



Leicester  
City Council

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

**DATE:** TUESDAY, 16 MARCH 2021  
**TIME:** 4:00 pm  
**PLACE:** Meeting taking place on Zoom

### **Members of the Committee**

Councillor Cassidy (Chair)  
Councillor Joel (Vice-Chair)

Councillors Dawood, Halford, Joshi, Kitterick, Porter, Thalukdar (substitute),  
Waddington and Westley

One unallocated Labour group place

### **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:**

**Kalvaran Sandhu (Scrutiny Policy Officer)**

**Angie Smith (Democratic Support Officer),**

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If you have any queries about any of the above or the business to be discussed, please contact Angie Smith, Democratic Support on **(0116) 454 6354** or email [angie.smith@leicester.gov.uk](mailto:angie.smith@leicester.gov.uk)

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# **PUBLIC SESSION**

## **AGENDA**

### **LIVE STREAM OF MEETING**

A live stream of the meeting can be viewed on the following link:

[https://www.youtube.com/channel/UCddTWo00\\_gs0cp-301XDbXA](https://www.youtube.com/channel/UCddTWo00_gs0cp-301XDbXA)

#### **1. APOLOGIES FOR ABSENCE**

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

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

#### **3. CHAIR'S ANNOUNCEMENTS**

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

**Appendix A**

The minutes of the meeting of the Overview Select Committee held on 4<sup>th</sup> February 2021 are attached and Members are asked to confirm them as a correct record.

#### **5. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING**

To note progress on actions agreed at the previous meeting and not reported elsewhere on the agenda (if any).

#### **6. 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.

#### **7. PETITIONS**

The Monitoring Officer to report on any petitions received.

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

**Appendix B**

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.

**9. COVID-19 UPDATE**

A verbal update will be given at the meeting on the current position regarding the Covid-19 pandemic. The Committee is recommended to receive the update and comment as required.

**10. MANIFESTO COMMITMENTS UPDATE**

A verbal update will be given at the meeting on Manifesto Commitments.

**11. REVENUE BUDGET MONITORING PERIOD 9 2020-21 [Appendix C](#)**

The Director of finance submits a report on performance against the revenue budget for the year. The Overview Select Committee is recommended to consider the overall position presented within the report and make any observations it sees fit.

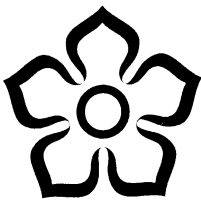
**12. CAPITAL BUDGET MONITORING PERIOD 9 2020-21 [Appendix D](#)**

The Director of Finance submits a report showing the position of the capital programme for 2020/21 as at the end of period 9. The Overview Select Committee is recommended to consider the overall position presented within the report and make any observations it sees fit.

**13. 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.

**14. ANY OTHER URGENT BUSINESS**



Leicester  
City Council

# Appendix A

Minutes of the Meeting of the  
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 4 FEBRUARY 2021 at 4:00 pm

P R E S E N T:

Councillor Cassidy (Chair)  
Councillor Joel (Vice-Chair)

Councillor Gee (sub for Councillor Halford)	Councillor Joshi
Councillor Kitterick	Councillor Porter
Councillor Waddington	Councillor Westley

In Attendance:

Sir Peter Soulsby	City Mayor
Councillor Clarke	Deputy City Mayor, Environment and Transportation
Councillor Cutkelvin	Assistant City Mayor, Education and Housing
Councillor Dempster	Assistant City Mayor, Health
Councillor Hunter	Assistant City Mayor, Tackling Racism and Disadvantage
Councillor Master	Assistant City Mayor, Neighbourhood Services
Councillor Myers	Assistant City Mayor, Jobs, Skills, Policy Delivery and Communications
Councillor Patel	Assistant City Mayor, Communities, Equalities and Special Projects
Councillor Singh Clair	Deputy City Mayor, Culture, Leisure, Sport and Regulatory Services

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## 137. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Halford. Councillor Gee was present as the appointed substitute for Councillor Halford.

The Committee noted that Councillor Thalukdar was present as a substitute Member.

### **138. DECLARATIONS OF INTEREST**

Councillor Joshi declared an Other Disclosable Interest in the general business and budget items of the meeting in that his wife worked in the Reablement Team at the Council.

Councillor Westley declared an Other Disclosable Interest in agenda item Appendix D Draft Housing Revenue Account Budget (Including Capital Programme) 2021/22, in that some members of his family were Council tenants.

In accordance with the Council's Code of Conduct, these interests were not considered so significant that they were likely to prejudice the Councillors' judgement of the public interest. They were not, therefore, required to withdraw from the meeting.

### **139. CHAIR'S ANNOUNCEMENTS**

On behalf of the Committee, the Chair thanked staff and volunteers working above and beyond the call of duty to help keep the residents of the city safe and looked after during the pandemic.

The Chair added a word to those who had lost loved ones, that he was thinking of them and their families.

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

Minute Item 134 – Questions for the City Mayor (b)

Councillor Porter asked that an amendment be made to read "...not permitted under *previous* lockdown guidance".

