend £6.5m below the increased budget for 2023/24, following significant change and improvement work designed to reduce people's need for formal care, social work assessment, and commissioning practice;
- Underspends of £4.2m in Education and Children's Services, relating to staffing vacancies and additional grant income;
- A £4m saving on capital financing costs, due to higher interest rates and cash balances remaining higher than budgeted;
- A £2.6m lower cost of energy compared to the budget provision;
- The corporate contingency of £3.6m not being required.
- Net underspends totalling £1.5m in corporate budgets.

Given the exceptionally severe financial outlook, budget savings are being sought on an ongoing basis. Management action has been identified resulting in savings of £0.5m per year (by 2027/28), which can be approved now. Details are in Appendix C.

This report also seeks approval to restructure earmarked reserves as set out in Appendix D. Reserves formerly managed by individual departments have been reviewed and, where not ring-fenced for a specific purpose, transferred to corporate reserves. This will assist us to deal more flexibly with the looming budget crisis after 2024/25. In the short term, however, they will be kept to one side to meet any outstanding commitments.

The outturn has added to the one-off money available to support future budgets. This is because budget pressures have in the main been absorbed by departmental reserves set up or redirected for this purpose, whilst savings have supported corporate reserves. Disregarding the former earmarked reserves, the managed reserve now stands at **£91m** of which £61m is required to balance the 24/25 budget unless additional savings are achieved. The managed reserves balance also includes the surplus from the business rates pool. This means that, all other things being equal, the emergency reserves balance will no longer be required in 24/25 (as had been expected in February). The future position remains extremely critical and budget planning for 2025/26 has already commenced. This is recognised by Grant Thornton in their latest Auditor's Annual Report (the Value for Money report) presented to the Governance & Committee on 18 April 2024.

The overall balance of departments' earmarked reserves has now dropped substantially, in part from having reclassified those reserves which represent grant given with specific expectations. The remaining departmental reserves stand at **£21m**, with a further £15m **reclassified** as ringfenced, compared with **£52m** at 31 March 2023. This figure does not include the balance on the Dedicated Schools Grant reserve which has a negative balance of £9.7m. Negative DSG reserves is a national problem (indeed many other authorities have a significantly higher negative balance). For the time being, we are required to "ringfence" this balance and not charge it to the general fund.

## 2. Recommended actions/decision

### 2.1 The Executive is recommended to:

- Note the outturn position detailed in the report.
- Approve the transfers between departmental budgets and reserves requested in Appendix B, including the council's share of the rates pool surplus;
- Approve the reductions to budgets described in Appendix C, and delegate authority to the Director of Finance to determine the specific budget ceilings affected.
- Transfer departmental reserves which do not consist of unspent grant (or for which there are obligations to third parties) to managed reserves as discussed in Appendix D;
- Delegate to the Director of Finance authority to use these sums for the purpose for which they are currently held, if necessary;

- Note that the sums transferred will be reviewed during 24/25, with a view to releasing money to support the budget strategy.

2.2 The OSC is recommended to:

Consider the overall position presented within this report and make any observations it sees fit.

### **3. Scrutiny / stakeholder engagement**

N/A

### **4. Background and options with supporting evidence**

The General Fund budget set for the financial year was £382.7m, before the use of managed reserves. Following savings identified since the budget was set, including the savings identified in a report to OSC on 9<sup>th</sup> November, this has been updated to £379.2m.

- Appendix A summarises the original budget, current budget and outturn spending in 2023/24.
- Appendix B provides more detailed commentary on the outturn position for each area of the Council's operations.
- Appendix C summarises the savings that have been identified and budget reductions can now be actioned.
- Appendix D sets out the Council's earmarked reserves and proposed changes.

### **5. Detailed report**

See appendices.

## **6. Financial, legal, equalities, climate emergency and other implications**

### **6.1 Financial implications**

This report is solely concerned with financial issues.

### **6.2 Legal implications**

This report is solely concerned with financial issues.

### **6.3 Equalities implications**

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and

victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. It is important to note that currently no policy changes have been proposed but the possibility remains that the Council may need to consider changes to existing services going forward. If this is the case, the Council's equality impact process should be used to evaluate the potential equalities impact of any proposed changes.

Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. There are no direct equality implications arising out of this budget monitoring report.

Equalities Officer, Surinder Singh, Ext 37 4148

#### 6.4 Climate Emergency implications

There are no climate emergency implications directly associated with this report, as it is a budget monitoring report and is solely concerned with financial issues.

Aidan Davis, Sustainability Officer, Ext 37 2884

#### 6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

#### **7. Background information and other papers:**

Report to Council on the 22 February 2023 on the General Fund Revenue budget 2023/24.

Period 3 Monitoring report presented to OSC on 20 September 2023

Budget Savings report presented to OSC on 9 November 2023

Period 6 Monitoring report presented to OSC on 14 December 2023

Period 9 Monitoring Report presented to OSC on 11 April 2024

#### **8. Summary of appendices:**

Appendix A – Outturn (April 2023- March 2024) Budget Monitoring Summary

Appendix B – Divisional Narrative – Explanation of Variances

Appendix C – Budget savings to be approved

Appendix D – Earmarked Reserves

#### **9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

#### **10. Is this a “key decision”? If so, why?**

No

Revenue Budget at Outturn, 2023-24

Table A

2023-24	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's
Financial Services	11,259.4	11,806.6	11,263.7	(542.9)
Information Services	10,791.9	11,072.7	11,721.8	649.1
Corporate Services	9,787.0	9,959.5	9,310.4	(649.1)
Legal Services	5,146.3	5,456.0	5,256.0	(200.0)
<b>Corporate Resources &amp; Support</b>	<b>36,984.6</b>	<b>38,294.8</b>	<b>37,551.9</b>	<b>(742.9)</b>
Planning, Development & Transportation	14,294.7	16,625.4	16,618.7	(6.7)
Tourism Culture & Inward Investment	4,558.2	4,789.8	4,673.4	(116.4)
Neighbourhood & Environmental Services	36,214.9	39,875.8	40,503.7	627.9
Estates & Building Services	4,927.2	7,095.9	7,212.2	116.3
Departmental Overheads	575.8	582.4	572.7	(9.7)
Housing Services	4,634.9	4,974.8	11,196.7	6,221.9
<b>City Development &amp; Neighbourhoods</b>	<b>65,205.7</b>	<b>73,944.1</b>	<b>80,777.4</b>	<b>6,833.3</b>
Adult Social Care & Safeguarding	170,181.8	175,802.7	168,196.5	(7,606.2)
Adult Social Care & Commissioning	(18,061.4)	(22,336.4)	(21,236.0)	1,100.4
<b>Sub-Total Adult Social Care</b>	<b>152,120.4</b>	<b>153,466.3</b>	<b>146,960.5</b>	<b>(6,505.8)</b>
Strategic Commissioning & Business Support	2,385.5	2,428.7	1,921.9	(506.8)
Learning Services	19,596.5	19,967.7	21,762.9	1,795.2
Children, Young People & Families	71,231.0	73,893.4	83,641.5	9,748.1
Departmental Resources	1,976.3	1,794.1	854.3	(939.8)
<b>Sub-Total Education &amp; Children's Services</b>	<b>95,189.3</b>	<b>98,083.9</b>	<b>108,180.6</b>	<b>10,096.7</b>
<b>Total Social Care &amp; Education</b>	<b>247,309.7</b>	<b>251,550.2</b>	<b>255,141.1</b>	<b>3,590.9</b>
<b>Public Health &amp; Sports Services</b>	<b>23,940.6</b>	<b>26,912.5</b>	<b>26,265.3</b>	<b>(647.2)</b>
<b>Total Operational</b>	<b>373,440.6</b>	<b>390,701.6</b>	<b>399,735.7</b>	<b>9,034.1</b>
Corporate Budgets	35,429.8	15,274.1	8,544.4	(6,729.7)
Capital Financing	2,292.1	2,292.1	(1,618.4)	(3,910.5)
<b>Total Corporate &amp; Capital Financing</b>	<b>37,721.9</b>	<b>17,566.2</b>	<b>6,926.0</b>	<b>(10,640.2)</b>
Public Health Grant	(28,448.1)	(29,064.8)	(29,169.2)	(104.4)
<b>TOTAL GENERAL FUND</b>	<b>382,714.4</b>	<b>379,203.0</b>	<b>377,492.5</b>	<b>(1,710.5)</b>

NB Corporate Resources & Support management has been restructured, and budgets have been restated from previous monitoring reports

1.1 Changes since the original budget are summarised in the table below:

	<b>Total General Fund £000's</b>
<b>Original budget</b>	<b>382,714</b>
Savings approved - Period 9 monitoring 22/23	<b>(1,113)</b>
Savings approved - Outturn 22/23	<b>(1,216)</b>
Savings approved - Period 3 monitoring 23/24	<b>(480)</b>
Savings approved - OSC Report OSC 09-11-2023	<b>(683)</b>
Savings approved - Period 9 monitoring 23/24	<b>(19)</b>
<b>Latest budget</b>	<b>379,203</b>

1.2 The original budgets split between employees, running costs and income are available at

<https://www.leicester.gov.uk/media/50bbavjj/budget-summary-2023-2024.pdf>

## **Divisional Narrative – Explanation of Variances**

### **Corporate Resources and Support**

Corporate Resources Department spent £38.3m, £0.7m less than the budget.

#### **1. Finance**

- 1.1. The Financial Services Division spent £11.3m, £0.5m less than the budget in the main due to vacant posts and additional income.

#### **2. Corporate, Human Resources & Information Services**

- 2.1. Taken together IS, HR, & other corporate services spent £21m as per the budget after the planned use of £0.2m of reserves.
- 2.2. The HR service spent £3.4m, £0.6m less than the budget as a result of vacancies across various areas together with additional traded income. Other corporate services spent £5.9m as per the budget with £0.2m of reserves being used to part fund the local election costs incurred in 2023. The IT service spent £11.7m, £0.6m more than the budget. The underspend in the HR service of £0.6m will be used to fund the IT overspend, to reduce the call on the reserve for new IT equipment.

#### **3. Legal, Coronial and Registrars, Members and Democratic Services**

- 3.1. Legal services spent £1.5m as per the budget. Members' and Democratic Services spent £1.8m, £0.2m less than the budget with lower member allowance expenditure than expected and vacancies within Governance Services.
- 3.2. Coronial and registrar services spent £0.7m as per the budget, after support from corporate budgets of £0.5m, as in previous years.

#### **4. City Catering**

- 4.1. New charging arrangements for schools were put in place by City Catering from August 2023 and there has also been an internal re-organisation of staffing. Both of these actions were undertaken to reduce the financial deficit the service incurred in 2022/23 of £1m. The actions were successful to an extent with the deficit in 2023/24 being £0.68m which will be funded from the school catering reserve.
- 4.2. The service continues to face significant financial challenges in 2024/25, with rising staffing and food costs and a requirement for further investment in IT and equipment. In order to break-even there would need to be a very significant increase in the charges to schools. Without this increase any deficit in 2024/25 over and above the remaining school catering reserve of £0.19m would fall to the City Council to fund.



## **City Development and Neighbourhoods**

The department overspent by £6.8m on a net budget of £73.9m. This is a £0.5m deterioration from the forecast overspend of £6.3m reported at period 9. It is proposed that £2.8m of departmental reserves be used towards increased homelessness costs, reducing the overspend to £4m.

### **5. Planning, Development & Transportation**

- 5.1. The division achieved a break-even position which was consistent with the forecast reported at period 9.
- 5.2. The income from both on-street and off-street parking income improved throughout the year and exceeded the income budget by £0.4m. In addition, a large number of permits were issued for utilities work which generated £0.2m more than the budget.
- 5.3. There was a £1.3m overspend on bus services, including supported bus services, park & ride, and bus station operations. This was compounded by a continued shortfall in income from bus lane enforcement. In addition, domestic transport strategy and other transport strategy have combined overspends of £0.6m. These overspends were fully offset by a £2.5m underspend on concessionary fares, as passenger numbers have remained lower than previously expected.
- 5.4. In a continuation of recent pressures, linked to wider economic factors, a reduction in the number of major planning applications being submitted led to an income shortfall of £0.5m. Although the amount charged per planning application (set nationally) rose in early December 2023, a significant improvement in overall income is not yet evident.
- 5.5. There are additional minor overspends across the division totalling a further £0.3m, resulting in an overall break-even position.
- 5.6. This report requests that £492k of government grant income is transferred to reserves to finance expenditure which will be incurred in future years.

### **6. Tourism, Culture & Inward Investment**

- 6.1. The division has underspent by £100k, which is an improvement on the breakeven position forecast at period 9. This is attributable to De Montfort Hall which achieved a surplus through scheduling additional shows and from increased car parking and bar income.
- 6.2. This report requests that £319k is transferred to reserves, in respect of one-off monies previously set aside for events and grant funding for the UK Shared Prosperity Fund, for which expenditure will be incurred in future years.

## **7. Neighbourhood & Environmental Services**

- 7.1. The division has overspent by £0.6m, similar to the forecast at Period 9.
- 7.2. A payment of £1.7m was received, relating to previous years, that had been in dispute with Biffa but has now been settled. This report proposes transferring this into reserves to support future costs of the waste contract re-procurement.
- 7.3. This report also requests that £49k is transferred to reserves relating to a number of grant-funded projects, including prison library services and smoking control.

## **8. Estates & Building Services**

- 8.1. The division has overspent by £0.1m, an improvement from the overspend of £0.3m forecast at Period 9. There was a shortfall in income on the Corporate Estate of £0.7m due to the backlog of lease reviews, affecting both rent and service charge recovery. However, savings on vacant posts, particularly within Sustainability and Hard FM, have offset most of these pressures.

## **9. Departmental Overheads**

- 9.1. This area holds budgets for added years' pension costs and departmental salaries and achieved a break-even position.

## **10. Housing General Fund**

- 10.1. The number of homelessness presentations continues to add to the cost of temporary accommodation with homelessness services overspending by £7.8m. The increase since Period 9 reflects continued high demand and the need to pay increased nightly rates; as a result, housing benefit is covering a reducing proportion of these costs. The overspend will be partially funded by £1.5m of grants and £2.8m of reserves set aside for the purpose. Work continues to find longer-term resolutions to this nationally recognised issue.
- 10.2. This report also requests £692k of grant income relating to refugee resettlement and asylum seekers be transferred to reserves, with a further £71k of grant income for accommodation for ex-offenders.

## **11. Housing Revenue Account**

- 11.1. The Housing Revenue Account (HRA) is a ring-fenced income and expenditure account relating to the management and maintenance of the Council's housing stock. The HRA has underspent by £2.3m compared to a £1.9m forecast underspend at period 9. It is proposed that £0.75m of this be used to support the capital overspend (reported in the capital monitoring report on your agenda) and the rest to be held in reserve to support

the future provision of affordable housing. Revenue is also used for capital spending, which is reported separately within the capital monitoring report.

- 11.2. Income from core rent and service charges was broadly on target for the year, other than for district heating, which is reported below. The budget set aside £0.5m for additional provision for bad debt, but only £0.1m of this was required, resulting in a surplus of £0.4m.
- 11.3. The Repairs and Maintenance service has overspent by £1.1m. Whilst vacant posts generated underspends of £1.4m, these were partially offset by the use of contractors, costing £1.1m. Materials and running costs added a further £1.1m of unbudgeted costs, particularly in voids where there is a continued focus on turning properties around. Reprioritising staff on this work has reduced income from capital charges by £0.3m. Separately, £1.2m of disrepair costs will be financed from reserves.
- 11.4. Management and Landlord Services underspent by £3.5m. The underspend arose on the District Heating scheme as a result of reductions to the price of gas and the introduction of metering. The extent of this has been offset by properties being subsidised for a longer period of time during the year.
- 11.5. The HRA makes contributions towards general fund activities as well as being charged for a fair proportion of the Council's overheads; these are £0.2m over budget due to inflationary increases. Movements in interest rates mean that the net interest payable by the HRA on its debt was £0.3m above budget.

## **Adult Social Care**

### **12. Adult Social Care**

- 12.1. Adult social care spent £147m, £6.5m less than the budget and £0.7m less than forecast at period 9.
- 12.2. Gross package cost budgets were increased by £32.9m from £160.7m in 2022/23 to £193.6m in 2023/24. Subsequently, £4.6m of this increase was not required in 2023/24.
- 12.3. The budget reflected net growth in numbers of people receiving adult social care of 4% overall, with 2% for older people and 7% for working age adults. Prior to the pandemic net growth in numbers of older people was rising steadily. There was then a net reduction in the first year of the pandemic 2020/21, followed by net growth in 2021/22 and a 1% net reduction in 2022/23.
- 12.4. Whilst the demand for care in 2023/24 as indicated by the number of requests for support has increased significantly (by around 20%) compared to the previous year for both the working age and older people cohorts, the rate at which these requests were converted into long term care support was lower for both cohorts.

- 12.5. In 2023/24 there was a net reduction in the number of older people receiving support of 3.4%, driven by a reduction in the number of new entrants (rather than higher numbers of leavers, with the proportion of leavers remaining at around 25% of the care population).
- 12.6. Net growth in the working age cohort was variable prior to the pandemic. In the first year of the pandemic 2020/21, net growth rose to 7% driven mainly by an increase in those adults with mental health issues. Growth remained at around 7% post the pandemic but in 2023/24, net growth reduced to 3.6%, half the budget. The reduction is driven mainly by lower numbers of new mental health cases this year which had previously grown to a significantly higher level in 2020/21. The lower growth saved £2.9m compared to the budget.
- 12.7. The growth in need of people with existing care packages drives significant cost increases and has been discussed in previous monitoring reports. The overall growth in need is determined by the proportion of those receiving care at the start of the year that have their package changed together with the level of average increase in that package. The proportion of people with package changes in 2024 is lower than the previous year at 37% (compared to 40%); however the average package increase is significantly lower at 15% compared to 22% last year. This reduction was driven mainly by the working age cohort. The impact of this means that the in-year financial impact of growth in need at £5.9m was close to the budget. This is encouraging because the budget assumption for growth in need was challenging. Significant work is being undertaken to meet this challenge and includes reviewing existing working practices and identifying best practice and embedding that across all social work teams together with increasing alternative non-adult social care provision to support increased needs. This includes change and improvement designed to reduce people's need for formal care, social work assessment, and commissioning practice.
- 12.8. The extent to which those funds received in the form of direct payments to cover care costs are not required and returned to the LA, varies from year to year and is difficult to budget for. £4.8m was received this year (in line with the forecast at period 9), £1.6m more than the budget of £3m. To set this in context, the annual cost of direct payments commissioned this year is £57.5m.
- 12.9. The items discussed in the above paragraphs together with the impact of in year adjustments to package costs that were in place at the start of the year and lower than expected backdated costs combine to result in a gross package spend which was £4.6m (2.4%) less than the budget.
- 12.10. The balance of the underspend comes mainly from higher than expected fee income from people contributing to the cost of their care and the level of joint funded income from the ICB, offset by some additional costs due to the closure in the year of the Hastings Road day centre and an increase in the provision for bad debts. The impact of annual package cost increases and changes to the cohort on fee income is difficult to budget for as it depends on the impact of individual financial assessments. Similarly,

the change in the number of eligible joint funded and section 117 funded cases from one year to the next is also difficult to budget for and therefore the general approach to this has been a prudent one when setting the budget.

### **Education and Children's Services**

#### **13. Education and Children's Services**

- 13.1. The department spent £108.2m, £10.1m more than the budget, which will be funded using social care and education earmarked reserves on a one-off basis. As outlined in the period 9 report the overspend is mainly due to the cost of children looked after and other placements.
- 13.2. Social care has experienced a greater proportion of new high-cost placements than was anticipated in the budget, coupled with cost escalation through placement breakdowns and pressure from providers regarding fees, together with limited placement availability. In the 4 years from 2019/20 to 2022/23 average annual new placement costs reduced from £44k to £40k. In 2023/24 there has been a step change with average entry costs of £78k per annum, £38k more than the budget. The variation in entry costs around the mean has been significant from month to month ranging from £37k to £126k.
- 13.3. The increase is almost entirely a result of an increase in the proportion of new external residential placements (12.1% compared to 2.3% in 2022/23) and semi-independent placements (14.1% compared to 12.1% in 2022/23). This reflects a year in which the needs and complexity of those entering care has been exceptionally high.
- 13.4. Whilst unit costs have increased, there has been a net reduction of 6 in overall numbers of placements with a year-end total of 662. This net reduction of 6 includes an increase of 10 in unaccompanied asylum seeker children (UASC), taking the year-end total to 66; non – UASC placements have reduced by 16 since the start of the year, resulting in a year-end total of 596. The proportion of placements by age group at the year-end remains relatively consistent with last year in the 0-10 year age group, but with a 4% shift from the 11-15 year age group to the 16+.
- 13.5. The reduction in non-UASC overall placements is a result of reduced new entrants compared with previous years, with leaver numbers as a proportion of the overall placement population remaining consistent with previous years at 24%. The cost of short-term placements was high this year compared to previous years both in terms of numbers of placements and the cost of provision.
- 13.6. Total expenditure on placements including special guardianship orders totalled £49.7m, £11.3m more than the budget (£0.6m lower than the period 9 forecast).
- 13.7. The consultancy firm Impower have concluded their work which included an analysis of placements and the match between costs and assessed needs. This 'valuing care'

model has been applied to a large cohort of children in higher cost placements (182, 20% of the overall population), and has identified several cohorts of placements that continue to be the subject of targeted activity to address mismatches in cost versus level of need to generate savings. This work will take place alongside an extensive review of our internal resources (fostering and children's homes) to ensure that the capacity and resilience of these are maximised. The valuing care model will be expanded to cover all placements. Business cases will also be put forward for capital investment to expand our internal children's home resources over the next 5 years. A review of council resources deployed to prevent entry into care will also be completed with a view to refocusing/retargeting resources to have greater impact for those children and young people at greater risk of becoming looked after. A strengthening of the role of commissioning in sourcing placements will also take place and a tighter focus on contract management and capping cost inflation will be deployed to limit the impact of demands by providers for uplifts.

