



Leicester
City Council

SECOND DESPATCH

MEETING OF THE OVERVIEW SELECT COMMITTEE

WEDNESDAY, 12 FEBRUARY 2020

Further to the agenda for the above meeting which has already been circulated, please find attached the following:

8. TRACKING OF PETITIONS – MONITORING REPORT

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.

7 February 2020:

Appendix 1 to the report has been updated since the agenda was published. Details of the updates are attached.

12. DRAFT GENERAL FUND REVENUE BUDGET 2020/21 TO 2021/22

The Director of Finance submits the draft General Fund Revenue Budget 2020/21 to 2021/22, which will be considered at the meeting of Council on 19 February 2020. This Committee is recommended to consider the draft budget and the comments made by the Scrutiny Commissions, and to pass its comments on these to the meeting of Council on 19 February for consideration.

7 February 2020:

The following draft minute extracts, detailing the respective Scrutiny Commissions' discussions on the draft General Fund Revenue Budget report, are attached:

- Neighbourhood Services Scrutiny Commission – 15 January 2020 (**Appendix E1**)
- Heritage, Culture, Leisure and Sport Scrutiny Commission – 21 January 2020 (**Appendix E2**)
- Children, Young People and Schools Scrutiny Commission – 28 January 2020 (**Appendix E3**)

- Health and Wellbeing Scrutiny Commission – 30 January 2020 (**Appendix E4**)
- Adult Social Care Scrutiny Commission – 4 February 2020 (**Appendix E5**)
- Economic Development, Transport and Tourism Scrutiny Commission – 5 February 2020 (**Appendix E6**)

Officer contacts:

Kalvaran Sandhu (Scrutiny Policy Officer)

Elaine Baker (Democratic Support Officer)

*Tel: 0116 454 6355, e-mail: elaine.baker@leicester.gov.uk
Leicester City Council, 115 Charles Street, Leicester, LE1 1FZ*

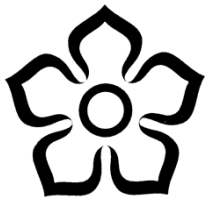
OVERVIEW SELECT COMMITTEE – 12 February 2020

UPDATE ON THE PETITIONS MONITORING REPORT

The details of the following petitions have now changed since the report was published with the agenda:

PETITION Date Received	PETITION REFERENCE	LEAD PETITIONER	SUBJECT	NEW STATUS	REASON
16/9/19	19/9/02	Kashif Munir (via Keith Vaz MP)	Parking issues arising from traffic calming measures i.e. double yellow lines on Gainsford Road and Highwood Drive near Falcons Primary School.	GREEN from Red	Proforma sent to the Scrutiny Chair
18/9/19	19/9/03	Warren Mason	Petition requesting a secure parking area for residents on Tudor Close	PETITION COMPLETE from Green	Final letter sent to lead petitioner
27/9/19	19/9/04	Mrs Saadia Siddique	Petition requesting an area on Farnham Street be converted to parking bays	PETITION COMPLETE from Green	Final letter sent to lead petitioner
27/9/19	19/9/05	Ms Reba Taylor	Petition requesting the Council develop sustainable parking solutions for residents at Hassal Road / Falconer Crescent junction	GREEN from Red	Proforma sent to the Scrutiny Chair
17/10/19	19/10/01	Mr Hafiz Patel	Petition to remove a single yellow line in Baggrave Street	GREEN from Red	Proforma sent to the Scrutiny Chair





Leicester
City Council

MINUTE EXTRACT

Minutes of the Meeting of the NEIGHBOURHOOD SERVICES SCRUTINY COMMISSION

Held: WEDNESDAY, 15 JANUARY 2020 at 5:30 pm

P R E S E N T:

Councillor Thalukdar (Chair)

Councillor Ali
Councillor Govind

Councillor Aqbany
Councillor Solanki

* * * * *

33. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Joshi and Councillor Khote.

The Chair wished Councillor Khote a speedy recovery.

34. DECLARATIONS OF INTEREST

There were no declarations of interest.

38. GENERAL FUND REVENUE BUDGET 2020/21 TO 2021/22

The Director of Finance submitted a report setting out the City Mayor's proposed budget for 2020/21 to 2021/22. Members of the Commission were asked to consider the proposed budget that would be proposed at Council in February.