AGREED:

That the minutes of the meeting of the Overview Select Committee held on 3 December 2020 be confirmed as a correct record subject to the amendment above.

### **141. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING**

The Committee noted that, further to a question on Minute 130, Capital Budget Monitoring April-September 2020/21, the Chief Accountant had informed Members following the meeting that the value of the loans paid out under the Repayable Home Repairs scheme was a maximum loan of £10k, but the average application was under £6k.

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

The Monitoring Officer reported that no questions, representations or

statements of case had been received.

#### **143. PETITIONS**

The Monitoring Officer reported that no petitions had been received.

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

The Monitoring Officer submitted a report updating Members on the monitoring of outstanding petitions.

AGREED:

That the petitions marked 'petition complete', namely 20/07/01, 20/09/01, 20/09/02, be removed from the Monitoring Report.

#### **145. COVID-19 UPDATE**

The Director of Public Health and the Director of Finance provided an update on the Covid-19 data in Leicester.

The Director of Public Health reported:

- There was a good resource of Corona Virus data on the Council's website, and included detail such as ward, area, age groups and ethnicity.
- It was a challenging period for families, the Council and the NHS. Numbers of Covid-19 cases seen both locally and nationally had been extremely high but it appeared some of the worst seen over the winter had passed.
- On 7<sup>th</sup> January 2021 the seven-day weekly rate was 570 per 100k. As of 4<sup>th</sup> February 2021, the rate was down to 365 per 100k.
- The figure was still high, with the national figure around 280, but the good news was significant falls were being seen day on day.
- There were concerns in the rate in the over 60s reported previously when there was a week where there were 600 per 100k cases. The figure had now fallen to 383 per 100k.
- 17-21 year olds cases had seen high numbers in the area, but more in places like Nottingham, where people were concerned about those of university student age. At the beginning of the year the number of cases were 539 per 100k, but were now at 241 per 100k, a significant drop. Students were, though, beginning to return back to accommodation, and the situation would continue to be monitored.
- Pressure remained on health services, with hospital admissions being extremely high with around 120 Covid cases per week at beginning of year. The rate was gradually starting to slow down with some plateauing. As of the 29<sup>th</sup> January there were 105 Covid-related hospital admissions.
- Sadly, there were still significant numbers of deaths amongst the community, with 21 per week at the beginning of year. On the 22<sup>nd</sup> January the figure had gone up to 38 deaths per week. In the next week or two it was hoped there would be a reduction in the number of deaths in line with national reductions.
- In most of the ward areas now, the picture was week-on-week reductions in

cases, and it appeared every area in the city was either flat or falling and was really positive.

- The NHS was responsible for the vaccination programme roll out which was going well, but there were some challenges. Data was starting to be received routinely.
- Focus had been on the over 80s and now 75-79 age group. Across the area over 100k doses of the vaccine had been given. All care homes had been visited other than any care home with a live outbreak.
- There was above 85% coverage for the over 80s programme. The 75-79 year olds was coming up to over 75% coverage. Information was received on the vaccination data from NHS colleagues and would be shared with Members.
- There was some concern around the vulnerable communities, homeless communities etc. The first outreach clinic in homeless communities was started on 3<sup>rd</sup> February. A number of hostels had been visited and vaccinations given. Work continued with the homeless and rough sleepers also.

The Director of Finance reported:

- The C19 support email had worked incredibly well for those worried about themselves or others and would continue to be offered. Up to 2,500 emails on average had been received a month, and staff had worked seven days a week to respond to them, including contacting people to find out what their needs were.
- Officers were also running the various grant schemes. There was a wide range of business grants which were unfortunately unnecessarily complex.
- There was an additional restrictions grant which would be on the website imminently for a further round of grants, and those grants with an entitlement would be paid straight away where business details were already known, for example, pubs were required to be closed and were entitled to a payment on a periodic basis, and would not be required to keep applying.
- The winter support grant scheme is in place to support families and individuals facing financial difficulties, in particular with food and utility bills. Over the winter period it included the free school meals offer over Christmas and would also be done at half-term.
- When a referral was received, a wide range of support would be looked at, for example, help with council tax, heating, food, and utilities.
- The Contact Tracing Team was still the only team for a local authority in the country undertaking contact tracing after the eight-hour digital period. The Team received data on people who had not filled out details online after a positive test. The Team would try to contact the person remotely at first by email and/or phone. If there was no contact the ground team would visit addresses.
- Cases were averaging at 1,400 per week for the team to investigate, and there was a 91% success rate. The 9% not contacted was a mix of people that could not be found, such as, people giving incorrect information, for example, giving other people's addresses / phone numbers. Some cases



were uncooperative with some not willing to share information but were the minority and not the majority.

- The Team worked seven days a week. It was important that people received the advice on the requirement for households to self-isolate, and were also able to discuss any need for wider support.