- 13.8. In addition to the £11.3m overspend from placement costs, there were a number of other over and under-spend items, as outlined below.
- 13.9. The pressure on the SEN home to school transport budget has continued this year, with overall spend £14.7m, £0.75m more than the budget and £1.4m more than the prior year. The average number of students with transport support including personal budgets has risen by 190 (13%) to 1,633. There were other cost pressures in the year including on the home to school and contact taxi transport budget for children looked after (£0.8m), an increased demand for disabled children's respite service (£0.5m) and more demand for legal and translation services for social care (£0.6m). New statutory guidance for local authorities effective from September this year means that the Education Welfare Service can no longer charge schools for the majority of its existing casework which whilst currently traded, will become a council statutory duty. This will cost an estimated £0.35m pa in a full year but £0.2m this year, for which no "new burdens" funding is being provided by the Government. These other non-placement cost pressures total some £3m.
- 13.10. The non placement overspends highlighted above were more than offset by underspends of £4.2m, with £3.6m of this as a result of staffing vacancies across a wide range of services including early help (in advance of reviews), special education service, commissioning, social care (31 agency social workers are being employed to cover vacancies) and in administration which continues to struggle with high staff turnover and difficulties in recruitment. There was also additional "Supporting Families" income of £0.6m with more families engaged with than budgeted.
- 13.11. The pressure on the high needs block (HNB) of the dedicated schools grant (DSG) continues, with the number of agreed education, health and care (EHC) plans at around 750 in the academic year 2022/23. In the 2023/24 academic year to February, numbers of agreed plans are 13% lower than in the equivalent period last year, whilst numbers of requests for plans have remained broadly similar, indicating no real reduction in

demand. The March numbers have had to be excluded from this analysis because of the IT difficulties.

- 13.12. The DfE increased the HNB allocation by £7.5m in 2023/24 to £79m. Total HNB expenditure was £85m resulting in an in-year deficit of £6m. The total number of pupils requiring support during the year was 3,821, an increase of 331 or 9.5% compared to 2022/23. Unit costs per placement increased by 3.3% on average, in line with the DfE operational guidance for 2023/24.
- 13.13. The cumulative DSG deficit of £6m at the start of the year has risen by £3.7m to £9.7m at the end of March 2024, with the £6m deficit in the HNB being offset by a surplus of £2.1m in early years' expenditure and a £0.2m under-spend in the schools' growth funding. The early years' block final funding allocation for 2023/24 will be determined by the DfE in July of this year based on take up at two census dates and therefore the final position on this block is subject to change.
- 13.14. The Council has been in discussion with the DfE through the ESFA (Education and Skills Funding Agency) about our draft deficit recovery management plan. The DfE recognised our issues with regards to increasing demand and acknowledged our approach to reducing this demand including through increasing inclusivity in mainstream schools and early intervention. Our initial draft plan is now being revised with the most recent forecast data, and the project plan is being finalised for presentation to the Executive for approval. This is an essential piece of work as the current response to the current level of demand is financially unsustainable. Moreover, the significant increases in HNB funding over the past 4 years (averaging over 10% pa), have come to an end, with only a 3% increase in 2024/25 and no plans to increase this in future years.
- 13.15. The Council is also part of the DfE's SEND and alternative provision (AP) change programme partnership (alongside Leicestershire and Rutland). These partnerships have been set up nationally and are being used by the DfE to develop, test and iterate reforms set out by the DfE in their SEND and AP improvement plan in March 2023. This work will continue in parallel with the work required for the deficit recovery plan.

## **Public Health and Sports Services**

### **14. Public Health**

- 14.1. Public Health spent £22.4m, £0.1m more than the budget. This is due to the impact of the (belated) 2022/23 NHS pay award on externally contracted services and is met from an increase in Public Health Grant.
- 14.2. The 2023/24 NHS pay settlement affecting external public health contracts has been finalised at 5%. This will be funded by the ICB as a one-off cost in 2023/24, so has no net impact on costs this year. The on-going cost will be funded by a permanent

additional allocation to the main public health grant and has been reflected in the 2024/25 budget.

## **15. Sports Services**

- 15.1. Sports Services underspent by £0.8m reducing the net cost to the Council to £3.8m.
- 15.2. Income from leisure centres and facilities was £0.8m more than the budget of £6.7m. The increased income is a result of more members than last year, and a fee increase of 12% from May this year.
- 15.3. There have been in-year vacancies and difficulties in recruiting casual staff, with supervisors and general managers having to cover some shifts. This has resulted in an underspend on pay of £0.3m. This is offset by additional running costs of £0.1m including continued price pressure on consumables including chemical water treatments, building repair works and locker replacements.
- 15.4. Repair work has been carried out at Braunstone swimming pool in the final quarter of this year in the year, costing £0.2m. The repair cost was offset by lower than budgeted energy costs of £0.2m.

## **Corporate Items & Reserves**

### **16. Corporate Items**

- 16.1. The corporate budgets cover the Council's capital financing costs, items such as audit fees, bank charges, contingencies and levies. This budget has underspent by £10.6m.
- 16.2. As previously reported, the local government pay award averaged between 6% and 6.5% of pay, compared to a budget estimate of 5%. The cost of this exceeded the budget by £2.5m. Conversely, additional recharges to the HRA, as a contribution to overheads and functions that support both HRA and General Fund services, have generated an additional £0.8m of income to corporate budgets.
- 16.3. A saving of £2.6m was made on the provision for increased energy costs. Energy prices, while still high, have reduced globally since the budget was set. This saving has reduced since period 9 forecasts as a result of recalculated forecasts for some properties, and slower-than-expected rollout of metering for the district heating system which has limited the amount that could be charged to leaseholders.
- 16.4. The outturn includes income of £2.6m relating to a historic (pre-2018/19) sum due to the Council under an expired contract, which has now been received. In addition, various other provisions and contingency budgets have not been required in year and have resulted in an underspend of £0.8m.
- 16.5. The corporate contingency budget of £3.6m is also shown as saving, as other savings have been sufficient to meet identified overspends.



- 16.6. Housing Benefit budgets for the year are showing a £1.1m net cost. A large part of this is due to increasing costs for supported living arrangements, where the rent payable exceeds the amount that can be reclaimed in subsidy. These costs have been increasing in recent years. A subsequent review of the subsidy claimable has identified an additional £0.1m not included in these figures, which will be recognised in 2024/25.
- 16.7. Capital Financing costs for the year are £3.9m below budget, a £0.6m improvement since period 9 forecasts. The budget position improved during 2023-24 due to higher interest rates and slower than predicted falls in balances leading to better returns (the majority of our borrowing is on fixed rates and is not affected by interest rate variations in the short term). As we spend our reserves, however, interest received will fall and the improvement is expected to be only temporary.
- 16.8. As reported at period 9 monitoring, one-off amounts of unbudgeted additional grants have been transferred to reserves. This now totals £5.8m. The outturn also includes a further £6.2m distribution of the surplus from the rates pool, and this report seeks approval to transfer this to the managed reserves as part of the overall support for the future budget position.

**Savings Identified**

- 1.1 As members are aware, future funding outlooks remain bleak and work is ongoing to identify and make savings as soon as possible, which help reduce the scale of future deficits. Savings have been reported in previous monitoring reports and in a separate report to OSC in November and this process is ongoing.
- 1.2 Where savings are incidental or can be made through management action, it is proposed to continue our previous practice of seeking approval to budget adjustments through routine budget monitoring reports.
- 1.3 Approval is sought to make the following budget adjustments, which result from management action and an executive decision on 22<sup>nd</sup> March 2024:

	2024/25	2025/26	2026/27	2027/28
	£000's	£000's	£000's	£000's
<b><u>Corporate Resources &amp; Support</u></b>				
Additional income related to salary sacrifice schemes	-	150	175	200
Income from appointeeship service	-	300	300	300
<b>Total savings</b>	-	<b>450</b>	<b>475</b>	<b>500</b>

**Earmarked Reserves****1. Summary**

- 1.1. Earmarked reserves represent sums set aside for specific purposes. This is in contrast to the annual revenue budget, which exists to support the Council's day-to-day operations. Reserves are however increasingly being used to mitigate future budget pressures.
- 1.2. Reserves are created or dissolved with the approval of the City Mayor. Directors may make contributions to reserves provided that the purpose of the reserve is within the scope of the budget from which the contribution was made. Directors may withdraw money from reserves to support spending that is consistent with the purpose for which the reserve was created.
- 1.3. Given the extremely difficult financial situation, earmarked reserves have been reviewed to separate amounts arising from grants and other contributions, where there is a commitment to a third party that means the funds cannot realistically be used for other purposes; and other reserves. This will involve the transfer of £33m from other reserves to corporate reserves; the remaining departmental reserves are those regarded as ring-fenced. In the short term, £18m of the transferred amount will be kept separate within corporate reserves – over time, the amount not needed will be available for future budgets.

**2. Schools reserves**

- 2.1 The following reserves are ringfenced for schools;

<b>2023-24</b>	<b>Balance at 31st March 2023</b>	<b>Total in Year Transfers</b>	<b>Balance at 31st March 2024</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
not delegated to schools	(5,993)	(3,655)	(9,648)
of Balances	31,156	(10,441)	20,715
of Capital Fund	2,417	(2,417)	-
of Catering	871	(678)	193
<b>Total School Ring Fenced Reserves</b>	<b>28,451</b>	<b>(17,191)</b>	<b>11,260</b>

- 2.2 Dedicated Schools Grant not delegated to schools is principally for spending on the High Needs Block. This has a negative balance which has continued to increase in the 2023/24 financial year as the grant allocation for SEND provision from the Government fails to keep pace with significant year on year increases in demand and hence expenditure. The Council is working with the Government to seek resolution – this is a national issue with the majority of local authorities in a similar position, many much worse than us.

- 2.3 School balances are the cumulative reserves of all the Council's maintained schools. The in-year reduction is the result of schools converting to academy status, at which point their balances are transferred to the academy trust.
- 2.4 School Capital funds are transfers of revenue funding made by a small number of individual schools to pay for future capital works.
- 2.5 Schools Catering is exclusively used by the Council's in-house catering service to invest in this provision and to offset cost increases in the short term. This reserve has been largely exhausted due to the deficit incurred in 2023/24,

### 3 Other earmarked reserves

3.1 Other earmarked reserves have been reviewed and are set out below:

2023-24	Balance at 31st March 2023	Total in Year Transfers	Restatement of reserves	Balance at 31st March 2024
	£000	£000	£000	£000
<u>Ring Fenced Resources</u>				
Education & Skills Funding agency Learning Programmes	887	(112)	-	775
Arts Council National Portfolio Organisation Funding	188	8	-	196
NHS Joint Working Projects	19,039	2,048	(7,970)	13,117
Social Care Projects	-	-	5,825	5,825
Health & Wellbeing Projects	-	-	3,822	3,822
Housing Projects	-	-	1,685	1,685
Other City Development & Neighbourhoods Projects	-	-	3,728	3,728
Covid-19 Collection Fund Compensation/Grants	(3,280)	4,747	(1,367)	100
<b>Total Ring Fenced Resources</b>	<b>16,834</b>	<b>6,691</b>	<b>5,723</b>	<b>29,248</b>
<u>Corporate Reserves</u>				
Managed Reserves Strategy (see note)	65,828	(7,656)	33,389	91,561
Capital Programme Reserve	103,043	(101)	-	102,942
BSF Financing	9,160	(5)	-	9,155
Insurance Fund	6,159	(811)	(1,500)	3,848
Severance Fund	4,723	-	-	4,723
Service Transformation Fund	5,170	-	-	5,170
Welfare Reserve	2,116	48	-	2,164
Anti- Poverty Reserve	2,772	-	(989)	1,783
<b>Total Corporate Reserves</b>	<b>198,971</b>	<b>(8,525)</b>	<b>30,900</b>	<b>221,346</b>
<u>Other Reserves</u>				
Financial Services Reserve	4,432	-	(4,432)	-
ICT Development Fund	10,480	(28)	-	10,452
Elections	2,440	(193)	(435)	1,812
Ward Committees	52	44	-	96
Housing	4,605	262	(4,867)	-
City Development (Excl Housing)	11,482	2,704	(14,186)	-
CHP Project	2,259	215	(2,474)	-
Social Care Reserve	10,938	2,346	(13,284)	-
Health & Wellbeing Division	4,945	328	(5,273)	-
Other Departmental Reserves	464	-	8,328	8,792
<b>Total Other Departmental Reserves</b>	<b>52,097</b>	<b>5,678</b>	<b>(36,623)</b>	<b>21,152</b>
<b>Total (non-schools) Reserves</b>	<b>267,902</b>	<b>3,844</b>	<b>-</b>	<b>271,746</b>

Note: Of the Managed Reserve balance, £18m is being held for departmental commitments and cannot be released to support the budget.

- 3.2 **Ring-fenced reserves** represent amounts held by the Council but for which we have obligations to other partners or organisations. They include:
- **NHS Joint Working Projects:** the government has provided funding for joint working between adult social care & the NHS.
  - Other amounts have been reclassified from departmental reserves where they represent unspent grants or where there are other obligations associated with the receipt of funds.
- 3.3 Corporate reserves are those held for purposes applicable to the organisation as a whole and not any specific service and are administered corporately.
- **Managed Reserves Strategy:** a key element to delivering our budget strategy as set out in the budget report for 2024/25; £61m is committed to fund the 2024/25 budget. A further £18m is being held towards other spending commitments, pending review, and cannot be released to support the budget at this stage. Without further savings, managed reserves will run out in 2025/26.
  - The **Capital Programme Reserve** supports approved spending on the Council's capital programme. This includes £7m that is not allocated to specific projects and has previously been identified as available to support the budget.
  - **Covid-19 Business Rates Reserve:** This reserve arises due to timing differences on statutory accounting. It does not affect services and will be reversed in 2024/25. This is due to the timing of government grant in relation to the collection fund, which will be resolved in future years through the collection fund surplus or deficit.
  - **BSF Financing:** to manage costs over the remaining life of the Building Schools for the Future scheme and lifecycle maintenance costs of the redeveloped schools.
  - **Insurance Fund:** to meet the cost of insurance claims: nearly all our costs are met from this fund. Following further review, £1.5m is proposed to be released to support the budget strategy.
  - **Severance Fund:** to facilitate ongoing savings by meeting the redundancy and other termination costs arising from budget cuts.
  - **Service Transformation Fund:** to fund projects which redesign services enabling them to function effectively at reduced cost.
  - **Welfare Reserve:** this reserve provides support for welfare reform and welfare support more generally.
  - **Anti-Poverty Reserve:** this reserve will continue to support the Anti-Poverty Strategy.
- 3.4 The remaining departmentally managed reserves are held for specific purposes and include:
- **ICT:** rolling funds for network and server upgrades, critical infrastructure, cyber security measures, mobile airtime and upgrade of PC and laptops, as well as costs related to increased remote and agile working.
  - **Elections:** to fund local and mayoral elections.
  - **Other Departmental Reserves** includes an amount likely to be required to support contract procurement.

# **Executive Decision Capital Budget Monitoring Outturn 2023/24**

Overview Select Committee

Decision to be taken by: City Mayor

Date of decision: 31 July 2024

Lead director: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Kirsty Cowell, Head of Finance
- Author contact details: [kirsty.Cowell@leicester.gov.uk](mailto:kirsty.Cowell@leicester.gov.uk)

### 1. Summary

- 1.1 The purpose of this report is to show the final position of the capital programme for 2023/24.
- 1.2 During the year many capital projects have experienced delays in progress and increased costs, to an unusual extent. This has been attributable to instability in the construction industry, limited contractor capacity and continued inflationary pressures due to the current uncertain economic climate. Where possible increased costs are being managed within project contingencies and revised scope of works while maintaining the desired project outcomes. When this is not possible it is reported in the monitoring report and decisions are taken as required. These challenges are anticipated to continue for the foreseeable future.

### 2. Recommended actions/decision

- 2.1 The Executive is recommended to:
  - Note the following:
    - Total spend of £138.1m for the year.
    - The progress in delivery of major projects, as shown at Appendix A.
    - The progress on spending work programmes, as shown at Appendix B, and approve the carry-forward of resources into 2024/25 for schemes where spend has slipped (£30.2m).
    - The provisions that remain unspent as shown at Appendix C, and approve the carry forward of the Early Years – Two Year Olds provision into 2024/25 (£35k), Appendix C, Para 1.4
    - That across a number of schemes, £4.2m has been saved following completion of schemes below budget. Of this, £1.0m was funded by Corporate Resources and will become available for future capital planning.



- Approve the following additions to the programme:
  - £4,150k for Replacement Cladding Phoenix Square, funded by an additional government grant, see Appendix A, EBS, Para 2.4.
  - £1,014k for Highways Maintenance, funded by additional government grants, see Appendix B, Para 3.6.
  - £558k for Early Years – Two Year Olds, funded by a government grant, see Appendix C, Para 1.5.
  
- Approve the following policy provision release:
  - Release £380k from the Strategic Acquisitions Policy Provision for the release of a leasehold on Southampton Street to continue land assembly in the cultural quarter, see Appendix E, Para 1.3
  
- Approve the following transfers:
  - £726k from HRA revenue underspends for kitchens and bathrooms, boiler replacements, rewiring, disabled adaptations, and insulation works, (including those shown at Appendix B, Para 3.30, 3.31 and 3.32).
  - £289k of corporate resources from Onsite Construction Skills Hub to revenue reserves, see Appendix A, TCII Para 2.3
  
- Approve the following reductions to the 2024/25 capital programme:
  - £1,000k reduction in the budget for operational property maintenance (Appendix B, para. 3.21)
  
- Note the prudential indicators presented in Appendix F.

The OSC is recommended to:

- Consider the overall position presented within this report and make any observations it sees fit.

### **3. Scrutiny / stakeholder engagement**

N/a

## 4. Background

4.1 The 2023/24 Capital programme was initially approved by Council on 22nd February 2023. It has subsequently been amended following monitoring reports.

The capital programme is split in the following way:

- (a) Schemes classified as '**immediate starts**', which require no further approval to commence; and
- (b) A number of separate '**policy provisions**' which are not released until specific proposals have been approved by the Executive.

4.2 Immediate Starts are further split into:

- (a) **Projects**, which are discrete, individual schemes such as a road scheme or a new building. Monitoring of projects focusses on delivery of projects on time and the achievement of milestones. Consequently, financial slippage is not in itself an issue on these projects;
- (b) **Work Programmes**, which consist of minor works or similar on-going schemes where there is an allocation of money to be spent during a particular year. Monitoring of work programmes focusses on whether the money is spent in a timely fashion;
- (c) **Provisions**, which are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem;
- (d) **Schemes which are substantially complete**. These schemes are the tail end of previous years' capital programmes, usually consisting of small amounts of money brought forward from earlier years

4.3 A summary of the total approved 2023/24 capital programme budget and the spend at the end of the year is shown below:

	<b>Budget £000</b>	<b>Spend £000</b>
Projects	182,352	69,840
Work Programmes	88,106	58,181
Provisions	191	4
Schemes Substantially Complete	13,655	10,101
<b>Total Immediate Starts</b>	<b>284,304</b>	<b>138,126</b>
Policy Provisions	20,466	0
<b>Total Capital Programme</b>	<b>304,770</b>	<b>138,126</b>

4.4 The following changes have occurred to the capital programme since period 9, these movements are included in the table at 4.3 above:

	<b>£000</b>
<b>Decisions since P9</b>	
Housing Acquisitions - SAP	45,000
Affordable Housing - Acquisitions	6,700
Highways Maintenance	415
Leisure Centres	52
Highways, Transport, and Infrastructure	(1,294)
Tourism and Culture	(40)
<b>Directors Decisions</b>	
Council Housing - External Property Works	192
Tiny Forests	180
Other	20
<b>Net Movements</b>	<b>51,225</b>

4.5 The following appendices to this report show progress on each type of scheme:

- Appendix A – Projects
- Appendix B – Work Programmes
- Appendix C – Provisions
- Appendix D – Projects Substantially Complete
- Appendix E – Policy Provisions
- Appendix F – Prudential Indicators

4.6 This report only monitors policy provisions to the extent that spending approval has been given, at which point they will be classified as projects, work programmes or provisions.