It was noted that the proposed budget was set for a year and the General Fund Budget was proposed on a year on year basis. Fundamental proposed changes were pushed through Parliament last year, but the funding review was side lined due to the uncertainty with Brexit. The gap going forward, and the level of uncertainty was unprecedented with cost drivers such as rurality and deprivation having a huge impact on the budget. However, the Councils strategy of having a well-managed reserve, had allowed the Council to be prepared for uncertain times.

In relation to this particular Commission the Director of Finance noted that the Revenues and Benefits division were under financial constraints as the Department for Work and Pensions continued to cut the grant provided to administer the work load. The service was able to integrate roles within staff to meet the demand and reduce cost. Channel shifting the service online was also a means of meeting the service demands.

The Director of Neighbourhood Services noted that the area currently delivers 28 services such as Community Safety, Waste Management, 2 Household Waste Recycle Centres and others. The funding received through the General Revenue Fund Budget, paid for and delivered a lot in the city. The service was living within its means and had still been able to achieve an effective delivery of services. The past year had seen a food-outlets with a hygiene rating of 5 double, a 90% satisfaction levels of neighbourhood buildings and a 14.9 reduction in fly tipping cases. Although nationally fly tipping cases were on a rise, the city were able to reduce the number of local fly tipping cases as a result of a robust strategy and the great facilities the service had on offer, including the weekly waste collection service and a further recruitment for two additional City Wardens.

During discussions, members were concerned with what impact the proposed budget would have on the delivery of service and how the increase in Council Tax would benefit the service. It was suggested that channel shifting was part of the strategy to reduce cost and still maintain the level of service. The increase in Council Tax which was slightly under 4% was a means of recuperating the 50% loss in government funding. It was noted that business rates were set by a national multiplier and 50% of these rates were retained locally.

Members of the commission were assured that there were not specific areas that would see improvements rather it was a transformation process and all areas would see continuous improvements to existing services.

AGREED:

- 1) That the report be noted;
- 2) That the director of Finance be requested to consider the comments made by Members of the Commission;
- 3) That the minute extract be shared with the Overview Select Committee and Council; and
- 4) That the Information on the Council's website regarding Council Tax increase for properties that have added extensions and planning advice to inform of possible increases to Council Tax to be shared with Councillor Ali.



Leicester
City Council

Appendix E2

MINUTE EXTRACT

Minutes of the Meeting of the HERITAGE, CULTURE, LEISURE AND SPORT SCRUTINY COMMISSION

Held: TUESDAY, 21 JANUARY 2020 at 5:30 pm

P R E S E N T :

Councillor Halford (Chair)

Councillor Dr Barton
Councillor Cole

Councillor Gee
Councillor Dr Moore

Councillor Shelton

In attendance:

Councillor Clair, Deputy City Mayor, Culture Leisure & Sport

* * * * *

51. APOLOGIES FOR ABSENCE

There were no apologies for absence.

52. DECLARATIONS OF INTEREST

Councillor Dr Moore declared an interest in that she supplied books to the Richard III visitor/ reading centre.

59. GENERAL FUND REVENUE BUDGET 2020/21 TO 2021/22

The Director of Finance submitted a report setting out the City Mayor's proposed budget for 2020/21 to 2021/22.

The Deputy Director of Finance presented the report and outlined the following:

- Last year the Council approved a one-year budget.
- This was because the system of funding local government was to fundamentally change, these changes being; the fair funding review, business rates review, and the total amount of funding allocated to government departments.
- However, due to Brexit and latterly political turmoil resulting in the general election, these key issues had been deferred, probably to 2021/22.

- Therefore, the amount of funding that the Council would receive going into the future remains unknown.
- The Council was, therefore, again being presented with a one-year budget for 2020/21, which included a future 'outlook' based on optimistic and pessimistic views.
- Reference to points 6.4 to 6.7 was made, which outlined the impact on the City Developments and Neighbourhoods Department.