In response to questions, the following was noted:

- Some residents were being asked to go to Loughborough for vaccinations. It was noted there had been some limitations previously with the Pfizer vaccine. The Oxford Astra-Zeneca vaccine was more portable, and GPs were undertaking home visits for patients who were housebound.
- The authority was routinely advised of the proportion of the new variant in the city, and the majority of cases were of the Kent variant at 70.1%, which was easily transmissible.
- There was a mixed picture across the country over the age range of the vaccination roll out. The Midlands were towards the front of the pack in terms of the proportion and were dropping down the age range. The City was pushing to have over 70s done close to second week in February, following which the roll-out would drop down the age range.
- The Government had stated it would move the vaccine availability across the country. The goal was to make sure all those over the age of 70 received their vaccination first. Stocks of vaccine was still the rate limiting factor.
- The Authority had always ensured the best for the city with the resources it had, with the information it had, and in making sure that people realised the significance of actions they were being asked to do, such as social distancing, staying at home, washing hands and ventilation of space, which remained incredibly important. People had initially not appreciated how devastating the virus would be, and some still did not even with the numbers cited.

The City Mayor agreed with Members' criticism of the Government and hoped there would be a public enquiry. He noted how Government almost at every stage had been slow to react compared with other governments. He added there had been a failure of Government to engage with local authorities, more obviously with the city as it was placed in extended lockdown, and the failure to recognise that local knowledge and expertise was a massive resource. Rather than being dismissive of it they should have drawn on it from the start, and trusted the authority with the information it needed, and provided the details of what the initial testing was showing to allow intervention. He added he was astonished that as the Authority was undertaking contact tracing, the Government was not trusting other authorities to do the same. The Chair echoed the City Mayor's sentiments.

- There had been some people under the age of 70 that had received vaccinations because they were vulnerable, key workers, or frontline healthcare workers.
- Complaints and concerns about GP access had been raised with Health Strategic Group.

- It was asked if the rising figures in Leicester had been affected by others coming into the country, or lockdown fatigue, why were the numbers relatively high compared to the national average and was there a danger of another rise. It was noted that Health had been concerned about the sustained and ongoing levels in the city, which had been a challenge nationally. The authority had worked with the Joint Bio-Security Centre to try to explain why the city and a couple of other areas in the country did not see the same sharp rises or sharp falls as the rest of the country. The initial report had not revealed anything not already suspected in relation to housing, people feeling that they needed to go to work therefore not isolating as they ought to. It was believed the reality was a layering of a number of factors and not one single thing. There, however, remained the issue around ongoing transmission, and work continued to reduce levels of transmission. The Director of Public Health would pull out the key themes from the report and share them with members of the Committee.
- Officers had spoken to CCG colleagues, and analysts were now getting a data feed from them around vaccination. Also, the vaccination data feed was now being released to public health directors. The local CCG were trying to help with the data void.
- Officers had moved overnight from office based to home working. Initially there were teething problems with the technology infrastructure, but 10 days IT had quadrupled capacity. People were seeing the benefits of home working with a better work/life balance. It had forced a change that did not suit all, for example, some staff were finding it difficult with home schooling and working, but most had embraced home working. In the future it was expected there would be a mixed economy and have a mixed working at home/ office with less car use.

The Chair thanked the officers for the update.

AGREED:

That:

1. the position and updates be noted.
2. The Director of Public Health circulate the key themes of the report of the Joint Bio-Security Centre with Members of the Overview Select Committee.

#### **146. ELIMINATING RACISM AND TACKLING DISADVANTAGE - BLACK LIVES MATTER UPDATE**

The Director of Delivery, Communications and Political Governance submitted a report to update the Overview Select Committee on the governance approach along with an outline of key themes and early areas of work to take forward the Council's commitment to tackling race inequality and disadvantage, and to promote inclusion particularly for Black, Black British, Caribbean, African and dual heritage people and communities living and working in Leicester.

The Committee Members were recommended to provide feedback on the proposed approach and provide feedback and any further ideas on the proposed themes and areas of work leading to the development of an action

plan.

Councillor Hunter, Assistant City Mayor, Tackling Racism and Disadvantage, introduced the report, which provided an update on the Black Lives Matter (BLM) movement which began in 2013 and global protests. It was noted that most people had an understanding of the reaction to the issues and the impact that racism and inequality had had around the world and in the UK overall, and that Leicester as a diverse city was not without its challenges. It was recognised that further progress required concrete commitment from Elected Members, officers and meaningful dialogue with Leicester's diverse Black communities.

Councillor Hunter, working with Councillor Patel, Assistant City Mayor for Communities, Equalities and Special Projects had held meetings with officers and community members to begin building a picture of the city to help formulate a plan of action.

The Director of Delivery, Communications and Political Governance presented the report, which had been developed working closely with both Assistant City Mayors Councillors Hunter and Patel, and Corporate Management Team colleagues to look at how the work could be supported going forward in terms of how the governance and resources would be focused. A Corporate Steering Group, chaired by the Chief Operating Officer had been set up, which was due to hold its first meeting. Involving staff representatives from different departments the group would meet once a month to shape the action plan, looking at how to measure progress and outcomes, and report back regularly to both the Executive and Overview Select Committee on the progress of work and impact it was having. The working group would be supported by a Race Equality Officer once recruited, but the group was pushing ahead with work in the meantime.