#### 4.7 Capital Receipts

4.7.1 At Period 12, the Council has realised £10.1m of General Fund capital receipts, of which £6.9m relates to receipts on the Ashton Green and Waterside developments. These receipts pay for spending on those developments.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £13.7m.

#### 4.8 Prudential Indicators

This report also presents prudential indicators, in accordance with the CIPFA code.

### **5. Detailed report**

N/A

## **6. Financial, legal, equalities, climate emergency and other implications**

### 6.1 Financial implications

This report is solely concerned with financial issues.

Kirsty Cowell, Head of Finance, 37 2377

### 6.2 Legal implications

There are no direct legal implications arising from the recommendations of this report.

Kamal Adatia, Head of Law - City Barrister & Head of Standards

### 6.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted.

There may be future projects, arising from the report and its recommendations, which would benefit from further consideration of the equalities implications and possibly a full equality impact assessment in certain circumstances. People from across all protected characteristics should benefit from the improved public good arising from the capital programme. Whether an Equalities Impact Assessment is required will be dependent upon how work develops and whether the changes are likely to have a disproportionate impact on any protected group; this is usually the case where there are significant changes or a reduction in provision.

Equalities Officer, Surinder Singh, ext. 37 4148

### 6.4 Climate Emergency implications

Following the council's declaration of a climate emergency and ambition to reach net zero carbon emissions for the council and the city, the council has a key role to play in addressing carbon emissions relating to the delivery of its services. This includes through its delivery of capital projects, as projects involving buildings often present significant opportunities for achieving carbon savings and are an area where the council has a high level of control.

The following project for transfer within this report also has direct climate emergency implications:

The transfer of HRA revenue underspends for kitchens and bathrooms, boiler replacements, rewiring, disabled adaptations, and insulation works means that this funding will no longer be available for spending on boiler replacement and insulation projects that would have reduced carbon emissions from council housing.

Aidan Davis, Sustainability Officer, Ext 37 2284

6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

**7. Background information and other papers:**

Capital Programme 2023/24 approved by Council on 22 February 2023.

Housing Revenue Account Budget (including Capital Programme) 2023/24 approved by Council on 22 February 2023.

2023/24 Capital Monitoring P3 Report presented to OSC on 20 September 2023.

2023/24 Capital Monitoring P6 Report presented to OSC on 14 December 2023.

2023/24 Capital Monitoring P9 Report presented to OSC on 11 April 2024.

**8. Summary of appendices:**

- Appendix A – Projects
- Appendix B – Work Programmes
- Appendix C – Provisions
- Appendix D – Projects Substantially Complete
- Appendix E – Policy Provisions
- Appendix F – Prudential Indicators

**9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No.

**10. Is this a “key decision”? If so, why?**

Yes. Expenditure exceeding £1m is proposed which has not been specifically approved by Council.

## PROJECTS

### 1. Summary

- 1.1 As stated in the cover report, the focus of monitoring projects is physical delivery, i.e. whether they are being delivered on time, on budget and to the original specification. This appendix summarises progress on projects. Project summaries provided by departments/divisions are shown in the remainder of this Appendix.

Department / Division	Remaining Budget £000	2023/24 Spend £000
Corporate Resources	688	0
Planning, Development & Transportation	96,975	48,837
Tourism, Culture & Inward Investment	37,663	8,288
Neighbourhood & Environmental Services	4,471	344
Estates & Building Services	12,379	3,224
Housing General Fund	2,137	630
Adult Social Care	2,510	0
Children's Services	19,301	6,528
Housing Revenue Account	6,228	1,989
<b>Total</b>	<b>182,352</b>	<b>69,840</b>

- 1.2 A list of the individual projects is shown in the table below. This also summarises the progress of each project. Attention is drawn to expected completion dates and any project issues that have arisen.
- 1.3 A colour-coded rating of progress of each project has been determined, based on whether the project is progressing to the latest approved delivery and cost plan as expected, and whether it is still expected to complete within budget.
- 1.4 The ratings used are:
- (a) **Green** Successful delivery of the project on time, within budget, to specification and in line with original objectives seems very likely. There are no major issues that appear to threaten delivery significantly.
  - (b) **Amber** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears probable. However, some risks exist, and close attention will be required to ensure these risks do not materialise into major issues threatening delivery. Alternatively, a

project is classed as amber if some insubstantial slippage or minor overspend is probable.

- (c) **Red** Successful delivery of the project on time, within budget, to specification and in line with original objectives appears to be unachievable. The project is expected to require redefining, significant additional time or additional budget.
- (d) **Blue** The project is substantially complete.
- (e) **Purple** The project is on hold, for reasons which have nothing to do with management of the capital programme. Examples include reconsideration of whether the project is still needed as originally proposed, or withdrawal of a funder.



## 2. Summary of Individual Projects

Dept/ Division	Project	Remaining Budget (£000)	2023/24 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Outturn
CRS	Off-site Cloud Backup	388	0	0	Sep-24	Sep-24	Green	Green
CRS	Network Wi-Fi Replacement	300	0	0	Dec-24	Dec-24	Green	Green
CDN (PDT)	Connecting Leicester	36,016	19,979	0	Mar-24	Dec-24	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	3,793	1,500	0	Mar-23	Jun-26	Green	Green
CDN (PDT)	St George's Churchyard	558	7	(322)	Aug-18	Jul-24	Green	Green
CDN (PDT)	Leicester Railway Station - Levelling up	20,901	3,034	0	Mar-24	TBC	Amber	Amber
CDN (PDT)	Electric Bus Investment	8,003	7,995	0	Dec-23	May-24	Green	Blue
CDN (PDT)	Pioneer Park - Levelling Up	25,054	16,322	0	Dec-24	Sep-24	Green	Green
CDN (PDT)	Ashton Green Access Road	2,250	0	(2,250)	Dec-24	N/A	Purple	Red
CDN (PDT)	St Paul's Church	400	0	0	Aug-25	Aug-25	Green	Green
CDN (TCI)	Jewry Wall Museum Improvements	10,004	4,164	0	Mar-23	Jan-25	Green	Amber
CDN (TCI)	Leicester Market Redevelopment	9,733	1,118	0	Dec-21	TBC	Amber	Purple
CDN (TCI)	12-20 Cank St Link	2,824	80	0	Jan-25	TBC	Green	Purple
CDN (TCI)	Onsite Construction Skills Hub	706	271	(435)	Dec-22	Mar-24	Green	Blue
CDN (TCI)	Leicester Museum and Art Gallery Phase 1	2,091	531	0	Mar-22	Jun-26	Green	Green
CDN (TCI)	Pilot House - Levelling Up	12,305	2,124	0	Mar-24	Feb-25	Green	Green
CDN (NES)	Library Self Access Rollout	587	45	0	Sep-24	TBC	Purple	Purple
CDN (NES)	St Margaret's Pastures Skate Park	384	37	0	Jan-23	May-25	Amber	Green
CDN (NES)	Multi Use Games Areas (MUGAs)	3,106	144	0	Mar-25	Apr-26	Amber	Amber
CDN (NES)	Spinney Hills Park - Levelling Up	199	37	0	Mar-24	Jun-24	Blue	Amber
CDN (NES)	African Caribbean Centre Maintenance	60	40	0	Jan-24	Jul-24	Green	Green
CDN (NES)	Study Zones	135	41	0	Mar-24	Sep-24	Blue	Amber
<b>Total</b>		<b>139,797</b>	<b>57,469</b>	<b>(3,007)</b>				

Dept/ Division	Project	Remaining Budget (£000)	2023/24 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ Outturn
CDN (EBS)	Estate Shops	496	19	0	Mar-22	Dec-24	Blue	Amber
CDN (EBS)	Changing Places - Disabled Facilities Toilets	305	113	0	Mar-24	Aug-24	Amber	Amber
CDN (EBS)	Malcolm Arcade Refurbishment	1,353	42	0	Nov-23	TBC	Purple	Purple
CDN (EBS)	Replacement Cladding Phoenix Square	9,570	3,036	0	Dec-24	Sep-25	Green	Green
CDN (EBS)	St Nicholas Wall	460	14	0	Sep-24	Mar-25	Green	Amber
CDN (EBS)	Aikman Avenue District Heating	195	0	0	Dec-23	TBC	Green	Purple
CDN (HGF)	District Heating Metering	2,137	630	(483)	Jun-24	Jun-24	N/A	Green
SCE (ASC)	Extra Care Schemes	2,510	0	0	Aug-20	TBC	Purple	Purple
SCE (ECS)	Additional SEND Places (including Pupil Referral Units)	11,754	4,175	10,300	Jan-24	Sep-25	Red	Red
SCE (ECS)	Pindar Nursery	841	8	0	Mar-23	TBC	Purple	Purple
SCE (ECS)	S106 Additional School Places	519	106	0	Sep-23	Aug-24	Green	Green
SCE (ECS)	Children's Homes Refurbishments	800	394	0	Sep-23	Jul-24	Green	Green
SCE (ECS)	Expansion of Children's Homes	2,037	845	0	May-23	Mar-25	Green	Amber
SCE (ECS)	Winstanley Contact Centre	785	522	0	Apr-24	Jun-24	Green	Green
SCE (ECS)	Education System Re-tender	2,200	119	0	Mar-26	Mar-26	Green	Green
SCE (ECS)	Family Hubs	132	129	(3)	Mar-26	Mar-24	Green	Blue
SCE (ECS)	Tiny Forests in Leicester Schools	233	230	0	Mar-24	Mar-24	N/A	Blue
<b>Total (excluding HRA)</b>		<b>176,124</b>	<b>67,851</b>	<b>6,807</b>				
CDN (HRA)	Bridlespur Way Refurbishment	300	0	0	Mar-23	Dec-24	Amber	Amber
CDN (HRA)	Dawn Centre Reconfiguration	1,500	39	0	May-23	Mar-25	Green	Amber
CDN (HRA)	St Matthews Concrete Works	1,300	0	0	Mar-24	Sep-24	Green	Green
CDN (HRA)	District Heating Metering	3,128	1,950	0	Jan-24	Jun-24	Amber	Green
<b>Total HRA</b>		<b>6,228</b>	<b>1,989</b>	<b>0</b>				
<b>Total (including HRA)</b>		<b>182,352</b>	<b>69,840</b>	<b>6,807</b>				

## **Commentary on Specific Projects**

- 3.1 Explanatory commentary for projects that are not currently progressing as planned, or for which issues have been identified, is provided in the next pages. This has been defined as any scheme that has a RAG Rating other than “green” or “blue”.

## Capital Programme Project Monitoring 2023/24 Outturn

### Corporate Resources

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Off-site Cloud Backup	388	0	Sept 2024	Sept 2024	G
Network Wi-Fi Replacement	300	0	Dec 2024	Dec 2024	G
<b>Total</b>	<b>688</b>	<b>0</b>			

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

## Capital Programme Project Monitoring 2023/24 Outturn

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Connecting Leicester	36,016	0	March 2024	Dec 2024	G
Waterside Strategic Regeneration Area	3,793	0	March 2023	June 2026	G
St George's Churchyard	558	(322)	Aug 2018	July 2024	G
Leicester Station Improvements – Levelling Up	20,901	0	March 2024	TBC	A
Electric Bus Investment	8,003	0	Sept 2024	May 2024	B
Pioneer Park – Levelling Up	25,054	0	Dec 2024	Sept 2024	G
Ashton Green Access Road	2,250	(2,250)	Dec 2024	N/A	R
St Paul's Church	400	0	Aug 2025	Aug 2025	G
<b>Total</b>	<b>96,975</b>	<b>(2,572)</b>			

2. **Projects Commentary** (for **all** projects rated Amber, Red or Purple; and others as required).

2.1. **St George's Churchyard** – This scope of this scheme has been reduced to make savings. Works to the public realm outside the churchyard will not now take place, and the remaining budget will be used to carry out main works within the churchyard such as, improved accessibility and wayfinding.

**2.2. Leicester Station Improvements – Levelling Up** – Contractor engagement is due to occur in the Autumn. Therefore, an updated completion date will be provided after this.

**2.3. Ashton Green Access Road** – This scheme is no longer progressing as the requirement was linked to a decision to dispose of land which is not now taking place.

## Capital Programme Project Monitoring 2023/24 Outturn

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	10,004	0	March 2023	Jan 2025	A
Leicester Market Redevelopment	9,733	0	Dec 2021	TBC	P
12-20 Cank St Link	2,824	0	Jan 2025	TBC	P
Onsite Construction Skills Hub	706	(435)	Dec 2022	March 2024	B
Leicester Museum and Art Gallery Phase 1	2,091	0	March 2022	June 2026	G
Pilot House – Levelling Up	12,305	0	March 2024	Feb 2025	G
<b>Total</b>	<b>37,663</b>	<b>(435)</b>			

#### 2 Projects Commentary (for **all** projects rated Amber, Red or Purple)

**2.1 Jewry Wall Museum Improvements** – There has been a delay on the completion of outstanding works to a satisfactory standard from the Phase 1 contractor which were transferred to Phase 2, including finding a solution to paint stripping issues on the vaulted ceiling in the exhibition space.

**2.2 Leicester Market Redevelopment & 12-20 Cank St Link** – These projects are currently on hold while a decision is made on how to progress the schemes.

**2.3 Onsite Construction Skills Hub** – The remaining expenditure on the project will consist of training and upskilling the construction workforce. It is therefore proposed that £289k of corporate resources is to be transferred to revenue reserves.



## Capital Programme Project Monitoring 2023/24 Outturn

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Library Self Access Rollout	587	0	Sept 2024	TBC	P
St Margaret's Pastures Skate Park	384	0	Jan 2023	May 2025	G
Multi Use Games Areas (MUGAs)	3,106	0	March 2025	April 2026	A
Spinney Hills Park - Levelling Up	199	0	March 2024	June 2024	A
African Caribbean Centre Maintenance	60	0	Jan 2024	July 2024	G
Study Zones	135	0	March 2024	Sept 2024	A
<b>Total</b>	<b>4,471</b>	<b>0</b>			

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1 Library Self Access Rollout** – As previously reported, the project is on hold until a Community Services and Library Needs Assessment is complete following public consultation.

**2.2 Multi Use Games Areas (MUGAs)** – As previously reported, majority of the sites will meet the original completion date. However, there is a legal obligation to protect some protected species, and this has caused delays in some sites.

**2.3 Spinney Hills Park – Levelling Up** - This project has been reprofiled to complete in 2024/25 due to unexpected delays to design processes and delays due to weather conditions. The carryover also includes unspent costs for installation of outdoor chess tables in Victoria Park which has been delayed as a result of additional consultation with stakeholders.

**2.4 Study Zones** - There was an underspend on electrical cabling and other items. The funder has agreed for additional study furniture to be purchased instead - this will be subject to a procurement exercise in the first quarter of 2024/25. It is anticipated that some further work will take place in the new financial year. It's forecast to complete by September 2024.

## Capital Programme Project Monitoring 2023/24 Outturn

### Estates and Building Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Estate Shops	496	0	March 2022	Dec 2024	A
Changing Places - Disabled Facilities Toilets	305	0	March 2024	Aug 2024	A
Malcolm Arcade Refurbishment	1,353	0	Nov 2023	TBC	P
Replacement Cladding Phoenix Square	9,570	0	Dec 2024	Sept 2025	G
St Nicholas Wall	460	0	Sept 2024	March 2025	A
Aikman Avenue District Heating	195	0	Dec 2023	TBC	P
<b>Total</b>	<b>12,379</b>	<b>0</b>			

#### 2. Projects Commentary (for **all** projects rated Amber, Red or Purple).

**2.1 Estate Shops** – This scheme has temporarily been put on hold due to housing maintenance works taking priority on the flats above the shops at Netherhall. It is anticipated that the maintenance works will be complete in four months after which the works on estate shops will resume.

**2.2 Changing Places – Disabled Facilities Toilets** – As previously reported the scheme has been delayed due to planning approval being required at Abbey Pumping Station toilets which was not foreseen. This is now forecast to complete by August 2024.

**2.3 Malcolm Arcade Refurbishment** – The proposed programme of works are currently being reviewed to determine the best use of available resources.

**2.4 Replacement Cladding Phoenix Square** – This report seeks approval to add £4,150k to the capital programme that has been awarded from Building Safety Fund to cover inflationary pressures experienced on the scheme.

**2.5 St Nicholas Wall** – The forecast completion of works to the wall at St Nicholas Church has been delayed due to the requirement for approval from multiple stakeholders before works commence, due to their disruptive nature.

**2.6 Aikman Avenue District Heating** – The project has delayed due to the complexities of resolving an ongoing contractual dispute with the district heating provider. The design and programme of works are to be agreed with the contractor.

## Capital Programme Project Monitoring 2023/24 Outturn

### Housing (GF)

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
District Heating Metering	2,137	(483)	June 2024	June 2024	G
<b>Total</b>	<b>2,137</b>	<b>(483)</b>			

#### 2. Projects Commentary (for **all** projects rated Amber, Red or Purple).

- 2.1 **District Heating Metering** – St Matthews (phase 2) has been removed from the programme of works due to the network changes being unviable. This has resulted in an underspend against the original budget.

## Capital Programme Project Monitoring 2023/24 Outturn

### Adults

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Extra Care – Two Schemes	2,510	0	Aug 2020	TBC	P
<b>Total</b>	<b>2,510</b>	<b>0</b>			

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1 Extra Care – Two Schemes** – As previously reported, this project is currently paused at the procurement stage whilst seeking advice on the council’s ability to proceed to the next stage.

## Capital Programme Project Monitoring 2023/24 Outturn

### Children's Services

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	11,754	10,300	Jan 2024	Sept 2025	R
Pindar Nursery	841	0	March 2023	TBC	P
S106 Additional School Places	519	0	Sept 2023	Aug 2024	G
Children's Homes Refurbishments	800	0	Sept 2023	July 2024	G
Expansion of Children's Homes	2,037	0	May 2023	March 2025	A
Winstanley Contact Centre	785	0	April 2024	June 2024	G
Education System Re-tender	2,200	0	March 2026	March 2026	G
Family Hubs	132	(3)	March 2026	March 2024	B
Tiny Forests in Leicester Schools	233	0	March 2024	March 2024	B
<b>Total</b>	<b>19,301</b>	<b>10,297</b>			

#### 2. Projects Commentary (for **all** projects rated Amber, Red or Purple).

**2.1 Additional SEND Places** – The approved scheme includes works at the Rowans (Ellesmere), Knighton Lane (Leicester Partnership School) and the Armadale Centre (Netherhall School). Following a review arising from increased demand, additional cost has been identified and funding options are being reviewed to determine the best use of resources available. As at period 9, the table above shows the spend required to complete the additional requirements, but this can be funded from a combination of government grant provided for high needs, and

the existing policy provision. A decision will be sought after funding options have been reviewed.

**2.2 Pindar Nursery** – This scheme is currently on hold due to a revision of the planned scope of works, which will need further decisions.

**2.3 Expansion of Children's Homes** – The expansion of Holly House Children's Home is currently complete but the expansion at Hillview is due to go out to tender and the timescale of works remains to be agreed.



## Capital Programme Project Monitoring 2023/24 Outturn

### Housing (HRA)

#### 1. Projects Summary

Project Name	Remaining Budget (£000)	Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Bridlespur Way Refurbishment	300	0	March 2023	Dec 2024	A
Dawn Centre Reconfiguration	1,500	0	May 2023	March 2025	A
St Matthews Concrete Works	1,300	0	March 2024	Sept 2024	G
District Heating Metering	3,128	0	Jan 2024	June 2024	G
<b>Total</b>	<b>6,228</b>	<b>0</b>			

#### 2. Projects Commentary (for all projects rated Amber, Red or Purple).

**2.1 Bridlespur Way Refurbishment** – As reported previously, the start of the project was delayed due to an infestation in the roof space. Whilst contractors are now on site, the delay was longer than anticipated with the completion date now December 2024.

**2.2 Dawn Centre Reconfiguration** – The tender exercise resulted in two returns, both of which were over budget. A value engineering exercise has taken place with a revised scope of works and that will go out to tender within the next month.

**WORK PROGRAMMES****1. Summary**

- 1.1 As stated in the cover report, work programmes are minor works or similar on-going schemes where there is an allocation of money to be spent during a particular year. Monitoring of work programmes focusses on whether the money is spent in a timely fashion.