In response to Commission Members' questions, the following issues were discussed and noted:

- A Member of the Commission raised concerns that the impact of the budget would mean reductions in the arts and museums budget.
- At this time, it was difficult to say what the impact of Brexit would be specific to individual services.
- There would continue to be some initiatives to help get people healthier, the budget wouldn't take away in terms of budgetary services.
- It was aimed to still be able to achieve everything planned for, as a result of the budget.
- The Festivals and Events programmes would be maintained and there were no proposals to reduce any funding as a result of the budget.

AGREED:

1. That the Commission be assured that the Council budget had the capacity to deliver the festivals and events programme 2020/21 to the same levels as previous years and that there would be no proposals to reduce any of these allocations.
2. The Overview and Select Committee be advised that the Commission:-
 - a. regretted that more funding had not been made available by the Government;
 - b. noted concerns that the previously approved new budget reductions in 2020/21 might impact on service delivery; and
 - c. welcomed officers' assurances that services would nonetheless be maintained.



Leicester
City Council

MINUTE EXTRACT

Minutes of the Special Meeting of the CHILDREN, YOUNG PEOPLE AND SCHOOLS SCRUTINY COMMISSION

Held: TUESDAY, 28 JANUARY 2020 at 5:30 pm

P R E S E N T :

Councillor Dawood (Chair)
Councillor Cole (Vice-Chair)

Councillor Hunter Councillor Rahman
Councillor Pantling Councillor Riyait
Councillor Whittle

In Attendance:

Councillor Cutkelvin, Assistant City Mayor - Education and Housing
Councillor Russell, Deputy City Mayor - Social Care and Anti-Poverty

Also Present:

Joseph Wyglendacz - Teaching Unions Representative
Janet McKenna - Unison

* * * * *

51. APOLOGIES FOR ABSENCE

An apology for absence was received from Carolyn Lewis (Church of England Diocese).

52. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

53. GENERAL FUND REVENUE BUDGET 2020/21 TO 2021/22

The Chair referred to the draft report due to be considered by Council on 19 February 2020 which outlined the City Mayor's proposed budget for 2020/2021 and invited the Deputy City Mayor (Social Care and Anti-Poverty) to introduce the item.

It was noted that an expected overspend had been identified due to the requirement to ensure the correct and appropriate levels of care services were in place. The Deputy City Mayor (Social Care and Anti-Poverty) advised that the safety and protection of children was an absolute priority of the Council as it was for all other local authorities.

To supplement the information in the report, data was also circulated which explained the pressures on the service, principally arising from increased costs of external care provision. The importance and impact of the early-help service to provide care and protection was recognised. The need to challenge placement companies in terms of their charging structures and competition policies was highlighted. It was accepted that this issue could not be tackled locally but required a national campaign and lobbying.

The Director of Finance then submitted the draft report due to be considered by Council and clarified that the proposed budget was for one year, as significant changes to local government finance were expected. The impact of delayed decisions concerning the extent of future Business Rates retention and the Fair Funding Review, due to pressures including Brexit and the General Election were reported and noted.

It was clarified that there would be a recommendation to allow a rise in Council Tax and that a proposed use of reserves would be effected to ensure that the overall funding gap could be filled, at least in part. In respect of the information circulated showing a summary of the situation, the Commission noted the impact of the spending review programme and the savings expected from revisions to services such as Connexions and the Educational Welfare Service were explained.

In response to data from comparable neighbouring authorities and the position nationally, the number of looked after children (LAC) was noted and it was recognised that the type and suitability of provision was the principal influencing factor in terms of overall cost. It was reported that numbers of new LAC entering the system was difficult to predict with any certainty and therefore some assumptions on likely trends had to be made. The Director of Social Care and Early Help commented on the monitoring of LAC as a cohort and advised of the work undertaken to ensure that suitable placement arrangements could be made, including family placements and increased delivery of fostering and adoption options. The internal monitoring efforts and the value of the work of the Placement Sufficiency Board in this regard were reported and recognised.

The proportions of cost by type of provision compared the proportion of LAC in those provisions was highlighted, and in response to a question from the Vice-Chair it was accepted that the internal placement costs were also significant when compared to the proportion of the overall cost. In response to a question from the Chair it was reported that options for providing a higher proportion of internal placements were being explored, including increasing the numbers of fostering placements.

In terms of local government finance and in response to questions, it was confirmed that no information was available on the likely level of funding beyond 2020/21. The increases in the average costs of placements and the effect of inflation were reported and noted.