It was highlighted that it is of course really important the work has credibility with the wider city, stakeholders and community. Over the next few weeks there would be work to shape with Cllr Hunter and Cllr Patel, an external reference group who could both challenge and provide input for shaping the work as we move forward.

The Director highlighted 4.2 of the report which set out what had been identified in terms of key themes of areas of inequality that were well understood in terms of many reports that had gone before nationally and locally, and provided initial actions as a starting point. The Working Group would shape the actions into a more detailed plan, identifying other areas of work to focus on.

The City Mayor thanked the Assistant City Mayors for the work on the report through their related portfolios and thanked the Director and colleagues for working very quickly on the topic and noted the work underway and recruitment outlined.

Members thanked the Assistant Mayors and Director for the report. In response

to Members questions, the following responses were made:

- A comment was made around metric measurements and when setting for things like discrimination and disadvantage, to look very strategically to what needed to be delivered, to take account of the more challenged and nuanced metrics which would be more impactful in disadvantaged communities. It was agreed it needed to be shown that any action was having desired impacts. Looking at the most obvious impact and measures would be the first task of the Group.
- With regards to the External Reference Group, the importance of Black communities having a voice was emphasised. It was noted the Group would be made up of representatives from trade unions, voluntary sector, relevant community groups, the universities and people in and around the city.
- The issue of slave traders and slave labour was raised as it had been identified in many cities, amongst them Leicester.
- Members were pleased to see the issue of hate crime was identified and hoped the Council would improve its policy on hate crime and its practices to protect people who were vulnerable or had experienced hate crime which had a profound effect on people.
- Mental Health was noted to be increasing, especially during the Covid-19 pandemic and within the BAME community, and asked that it be recognised as part of the theme for tackling health inequalities for Black communities.
- Members stated education was the key factor and the best way to tackle issues were by educating children at a very young age, that they be taught and understood the history of black people and the contribution they had made. Though the Council had no direct control over the practice of schools, they should be encouraged in relation to the teaching of Black heritage and culture.

The Assistant City Mayors thanked Members for their comments and support. It was noted there was a statutory duty to challenge discrimination, and that it was important to find out the lived experiences of black people and what they faced on a day to day basis, how it impacted on the work of the council, and measured to make sure actions taken were impacting on peoples' lives for the good.

The Chair asked that a timeframe be given for the work to provide some completion target. He further added it was important that the Group link with the work of other Scrutiny Commissions, for example, Children, Young People and Schools Scrutiny Commission who were working on the achievement of black children in schools, and a future report being brought to Overview Select Committee from the Health and Wellbeing Scrutiny Commission looking at the experience of Black people working in the Health Service.

The Chair further added there were people involved in the arts and culture that would be valuable to the work, and it would be good to have funding or sponsorship for the arts to portray some of the issues.

The Chair welcomed the report, as had other Members and looked forward to the challenges that would be faced.

AGREED:

1. That the report be noted.

#### **147. DRAFT HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME) 2021/22**

The Director of Housing submitted a report which set out the proposed Housing Revenue Account (HRA) budget for 2021/22. The Overview Select Committee was recommended to make any comments on the report, in particularly the proposals for delivering a balanced budget and the proposed changes to rent and service charges.

Councillor Cutkelvin, Assistant Mayor for Education and Housing introduced the report. She gave thanks to the Director of Housing, Finance Team, and the tenants and leaseholders for meaningful engagement. It was acknowledged there were still some significant pressures to the budget, not least from the cumulative impact with right to buy. What had been put forward was a balanced budget that continued to invest in the quality and standards of stock.

The Director of Housing presented the report and highlighted the following points:

- The headlines to the HRA budget proposal was that a balanced budget is proposed by recommending to only increase core rent by 1.5%, and service charge by 2%. On average tenants would see a £1.11 increase in their weekly rent.
- Appendix D, Page 44 set out that Leicester City Council had significantly low rents with them being almost 50% cheaper than private sector rental rates in Leicester.
- Over 60% of tenants would be unaffected by the proposal because they were in receipt of either housing benefit or universal credit.
- The Council has been legally bound for the past four years of having to reduce the rents by 1% each year whilst having to manage ongoing pressures. The proposed increase would help to address a number of budget pressures, as set out at Page 33, 4.21 in the report, namely:
  - Ongoing Right to Buy stock loss and associated rental income loss of £1.135million
  - Inflationary pressures of £1.676million
- In order to balance the budget it had been necessary alongside the proposed rent increase to identify and implement balancing items as outlined on Pages 34 and 35, 4.31 in the report. Headlines included:
  - Additional rent through properties acquired
  - A saving linked to the homes not hostels offer
  - Reductions to budget in repairs and gas materials, and the structural works budget.
- The overall proposed capital budget was £87.8million with £70million of the budget related to Council house acquisitions and new build, with the remainder mostly going into property improvements. The additional commitment would take the Council's investment into new council housing