<b>Department / Division</b>	<b>Approved to spend in 23/24 £000</b>	<b>2023/24 Spend £000</b>	<b>Slippage £000</b>	<b>Over/(under) Spend £000</b>
City Development & Neighbourhoods	1,416	414	771	(231)
Planning, Development & Transportation	11,707	7,728	3,799	(180)
Tourism, Culture & Inward Investment	1,081	305	773	(3)
Neighbourhood & Environmental Services	1,034	489	545	0
Estates & Building Services	8,952	3,698	5,194	(60)
Housing General Fund	9,836	3,049	6,787	0
Children's Services	17,273	6,764	10,509	0
<b>Total (excluding HRA)</b>	<b>51,299</b>	<b>22,447</b>	<b>28,378</b>	<b>(474)</b>
Housing Revenue Account	36,807	35,734	1,799	726
<b>Total (including HRA)</b>	<b>88,106</b>	<b>58,181</b>	<b>30,177</b>	<b>252</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2023/24 Spend £000	Slippage £000	Over/(under) Spend £000
Feasibility Studies	CDN	1,416	414	771	(231)
Transport Improvement Works	CDN (PDT)	3,982	1,916	2,066	0
Bus Engine Retrofitting	CDN (PDT)	412	36	376	0
Air Quality Action Plan	CDN (PDT)	240	207	33	0
Highways Maintenance	CDN (PDT)	4,238	3,888	350	0
Flood Strategy	CDN (PDT)	329	329	0	0
Local Environmental Works	CDN (PDT)	463	463	0	0
Legible Leicester	CDN (PDT)	51	20	31	0
Potential Strategic Development Sites Assessment	CDN (PDT)	844	707	137	0
Architectural & Feature Lighting (Grant)	CDN (PDT)	196	0	196	0
Front Wall Enveloping	CDN (PDT)	200	6	194	0
Transforming Cities Work Programmes	CDN (PDT)	341	2	339	0
Campbell Street Feasibility Study	CDN (PDT)	186	80	0	(106)
Conservation Building Grants	CDN (PDT)	71	39	32	0
Street Nameplates City Branding Programme	CDN (PDT)	67	22	45	0
Environment Agency Feasibility Studies	CDN (PDT)	87	13	0	(74)
Heritage Interpretation Panels	CDN (TCI)	217	191	26	0
Cank St Feasibility	CDN (TCI)	3	0	0	(3)
Local Shopping Centres Reopening & Improvement Programme Grants	CDN (TCI)	861	114	747	0
Parks Plant and Equipment	CDN (NES)	298	175	123	0
Parks and Open Spaces	CDN (NES)	327	139	188	0
Franklyn Fields Public Open Space	CDN (NES)	409	175	234	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	6,779	1,869	4,910	0
Green Homes	CDN (EBS)	1,947	1,805	142	0
Phoenix & Sovereign House	CDN (EBS)	60	0	0	(60)
Depots Refurbishment	CDN (EBS)	166	24	142	0
Private Sector Disabled Facilities Grant	CDN (HGF)	2,231	2,031	200	0
Repayable Home Repair Loans	CDN (HGF)	134	13	121	0
Vehicle Fleet Replacement Programme	CDN (HGF)	7,466	1,000	6,466	0
Housing Acquisitions - SAP	CDN (HGF)	5	5	0	0
School Capital Maintenance	SCE (ECS)	17,029	6,563	10,466	0
Foster Care Capital Contribution Scheme	SCE (ECS)	244	201	43	0
<b>Total (excluding HRA)</b>		<b>51,299</b>	<b>22,447</b>	<b>28,378</b>	<b>(474)</b>
Council Housing - New Kitchens and Bathrooms	CDN (HRA)	2,000	2,302	0	302
Council Housing - Boiler Replacements	CDN (HRA)	2,800	2,859	0	59
Council Housing - Rewiring	CDN (HRA)	1,610	1,754	0	144
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,307	1,490	0	183
Council Housing - Insulation Works	CDN (HRA)	82	120	0	38
Council Housing - External Property Works	CDN (HRA)	642	642	0	0
Council Housing - Fire and Safety Works	CDN (HRA)	724	502	222	0
Community & Environmental Works	CDN (HRA)	1,349	360	989	0
Affordable Housing - Acquisitions	CDN (HRA)	23,743	23,743	0	0
Affordable Housing - RPs & Others	CDN (HRA)	92	92	0	0
Public Realm Works	CDN (HRA)	629	291	338	0
Feasibility Study for Sheltered Housing	CDN (HRA)	250	0	250	0
New House Build Council Housing	CDN (HRA)	1,579	1,579	0	0
<b>Total HRA</b>		<b>36,807</b>	<b>35,734</b>	<b>1,799</b>	<b>726</b>
<b>Total (including HRA)</b>		<b>88,106</b>	<b>58,181</b>	<b>30,177</b>	<b>252</b>

### 3. **Commentary on Specific Work Programmes**

- 3.1 Explanatory commentary for work programmes not currently progressing as planned, or for which issues have been identified is provided below. For monitoring purposes this has been defined as any scheme where budgets have significantly changed, where spend is low or where material slippage is forecast.
- 3.2 **Feasibility Studies** – A number of feasibility schemes have slipped due to limited resources available during the year and resources being focused on immediate start projects. It is anticipated that staffing resources will be available in 2024/25 to deliver the proposed studies. The £231k saving is due to the reprioritisation of feasibility studies and the funding is no longer required.
- 3.3 **Transport Improvement Works** – The scope of the transport improvement works is being reconsidered due to major levelling up schemes throughout the city occurring at the same time. There is also slippage on some schemes into the next financial year partly due to longer lead times for materials required for construction, and prioritisation for delivery and space on the network.
- 3.4 **Bus Engine Retrofitting** – DFT is undertaking a review to establish the efficiency of these schemes and therefore this work programme is currently on hold until the results of this review are published.
- 3.5 **Air Quality Action Plan** – The slippage on this scheme is due to equipment not being available to purchase until the 2024/25 financial year.
- 3.6 **Highways Maintenance** – The slippage on this scheme is due to works that started in March 2024 due to finish in the new financial year. This report seeks to add £1.014m to the Highways Maintenance budget, to be funded by additional government grant (Highways Maintenance Funding: Network North, Traffic Signal Obsolescence and Green Light Fund).
- 3.7 **Legible Leicester** – There is a small amount of slippage on this scheme due to prioritisation of other work.
- 3.8 **Potential Strategic Development Sites** – Due to available resources a small amount of the work planned for the 2023/24 financial year has now had to be carried forward into the next financial year.

- 3.9 **Architectural & Feature Lighting** – As previously reported, due to the current economic climate grant recipients continue to request that works are delayed.
- 3.10 **Front Wall Enveloping** – Construction on this scheme is due to take place in 2024/25. This is due to approval of the property owners being required to progress and this is usually a lengthy process to complete. These approvals are still being sought and can take approximately 6 months.
- 3.11 **Transforming Cities Work Programmes** – There have been technology issues associated with bike shelters that have needed to be resolved before being able to procure a contractor for this scheme. This is on track to be resolved for the middle of the next financial year.
- 3.12 **Campbell Street Feasibility Studies** – This study is now complete and a saving of £106k can be taken.
- 3.13 **Conservation Building Grants** – Some of the grant claims have been delayed until the next financial year at the request of the grant recipients.
- 3.14 **Street Nameplates City Branding Programme** – All of the equipment for this scheme has been delivered. However, the assembly of these signs will need to be completed in the 2024/25 financial year due to them needing to be installed on sites that are currently under construction.
- 3.15 **Environment Agency Feasibility Studies** – As previously reported, all three projects in this scheme of works are in the process of being terminated, mostly due to external partners prioritising other projects.
- 3.16 **Heritage Interpretation Panels** – The slight slippage is due to a delay in accessing staff resources to manage the scheme.
- 3.17 **Local Shopping Centres Reopening & Improvement Programme** – Plans for works at shop fronts located on Welford Road, Melton Road and Netherhall Road have now been identified and are planned for the next financial year due to the current capacity or resources.
- 3.18 **Parks, Plant and Equipment** – Slippage is due to internal resourcing shortages on the scheme.

- 3.19 **Parks and Open Spaces** – The work at Victoria Park bandstand was delayed because of pre-planned works having to be rearranged due to a recent festival. The work is now due to complete in the middle of summer. There has been additional investigations at Rally Park Ballcourt due to ground contamination and ecology issues, which has led to delays.
- 3.20 **Franklyn Fields Public Open Space** – The slippage on this scheme is due to resources being occupied on priority landscape works and recent wet conditions have prevented the start of some works further.
- 3.21 **Property and Operational Estate Capital Maintenance** – As previously reported, the significant slippage on this scheme is due to the long lead times for energy efficiency works required on council buildings, with contractors having limited capacity to deliver the decarbonisation works this financial year. These will be completed in future years. Some of the other scheduled works to maintain Council owned buildings have experienced delays during the year due to the availability of suitable contractors and seeking decisions for works that had wider implications. This will have an impact on ability on our ability to complete the programme for 2024/25, and reductions of £1m are proposed in the recommendations to this report.
- 3.22 **Green Homes** – The £142k slippage is due the difficulties of meeting certain conditions stipulated by the funding provider for energy efficiency measures to be installed.
- 3.23 **Phoenix & Sovereign House** – Work on access control has been completed at Phoenix House and following condition surveys it has been decided the original scope of works to a platform and passenger lift would not be required.
- 3.24 **Depots Refurbishment** – The scheme has slipped into the new financial year due to limited resources available. The scheme is expected to complete in July 2024.
- 3.25 **Private Sector Disabled Facilities Grant** - The demand for disabled adaptations to privately owned homes in the city remains high. The reported slippage of £200k is due internal resourcing pressures experienced during the year to meet demand.
- 3.26 **Repayable Home Repair Loans** – As previously reported, resources have been focused on the delivery of Disabled Facilities Grants resulting in the scheme slipping into the next financial year.

- 3.27 **Vehicle Replacement Programme** – As previously reported forecast slippage is due to the continued global factors contributing to the limited supply of new vehicles. This has increased delivery lead times, particularly for electric vehicles. During the year, a supplier for passenger assisted vehicles went into administration resulting in proposed orders not being placed and derailing the procurement process. Internal resource issues have led to delays in the re-ordering process.
- 3.28 **School Capital Maintenance** – As previously reported, the slippage is principally due to the supplier for energy efficiency works having limited capacity to deliver the decarbonisation of school buildings. Some of the other scheduled works in year have slipped due to delays in agreeing the programme of works with schools, limited contractor capacity and navigating around access issues to some sites.
- 3.29 **Foster Care Capital Contribution Scheme** – Reported slippage is a result of increased delays sourcing available contractors.
- 3.30 **Council Housing - Kitchens and bathrooms** – To facilitate the availability of properties for homeless families a greater number of void properties had kitchen and bathroom installations, resulting in a overspend of £302k. This is not expected to recur as fixed budgets have been set for void properties and installations will be timed accordingly. This will be funded by HRA revenue underspends.
- 3.31 **Council Housing - Rewiring** – In previous years, rewiring works have often been difficult to complete because of the disruptive nature of the works. Re-wiring has been conducted more successfully this year and all opportunities to complete the work have been taken. Consequently, this has generated a one-off overspend of £144k. This will be funded by HRA revenue underspends.
- 3.32 **Council Housing - Disabled Adaptations and Improvements** – As a demand-led programme, this area is subject to fluctuation. An increase in work during the last quarter of the year has resulted in an overspend of £183k, compounded by inflationary increases in the cost of building materials. This will be funded by HRA revenue underspends.
- 3.33 **Council Housing - Fire and Safety works** – There has been restricted contractor availability in this area and therefore the completion of fire safety works has taken longer than expected. There is already a full programme of fire door renewals scheduled for 2024/25 and it is requested that £222k be slipped into 2024/25 to meet the expected workload.

- 3.34 **Council Housing - Communal and Environmental Works** – Progress on the works to the District Heating network have slowed due to staffing resources being allocated to the heat metering project. As reported above, the allocated budget for the connection of the Aikman Avenue boiler house to the district heating network will take place in 2024/25. Elements of the wider Communal & Environmental work across the estates remains in progress. The slippage across all of these areas is requested to be carried forward into 2024/25.
- 3.35 **Public Realm Works** – Whilst work has commenced on the demolition of the St Peter's garages, it is requested that £338k of budget is slipped to enable this to complete in 2024/25.
- 3.36 **Feasibility Study for Sheltered Housing** – As reported previously, re-prioritisation of staffing resource means that no work has been undertaken on this during the year, so the budget of £250k is requested to be slipped into 2024/25.



**PROVISIONS****1. Summary**

- 1.1 As stated in the cover report, provisions are sums of money set aside in case they are needed, where low spend is a favourable outcome rather than indicative of a problem.
- 1.2 As at the end of the end of the 2023/24 financial year, there has been £4k spend on provisions.
- 1.3 Normally provisions are there if needed. The sums below are for the 2023/24 financial year.

Provision	Dept/ Division	Approved £000	2023/24 Spend £000	Remaining Budget £000
Empty Homes Purchase	CDN (HGF)	50	4	46
Early Years - Two Year Olds	SCE (ECS)	141	0	141
<b>Total</b>		<b>191</b>	<b>4</b>	<b>187</b>

- 1.4 The remaining budget of £46k for the year for Empty Home Purchase is not required and can be declared as a saving.
- 1.5 The Early Years capital funding is to support the development of places for early education in the city. The government has recently announced additional capital funding for childcare reforms to expand places for children of working parents over the next two years. This funding is to support small project development cases, as providers will need to remodel and respond to changes in demand. The Council has received funding of £558k which this report is seeking to add to the capital programme as an immediate start project. Approval is sought for £35k of the Early Years – Two Year Olds budget in the current capital programme to be carried forward in the 2024/25 programme as the remaining £106k is no longer required. This sum will be added to the Government funding and shown as a project in future years.

**PROJECTS SUBSTANTIALLY COMPLETE****1. Summary**

1.1 As at the end of the 2023/24 financial year, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

Project	Dept/ Division	Approved £000	2023/24 Spend £000	Over/(Under) Spend £000
Leicester North West Major Transport Scheme	CDN (PDT)	0	0	0
St Margaret's Gateway	CDN (PDT)	1	0	(1)
Stocking Farm Community Shop	CDN (PDT)	30	0	(30)
City-wide Parkmap TRO review, signs and lines upgrades	CDN (PDT)	83	69	0
Saffron Brook	CDN (PDT)	280	165	(115)
North West Leicester Regeneration Area	CDN (PDT)	60	60	0
Acquisition of Queen St	CDN (PDT)	120	119	(1)
High Streets Heritage Action Zones	CDN (PDT)	808	599	(100)
Land South of Midland Street	CDN (PDT)	1,156	1,135	0
Pioneer Park	CDN (TCI)	16	16	0
Pioneer Park Commercial Workspace (formerly Dock 2)	CDN (TCI)	63	19	0
Gresham Business Workspace	CDN (TCI)	40	31	0
Abbey Pumping Station	CDN (TCI)	5	5	0
Growth Hub	CDN (TCI)	343	305	(38)
Fashion Technology Academy	CDN (TCI)	115	0	(115)
De Montfort Hall	CDN (TCI)	722	278	0
Ugandan Asians – 50 Year Anniversary Commemoration	CDN (TCI)	255	245	0
Library RFID Self-Service System	CDN (NES)	11	11	0
Library Improved Self-Access Pilot	CDN (NES)	10	10	0
Abbey Park Precinct Wall	CDN (NES)	46	34	0
Digital & Performance Suite	CDN (NES)	15	15	0
Ash Die Back Equipment	CDN (NES)	130	128	(2)
Haymarket House, Car Parks & Lifts	CDN (EBS)	173	66	0
Haymarket Bus Station - Toilet Expansion and Refurbishments	CDN (EBS)	58	10	0
Energy Efficiency Technology	CDN (EBS)	0	0	0
Leycroft Road Energy Reduction Works	CDN (EBS)	88	0	0
African Caribbean Centre	CDN (EBS)	23	3	(20)
Aylestone Leisure Centre PV Panels	CDN (EBS)	595	311	0
Bosworth House	CDN (EBS)	675	675	0
Haymarket Theatre - Internal Completion Works	CDN (EBS)	301	195	0
Phoenix Arts Car Park	CDN (EBS)	100	54	0
Heathers Industrial Estate	CDN (EBS)	515	499	0
Goscote House Demolition	CDN (HRA)	304	280	(24)
Greener Homes	CDN (HRA)	667	255	(412)
Tower Block Sprinkler Systems	CDN (HRA)	1,100	1,144	44
Additional Primary School Places	SCE (ECS)	63	5	0
Glebelands Primary School Modular Building	SCE (ECS)	33	1	(32)
Expansion of Oaklands Special School	SCE (ECS)	1,189	310	0
Overdale Infant and Juniors School Expansion	SCE (ECS)	3,255	2,873	0
Leisure Centres Phase 2	PH	207	176	0
<b>Total</b>		<b>13,655</b>	<b>10,101</b>	<b>(846)</b>

**POLICY PROVISIONS****1. Summary**

1.1. As at the end of the 2023/24 financial year, the following policy provisions were still awaiting formal approval for allocation to specific schemes.

<b>Department/ Division</b>	<b>Policy Provision</b>	<b>Amount £000</b>
CRS	New Ways of Working	1,887
CDN (PDT)	Strategic Acquisitions	2,572
CDN (TCII)	Tourism & Culture	10
CDN (TCII)	Highways, Transport & Infrastructure	200
CDN (TCII)	Leicester Museum and Art Gallery (LMAG)	3,621
CDN (NES)	Library Investment	1,000
CDN (Various)	People & Neighbourhoods	392
SCE (ECS)	New School Places	4,673
SCE (ASC)	Extra Care Schemes	3,426
Other	Black Lives Matter	435
All	Programme Contingency	1,500
<b>Total (excluding HRA)</b>		<b>19,716</b>
CDN (HRA)	Other HRA Schemes	750
<b>Total HRA</b>		<b>750</b>
<b>Total (including HRA)</b>		<b>20,466</b>

1.2. Releases from policy provisions since the 2023/24 P9 report (reflected in the tables above) are listed below:

- £1,294k taken as a saving in the 2024/25 Capital Programme Report
- £40k taken as a saving in the 2024/25 Capital Programme Report
- £64k for Leisure Centres Phase 2 from Programme Contingency

1.3. There is a recommendation to release £380k from the Strategic Acquisitions policy provision for the release of a leasehold on Southampton Street to continue land assembly in the cultural quarter.

## Prudential Indicators

### Summary

Under the requirements of the Prudential Code for Capital Finance in Local Authorities, the full Council sets prudential indicators for the authority at the beginning of each year as part of the Treasury Management Strategy and Capital Strategy. This appendix reports on compliance during the year.

#### 1. Debt and the Authorised Limit and Operational Boundary

The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	<b>2023/24 Authorised Limit £m**</b>	<b>2023/24 Operational Boundary £m**</b>	<b>Debt at 31/03/24 £m</b>	<b>Complied?</b>
Borrowing	320	250	154	yes
PFI and Finance Leases	175	145	86*	yes
<b>Total debt</b>	<b>495</b>	<b>395</b>	<b>240</b>	

\* estimate before final accounts are completed

#### 2. Maturity Structure of Borrowing

This indicator is set to control the Authority’s exposure to refinancing risk (i.e. not having to repay too much and then borrow again at the same time). The upper and lower limits on the maturity of all borrowing were:

	<b>Upper Limit £m</b>	<b>Lower Limit £m</b>	<b>31/12/23 Actual £m</b>	<b>Complied?</b>
Under 12 months	50	nil	20	yes
12 months and within 24 months	80	nil	nil	yes
24 months and within 5 years	140	nil	nil	yes
5 years and within 10 years	140	nil	nil	yes

#### 3. Short-term Treasury Management Investments

The Council has an overall limit for investments. We invest mainly in money markets and with other Local Authorities for short-term investments as we are able to call the money back for any immediate spending needs. We complied with the limit.

4. Long-term Treasury Management Investments

The Council has a limit of £50m for long-term investments. The total sum of such investments held by the Council as of 31 March 2024 was just the £6.5m we hold in property funds, and the limit was therefore complied with.

5. Gross Debt and the Capital Finance Requirement (CFR)

The underlying need to borrow for capital purposes is called the Capital Financing Requirement (CFR).

Statutory guidance is that debt should remain below the capital finance requirement, except in the short term. The authority has complied and expects to continue to continue to comply with this requirement.

6. Liability Benchmark

The Liability Benchmark forecasts the underlying need to borrow for capital purposes over the next 50 years, to make sure it remains within the CFR. Our forecasts suggest we will comply with this requirement.



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# **Income Collection April 2023 – March 2024**

Overview Select Committee

Date of Meeting: 31 July 2024

Lead director: Amy Oliver, Director of Finance

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### **Useful information**

- Ward(s) affected: All
- Report author: Catherine Taylor
- Author contact details: Catherine.taylor@leicester.gov.uk
- Report version number: V1

## **1. Summary**

This report details progress made in collecting debts raised by the Council during 2023-24, together with debts outstanding and brought forward from the previous year. It also sets out details of debts written off under delegated authority that it has not been possible to collect after reasonable effort and expense.