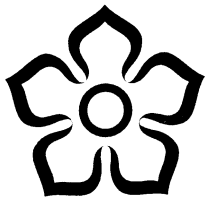
In response to questions concerning staffing it was confirmed that the numbers of agency social workers had dramatically reduced and information concerning the savings from vacant posts was provided.

The challenges concerning mental health assessment and the role of the Child and Adolescent Mental Health Service (CAMHS) was discussed and it was noted that the Council did care for a number of children with very severe mental and emotional needs.

The Assistant City Mayor (Education) was invited to comment on the report and it was reported that the suggested changes to services, including Connexions, were currently subject of a consultation exercise.

AGREED:

1. That the report and proposed budget to Council be noted.
2. That the uncertainties concerning future government funding be noted and recognised.
3. That updates concerning the results of consultation on the proposed alterations to service provision be submitted to future meetings of the Commission at the appropriate time.
4. That any other significant impacts on services as a result of the Spending Review Programme be submitted to a future meeting of the Commission at the appropriate time.



Leicester
City Council

Appendix E4

MINUTE EXTRACT

Minutes of the Meeting of the HEALTH AND WELLBEING SCRUTINY COMMISSION

Held: THURSDAY, 30 JANUARY 2020 at 5:30 pm

P R E S E N T :

Councillor Kitterick (Chair)

Councillor Aldred
Councillor Chamund
Councillor March

In Attendance:

Councillor Clarke, Deputy City Mayor - Environment and Transportation
Councillor Dempster, Assistant City Mayor - Health

* * * * *

54. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Fonseca (Vice Chair), Dr Sangster and Westley, and from Micheal Smith (Healthwatch).

55. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

63. GENERAL FUND REVENUE BUDGET 2020/21 TO 2021/22

The Director of Finance submitted the draft report due to be considered by Council on 19 February 2020, which outlined the City Mayor's proposed budget for 2020/2021.

It was clarified that the proposed budget was for one year, as significant changes that were expected to local government finance, including the Fair Funding Review and delayed decisions concerning the extent of future Business Rates retention remained unclear.

It was noted that revised funding of the Public Health Grant had been cited within the review of business rates, but that decision had not been made by Government.

In response to questions the Director of Public Health confirmed that no significant changes had been included in the budget, although some pressures existed in terms of the delivery of some services. In this regard it was clarified that the provision of pre-exposure treatment to prevent HIV transmission will be a responsibility of the Council's Public Health service from 1 April 2020, but details of the likely funding stream had not been identified to date. It was confirmed that the necessary funding of the service would need to be met by the Council and would not be part of wider NHS budgets. It was currently unclear whether there would be any earmarked funding from NHS England or the Department of Health to support the Council and it was confirmed that the service would not be inexpensive and would likely have an adverse effect on the budgets of city authorities such as Leicester.

In terms of other pressures, the adverse effect on the budget of NHS salary increases to meet inflation was explained and recognised, where the Council acted as an employer through commissioning. It was noted that the Council was responsible for the uplift in payments with no support from government.

In conclusion, the Spending Review Programme was discussed and the Assistant City Mayor (Health) confirmed that items would be submitted to and discussed by scrutiny. It was noted that there were no expected items during the period of the proposed budget that involved any significant impacts on existing services.

AGREED:

1. That the report and proposed budget to Council be noted.
2. That updates concerning the impact of the Pre-exposure to HIV service and its funding be submitted to a future meeting of the Commission at the appropriate time.
3. That any other significant impacts on services as a result of the Spending Review Programme be submitted to a future meeting of the Commission at the appropriate time.



Leicester
City Council

Appendix E5

MINUTE EXTRACT

Minutes of the Meeting of the ADULT SOCIAL CARE SCRUTINY COMMISSION

Held: TUESDAY, 4 FEBRUARY 2020 at 5:30 pm

P R E S E N T:

Councillor March (Vice-Chair in the Chair)

Councillor Batool
Councillor Kitterick

Councillor Kaur Saini
Councillor Thalukdar

In Attendance

Councillor Russell – Deputy City Mayor, Social Care and Anti-Poverty

* * * * *

45. APOLOGIES FOR ABSENCE

Apologies were received from the Chair Councillor Joshi. Councillor March as Vice Chair to the Chair for the meeting.