- to £100million, set out in more detail in Appendix B, page 41 to the report.
- The Council would continue to invest at same level in existing stock with ongoing programs involving kitchen, bathroom or boiler replacements, and rewires.
  - Main changes to the budgets included an increase in the roof budget of £150k to £900k linked to an increase in need for roof replacements. There was also a proposed decrease in the fire risk budget due to reduced demand following strong investment for a number of years in communal area programmes of fire related improvements.
  - The capital budget included an ongoing budget proposal for public realm investment in the St Matthews and St Peters areas with £1.9million proposed to be invested in Council housing estates.
  - A new budget was proposed to be added, linked to retrofitting to address fuel poverty and climate emergency on existing stock, outlined on Page 54, App F, priorities 37 – 39. The Technical Team in Housing were working with the Energy Team to procure an organisation to lead on the decarbonisation of Council's housing stock by 2030. There would be an additional capital budget need in future years for this work.
  - It was proposed in the capital budget to add a budget associated to a pilot on new fencing piece of work that would help drive and determine what the council housing fencing strategy would be going forward.
  - Included was an additional budget link to ongoing work to change the family temporary accommodation offer in moving to homes not hostels, and enhancing the Bridlespur Way accommodation offer.
  - Attention was drawn to the financial pressure on the HRA proposals for delivering a balanced budget, and the consultation feedback at Appendices G and H from the Housing Scrutiny Commission, and Tenants and Leaseholders' Forum on Pages 60 and 63 in the report.
  - It was noted that whilst there was reservation from both groups on the 1.5% rent increase due to the current economic climate, and the impact on vulnerable people, overall both groups supported the budget proposals, including the rent increase.

The Chair invited Members to comment.

Councillor Westley, Chair of Housing Scrutiny Commission welcomed the report which had received thorough scrutiny. Also, whilst no one wanted to see rent increases, tenants' representatives had welcomed the report and had noted the requirement to invest in the Council's housing stock.

In response to questions the following points were made:

- With regards to adaptations for those with disabilities, it was commented on that the budget was being reduced for existing disabled people with a view to putting £300k into a new budget for adapting properties. The Director responded that investment of over £1.2million in adaptations for existing tenants had been made for some years, and requests for adaptations were up-to-date. Some money could now be diverted for people who were waiting for properties due to the lack of adapted properties coming forward. £500k had already been put into the budget in relation to completing

extensions as part of the acquisitions programme, along with a review of those most in need on the Housing register. It was stated the £300k was a starting point with a review for the need for additional funding going forward.

- The 2% increase in service charge was on all council tenancies and not just elected ones.
- It was noted that Border House was closed in February 2020. The pausing of any evictions over rent arrears had seen a reduction in family homelessness during the past year. During that period people had been moved on positively and gradually people had been moved out of Border House. It was further noted there were no plans to utilise the building and would receive corporate consideration as to what should happen to the site, but it would not be associated to housing the homeless. Information on when the decision was made would be provided to Councillor Porter.
- As an update, the purchase of Hospital Close had progressed well and the Council was at the point of tying up legal aspects, and was a prime example of utilising 170 units for those most in need that would probably have been knocked down if the Council hadn't stepped in to purchase them.
- For a 10-year period beyond the Council purchasing a property, there was a cost floor associated with buying them back under Right-to-Buy, namely the purchase price paid for the property.
- The priority to 'provide 1,500 more council, social and extra care homes' was referenced (Page 47). Since the manifesto commitment officers had been working hard to deliver to the commitment in the first year, and 340 units had been delivered, and there would shortly be a press release focussing on Ross Hill Crescent new build houses and other properties coming available. Work would continue over the four-year duration of the commitment and would try to exceed the 1,500 manifesto commitment.
- The priority to 'ensure that no-one has to sleep rough on our streets' (Page 47) was also highlighted, and it was stated that there were still people who were sleeping on the streets, even one camping outside of the Dawn Centre. It was noted on the annual count the authority had the lowest number of rough sleepers on the night for a number of years at 12 people. The Commission was assured the Council had the ability and capacity to take anyone in and the 'everyone in' offer continued. Sadly, it was reported there were some individuals who would not accept offers of accommodation or engage until there was a change in their own personal circumstances.
- Reference was made to a report from the Fire and Rescue Service around culture, ethnicity and response. The Director stated he would welcome a copy of the report. It was further noted the Council met regularly with Leicestershire Fire and Rescue Service over existing stock and had a strong relationship with them.

The Chair commented that there were reports of people living in appalling private sector accommodation, and it was good to see Leicester City Council's public housing being looked after and invested in to a high standard.

The Chair noted the proposal for a balanced budget, and comments made by the Overview Select Committee, the views of the Housing Scrutiny Commission, and the Tenants and Leaseholders' Forum that the proposed rent increase was valid and ensured continued investment in housing stock.

AGREED:

That:

1. The report be noted.
2. The proposals for delivering a balanced budget, and the proposed changes to rent and service charges be noted.

#### **148. DRAFT GENERAL FUND REVENUE BUDGET 2021/22**

The Director of Finance submitted the draft General Fund Revenue budget 2021/22, which would be considered at the meeting of Council on 17 February 2021. The draft had been published in December 2020 and received by all scrutiny commissions. The Overview Select Committee was 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.