This is a routine report made to members twice each year. It should be noted that income collection and recovery processes in the last weeks of the financial year were disrupted by the cyber incident.

The key current issue for debt collection is the cost of living crisis, and officers are aware of the problems this presents for some of our citizens and businesses. Measures are being taken where necessary to assist those struggling to pay, including a dedicated web page called BetterOff Leicester. This brings together tools to allow citizens to find benefits they are entitled to and on how to find and apply for jobs, as well as money advice. As yet, there is insufficient evidence to determine the impact it is having on our income: we will continue to keep a close look on this as the situation develops.

Figures included in this report need to be seen in the context of the total amount of income collected by the Council each year: in 2023/24 the total amount raised from the areas covered in this report was £465m. Whilst some debt is difficult to collect, and some people find it difficult to pay, ultimately we collect nearly all of the money due to us.

The most significant issue raised in this report is the increase in council tax arrears, which has been persistent since the pandemic. The reasons are discussed in Appendix B.

## **2. Recommended actions/decision**

2.1 The OSC is recommended to:

- Consider the overall position presented within this report and make any observations.

## **3. Scrutiny / stakeholder engagement**

N/A



#### **4. Background and options with supporting evidence**

Appendix A provides a summary of all debt.

Appendix B provides more detailed information and narrative for each main category of debt.

Appendix C provides a summary of all the write-offs during the period.

Appendix D provides a summary of Write Offs Over £5k for 2023/24.

#### **5. Detailed report**

See appendices

### **6. Financial, legal, equalities and other implications**

#### 6.1 Financial implications

The report details the Council's performance in collecting debts and amounts which have had to be written off.

Mark Noble, Head of Finance

#### 6.2 Legal implications

There are no specific legal implications arising from this report, which is for information purposes.

Jeremy Rainbow – Principal Lawyer (Litigation)

#### 6.3 Equalities implications

The Council must make every effort to collect its due debts. The Council aims to collect debt in a fair, proportionate and respectful manner.

Communications with residents are designed to prompt timely payment from residents who can pay, and early engagement from those who may have difficulties in making payments.

Copies of the Council's debt policy are available on the website.

<https://www.leicester.gov.uk/your-council/how-we-work/debt-enforcement/if-you-are-struggling-to-pay>

Recovery action needs to strike a fair balance between sensitivity to debtors who are struggling to pay and the interests of the public as a whole (the income expected is part of our budget).

Effective communications are central to maximising income collection. Timely and accessible communications will help customers make the required payments. It is important to provide information clearly and transparently to debtors on what/how to pay, what to do if they can't pay and what actions we may take; assist them in understanding the situation, their options and what is required of them as individuals before further recovery progression.

Equalities Officer, Surinder Singh, Ext 37 4148

### 6.5 Climate implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

### **7. Background information and other papers:**

Finance Procedure Rules

Debt Policy

### **8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

### **9. Is this a “key decision”? If so, why?**

No

**Summary of all Debt**

<b>Income Type</b>	<b>Debts brought forward @ 1/4/2023 £m</b>	<b>Debt raised £m</b>	<b>Collected £m</b>	<b>Written off £m</b>	<b>Debts outstanding @ 31/03/2024 £m</b>
Business Rates (including Costs)	<b>13.09</b>	94.29	(92.08)	(1.09)	<b>14.21</b>
Council Tax (including Costs)	<b>34.38</b>	172.68	(167.73)	(1.57)	<b>37.76</b>
Housing Benefit Overpayments	<b>8.66</b>	1.80	(2.39)	(0.44)	<b>7.63</b>
Council House Rents	<b>2.85</b>	88.86	(88.12)	(0.07)	<b>3.52</b>
On and Off-Street Car Parking fines	<b>2.36</b>	4.76	(3.41)	(0.61)	<b>3.10</b>
Bus Lane Enforcement	<b>0.99</b>	1.39	(0.98)	(0.39)	<b>1.01</b>
Other Income	<b>22.06</b>	125.59	(126.71)	(0.83)	<b>20.11</b>
<b>Totals</b>	<b>84.39</b>	<b>489.37</b>	<b>(481.42)</b>	<b>(5.00)</b>	<b>87.34</b>

## 1. Business Rates

### 1.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
13.09	94.29	(92.08)	(1.09)	14.21

### 1.2 Background and comparator information

#### Background Information

Business Rates are a national tax paid by approximately 12,760 businesses in Leicester.

#### Comparator Information

Debt collection was previously affected by the pandemic although there have been improvements since. Below shows the collection rate over the last two years:

- Collection to 31 March 2023 – 95.85%
- Collection to 31 March 2024 – 95.00%

It should be noted that unpaid debt at 31 March continues to be collected in the following year. To 31 March 2024 we had collected £3.8m of the £13.09m prior years' debt due.

As at 31 March 2024, our collection performance places us 12<sup>th</sup> out of 13 local authorities with comparable populations. However, it should be noted that due to the close nature of the comparator local authorities, small differences in the collection rate result in a greater movement in performance ranking.

### 1.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	0	0
Deceased – No Assets	0	0
Insolvent / Bankrupt/ Liquidated	177	1,148
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	110	(57)
<b>Totals</b>	<b>287</b>	<b>1,091</b>

## 1.4 Volume/policy/statutory changes that have occurred during the period and their impact

### Changes

The retail, hospitality, and leisure business rates relief scheme continued to apply in 2023/24 to provide eligible, occupied properties with 75% relief, up to a cash cap of £110,000 per business. The scheme has been available from 1 April 2023. On 22 November 2023, the government confirmed that the scheme would continue to apply in 2024/25 under the same terms.

Charges for 2023/24 are based on the revaluation of the rateable value of all non-domestic properties, effective from 1 April 2023. A new transitional scheme was then introduced to support ratepayers who had seen a sharp increase in their bill. Those whose bills reduced benefited immediately, without any phasing.

The Supporting Small Business relief scheme capped the 2023/24 year's bill at £600 per year for those ratepayers who as a result of the revaluation lost some or all of their Small Business Rates Relief.

## 1.5 Summary of measures taken to recover debt

### Debt recovery measures

Economic conditions continue to impact collection of business rates. Normal recovery processes resumed in 2023/24, after being paused during 2022/23 due to the focus on paying business support grants.

Billing, collection and enforcement action was not possible for just over three weeks in March due to the cyber incident. This impacted the in-year and arrears collection at a critical time. In particular, the direct debit collection of £0.3m for 10 March 2024 was missed, and not collected until 28 April 2024.

Our normal recovery process is:

- A reminder will be sent if an instalment is missed.
- If the instalment is paid within 7 days of the reminder, the right to pay by instalments is maintained; if a subsequent instalment is missed a final notice will be issued stating that the right to pay by instalments has been lost and the full charge has become payable.
- If the instalment is not paid within 7 days of the reminder, the full charge becomes payable.
- If the full charge becomes payable and is not paid within 7 days, a summons will be issued, and a liability order sought at the Magistrates' Court. Costs become payable at this stage.

## 2. Council Tax

### 2.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
34.38	172.68	(167.73)	(1.57)	37.76

### 2.2 Background and comparator information

#### Background information

Council tax is a national tax, charged to almost 144,700 properties in Leicester. The amount we collect includes sums charged by the fire authority and the police and crime commissioner.

#### Comparator information

The text below shows how we compared with other authorities in 2023/24. More significantly though, the picture for council tax over recent years is of increasing arrears – these stood at £18.5m on 1 April 2020 and have progressively doubled to £37.8m now. There are a number of reasons for this:

- (a) A number of occasions where recovery action was paused, starting with covid and most recently in response to the cost of living crisis;
- (b) Diversion of staff to other issues, including business relief during and since the pandemic, household support grants and other government support for low income taxpayers;
- (c) The recent cyber incident, where the March 10<sup>th</sup> direct debit of £0.7m could not be collected until after the year end, and which also adversely affected year end recovery action;
- (d) A low priority being necessarily given to housekeeping activity such as write-offs.

Action will be taken to get on top of the situation, including a renewed emphasis on recent debt (once accounts go into arrears they are much harder to collect), and a review of old debt to determine which can still be collected at reasonable effort and expense.

The following shows the percentage debt collection in the year it is raised over the last two years:

- Collection to 31 March 2023 – 92.62%
- Collection to 31 March 2024 – 92.60%

As at 31 March 2024, our collection performance places us 11<sup>th</sup> out of 13 local authorities with comparable populations.

## 2.3 Debt write-off

<b>Reason for Write Off</b> ↓	<b>No.</b>	<b>Value £000</b>
Unable to Trace	953	889
Deceased – No Assets	165	104
Insolvent / Bankrupt/ Liquidated	622	830
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	2,710	(252)
<b>Totals</b>	<b>4,450</b>	<b>1,571</b>

## 2.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

From April 2023 the government introduced a scheme to reduce council tax bills by £25.00 for the year, where the council taxpayer is in receipt of council tax support (CTS), either working age or of pension age. The council paid a total of £0.45m to those households in receipt of CTS at 1 April 2023. The cost of this is being met from additional government grant.

Local authorities were also enabled to use any remaining funding allocation to support vulnerable households, through schemes like the Council Tax Discretionary Relief scheme.

## 2.5 Summary of measures taken to recover debt

### Debt recovery measures

As of 31 March 2024, council tax support has been credited to 28,919 accounts at a cost of £25.3m.

The Council Tax Discretionary Relief (CTDR) also provides support to households experiencing extreme financial hardship. As of 31 March 2024, £0.5m was paid to 1,092 eligible households to make their council tax payments affordable. This is funded by the Council.

Recovery was paused in March 2024 following the cyber incident. This will have had an impact on the 2023/24 collection rate.

The usual recovery process after a reminder instalment has been missed is:

- If the instalment is paid within 7 days of the reminder, the right to pay by instalments is maintained; if a further instalment is missed, another reminder can be issued; if a third instalment is missed, a final notice will be issued stating that the right to pay by instalments is lost and the full balance becomes payable.
- If the instalment is not paid within 7 days of the first / second reminder, the right to pay by instalments is lost and the full balance becomes payable.
- If the full balance becomes payable and is not paid within 7 days, a summons will be issued, and a liability order sought at the Magistrates Court.

At every stage of the recovery process, the council taxpayer is offered a formal payment arrangement. Within the recovery process, safeguards have been put in place to protect the most vulnerable.

Understanding the struggles households and businesses may be experiencing, we continue to encourage residents and ratepayers to contact the Council as soon as possible so that a suitable payment arrangement or any entitlement to discounts, exemptions and discretionary relief can be discussed.

Furthermore, any customer contacting us with regards to their council tax payments, continues to be referred to the Council's "Better Off" information on our website, where they can receive help with benefits and other advice and support.

We are also ensuring that customers struggling to pay can speak to a council tax officer to discuss payment of the outstanding debt and any other support that may be available.



### 3. Overpaid Housing Benefit

#### 3.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
8.66	1.80	(2.39)	(0.44)	7.63

#### 3.2 Background and comparator information

##### Background information

The main cause of housing benefit overpayments is delays in recipients telling the Council of changes in their circumstances, resulting in too much benefit being paid. By its nature overpaid housing benefit is difficult to collect. However processes are in place to recover debt wherever possible.

Overall, housing benefit debt continues to reduce, to £7.64m as of 31 March 2024.

##### Comparator information

##### Debt outstanding at:

- 31/03/2020 £13.74m
- 31/03/2021 £11.02m
- 31/03/2022 £9.45m
- 31/03/2023 £8.66m
- 31/03/2024 £7.64m

### 3.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	39	36
Deceased – No Assets	14	78
Insolvent / Bankrupt/ Liquidated	26	34
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	659	288
<b>Totals</b>	<b>738</b>	<b>436</b>

### 3.4 Volume/policy/statutory changes that have occurred during the period and their impact

#### Changes

There are no changes to report on overpaid housing benefit. Caseloads are gradually reducing as a result of transfers to Universal Credit.

### 3.5 Summary of measures taken to recover debt

#### Debt recovery measures

Debt is collected by means of deduction from ongoing benefit payments if there is a current entitlement to housing benefit.

Legislation permits us to deduct overpayments from other state benefits. However, when people transfer to Universal Credit our ability to collect weakens as we are 19th on the Government's priority of creditors list.

If there is no current housing benefit entitlement, payment is requested from the customer in the first instance before an invoice is raised.

Where no benefits are in payment, but the debtor is in employment we seek to obtain a Direct Earnings Attachment.

The Council continues to work with those struggling to pay on a case-by-case basis, offering payment arrangements.

## 4. Housing Rent

### 4.1. Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
2.85	88.86	(88.12)	(0.07)	3.52

### 4.2 Background and comparator information

#### Background information

The Council currently collects rent from approximately 18,700 tenancies across the city. Approximately, 6,100 of our tenants (32%) are on full or partial housing benefit and 7,200 (39%) on Universal Credit (UC). The debt raised & collected includes the element paid by housing benefit.

#### Comparator information

Arrears have increased by £0.67m over the past year; this adverse movement in rent arrears was, in part at least, to be expected given the cost-of-living crisis that continues to impact households. Like other authorities, it appears that the cost of living crisis did not affect rent collection immediately, but has now done so.

### 4.3. Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	0	0
Deceased – No Assets	0	0
Insolvent / Bankrupt/ Liquidated	0	0
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	328	74
<b>Totals</b>	<b>328</b>	<b>74</b>

#### 4.4. Volume/policy/statutory changes that have occurred during the period and their impact

##### Changes

It is now over 6 years since the implementation of UC, and the roll out of the full UC commenced at the beginning of 2024. Under the latest plans, it is anticipated the managed migration of the final group of legacy benefit claimants will be completed by the end of December 2025.

Tenants in receipt of Housing Benefit can have it paid directly into their rent account. However, under UC money is paid directly to the claimant rather than the Council. Vulnerable tenants and those with a history of rent arrears or homelessness may be able to have their rent paid directly to the Council, as landlord, by applying for an Alternative Payment Arrangement (APA).

The continuing expectation is that tenants should be paying their rent and abiding by all terms of their tenancy agreement to the best of their ability. Various support is available to assist tenants to pay their rent as normal.

#### 4.5 Summary of measures taken to recover debt

##### Debt recovery measures

The Income Management Team are working collaboratively with the Department for Work & Pensions (DWP) to minimise any impact of UC roll out. Tenants continue to be supported with income maximisation and claims for HB and UC, which can assist with rent payments. The team provide support to claim Discretionary Housing Payments (DHP), when available, and have distributed the £600k allocation of the Household Support Fund (HSF) to help secure tenants and those in temporary accommodation, who were in rent arrears and met the criteria.

Rent Management Advisors are supporting vulnerable tenants to claim and maintain UC and other welfare benefit streams, including disability related benefits.

## 5. Parking Fines (Penalty Charge Notice)

### 5.1 Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
2.36	4.76	(3.41)	(0.61)	3.10

### 5.2 Background and comparator information

#### Background information

The Council issues penalty notices for both on-street and off-street parking charge evasion, as well as illegal parking. There are two nationally set rates based on the seriousness of the offence, details below.

- £25 or £35 if paid within 14 days.
- £50 or £70 if paid after 14 days.

When the penalty notices are written off, they are done so at the full rate plus any costs incurred.

#### Comparator information

The percentage of tickets issued during the year, paid at 31 March:

- 2022/2023 – 75%
- 2023/2024 – 70%

### 5.3. Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	2,218	244
Deceased – No Assets	5	1
Insolvent / Bankrupt/ Liquidated	61	6
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	3,392	362
<b>Totals</b>	<b>5,676</b>	<b>613</b>

**5.4 Volume/policy/statutory changes that have occurred during the period and their impact**

Changes

The number of PCN's issued increased compared with 2022/23, facilitated by the introduction of a new parking I.T. system along with handheld devices being issued to all Civil Enforcement Officers. Income generated by parking PCNs has also increased steadily but is still limited somewhat by changed working patterns and reduced on-street parking availability in the city.

The number of CEOs (excluding seniors and supervisors) was 60 in March 2024 compared with 50 in March 2023.

The number of no-trace cases continues to affect the recovery of debt as vehicles can be registered without proof of identity being provided.

**5.5. Summary of measures taken to recover debt**

Usual Debt recovery measures

- Reminder letters
- Legal action
- Enforcement action (bailiffs)

## 6. Bus Lane Enforcement Fines

### 6.1 Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
0.99	1.39	(0.98)	(0.39)	1.01

### 6.2 Background and comparator information

#### Background information

The Council issues penalty notices to motorists for driving in Bus Lanes/Gates or Bus Stop Clearways (red routes).

These are levied at £70, discounted to £35 if paid within 21 days.

When the penalty notices are written off, they are done so at the full rate plus any costs incurred.

From May 2023 the collection of bus lane enforcement debt has been carried out in-house, with the exception of reviewing CCTV footage which is still carried out by Nottingham City Council.

#### Comparator information

The percentage of tickets issued during the year, paid at 31 March

- 2022/23 – 64%
- 2023/24 – 76%

### 6.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	1,980	138
Deceased – No Assets	31	3
Insolvent / Bankrupt/ Liquidated	28	3
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	2,944	246
<b>Totals</b>	<b>4,983</b>	<b>390</b>

#### 6.4 Volume/policy/statutory changes that have occurred during the period and their impact

##### Changes

In the second half of 2023/24 four new cameras have been installed and have become operational: two at Abbey Park Road and one at each of Melton Road and Anstey Lane. This will increase income more significantly in 2024/25.

The Abbey Street camera is expected to be active in June 2024 and will enforce the new bus-only street, following the opening of the new St Margaret's bus station and completion of associated junction works.

#### 6.5 Summary of measures taken to recover debt

##### Usual Debt recovery measures

- Reminder letters
- Legal action
- Enforcement action (bailiffs)



## 7. Other Income

### 7.1 Headline Figures for period under review including costs\*

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off/back £m	Uncollected debt c/f £m
22.06	125.59	(126.71)	(0.83)	20.11

### 7.2 Background and comparator information

#### Background information

“Other Income” includes all invoiced income other than the sources described above. It covers a wide variety of income from various individuals and organisations. Examples include commercial property rent, adult social care costs relating to residential and non-residential care, and repairs and maintenance charges relating to Council property.

Unlike some other sources of debt, the total debt value can fluctuate based on the type and timing of income being collected. Therefore, when reviewing this type of debt, we focus on aged debt as the main measure of performance rather than value.

#### Comparator information

Debt over 12 months old (aged debt) has decreased slightly in the past year:

- 31/03/2019 £3.59m
- 31/03/2020 £3.48m
- 31/03/2021 £4.33m
- 31/03/2022 £4.48m
- 31/03/2023 £5.25m
- 31/03/2024 £5.05m

### 7.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	106	65
Deceased – No Assets	883	411
Insolvent / Bankrupt/ Liquidated	176	64
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	1,058	294
<b>Totals</b>	<b>2,223</b>	<b>834</b>

### 7.4 Volume/policy/statutory changes that have occurred during the period and their impact

#### Changes

Higher living costs and rising energy bills are expected to have had an impact on the recovery of outstanding debt. We continue to encourage anyone with outstanding debt who is struggling pay to contact us as soon as possible.

### 7.5 Summary of measures taken to recover debt

#### Debt recovery measures

The debt recovery measures detailed below are our normal processes, but the Council continues to offer support where required for those suffering financial hardship.

Normally:

A first reminder is issued at 14 days when an invoice remains unpaid. Seven days later a second reminder is issued.

A letter before action, known as a letter of claim, follows if the case is suitable for enforcement in the county court. If the Council obtains a judgement or an order for recovery of an award and if payment is still not forthcoming, the next actions can include:

- Referral to an enforcement agent
- Third party debt order
- Attachment to earnings
- Charging Order

Cases not suitable for enforcement through county court procedures are referred to enforcement agents for collection. Debtors are encouraged to engage with our support offer.

**Summary of all Write Offs**

The table below provides detail on the reasons why debt is written off during the year.

<b>Income Type</b>	<b>Unable to trace £000</b>	<b>Deceased - no assets £000</b>	<b>Insolvent/ Bankrupt/ Liquidated £000</b>	<b>Irrecoverable at reasonable effort and expense/including adjustments for costs and write ons £000</b>	<b>Total Write offs at 31/03/2024 £000</b>
Business Rates (including Costs)	0	0	1,148	(57)	<b>1,091</b>
Council Tax (including Costs)	889	104	830	(252)	<b>1,571</b>
Housing Benefit Overpayments	36	78	34	288	<b>436</b>
Council House Rents	0	0	0	74	<b>74</b>
On and Off-Street Car Parking fines	244	1	6	362	<b>613</b>
Bus Lane Enforcement	138	3	3	246	<b>390</b>
Other Income	65	411	64	294	<b>834</b>
<b>Totals</b>	<b>1,372</b>	<b>597</b>	<b>2,085</b>	<b>955</b>	<b>5,009</b>

## Appendix D

### Write Offs Over £5k for 2023/24

Income Type	No. of Write Offs	Value £000
Non Domestic Rates (including Costs)	56	1,170
Council Tax (including Costs)	20	582
Housing Benefit Overpayments	10	148
Council House Rents	1	7
On and Off-Street Car Parking fines	0	0
Bus Lane Enforcement	0	0
Other Income	17	187
<b>Totals</b>	<b>104</b>	<b>2,094</b>

Financial procedure rules require me to itemise any individual write-offs in excess of £100,000.