Apologies for absence were also received from Councillor Khote and Ruth Lake.

Members wished Councillor Khote a speedy recovery.

46. DECLARATIONS OF INTEREST

No declarations of interest were made.

51. DRAFT GENERAL FUND REVENUE BUDGET REPORT 2020-21

The Director of Finance submitted a report setting out the City Mayor's proposed budget for 2020/21 to 2021/22. The Commission was recommended to consider and comment on the Adult Social Care element of the budget. The Commission's comments would be forwarded to the Overview Select Committee as part of its consideration of the report before presentation to the meeting of Council on 19th February 2020.

Councillor Russell, Deputy City Mayor, Social Care and Anti-Poverty introduced the report. The Commission was asked to note the budget presented was for

one year, with no financial certainty beyond 2020/21, leaving the budget for Adult Social Care vulnerable. It was further noted that steadily increasing demand, with increased costs had made it a volatile service budget area.

Martin Judson, Head of Finance, said the Service was reliant on the Better Care Fund monies of £28.5m each year and the budget had to factor in the increasing needs of existing service users at 5.5% (£10m) per annum. A growth in service user numbers was also expected of 0.5% per annum and an increase in the National Living Wage at 6%, which equated to an annual overall growth in costs of rate of 11.5% for 2020/21. As a result an additional £3m of growth has been included in the 2020/21 budget. Beyond 2020/21 there would be an increasing gap between resources and expenditure of at least £15m per annum unless a long-term funding solution was provided by central government.

It was noted that £2.5m had been achieved towards a £5m savings target under the Spending Review 4 Programme so far, and work was ongoing to find further savings and the remaining £2.5m was not attached to any particular review.

The Deputy City Mayor informed the meeting that a report on the charging policy would be brought to the next meeting of the Scrutiny Commission. She noted the Enablement Service costs were approximately £1m but believed it offset costs of £1m and if funding was ceased the Department would see an increase in costs elsewhere in the budget in future years. It was noted the Department was currently meeting need but was under immense pressure as demand rose.

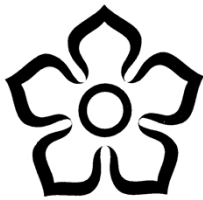
The Chair asked if the Council sought assurances from other health and social care providers in the city, for example, Leicester Partnership NHS Trust, that adequate, timely support and budgeting was provided to the increasing needs of vulnerable adults. The Deputy City Mayor affirmed that the range of partners working with the Council functioned together to maximise resources.

The Commission acknowledged the difference between available budget and expenditure and the lack of ability to forward plan, and the growing complexity of needs for people below retirement age with deep concern.

AGREED:

that:

1. The Commission note the report;
2. The Commission raise concerns relating to severe cost pressures on Adult Social Care services for the future.
3. Comments and recommendation from the Commission on the budget item go to Overview Select Committee to inform Budget Council.



Leicester
City Council

MINUTE EXTRACT

Minutes of the Meeting of the ECONOMIC DEVELOPMENT, TRANSPORT AND TOURISM SCRUTINY COMMISSION

Held: WEDNESDAY, 5 FEBRUARY 2020 at 5:30 pm

P R E S E N T :

Councillor Waddington (Chair)
Councillor Sandhu (Vice-Chair)

Councillor Broadwell
Councillor Rae Bhatia

Councillor Valand

In Attendance:

Sir Peter Soulsby – City Mayor

* * * * *

52. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Fonseca and Councillor Joel.

53. DECLARATIONS OF INTEREST

Councillor Broadwell declared an Other Disclosable Interest in the general business of the meeting in that she was the Acting Chair of the Leicester Transport Users Union. In accordance with the Council's Code of Conduct, this interest was not considered so significant that it was likely to prejudice Councillor Broadwell's judgement of the public interest. She therefore was not required to withdraw from the meeting.

59. DRAFT GENERAL FUND REVENUE BUDGET 2020/21 - 2021/22

The Director of Finance submitted a report setting out the City Mayor's proposed General Fund Revenue budget for 2020/21 to 2021/22. Members noted a summary of revenue budgets for 2020/21 that were relevant to this

Commission's areas of work that had been tabled at the meeting. A copy of the summary is attached at the end of these minutes for information.