The Director informed the meeting the budget was proposed at a time of extreme uncertainty following 10 years of severe spending cuts and during which time the authority had lost over £100 million of government funding per year. She added it was not yet known the full extent of the spending which would result from pandemic restrictions or the impact of a subsequent economic downturn, and services may need to be shaped to meet the needs of the a new environment which will be faced with the pandemic was over.

When the report was produced it was on the basis of the draft finance settlement, with information on the grant for 2021/22. The final settlement was published on the afternoon of 4 February 2021 and did not amend any figures in the report.

The 12-month stop-gap budget had been recommended to the Executive, when finances would be reviewed when there was more certainty, and in line with the approach there had been minimal changes to the budget.

It was noted extra monies had had to be provided, in particular to social care which had received a further £10million. The government provided a social care grant of £3million, and the opportunity to increase Council Tax by 3% (£3.6million) was welcome but still left £3million short in terms of the cost of growth.

The budget was balanced with the use of £20million reserves. It was noted the authority was fortunate to have reserves which reflected the difficult decisions that had been taken in the past, as many local authorities were now financially unsustainable moving forward.

The Director predicted future years remained harder than ever as it was not known what the government intended to do with the spending review, the impact on business rates and the impact on city centres and downturn in the economy. It was stated an estimate of a funding shortfall in 2021/22 of around £40million could be expected, and that every year reserves would decline.



The City Mayor said it was a difficult budget following a disruptive year, and also the uncertain future. He added the Council's finances were comparatively stable to compared other local authorities due to the difficult decisions Members had had to take and the sound advice given to them from the Director of Finance and colleagues.

The City Mayor stated he had listened very carefully to what has been said by consultees and scrutiny commissions, and would formalise by way of the proposal to be put to Council the intention to recognise the role of scrutiny commissions. In particular the present role of the public health officers who had been stretched to considerable extent, and he believed it was necessary to put some additional resources behind that with a recommendation to Council to add initially a further £200k to that budget to enable them to make some changes to strengthen their team.

The City Mayor was also aware, as Scrutiny Commissions had also pointed out, the increasing needs of the most vulnerable in the community. He intended to top up the Discretionary Council Tax hardship fund in light of exceptional economic difficulties that people were facing, by £500k in the first instance.

The City Mayor also intended to recognise the continued call on the crisis support payments made with an extra £300k in the budget. The City Mayor also noted the likelihood that the Discretionary Housing Payments fund would come under pressure, and it was intended to top up the fund by £900k to provide for those in desperate hardship. The City Mayor noted the initial additions would be kept under review to see if further funds would be required.

He further noted the revenue budgets remain pressurised and by putting additional funds into those service put additional strain on the authority's ability to cope with the scenario ahead and greater austerity from the government, but it was impossible to recognise the needs both of public health and those in most distress as a result of the pandemic.

The City Mayor asked the Overview Select Committee to note the commitment made and hoped that the Committee support the revenue budget being taken to Council. It was added that the growth in social care costs had increased year on year and there was a need to seek ways of managing demand.

in response to Members questions the following was noted:

- The potential impact of a 5% council tax rise had been raised in Economic Development Transport and Tourism Scrutiny Commission who asked for consideration of the budget around hardship grants for those suffering to have some form of mitigation, and Members were pleased the City Mayor had provided figures of increased budgets in those areas. It was asked if the council tax letter when sent could include information on the opportunity to apply for various hardship grants or council tax/ housing support. The Director of Finance informed Members that information was included with council tax bills.
- It was raised that the increase in Council Tax would make it unbearable for

some people who were under pressure. It was stated that one of the main drivers for having to increase Council Tax was the increased costs of social care. The City Mayor added that the sums of money raised by the supplements made to Council Tax did little to contribute to increasing costs in those areas over the past 10 years. It was further added that Council Tax was going up in Councils across the country of all political control as a result of funding cuts made by government in the name of austerity.

- It is not possible to break down a household's council tax bill to show what their money is spent on penny by penny, but it was noted two-thirds of the Council's budget was spent on social care; vulnerable children and vulnerable adults. The Director of Finance agreed that the long-deferred review of social care funding was absolutely essential to all councils for future sustainability.
- It was suggested the continuing spiralling in costs in adult social care was unsustainable and was there more fundamental work that could be done. The City Mayor agreed with the need to look at social care costs as being paramount, especially at a time when other services were being squeezed.
- Members welcomed the decision on the 0-19 commissioning withdrawal of the budget reduction at this time.
- A note of concern was expressed regarding the sexual health and contraception services as an area for budget reductions. It was appreciated that Covid-19 had changed lots of behaviours, including sexual behaviours, however, it was stated the consequences of poor sexual health or lack of access to contraception could have lifetime consequences.

The Chair noted the report and comments made in Scrutiny Commissions and by Members of Overview Select Committee. It was noted that Members were very pleased that the Council's finances were managed responsibly and prudently by its finance officers, and hoped the government recognised that Leicester City Council were in a better position than neighbouring councils. The Chair thanked Director of Finance and colleagues for their hard work.