- £219,037.98 relating to Council Tax owed on properties managed by PRE (Leicester) Management Limited and written off following their dissolution.
- £142,133.57 relating to Council Tax owed on properties managed by 8-10 West Walk Management Limited and written off following their dissolution.
- £196,648.15 of Non Domestic (business) Rates owed by Rebel Menswear Limited and written off following their liquidation.

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# **Review of Treasury Management Activities 2023/24**

Overview Select Committee

Date of Meeting: 31 July 2024

Lead director: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected:
- Report author: Nick Booth, Treasury and Investments Manager
- Author contact details: [nick.booth@leicester.gov.uk](mailto:nick.booth@leicester.gov.uk)
- Report version number: 1

### 1. Summary

- 1.1 This report reviews how the Council conducted its borrowing and investments during 2023/24.
- 1.2 The year started with interest rates at a base rate of 4.25% and an expectation that they would continue to rise slightly to counter high inflation. Rates rose to 5.25% by August 2023 and remained at this level for the rest of the financial year. This rise in interest rates has benefitted the Council from a treasury management perspective (unlike many other authorities) because our loan debt is held at fixed rates for long periods, and we earn extra interest on our cash balances, although the effect is likely to be temporary as balances reduce.
- 1.3 Looking ahead, inflation is expected to fall to the Bank of England target of 2% (although with a possible temporary bounce back up after energy price falls have been fully reflected). Interest rates are expected to reduce gradually, although not to the earlier historically low levels.

### 2 Recommendations

- 2.1 Members of the Overview Select Committee are recommended to note the report and make comments to the Director of Finance and the Executive as they wish.

### 3. Background

- 3.1 Treasury management is the process by which our borrowing is managed, and our cash balances are invested. Whilst there are links to the budget approved annually by Council, the sums in this report do not themselves form part of the budget. Cash balances reported here cannot be used to finance expenditure. Rather, measures approved by Council such as drawing on managed reserves to help support the budget and incurring capital spending funded by prudential borrowing translate to a planned and approved call on cash balances.
- 3.2 The Council has incurred long term loan debt to pay for past capital expenditure.
- 3.3 The Council needs cash balances to meet day-to-day expenditure, such as to pay wages and suppliers when they are due. Substantial cash has however accumulated from funds set aside in the annual budget to repay the long-term loans. Because of Government rules regards repayment of loans from the Public Works Loans Board (PWLB), it has historically been prohibitively expensive to repay such debt early. This cash has therefore been invested, and more recently used as 'internal borrowing' for new capital spending not funded by grants, rather than taking out new loans (such as for new council housing). However, we were able to repay a loan to Barclays in April 2023, this being the first loan repayment for many years.
- 3.4 The report commences with an overview of treasury management, including loans and investments at key dates. It then reviews the credit worthiness of investments and implementation of our strategy, provides outcomes on key performance measures, and concludes by reviewing compliance against limits set by the Council.

3.5 Reports reviewing treasury management activities are submitted twice a year. The previous report was presented to this Committee on 14 December 2023.

#### 4. **Overview of Treasury Management**

##### Main elements of Treasury Management

- 4.1 There are two main elements to treasury management. The first is managing our borrowings which were used to finance past capital expenditure. Most capital schemes have for some time been financed by capital grant, and only a limited number of recent schemes have been financed by prudential borrowing. These are generally those which pay for themselves, together with part-financing the acquisition and construction of new council housing in the Housing Revenue Account (HRA). In the past, the Government expected us to borrow but allowed for the cost of financing the borrowing in our annual revenue grant settlement, and we still have loan debt which was taken to meet this capital expenditure.
- 4.2 Whilst the Council has not borrowed long-term for more than 15 years, it is expected that we may do so again in the future as reserves are used to support the revenue budget and the capital programme progresses including the ongoing significant investment in new council housing. These are leading to on-going reductions in cash balances.
- 4.3 Historic debt can sometimes be restructured to save money (i.e. repaying one loan and replacing it with another) and this is always given active consideration. However, Government rules had previously made it prohibitively expensive to repay loans borrowed from the PWLB earlier than the maturity date. The rise in long term interest rates means that repaying loans has become a realistic proposition for the first time in several years. However, as the Council's cash balances are now reducing significantly, and capital spending funded by prudential borrowing is approved, any repayments would likely be as part of an overall longer-term debt refinancing and rescheduling exercise.
- 4.4 The revenue budget approved by the Council for each financial year includes provision for the interest payable on this borrowing. It also includes a provision for repaying the borrowing over a number of years (broadly speaking over the economic life of the assets acquired). As noted above, the actual loans have generally not been repaid, hence the funding set aside annually for repayment has contributed to cash balances.
- 4.5 The second element of treasury management is cash management which involves managing the Council's investments to ensure the optimum amount of money is in the bank account on a day-to-day basis – so that there is enough money in the account to cover the payments made on the day but no more (cash held in the bank account earns lower interest).
- 4.6 The Council has substantial (though falling) cash investments, but as noted above this is not of itself "spare cash". There are a number of key reasons for the level of cash:-
- (a) As explained above, whilst the Government no longer supports capital spending with borrowing allocations, we are still required to provide money in the revenue budget each year to repay debt on past capital spending.
  - (b) We have working balances arising from our day-to-day business (e.g. council tax received before we have to pay wages and suppliers, and capital grants received in advance of the associated capital spending);

- (c) We have reserves as shown in the annual budget report and the annual outturn report, which are essentially held in cash (or to underwrite 'internal borrowing' for new capital spending) until we need to spend them;
- (d) We hold funds previously associated with our role as the accountable body to the former Leicester and Leicestershire Enterprise Partnership (LLEP). These are now held by the Council as the lead Upper Tier Local Authority for the post-LLEP arrangements.
- (e) For some time, we have managed funds for the Combined Fire Authority.

4.7 There has been a very significant reduction in cash balances during the second half of the financial year as grants received for the capital programme have been spent, acquisitions of council housing have progressed and grant advances were repaid to Government. Balances have fallen by almost £100m, from £237m at September 2023 to £140m at March 2024 (balances at 31 March 2023 were £238m).

#### Treasury Management Policy and Monitoring

4.8 The activities to which this report relates were governed by the Treasury Strategy for 2023/24 which was approved by the Council on 22nd February 2023. This established an outline plan for borrowing and investment. The Treasury Strategy is drawn up in the light of the Council's expected borrowing requirements, its expected cash balances, the outlook for interest rates and the credit worthiness of the banks with whom the Council might invest its cash balances.

4.9 A twice-yearly report is submitted to this Committee reviewing the treasury activity undertaken in the year. This report is the second and final report for 2023/24.

#### Loans and Investments at Key Dates

4.10 Table 1 overleaf shows the loans (money borrowed by the Council) and investments (money invested by the Council) as at 30 September 2023 and at 31 March 2024. The rates shown are the averages paid and received during 2023/24.

4.11 The level of gross debt (total loans borrowed) remained the same during the second half of the year and no new long-term loans were borrowed during the year.

4.12 Our historic borrowing is predominantly from the Public Works Loans Board (PWLB), plus two historic bank loans. As discussed at para. 6.4 below, one of these was repaid in April 2023, shortly after the 2022/23 year-end. The other is a "LOBO" loan (Lender Option, Borrower Option). This is a £20m fixed rate loan but permits the lender to ask for a rate rise. We have the option to repay if they do. Members may be aware of some criticism of LOBOs nationally, principally in respect of authorities which have complex mechanisms for calculating interest rates; our LOBO is a simple scheme. The next option date (3 yearly) for this loan is January 2025 and unlike previous occasions it is possible that the lender may ask us for a rate rise. If a request is received, we would seriously consider repaying the loan.

4.13 Investments in the second half of the year have decreased significantly by £97m, from £237m at 30 September 2023 to £140m at 31 March 2024. This change reflects the usual pattern of balances declining towards the end of the financial year as grant income is spent. However, the decline during the second part of the financial year was somewhat greater than experienced in recent years. This was due at least in part to the repayment to Government of covid business grant advances, spending of capital grants and HRA expenditure on acquisition of council housing. By way of comparison to March 2023, balances at that time were £238m, essentially the same as at September 2023.



- 4.14 Since 2019/20, we have generally invested with other local authorities, rather than banks which have less protection for institutional investors. At the end of the 2023/24 financial year, the Council had no exposure to banks except to Barclays who act as our bankers. We may potentially in the future look to increase our deposits with banks if they can be secured by other assets.
- 4.15 The Council has continued to make use of money market funds which comprise a basket of short-dated loans to financial institutions. The funds that we use are very low risk and have very high credit ratings. We also use them because they are liquid (we can get money back when we need it). We have never lost any money in investing in these funds, but the downside of their safety is that returns are generally lower than some less secure alternatives.

**Table 1- Loans & Investments**

	<b>Position at 30/09/2023 Principal £M</b>	<b>Position at 31/03/2024 Principal £M</b>	<b>Average Rate</b>
<b>Long Term Fixed Rate Loans</b>			
Public Works Loan Board (PWLB)	134	134	4.2%
Bank Loans (repaid in April 2023)	NIL	NIL	
<b>LOBO Loans</b>			
Bank Loans	20	20	4.6%
<b>Short Term (less than 6 months) Loans</b>			
Local Authority Loans (repaid in April 2023)	NIL	NIL	
<b>Gross Debt</b>	<b>154</b>	<b>154</b>	<b>4.3%</b>
<b>Treasury Investments</b>			
Banks	0	0	
Other Local Authorities	162	98	
Money Market Funds	68	35	
Property Funds	7	7	
<b>Total Treasury Investments</b>	<b>237</b>	<b>140</b>	<b>3.37%</b>
<b>NET INVESTMENTS</b>	<b>83</b>	<b>(14)</b>	

- 4.16 The investments include £6.5m in two property unit trusts. These are unit trusts which invest in property, as opposed to more traditional unit trusts that invest in shares. The capital value has tended to be somewhat variable over the last few years and at March 2024 was £1.8m below their original purchase price of £8.3m in 2018. In practice, this has been offset by £1.7m of income over that period. Our strategy had been to hold the investments long term for income and short-term changes in capital values are not the prime focus of our investment.
- 4.17 The two funds are the Lothbury fund, where the valuation was £2.4m, £0.9m lower than the purchase price; and the Threadneedle Property fund, with a valuation of £4.1m which is also £0.9m lower than the original purchase price of £5m.
- 4.18 The Lothbury property fund was terminated on 30 May 2024. This means the fund is being wound up and as assets are sold the investors will receive repayment of their investment in instalments. The first repayment of £1.046m has been received in June 2024, which is approximately 43% of the termination valuation of the fund. The second repayment in July 2024 of £0.242m, brings the total repayment of investment to £1.288m. The sale of assets will continue, with fund managers anticipating that sales will conclude over the next year. Monies will be repaid each month to investors out of income and sale proceeds.
- 4.19 The dividends received on the units in the year totalled £327k (a return of 3.9% on the original investment).
- 4.20 The Treasury Strategy permits additional investments in property funds up to a total value of £30m, but no further such investments have been made during the last year. We do not expect to make any new property investments for the foreseeable future.
- 4.21 The Council's (Non-Treasury) Investment Strategy also allows the spending of capital or making of loans to a third party which are intended to (at least partly) achieve a return. Since 30 September 2023, the Council has not made any further loans to third parties. A summary of outstanding loans previously made under the Investment Strategy is shown in table 2 below.

**Table 2 - Loans under the Investment Strategy**

<b>Loans</b>	<b>Total loans outstanding At 31/03/2024 £m</b>	<b>Percentage Return 2023/2024</b>
<b>Loans</b>		
Ethically Sourced Products Ltd	1.0	4%
Leicestershire County Cricket Club Ltd	2.0	5%
Leicester Hockey Club CIC	0.4	5%
Leicester Community Sports Arena Ltd	1.3	5%
<b>Total Loans</b>	<b>4.7</b>	<b>4.8%</b>

- 4.22 The repayments of loans are in accordance with the agreements. It is expected that the loan to Ethically Sourced Products will be repaid in full by the end of 2025.

## **5. Credit Worthiness of Investments & Interest Rate Outlook**

- 5.1 During 2023/24 we continued to see uncertainty in the economy. However, despite this, we did not see the financial system fail in the UK as in the financial crisis of 2008. This indicated that the corrective measures undertaken then to strengthen the banks have worked so far.
- 5.2 The governments of the largest world economies, including the UK, have implemented measures to make banks less likely to fail but also to reduce the impact on the financial system and on taxpayers if they do fail. The measures for dealing with a failing bank see investors who are not protected by the Financial Services Compensation scheme (which includes the Council) who have lent or deposited money, taking significant losses before there is any taxpayer support (“bail in”). These developments are reflected in the Council’s approach to managing credit risk in its treasury strategies and the very low level of lending to banks.
- 5.3 The position is continually under review. One factor is that other regulatory developments are continuing to require or push banks towards greater financial robustness. Banks are now required to “ring fence” bank deposits from other riskier activities.
- 5.4 The Council has an indirect exposure to banks (including non-UK banks) through its investment in money market funds. Money market funds are like “unit trusts” but rather than investing in company shares these funds make interest bearing investments such as bank deposits. When we open such funds, they are vetted to ensure that they have strong investment and risk management processes, and we receive advice from our treasury advisor, Arlingclose.

## **6. Implementation of Borrowing & Investment Strategy**

- 6.1 The strategy approved by Council for 2023/24 envisaged using cash balances to underpin new prudential borrowing and HRA council housing acquisitions and new build, instead of taking out new borrowing externally. This strategy has been adhered to. However, as revenue and capital reserves are called upon and with further substantial investment in the HRA planned, this strategy will have to change in the future, with new borrowing required.
- 6.2 Total investment income during 2023/24 was £7.9m. This was significantly greater than the £6.4m originally budgeted due to interest rates rising slightly higher and balances holding up better than anticipated. Most of this increase was reflected within the period 6 and period 9 revenue budget monitoring reports.
- 6.3 In April 2023 we repaid the Barclays loan of £25m with a fixed interest rate of 4.4% (£1.1m p.a.) which was due for repayment in the year 2077. This repayment also required an early repayment premium of £2.2m, which will be charged to the revenue budget at £40k p.a. through to 2077.
- 6.4 The repayment of the loan saves the fixed annual interest of £1.1m p.a. through to 2077, although that saving is offset to some extent by the loss of interest on the cash used for the repayment. The actual long-term effect on the Council’s finances is of course impossible to predict over the next 53 years, though our advisors’ model suggested potential savings of £6m using a discount rate of 3% (or even £18m applying no discount for inflation). However, a key reason for repaying the loan was to reduce risk if interest rates fell back again in the future (so, for example if interest rates fell to 3%, the Council would have continued to pay 4.4% interest on the loan, however, would have received only 3% on the retained cash).

## 7. **Key Performance Measures**

- 7.1 The most important performance measures are the rate of interest on the Council's borrowings, the timing of borrowing decisions, the timing of decisions to prematurely repay debt, the return on investments and the full repayment of the principal amounts invested.
- 7.2 The following (table 3) compares our performance against that of participating authorities at 31 March 2024 as compiled by our treasury advisor, Arlingclose.

**Table 3 – Key Performance Data**

<b>Investment</b>	<b>Leicester City Council</b>	<b>All Authorities</b>
Income return on short-term investments	3.32%	5.17 %
Income return on long-term strategic investments	4.34%	5.07%
Total Income return	3.37%	5.10%
Strategic funds capital gain/(loss)	(6.95)%	(1.27)%
<b>Total Return</b>	<b>2.99%</b>	<b>5.03%</b>
Percentage exposed to bail in of failed banks	13%	61%

- 7.3 The average rate of interest on all investments for participating authorities at 31 March 2024 is 5.10% whilst the Council's own rate was lower at 3.37%. This is mainly explained by differences on income from longer term investments, as the Council had a number of medium-term deposits with other local authorities which were made before the unexpectedly fast rise in interest rates and thus didn't benefit from those high rate rises. These medium-term deposits are coming to the end of their terms and will have a much smaller impact in future years.
- 7.4 The Council has no higher-risk investments in unsecured bank deposits and fewer longer dated strategic funds invested in more variable assets such as property and equities than many other authorities; and has a lower risk portfolio with a far smaller exposure to failed bank bail-in than most. Whilst this quite deliberately lowers our risk of capital losses, it also impacts our relative returns.
- 7.5 Members will be aware that some authorities have found themselves in major difficulties because they invested too much in riskier assets in anticipation of higher returns; and have since seen significant financial losses and in some cases Government intervention.
- 7.6 Higher investment returns are always available if higher risk is accepted. Risk can take the form of credit risk (money due is not paid) or market risk (the value of investments fall). However, the trade-off between risk and reward was considered when investment strategies were set for 2023/24 and in the current economic climate continues to be a most important consideration.
- 7.7 In practice, there is no such thing as a representative "average" authority. The benchmarking data reflects a division between the authorities that use longer term and more risky assets (about half of all authorities) and those adopting a more cautious approach. We fall much nearer to the cautious side of the two as we have only a small proportion of longer-term assets.
- ## 8. **Use of Treasury Advisors**
- 8.1 The Council is advised by Arlingclose Ltd. They advise on all aspects of treasury management, but their main focus is on providing advice on the following matters:

- the creditworthiness of banks
- the most cost-effective ways of borrowing
- appropriate responses to Government initiatives
- technical and accounting matters.

## 9. **Compliance with the Council's Treasury Strategy**

9.1 As required by the statutory borrowing framework, the Council is required to set a number of prudential limits and indicators. These limits are set annually and can be found within the budget and Treasury Strategy.

9.2 For the operational implementation of the Council's Treasury Management strategy, the most important limits and indicators that need to be monitored throughout the year are:

- The authorised limit – the maximum amount of borrowing that the Council permits itself to have outstanding at any one time.
- The operational limit – a lower limit to trigger management action if borrowing is higher than expected.
- The maximum proportion of debt that is fixed rate.
- The maximum proportion of debt that is variable rate.
- Limits on the proportion of debt maturing in a number of specified time bands.
- Limits on sums to be invested for more than 364 days.

9.3 These limits have been complied with.

9.4 Further details on the Prudential Indicators can be found in Appendix F to the Capital Budget Monitoring Outturn April-March 2023/24 report found elsewhere on your agenda.

## 10. **Financial, legal, equalities, climate emergency and other implications**

### 10.1 Financial implications

This report is solely concerned with financial issues.

### 10.2 Legal implications

There are no legal issues from this report - Kamal Adatia, City Barrister and Head of Standards, ext. 37 1401

### 10.3 Equalities implications

This report reviews how the Council conducted its borrowing and investments during 2023/24 and monitors compliance with the treasury management strategy. It has no direct equality impacts. - Surinder Singh, Equalities Officer, ext. 37 4148

### 10.4 Climate Emergency implications

There are limited climate emergency implications directly associated with this report. However, in general, the Council should consider opportunities to ensure that its investments are not contributing to negative climate and environmental impacts, as relevant and appropriate. - Aidan Davis, Sustainability Officer, ext. 37 2284

10.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None

11. **Background information and other papers:**

The Council's Treasury Management Strategy - "Treasury Strategy 2023/2024" - Council 22 February 2023

The Council's Treasury Policy Document – "Framework for Treasury Decisions" – Council 21 February 2024.

Mid-year review of Treasury Management activities - Overview Select Committee 14 December 2023.

12. **Summary of appendices:**

None

13. **Is this a private report (if so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

14. **Is this a "key decision"? If so, why?**

No

# Scrutiny Annual Report 2023-24

Decision to be taken by:  
Full Council

Decision to be taken on/Date of meeting:  
Full Council – 5 September 2024  
Overview Select Committee – 31 July 2024

Lead Director:  
Kamal Adatia  
City Barrister and Head of Standards

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### **Useful information**

- Ward(s) affected: All
- Report author: Georgia Humby, Senior Governance Officer
- Author contact details: Georgia.Humby@leicester.gov.uk
- Report version number: 1

## **1. Summary**

- 1.1. This report provides a summary of the Scrutiny Annual Report 2023-24.
- 1.2. The Chair of the Overview Select Committee has developed a report that details the activity performed by the City Council's scrutiny bodies during 2023/24. The report also references ongoing and proposed scrutiny activity.

## **2. Recommended actions/decision**

- 2.1 Full Council is asked to note the report and endorse the work of scrutiny during 2023-24.
- 2.2 The Overview Select Committee is asked to review the report and provide any comments/recommendations ahead of consideration by Full Council.

## **3. Scrutiny / stakeholder engagement**

- 3.1 The report details a summary of work and outcomes from scrutiny across OSC and the six scrutiny commissions during 2023-24.
- 3.2 Although it is a decision of Full Council to approve the scrutiny annual report, given that it covers the work and operation of scrutiny, it is appropriate for it to be subject to consideration by the Overview Select Commission ahead of its submission to Full Council.