The Deputy Director of Finance introduced the report, explaining that the Council had approved a one-year budget for 2019/20, as it had been expected that the system of local government funding would change during that period. It had been announced that there would be three elements to this, namely a "fair funding review" (determining the distribution of funding between councils), a review of business rates retention (to increase the proportion of business rates collected that local authorities could retain), and a review of total government funding. However, due to other national political priorities during the year, all three issues were deferred and would be implemented from 2021/22 at the earliest. Consequently, it was proposed that a one-year budget be agreed for 2020/21.

The Deputy Director of Finance drew attention to the proposed 4% increase in Council Tax for 2020/21, noting that 2% of this was for adult social care funding and the remaining 2% was for general expenditure.

It was recognised that cuts in government funding to local authorities made an increase in Council Tax necessary, but concern was raised at the impact this increase would have on households and the consequent effect on the local economy. As there was a projected £0.7m reduction in spend on the Council Tax Support Scheme, it was suggested that consideration could be given to using the Collection Fund surplus to support vulnerable households, for example by transferring it to the Council Tax Support Scheme.

During discussion on this, Members noted that the Council's policies on the collection of Council Tax were sensitive to those who could not pay what they owed, including strict policies regarding enforcement and the use of bailiffs. However, it was recognised that some people were able to pay their Council Tax but chose not to do so.

The Commission noted from media reports that intensive lobbying was being undertaken by some authorities as part of the "fair funding review" regarding perceived extra costs in rural areas. It was suggested that similar lobbying should be done by urban authorities, to seek recognition of the costs faced by those authorities. The Deputy Director of Finance assured the Commission that opportunities were taken to do so.

The following points also were noted during discussion on the report:

- The proposed budget for 2020/21 included a provision for inflation, as this was an anticipated pressure on the budget;
- Each year an estimate had to be made about what business rate and Council Tax income would be received in the Collection Fund during the following year. Any amount above this was a surplus, but was described as a one-off surplus, as it was not guaranteed that a surplus would be received and, if it was, the amount varied from year to year;

- Reductions in the cost of the Connexions and Education Welfare Services were projected due to continued pressure to devolve funding to schools, who now had to commission their own services. This would have implications for young people not in employment, education or training;
- The Adult Education Grant was not included in the grants referred to under paragraph 8.12 of the report, as those listed were corporate, or had a wide impact on the Council's finances, but the Adult Education Grant was ring-fenced to a specific service;
- Fine income from bus lane enforcement cameras reduced following the initial period after their introduction, as drivers' behaviour adjusted. Previous experience showed that fine income reduced quite quickly, but then stabilised;
- Savings had been made on Highways expenditure, as the Council no longer had to illuminate all bollards. Changes in regulations meant that high luminosity materials could now be used instead, thereby reducing power and maintenance costs;
- The future Revenue Support Grant settlement would arise from the "fair funding review". The Local Government Association had prepared a number of models of the proposals known about so far and figures recently reported in the press were based on those models, but to date no decisions on the review had been taken;
- The uncommitted balance of the managed reserves strategy would be fundamental to managing budget reductions in future years;
- The Council had a detailed treasury management strategy, which was reported annually to Council for adoption;
- At this stage, an Equality Impact Assessment had only been done for the whole budget, as Assessments were made on a scheme-by-scheme basis as they came on-line;
- When submitted to Council for approval, the final report on the General Fund Revenue Budget 2020/21 to 2021/22 would be updated with any new information received in the final Local Government Finance Settlement; and
- Councillors were encouraged to actively participate in the determination of the financial envelopes within which the City Mayor had authority to act.

AGREED:

- 1) That the draft General Fund Revenue Budget 2020/21 to 2021/22 be received; and

2) That the Overview Select Committee be asked to:

- a) support the suggestion that consideration be given to using the projected Collection Fund surplus to support households particularly affected by the proposed Council Tax increase, for example by transferring it to the Council Tax Support Scheme;
- b) support the suggestion that lobbying be undertaken by urban authorities under the government's "fair funding review", to seek recognition of the particular costs faced by those authorities; and
- c) take the comments recorded above into account when scrutinising the draft General Fund Revenue Budget 2020/21 to 2021/22.