AGREED:

That:

1. The report and comments from Members of the Overview Select Committee be noted, and pass to the meeting of Council on 17 February 2021.
2. The Director of Finance review information regarding opportunities to apply for hardship grants on Council Tax Bills and the Council's website.

#### **149. DRAFT CAPITAL PROGRAMME 2021/22**

The Director of Finance submitted the draft Capital Programme 2021/22, which would be considered at the meeting of Council on 17 February 2021. The Overview Select Committee was recommended to consider the draft Capital Programme and pass its comments on to the meeting of Council.

The Director of Finance presented the report and informed the meeting it was the smallest capital programme seen for some time. A recommendation had

been made to the City Mayor to propose a one year programme, and to focus on the schemes within the programme that were usually done as annual schemes and programmes as it was not known at this stage what would need to be done to stimulate the economy and recover.

It was also reported that recent monitoring reports had reported significant slippage on the previous large programme. It was noted there were many schemes that would continue to be delivered, including the significant housing programme.

As in the previous year, key priority themes were outlined in the report, and whether they were immediate starts or policy provisions that would come through for further decisions in due course.

The City Mayor stated that although there was considerable slippage during 2020/21, where there had been significant delays there were some additional costs that were comparatively modest. He added there were exciting things in the programme that as soon as Covid allowed, he was determined to deliver along with important things contained in the manifesto.

Members raised observations on the report and asked questions to which responses were given:

- The £300k to continue to the flood strategy was raised at the Neighbourhood Services Scrutiny Commission and highlighted the increase in heavy rainfalls and subsequent increase in flooding in areas of the Leicester, Leicestershire and other regions of the country. The flood investment £300k funding was predominantly for the Flood Plan and the work the Flood Team undertook. Significant flood schemes were the responsibility of the Environment Agency and Severn Trent. When considering the draft capital programme the City Mayor had asked for further information on the leverage funding, and a piece of work would be undertaken during 2021/22.
- £1.44million had been approved for works on De Montfort Hall. It was noted the building needed further investment and could not be allowed to decay.
- The fleet replacement programme was planned at £3million. Investment in the fleet had not been in the capital budget for two to three years, and the programme of replacement was significantly smaller and cheaper than it had been previously. The age of vehicles had been extended and it had come to the point where it was costing more money in repairs to vehicles and hiring vehicles than it would to replace them. Funded technically through the Revenue Budget and HRA it appeared in the Capital Programme as buying the number of vehicles expected was classed as capital expenditure. Only vehicles were replaced if absolutely necessary, and an electrified and low emission fleet remains a priority. Replaced vehicles were sent to auction to be disposed of.
- £270k was included in the work programme for heritage panels around the city. The panels would raise awareness of the city's 2,000-year history, both for visitors and residents.

The Chair thanked the Director of Finance and the City Mayor.

AGREED:

That:

1. The report and comments from Members of the Overview Select Committee be noted and passed to the meeting of Council on 17 February 2021.

## **150. TREASURY MANAGEMENT STRATEGY 2021/22**

The Director of Finance submitted a report which proposed a strategy for managing the Council's borrowing and cash balances during 2021/22 (the Treasury Management Strategy).

Members of the Overview Select Committee were recommended to note the report and make any comments to the Director of Finance prior to Council consideration.

The Director of Finance reported that the report and following agenda item at 15 Investment Strategy did not significantly change from year to year but accompanied the budget report to Council which was required to approve them.

The following points were noted:

- The report outlined what the Council did with its money to keep it safe and make it work as safely as possible.
- In terms of cash flow, the authority was a cash rich organisation as a result of government rules where the authority was required to set aside money for specific reasons. The authority also received government grants before it was required to spend them.
- The Treasury Management Strategy set out the advice taken from leading national advisers and the sort of investments considered, and the types and credit rating of banks the authority would use.
- It was noted it was important to spread investments as no bank was too big to fail. The money had to be secure. Liquidity was also considered, in how easy could the money be accessed, for example, the monthly salary payments.
- Not the top priority, but how much the money could earn in an account was also considered.
- An amendment to the report was noted at 5.13 (a) 'We will lend on an unsecured basis to the largest UK banks and building societies for periods not exceeding 35 days' and was largely due to nervousness around Brexit. If treasury advisers notified the authority that it could lend for a longer period than it would.

In response to Members' questions, the following points were made:

- The Government Debt Management Office (DMO) was used when excess cash was left following dealings across the banks and other authorities. The

DMO would only be used when there were no other investment opportunities, and the interest paid was less. It was reported in December 2020 the DMO was offering negative interest rates. The authority only had a very small amount of money with the DMO at that point which was quickly removed. The authority had been using banks and money market funds predominantly since then and would continue to look at and pay particular interest in what markets were looking at as commercial investors.

- Interest on investments was reported to OSC twice yearly. The Director of Finance informed members the information would be included in the next Revenue Budget Monitoring Report.

The Chair thanked the Director of Finance for the report.

AGREED:

That:

1. The report be noted.
2. Interest in investments be reported in the next Budget Monitoring Report brought to the Committee.

## **151. INVESTMENT STRATEGY 2021/22**

The Director of Finance submitted a report which on the Investment Strategy 2021/22 which defined the Council's approach to making and holding investments, other than those made for normal treasury management purposed, the latter of which was described in the Annual Treasury Management Strategy.