## **4. Background and options with supporting evidence**

- 4.1 The main report begins with an introduction by Councillor Ted Cassidy, Chair of the Overview and Select Committee.
- 4.2 It then provides general detail of the scrutiny structure, format and operation during the previous year.
- 4.3 The report includes a separate section for each of the seven scrutiny bodies during 2023-24, setting out the key achievements and highlights for each committee/commission and also refers to some of the ongoing and proposed work.
- 4.4 The report is designed to serve as a summary of activity. Full detail of the activity of each scrutiny body can be found via <https://bit.ly/3P7AOEh>



## 5. Detailed report

The full 'Scrutiny Annual Report 2023-2024' is included on the subsequent pages.

## 6. Financial, legal, equalities, climate emergency and other implications

### 6.1 Financial implications

There are no direct financial implications arising from this report.

Kirsty Cowell, Head of Finance

### 6.2 Legal implications

There are no direct legal implications arising from this report. Overview Select Committees are required by virtue of section 9F Local Government Act 2000. The Council's Terms of Reference for OSC includes a requirement to produce an Annual Report to Council

Kamal Adatia, City Barrister & Head of Standards)

### 6.3 Equalities implications

Our Public Sector Equality Duty (PSED), requires us to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between those who share a protected characteristic as defined by the Equality Act 2010 (sex, sexual orientation, gender reassignment, disability, race, religion or belief, marriage and civil partnership, pregnancy and maternity, age) and those who do not.

In keeping with our PSED, we are required to pay due regard to any negative impacts on people with protected characteristics arising from our decisions (and this would include decisions on how we deliver our services) and put in place mitigating actions to reduce or remove those negative impacts.

Overview and Scrutiny (Scrutiny) plays an important part in the democratic decision making process. This annual report provides a summary of the work undertaken and outcomes achieved by Leicester City Council's Scrutiny Bodies during the 2023-24 municipal year. It also provides a general overview of how scrutiny operates. Scrutiny committees hold the Executive to account for the decisions it has taken or intends to take, and acts as a critical friend, helping to ensure the Council delivers its services efficiently and effectively.

Scrutiny is an essential part of ensuring that local government remains transparent, accountable, and open— resulting in improved public policies, services and outcomes for people from across all protected characteristics.

Equalities Officer, Surinder Singh, Ext 37 4148

### 6.4 Climate Emergency implications

As set out in the Scrutiny Annual Report, work around the delivery of the council's response to the climate emergency and ambition to reach net zero carbon emissions is scrutinised by the Economic Development, Transport and Climate Emergency Scrutiny Commission. As detailed in the report, in 2023/24 this included the council's Climate Ready Leicester Plan 2023-28, which sets out our planned action across this area. However, it should be noted

that there may be climate implications associated with reports taken to all scrutiny committees, and members are provided with climate emergency implications on all reports for this reason.

Aidan Davis, Sustainability Officer, Ext 2284

6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

N/A

**7. Background information and other papers:**

None

**8. Summary of appendices:**

Scrutiny Annual Report 2023/24

**9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

**10. Is this a “key decision”? If so, why?**

No

Leicester City Council  
**Scrutiny**  
**Annual Report**  
2023-2024

# Foreword

I am delighted to have had the privilege once again to serve as Chair of the Overview Select Committee during 2023-24 and am very pleased to present a report that sets out the extensive range of work by our scrutiny committees and commissions.

This year allowed scrutiny to examine proposed decisions, policy development and performance monitoring across all commission areas in greater detail. Members also had more opportunities to undertake deeper reviews into issues and services of public interest through informal scrutiny.



I have been impressed with the volume and quality of scrutiny undertaken, and particularly the number of recommendations to the Council's Executive. I am once again thankful for the involvement and contributions of the City Mayor and his team, along with officers from across the organisation in supporting and equipping our scrutiny function. I am also particularly thankful for the level of engagement from our health sector partners, and I remain committed to engaging with decision-makers beyond the local authority. In addition, I was pleased to ensure continued involvement of young people representatives who regularly participated in several of our scrutiny bodies.

At Leicester, we take great pride in our scrutiny, and we aim to examine those issues that are central to the lives of the people in our city. We have this year continued to scrutinise key strategic priorities of the City Council, and have investigated many matters in detail, by setting up informal scrutiny work to allow a broader range of evidence to be gained by commissions. Examples of this include focussed work on the implementation of 20mph streets in the city, examining ward community funding and taking a deeper look at our adult social care contract for domiciliary care before it went out to tender.

I am confident that scrutiny will continue to develop throughout 2024/25 and as all local authorities continue to face growing pressures and challenges, including here in Leicester, it is essential that Members are equipped to examine the implications of the circumstances that we face and to help to influence decision-making to ensure our residents continue to receive support and services and to enhance our fantastic city.

**Councillor Ted Cassidy MBE – Chair of the Overview Select Committee**

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# Glossary

The following abbreviations are used to describe each scrutiny body:

**ASC:** Adult Social Care Scrutiny Commission

**CYPE:** Children, Young People and Education Scrutiny Commission

**CNS:** Culture and Neighbourhood Services

**EDTCE:** Economic Development, Transport and Climate Emergency Scrutiny Commission

**HSC:** Housing Scrutiny Commission

**HWB:** Health and Wellbeing Scrutiny Commission

**JHSC:** Joint Leicester, Leicestershire & Rutland Health Scrutiny Committee

**PHHI:** Public Health and Health Integration Scrutiny Commission

**OSC:** Overview Select Committee

# Introduction

## What is Scrutiny?

The Centre for Public Scrutiny defines scrutiny as “the activity by one elected or appointed organisation or office examining and monitoring all or part of the activity of a public sector body with the aim of improving the quality of public services. A public sector body is one that carries out public functions or spends public money. Scrutiny ensures that executives are held accountable for their decisions, that their decision-making process is clear and accessible to the public and that there are opportunities for the public and their representatives to influence and improve public policy.” As such, it is important that scrutiny is an essential part of ensuring that the Council and its partners remain effective and accountable.

## Leicester City Council’s Scrutiny Structure

For the 2023/24 municipal year, there was a change in the scrutiny structure. The Council continued with the model of an Overview Select Committee but was supported by six scrutiny commissions covering all facets of the council’s business rather than the previous seven. Culture and Neighbourhoods Services scrutiny commission combined the former Heritage, Culture, Leisure & Tourism and Neighbourhood Services commissions.

### Overview Select Committee



## Report Structure

This annual report covers the period between May 2023 to April 2024 and summarises some of the key activity and areas of influence by scrutiny throughout the year.

The report provides detail of the work of the Overview Select Commission, and each of the six City Council scrutiny commissions. The annual report does not intend to draw out a large quantity of detail or highlight each recommendation, and instead sets out some of the key achievements by the scrutiny bodies, examining areas of influence and work undertaken as part of focussed reviews or task and finish work. Full detail of each scrutiny meeting can be found by accessing relevant agendas, and minutes via [leicester.gov.uk](https://leicester.gov.uk).

The report also does not intend to provide full detail of what is covered by each of the scrutiny bodies. Detail of the configuration of scrutiny at Leicester City Council can be accessed via our [scrutiny webpages](#).

By its very nature, scrutiny examines some work over a more considerable period of time, and this report also points to those strands of work that will continue or may emerge throughout 2024/25. This is reflected as part of the commission summary pages throughout the report.

### Overview of Scrutiny 2023/24

In total, there were 46 public meetings across the eight scrutiny bodies (including JHSC). This was supplemented by further work performed by members in the form of separate scrutiny task group meetings or additional briefing sessions on topics of significance.

All meetings, with the exception of JHSC, took place in person at the City Council's committee rooms at City Hall, though a hybrid set-up was initiated to allow some non-voting participants to join remotely. Meetings were comprised of eight elected members that were politically balanced, with some commissions being supplemented by co-opted members or standing invitees. The Chairs of the scrutiny bodies throughout 2023/24 were as follows:

Overview Select Committee – Cllr Ted Cassidy  
Adult Social Care – Cllr Melissa March  
Children, Young People and Education – Cllr Misbah Batool  
Culture and Neighbourhood Services – Cllr Mohammed Dawood  
Economic Development, Transport & Climate Emergency – Cllr Sue Waddington  
Housing – Cllr Ashiedu Joel  
Public Health and Health Integration – Cllr Geoff Whittle



The commissions and committees continued to examine key strategic priorities and emerging issues. As in previous years, a significant proportion of scrutiny related to the consideration of executive decisions prior to them being taken, including scrutiny of the annual budget setting process. This equips scrutiny to challenge, support and influence the City Council's decision-making processes and remains a prime role of the scrutiny function. Scrutiny also strives to examine issues that emerge throughout the year that have significant implications for the people of Leicester.

Many of the scrutiny bodies also performed an extensive level of work in addition to that taking place as part of formal scrutiny meetings. Several focussed task group reviews were initiated throughout 2023/24. It is commonplace for the suggestion behind this work to originate at a formal meeting, often when it is apparent that the level of scrutiny required is extensive and requires a more detailed process of evidence-gathering. Examples of this work include the Overview Select Committee examining the Council's corporate equalities duty and workforce representation; the Economic Development, Transport, & Climate Emergency Scrutiny Commission's work in understanding more on 20mph zones and Culture and Neighbourhood Services Scrutiny Commission's investigation into ward community funding. Upon the completion of all task group work, the relevant decision-maker submits a report back to a commission meeting that details a response to the scrutiny recommendations.

Scrutiny continues to gather the majority of its evidence from City Council service departments, though it has always been necessary for this to be supplemented with input from other organisations and stakeholders. During 2023/24, scrutiny sought evidence from a range of partners, particularly across the health sector and via housing tenant representatives. Moreover, the process of empowering the voice of young people across scrutiny was further developed during 2023/24, with representatives regularly participating in OSC, CYPE and PHHI.

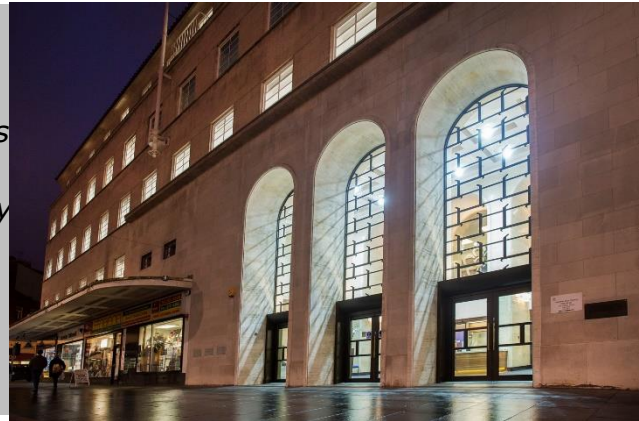
During the next municipal year, there are ambitions to expand public and stakeholder engagement as part of the scrutiny process, particularly when performing more in-depth investigations and inquiries. Scrutiny Chairs will also be considering a broader range of methodologies when carrying out such informal scrutiny.

The following pages document some of the key achievements and highlights of each of Leicester's seven scrutiny bodies, drawing on areas of significance during the past year and referring to some of the priorities for taking scrutiny forward during 2024/25.



# Overview Select Committee

*The Overview Select Committee is the City Council's overarching scrutiny body. The committee primarily scrutinises the work overseen by the City Mayor, the council's strategic priorities and cross-cutting issues including equalities, property and the Council's finances. The Committee also engages with leaders and decision makers from key partner organisations across the city.*



The key Overview Select Committee scrutiny developments during 2023/24 included:

**Budget Monitoring Scrutiny – OSC** examined the revenue and capital finances on a quarterly basis, seeking clarity on numerous issues and requesting further information on a series of matters of significance and recommending further scrutiny of those services areas that had particular impact upon the Council's overall finances.

**Budget Setting process–** The Committee again examined the full set of budget proposals relating to the Draft Revenue Budget and Capital Programme for 2024/25. This followed tailored scrutiny at a commission level, and the comments raised previously were also examined and endorsed by OSC.

**Cost-of-Living Crisis –** The Committee reviewed the Council's continued response to the crisis and sought several strands of further detail, as well as requesting more focussed examinations of implications on the most vulnerable by relevant commissions. Youth Representatives also presented proposals relating to unused school meal produce which continue to be monitored by OSC.

**Customer Services –** OSC assessed the services provided by the Council, noting the significantly high demand and the

continued aim to digitise and transform the offer. A number of suggestions were made, particularly in relation to the telephony queuing system and a tour of customer services facilities for members was also suggested.

**Directly Questioning the City Mayor –** Members of the committee and youth representatives continued to raise questions directly to the City Mayor via a dedicated agenda item. Examples of questions raised included how the City Council would safeguard against bankruptcy, the Radio 2 in the Park festival arrangements and whether young people aged 14-16 should continue to require adult accompaniment at gym facilities.

**Exceptional Homelessness Pressures on Housing –** A special meeting was convened to examine proposals to support those experiencing homelessness pressures and proposals were later approved by Full Council.

**In-year Budget Savings –** The Committee examined a series of budget saving proposals ahead of Executive decisions being taken. Further examination of these was required following a call-in of the Executive decision; which was

subsequently resolved to be withdrawn by OSC.

**Referrals to other scrutiny bodies –** When examining corporate policy, particularly relating to the budget, OSC was proactive in recommending other commissions to undertake more in-depth scrutiny. Examples include home-to-school transport provision, implications of the cost-of-living crisis and suggesting a site-visit to the Leicester Museum and Art Gallery.

**Strategic Property Matters –** The Committee resolved call-ins to Executive decisions relating to the Market Place and St Martins Connecting Leicester schemes. Upon scrutinising both schemes further, the

Committee agreed to withdraw the call-ins and implement the decisions.

**Treasury Management/Investment Activity –** The Committee were rigorous in their examination of relevant strategy and policy, and recommended further training for Members on these matters, which was arranged in advance of decisions being taken by Full Council

**Workforce Representation –** OSC undertook some informal scrutiny relating to workforce representation across the City Council and in doing so received a comprehensive overview of how the Council adhered to the Public Sector Equality Duty before beginning to examine a significant amount of data to identify trends and areas of concern.

### **Possible Overview Select Committee plans for 2024/25 include:**

**Budget and in year budget savings–** The Committee is likely to regularly examine the City Council’s overall programme of in-year budget saving proposals on an ongoing basis and will ensure that key proposals are also considered by the relevant commissions.

**Corporate Equality Strategy and Action Plan –** The Committee intends to inspect the revised draft strategy and action plan, which will set out the City Council’s continued commitment to equality and diversity.

**Environmental Impact of Construction Projects –** OSC are keen to understand more about the overall environmental impact of corporate construction work and will assess the current position.

**Ongoing cost-of living response –** The Committee will continue to have an oversight of how the needs of the City’s most vulnerable families and communities are being met.

**Strategic Priorities–** OSC will closely examine progress made in response to the strategic priorities set out by the City Mayor and Executive.

**Workforce Representation–** OSC will conclude its findings in relation to the informal scrutiny work around workforce representation.



# Adult Social Care Scrutiny Commission

*This Commission focuses on matters relating to the delivery of statutory adult social care functions, such as care services to allow independence in own homes, care services for those that require care away from home and policies that underpin a broad range of social care issues.*

The key Adult Social Care scrutiny developments during 2023/24 included:

**ASC Improvement Journey** – The Commission thanked the division for its openness in its discussion of identifying strengths and challenges for preparing for the new adult social care assessment framework to be introduced. It was requested that the Commission be updated when more information is known about the assessment and visit.

**ASC Performance Monitoring** – The Commission continued to monitor the performance of the division whereby it was recommended that an additional metric be created in relation to monitoring discharges from hospital to social care which was agreed and created for future reporting.

**Charging Policy** – The Commission debated the proposals to treat higher or enhance rate disability benefits as income in full and the introduction of an administrative charge for use of the appointeeship service. Whilst some concerns were raised, following a vote the Commission noted the proposals but recommended that further work and fostering relationships with the Making it Real Group and others who draw on support, particularly regarding communications, as well as being proactive to ensure individuals understand the scope of disability related expenditure.

**Dementia Strategy** – The Commission endorsed the refreshed *Living Well with Dementia Strategy* and agreed to support and share the aims of the Strategy.

**Direct Payments** - The Commission requested to explore the topic in which the success of the division offering direct payments for over 25years, offering choice and control to residents was celebrated, but Members recognised the concerns and risks, particularly where an individual uses a non-contracted provider or employs a personal assistant.

**Growing Needs of Autism** -The Commission commended the work and commitment to understanding the growing needs of autism and neurodiverse conditions and to promote a strength-based approach in raising awareness and encouraging employers to utilise skills. It was recommended that the issue be discussed further at the appropriate Board or Committee to enable partnership working.

**Hastings Road Day Centre** – The Commission debated the offer and utilisation of the Day Centre, which resulted in a withdrawal of a formal proposal to review the decision. Members were satisfied that officers and the Deputy City Mayor had provided assurance that alternative provision would be found, and

transitions carefully managed with support of a social worker to work closely with the person, family, and carer to ensure needs continue to be met which was monitored regularly by the Commission until all individuals transitioned to alternative services.

**Joint Scrutiny work** – The Commission examined a number of issues alongside the Public Health and Health Integration Scrutiny Commission including mental health service provision, substance misuse, winter planning and the health and social care workforce. Following feedback from scrutiny, improvements were made to the Inspired to Care website, particularly the apprenticeships pages and consideration of how to evaluate the successes of the No5 Wet Centre was requested.

**Reablement Service** – The Commission celebrated the good work of the service in enabling residents to be supported to prevent hospital admission or to be discharged from hospital and supported at home. It was noted that the service has continued to grow and is a significantly different offer to alternative places with the integration of health and social care services.

**Recommissioning of Homecare** – The Commission were keen to play a part in the process of establishing new contracts for future service provision and recommended the tender be amended from providers requiring a minimum CQC inspection of 'Requires Improvement' with 'Good' in the 'well led' section, to overall inspection being 'Good' which was endorsed.

### **Possible Adult Social Care Scrutiny plans for 2024/25 include:**

**ASC CQC Assessment** – The Commission requested to be updated on the new assessment framework concerning adult social care services and be informed of the visit.

**Adult Social Care Budget** – The Commission agreed to monitor the budget and requested an informal scrutiny briefing session to discuss details in further detail in the new financial year.

**Care Package Reviews** – The Commission have expressed urgency in the new municipal year to consider care package reviews in order to understand what is being done to address backlogs.

**Homecare Contract** – The Commission played a part in improving the tender for new contracts for future homecare service provision. The Commission is keen to discuss further when contracts are live, particularly to update on time banking and Unison's Ethical Charter for zero-hour contracts.

**Workforce** – The Commission considered the challenges to the workforce across health and social care and requested to monitor the progress, particularly the development of the draft external workforce strategy and promoting apprenticeships.



# Children, Young People and Education Scrutiny Commission

*The Children, Young People and Education Scrutiny Commission is responsible for examining children's social care, education & attainment and support provision for children and young people and families. Diocesan, trade union and school governor representatives work with elected Members on this Commission.*



Key scrutiny developments during 2023/24 included:

**Ash Field Academy** – The decision to withdraw funding for residential provision at Ash Field Academy was examined by the Commission. In examining the decision following a call-in, the Commission recommended that further discussions be held between Leicester City Council and Ash Field Academy on the tapering of funding in order to ease the transition whilst the Academy found other sources of funding.

**Family Hubs** – The Commission considered the progress towards the Family Hubs model in line with the Family Hubs and Start for Life programme funded by the DFE. The focus was being placed on developing an integrated network of support both online and at physical locations across Leicester.

**Fostering Service Annual Report 2022/23** – The Commission considered the activity and performance of the Fostering Service and requested further information on the costs surrounding the proposed Customer Relationship Management Tool and suggested to reach out to SGO carers via the newsletter to promote awareness of help on offer.

**In-house residential accommodation** – New residential facilities for looked-after

Children at Holly House and Hillview were examined by the Commission.

**Leicester Safeguarding Children Partnership Annual Report** – In reviewing the annual report, the Commission suggested that more consideration could be given to how young people could become involved in safeguarding reviews and requested that the impact of potential cuts to Childrens' Centres and any potential knock-on effect could be looked into.

**RAAC in Leicester City Schools** – The Commission received verbal updates on the use of Reinforced Autoclaved Aerated Concrete (RAAC) in Leicester City Schools. Members were reassured that possible RAAC issues in schools were being addressed and all schools in the city had the requirements for the safety standards.

**SEND Transport Provision** – The Commission examined the statutory duty to provide transport assistance to children with SEND that fit certain criteria and made a number of recommendations including seeking Government funding for electric school busses, to consider a similar transport system to the city centre 'Hop' busses for schools and colleges and raising

personal transport budgets to reduce taxi use.

**School Attendance** – The Commission examined data on the known education provision for children in Leicester up to the end of the 2022/23 academic year, looking particularly at absences and the reasons behind those absences.

**Unaccompanied Asylum-Seeking Children (UASC)** –The Commission received a verbal update on the situation involving UASC in the city. As part of the discussion, it was noted that a number of regional and national stakeholders would look at development around UASC Accommodation and how collective work can be done to improve the system.

### **Possible Children, Young People & Education Scrutiny plans for 2024/25 include:**

**Children Seeking Safety** - To examine the challenges faced by CSS in accessing education, health support and accommodation.

**DSG High Needs Block** – To consider changes to how money from the DSG High Needs Block is being spent. An informal scrutiny investigation is likely to be undertaken once an initial report has been reviewed by the Commission.

**Family Hubs** – To understand more about the programme for developing hubs across the city and how they will serve to extend early-years provision into communities.

**Sufficiency Strategy** - To look at the provision of Care Packages/Residential Accommodation for Children Looked After (CLA) by the Council in terms of increasing capacity to mitigate the need to use private sector provision.

**Update from Impower** – To provide more information about the work done by Impower in mapping the needs of CLA against the costs of placements.

**Use of Capital Programme in Schools** – To understand how spending from the Capital budget will be used to improve school buildings.

# Culture and Neighbourhood Services Scrutiny Commission



*The Culture and Neighbourhood Services Scrutiny Commission is responsible for examining many of the everyday services that people access within their own communities, including the provision of libraries, community centres, environmental and enforcement services. This Commission also holds responsibility for looking at museums, festivals & events, sports services as well as the voluntary and community sector support and issues relating to community safety and community cohesion.*

The key scrutiny developments during 2023/24 included:

## **Active Leicester Strategy Action Plan -**

The emerging Active Leicester Strategy action plan, following the launch of the strategy in July 2023 was considered by the Commission. The Commission suggested that should Sport England funding become available, grassroots/community sports clubs be considered for priority over larger professional clubs with their own funding streams. It was further suggested that opportunities to encourage cooperation between professional sports clubs and voluntary sector organisations be considered.

**Burial Strategy** – The Commission looked at action taken to mitigate the pressure on burial space following increased demand resulting from the coronavirus pandemic and the reducing availability of burial space in the council’s cemeteries. It was requested by the Commission that all faiths be involved with local consultation regarding any changes in legislation on the re-use of graves arising from the national Law Commission review of burial legislation.

## **Cultural and Creative Industries**

**Strategy** – The Commission contributed to the strategy which was aimed to develop a strategy that will enable the city’s creative and cultural industries to thrive.

**Museum Service** – The Commission scrutinised the museum service’s use of National Portfolio Organisation (NPO) funding from Arts Council England, plans for new galleries, exhibitions and schemes, including the Climate Change Gallery at Leicester Museum and Art Gallery (LMAG), the ‘Healthier Happier City’ initiative and a programme of free activities aimed at helping with the cost of living as well as engagement with volunteers and volunteer development. The Commission highlighted how museums and culture could be used in different ways and sought regular updates on the Museum Strategy and NPO.

## **Voluntary Community Sector**

**Engagement** – The Commission examined the latest pledges and actions of the VCSE Strategy. It was recommended that VCSE and LCC boards co-produce funding submissions together. It was further suggested that consideration be given to establish a team to support and empower



community groups, and that there be more engagement with Ward Councillors.

**Ward Funding** – Following an initial report that was brought to the Commission in September 2023, it was agreed that a task group be convened to examine the issues surrounding ward funding. The task group looked at various aspects of the distribution of the funding and the application process. A number of recommendations were agreed including suggestions to expand the scope of multi-ward applications.

**Women in Sport** – A range of findings were presented to the Commission following scrutiny-led review into ways to and encourage more women to participate in sport and physical activity. The Commission suggested that an annual update on women’s involvement in sport be provided. Additionally, the Commission recommended that good practice in other authorities should be considered in the forthcoming strategy.

### **Possible Culture & Neighbourhood Services Scrutiny plans for 2024/25 include:**

**Active Leicester and Women in Sport** – An annual report will be provided, which will also reflect how the commission’s recommendations arising from the Women in Sport review have been taken forward.

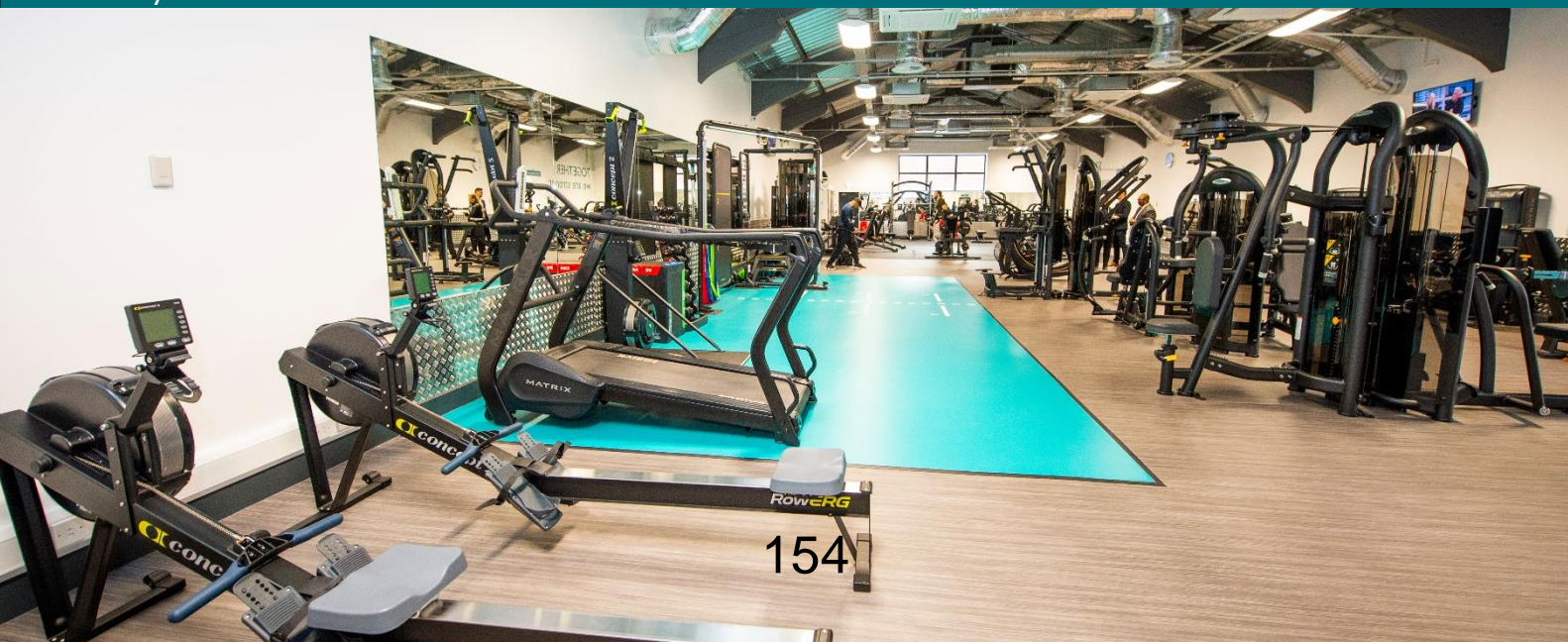
**Culture and Creative Industry Strategy** – A fuller report to be brought to the Commission following the previous report in September 2023.

**Draft Museum Strategy** – The Commission will have the opportunity to examine and make recommendations in respect of the City Council’s museum strategy.

**Engagement of Community Organisations** – To consider how community organisations could be engaged to help the Council run services.

**Heritage Lottery Fund (Place Programme Funding)** – 2024/25 will be the first year of the National Lottery Heritage Fund ‘Place’ programme in the city. A detailed series of consultation and engagement sessions will take place with the city communities to identify their heritage priorities and opinions, which will then be used to shape a longer-term action plan that can draw on the programme funds.

**Library and Community Needs Assessment** – Summarising the community engagement undertaken in 2023 and setting out the council’s proposals for library and neighbourhood centres beyond 2024.





# Economic Development, Transport and Climate Emergency Scrutiny Commission



*This commission reviews a range of matters which include regeneration, public transport and cycling provision, adult learning and job provision and climate emergency policy.*

The key scrutiny developments during 2023/24 included:

**20mph Zones** - The Commission reported its task group findings following an investigation into the approach to implementing 20mph streets in the city. A series of recommendations were agreed that related to continuing with the bespoke model but enhancing the commitment to aim to achieve 100% of suitable residential streets by 2030 and reviewing existing traffic calming measures.

**Climate Change Strategy Plan** – Following in-depth scrutiny at a dedicated meeting on this topic, the Commission made a number of suggestions and recommendations, including lengthening the time-frame for the consultation and making the consultation documents more accessible and easier to engage with, to consider more venues other than schools for Tiny Forests, to consider adding an appendix on how Leicester could be ‘greened’ in the final document and to consider opportunities for joint work with Public Health.

**Electric Vehicle (EV) Charging** – An informal scrutiny task group was convened to assess the current provision of EV

charging points in the city, how the Council can help to deliver EV charging points in the future and to assess any obstacles may hinder the installation of EV Charging points in certain areas and whether they can be overcome.

**Energy Efficiency for Homes** – The Commission examined energy efficiency schemes in private sector housing in the city and recommended that information on relevant schemes be promoted via Ward Community Meeting.

**Flooding** – Updates were given following serious flooding occurrences in June 2023 and January 2024. The Commission reviewed the flood defences in place and the help available for those affected by the flooding.

**Rally Park Active Improvement Project** – The Commission scrutinised the initial details of the Rally Park Scheme following a successful £1.8m bid as part of Round 4 of the Active Travel Fund and requested that officers consider approaches to retain trees and improve visibility/safety as part of design process. The Commission also

suggested working with local voluntary organisations for biodiversity gain and establishing an enjoyable space.

**Skills Sector 'Bootcamps'** – The Commission examined Skills Sector Bootcamps, led by the Council, focused on developing sector specific skills for adults. The Commission made a number of recommendations including requesting a breakdown of statistics on the number of people coming to the city to learn from

neighbouring areas. Further to this, the Commission requested that consideration be given to a Bootcamp in delivering skills in retrofitting properties.

**Traffic Regulation Orders (TROs)** – as part of its role in regularly reviewing TROs, the Commission influenced the delivery of the A6 Corridor Bus Lane Scheme, requesting officers to consider further public engagement with objections received to scheme.

## Possible Economic Development, Transport & Climate Emergency plans for 2024/25 include:

**24-Hour Bus Lanes** – To find out more about current and proposed provision with a view to potentially conducting informal scrutiny on the issue.

**Ashton Green and Railway Station approach** – Looking at progress made with key development projects across the city such as the work at Ashton Green and around the railway station, as well as further progress with the Waterside development.

**ESOL – Outcomes of delivery** – The Commission to consider the delivery of ESOL following the tracking of outcomes.

**EV Charging Informal Scrutiny** – To report on the findings of the EV Charging informal scrutiny task group.

**LLEP Arrangements** – The Commission will need to be kept informed on the transition of functions to the Council that were previously carried out by the LLEP.

**Worker Exploitation** – The Commission to receive an overview of some of challenges and issues faced in Leicester and to consider appropriate mechanisms for examining these.





# Housing Scrutiny Commission

*The Housing Scrutiny Commission examines a wide range of issues relating to housing and homelessness. This covers council services as well as issues affecting private sector housing and housing associations.*

Key housing scrutiny developments during 2023/24 included:

## **Adaptations & Disabled Facilities Grant**

- The Commission commended the service for the proactive approach to adapting properties to meet the needs of residents. It was requested that the Commission continue to be kept updated on the development of an Adaptations Strategy.

**Budget** – The Commission considered the housing revenue account budget, including the capital programme 2024/25 but recommended all associated budgets to housing services be shared in future.

**Climate Emergency & Retrofitting** – The Commission discussed the various programmes to improve energy efficiency of properties in the city. It was recommended that officers liaise with economic development regarding potential bids for upskilling individuals in green industries in which consideration is being given to be part of a regional net zero building retrofit skills pilot.

**Damp and Mould** – The Commission discussed regulations and the commitment to tackle damp and mould with the development of an Action Plan. Assurance was provided that governance processes are in place for appropriate inspection and remedial action in social housing, but the Commission requested to be updated on an online portal for the private rented sector.

**District Heating** - The Commission discussed progress regarding the installation of metres for properties supplied by the district heating network following a decision by Full Council in February 2023 to enable tenants and leaseholders to pay for usage. The Commission challenged the accuracy of costs and recommended they be reviewed to ensure tenants and leaseholders were only to be charged the identified costs. It was further agreed that the Commission would be kept updated on options for the Aikman Avenue flats.

**Empty Homes** - The Commission noted the success of the empty homes team and its importance as a non-statutory service. Assurance was provided that council tax rates are increased when properties are empty but the need for more devolved powers for the local authority to be able to take action to bring empty properties into use was highlighted.

**Environmental Budget** – The Commission noted the financial constraints to reduce the budget but recommended a formal process for documenting ward councillor suggestions to be created and future reports to include reference to other budgets available to investment in council estates.



### **Homelessness & Rough Sleeping**

**Strategy** – The Commission discussed the development of the new strategy and action plan, noting the collaboration and importance of partnership working. Clarity was sought in relation to the decision-making process for strategies to go to Full Council.

**Housing Crisis in Leicester** – The Commission discussed the Action Plan in relation to Housing Crisis that was declared in the city in November 2022 and the Task Group’s recommendations. The Commission noted the progress internally and demands of central government but requested further updates and recommended a review of the Action Plan to make the status of items clearer.

**Private Rented Sector Strategy** – The Commission endorsed the Strategy and Action Plan, noting the initiatives to enable access or sustain tenancies and improving standards within the private rented sector. The Commission requested Members be provided with additional information of support available and consideration for

further selective licensing schemes across the city.

**Repairs Online** – The Commission received a demonstration of the housing repairs platform which provides residents with greater flexibility to report repairs and alleviates pressure from the customer service centre. The successes were celebrated, and the Commission endorsed further use of the platform to report repairs and other technology where appropriate.

**Tenancy Support** - The Commission discussed and noted the important role of services provided to support tenants. It was agreed that consideration be given to utilising community radio stations to share messages of the tenant satisfaction survey and for members to be involved in the piloting of the customer care training.

**Who Gets Social Housing** - The Commission received updates regarding the housing register and requested consideration be given to improving communication to applicants on the waiting list.

### **Possible Housing plans for 2024/25 include:**

**Adaptations Strategy** – The Commission requested to be kept updated on the development of the strategy.

**Damp & Mould** – The Commission requested to be kept updated on progress of the Action Plan and particularly around the development of an online portal for tenants in the private rented sector to report damp and mould concerns.


**Homelessness Strategy** – OSC recommended the Commission explored this area in greater detail.

**House Builds & Acquisitions** - The Commission noted the commitment to increase social housing and requested regular updates on progress of developments moving forward.

**Income Collection Performance** – The Commission requested to receive an update early in the municipal year to review the performance of the full financial year.

**Regulator of Social Housing** – The Commission to be kept updated on the new social housing regulations.

# Public Health and Health Integration Scrutiny Commission



*This commission is responsible for examining the health services received by all Leicester residents, which includes the services provided by the local authority's public health team along with those delivered by the NHS and health sector partners.*

The key Health and Wellbeing scrutiny developments during 2023/24 included:

**Access to GP Practices** – The Commission discussed barriers accessing GP Practices and raised concerns around inconsistencies but were assured by plans in place and agreed to receive further updates.

**Children & Young People's Mental Health Services** – The Commission and Chair of CYPE noted progress and improvements across services but concerns were raised, particularly regarding GP referrals, which resulted in terminology for cases being sent back to practices being amended and further actions being explored with an update to be provided in the new municipal year.

**Elective Care** – The Commission discussed plans to address waiting lists and visited Phase 1 of the East Midlands Planned Care Centre, a modular building providing treatment in a Centre that will see 100,000 patients per year when fully operational. The Commission agreed to continue to monitor waiting list performance and looks forward to accepting an invitation to visit Phase 2 when completed.

**Health Protection** – The Commission monitored rates of illnesses in the city, particularly the outbreak of measles and requested details of vaccine centres within wards be circulated to Members to promote to residents.

**Joint ASC & Health Scrutiny** – The Commission examined issues alongside the Adult Social Care Scrutiny Commission including mental health service provision, substance misuse, winter planning and the health and social care workforce. Following feedback from scrutiny, improvements were made to the Inspired to Care website, particularly the apprenticeships pages and consideration of how to evaluate the successes of the No5 Wet Centre was requested.

**Joint LLR Health Scrutiny** – Members of the Commission discussed various items including additional investment to East Midlands Ambulance Service; pressures on ICB finances and UHL reconfiguration progress. The Joint Committee also voted to approve alterations to the terms of reference following regulations and guidance from the Department of Health and Social Care relating to changes to the role and powers of Health Scrutiny Committees.

**Maternity Services** – The Commission sought assurance on improvements to ensure safety following the inadequate CQC inspection and requested further updates to monitor performance.

**Oral Health** – The Commission raised concerns around access to NHS dentistry given statistics on oral cancer and 5-year-old children with tooth decay and requested to monitor progress. It was also agreed UHL would provide access to recent data for public health analysts and the proposal to write to the Secretary of State to request water fluoridation was supported.

**Winter Pressures** – The Commission analysed plans ahead of winter and monitored progress to compare performance. Concerns were raised about the critical incident but improvements were noted and agreed to look in more detail at virtual wards and A&E.

**0-19 Services** – The Commission celebrated the successes of the service and reiterated the importance of retaining school nursing and health visitors.

### **Possible Health & Wellbeing plans for 2024/25 include:**

**Access to GP Practices** – The Commission requested to continue monitoring access to GP surgeries following change in methods for booking appointments and a survey that indicated Leicester residents have the most difficulty accessing GPs.

**CYP Mental Health** – The Commission requested to receive an update in the new municipal year on actions for improving the process for mental health referrals by GPs.

**Health Inequities** – The Commission expressed an urgency in the new municipal year to receive an update on health inequalities as part of the ICB 5-year forward plan.

**Health Research** – The Commission have expressed an interest to consider topics, funding and inclusion of communities in research across public health, health partners and universities.

**Vaccinations** – The Commission requested to look in further detail at vaccination and screening to better understand uptake and hesitancy.

**Virtual Wards** – The Commission requested a briefing session to understand the decision-making process and mitigation of risks for the increasing use of virtual wards which was agreed for early in the new municipal year.

**Women's Health** – The Commission are keen to explore women's health services.

# Contacting Scrutiny

For more information, please contact the Governance Services Team via **[governance@leicester.gov.uk](mailto:governance@leicester.gov.uk)**.

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<https://www.leicester.gov.uk/your-council/decisions-meetings-and-minutes/overview-and-scrutiny/>





**Overview Select Committee  
Work Programme 2024 – 2025**

Meeting Date	Item	Recommendations / Actions	Progress
<b>31 July 2024</b>	<ol style="list-style-type: none"> <li>1. Overview of OSC Portfolio</li> <li>2. Revenue Outturn 2023/24</li> <li>3. Capital Outturn 2023/24</li> <li>4. Income Collection April 2023 – March 2024</li> <li>5. Review of Treasury Management Activities 2023/24</li> <li>6. Corporate Equality Strategy</li> <li>7. Scrutiny Annual Report 2023/24</li> </ol>		
<b>26 September 2024</b>	<ol style="list-style-type: none"> <li>1. Update on Workforce Representation Informal Scrutiny Work</li> <li>2. Customer Services Update</li> <li>3. Revenue Monitoring Period 3</li> <li>4. Capital Monitoring Period 3</li> </ol>		

Meeting Date	Item	Recommendations / Actions	Progress
<b>12 December 2024</b>	<ol style="list-style-type: none"> <li>1. Savings Proposals</li> <li>2. Annual Corporate Estate Report 2024/25</li> <li>3. Revenue Monitoring Period 6</li> <li>4. Capital Monitoring Period 6</li> <li>5. Income Collection Report – Half-Yearly</li> <li>6. Treasury Report – Half Yearly</li> </ol>		
<b>30 January 2025</b>	<ol style="list-style-type: none"> <li>1. General Revenue Budget</li> <li>2. Capital Programme</li> <li>3. Housing Revenue Account</li> <li>4. Treasury Management</li> <li>5. Investment Strategy</li> <li>6. Treasury Policy</li> </ol>		
<b>27 March 2025</b>	<ol style="list-style-type: none"> <li>1. Revenue Monitoring Period 9</li> <li>2. Capital Monitoring Period 9</li> </ol>		
<b>1 May 2025</b>			

**Forward Plan Items (suggested)**

<b>Topic</b>	<b>Detail</b>	<b>Proposed Date</b>
Environmental Impact of Construction Projects	As requested previously during the 2023/24 municipal year	TBC
City Mayor's Strategic Priorities		TBC
Ongoing response to the cost-of-living crisis	Last taken to OSC on 9 November 2023	TBC