Members of the Overview Select Committee were recommended to note the report and make any comments to the Director of Finance prior to Council consideration.

The Director of Finance presented the report and made the following points.

- A couple of years ago the Government were nervous about some councils investing heavily in property and recommended that councils should have an Investment Strategy so it was very clear and Council approved what could and could not be done by the council and thresholds around it.
- The report was very similar to the previous year. It was noted the council would invest in property to generate income but the investment would remain in the local economic area. Examples of investments were set out in the report and included Leicestershire County Cricket Club who were supported through a secure loan which was backed by the English Cricket Board.
- Other schemes highlighted included Ethically Sourced Products and a company that needed to move to larger premises to continue to grow.
- The security of the investment remained the number one priority.

In response to Members' questions the following points were made:

- Reference was made to the £600k lent to the Haymarket Theatre

Consortium which was lost, and if consideration had been given where there wasn't an asset a charge could be put on to ask for personal guarantees which was a standard practice with banks. The meeting was informed that personal guarantees had been used particularly with the authority's role with LLEP as accountable body, but were fraught with difficulties and could mean the difference between someone wanting to continue with a scheme, but could also force an individual into a bankruptcy situation and was not something done lightly, but are certainly a tool to consider.

- The Cricket Club was a good example, in that they had offered a charge on the ground but because of planning constraints the Council would not have been able to sell or develop the property to recoup its money. A tripartite agreement had been reached with the English Cricket Board. Initially £700k had been lent then £1.7million, with a reasonable 5% return and an asset maintained in the city. If there had been an issue with the club in the future, the English Cricket Board would pay the balance of the loan. It was confirmed the Cricket Club had not been approached about cheap finance but had approached the Authority as a significant partner with new leadership at the club.
- Travelodge was complete but had delayed opening due to the current Covid-19 situation. No money had been given to the Authority to date. It was further pointed out that hoteliers rarely owned their assets and had long leases on hotels being common industry practice.
- With regards to the performance of the corporate estate because, the valuation basis most often seen was for the purposes of the annual accounts unlike the private sector. It was reported that the value in commercial terms was about £133million. Questions from the Mayor had led to a piece of work underway towards a report to Council on the performance of the corporate estate and policies employed, to see whether the authority was getting a decent return when benchmarked against other local authorities and potentially other commercial property landlords.

The City Mayor confirmed the report was near to completion and would be available to Members and the public within a matter of weeks and would be the first of an annual report on the portfolio. He added it was important because of the income and contribution to the revenue budget.

The City Mayor further noted that with the Travelodge, the Authority had not given them any money, but had invested in an asset that would provide the Authority with an income, had brought the building back into use and regenerated the Haymarket Centre of which it was a part. The City Mayor confirmed the deal had been sealed with Travelodge in December 2020 and a commencement date agreed on when they would begin the income stream to the Council regardless of when they opened.

The City Mayor further informed the meeting the Haymarket Theatre was closed before he was elected as Mayor and had been a drain on Council resources. The Council had invested in the theatre, with the overall majority of the investment secured and was an additional asset to the city.

- It was asked how many council housing tenants were in arrears because of Covid-19. The Director of Finance would write to Members with the details.
- A reference was made to the investment by the Council in Pioneer Park which was seen as positive investment aimed at creating employment and business and was expected to bring a net surplus of £100k per annum. It was asked if the Council could pursue this sort of strategy. The Director of Finance agreed it there could be more investment of this kind in the City's own economic area. Councillor Myers, Assistant City Mayor also noted it was a model that had worked very well at LCB Depot also, where a particular sector of the economy had been targeted, the space had been managed really well, had brought businesses to the city and returned a profit for the Council.

The Chair thanked the Director of Finance for the report.

AGREED:

That:

1. The report be noted.
2. The Director of Finance to write to Members with details of tenants in rent arrears due to Covid-19.

**152. CALL-IN OF EXECUTIVE DECISION - CAPITAL BUDGET MONITORING 2020/21 - PERIOD 6 - RELATING ONLY TO PART 3 OF THE DECISION IN RESPECT OF THE FUNDS FOR THE JEWRY WALL**

The Monitoring Officer submitted a report which informed the Overview Select Committee that the Executive Decision taken by the City Mayor on 17 December 2020 relating to Capital Budget Monitoring 2020/21 – Period 6 – relating to only part 3 of the decision in respect of the funds for Jewry Wall had been the subject of a five-Member call-in under the procedures at Rule 12 of Part 4D (City Mayor and Executive Procedure Rules) of the Council's Constitution.

The report confirmed that the options for the Committee were to:

- a) Note the report without further comment or recommendation.
- b) Comment on the specific issues raised by the call-in.
- c) Resolve that the call-in be withdrawn

Councillor Kitterick, as proposer of the call-in, was invited to address the Committee, and made the following points:

- Firstly, after reviewing the decision to add more money into the budget for Jewry Wall museum, the decision was made to call it in.
- Secondly, there was mention in the 2019 Labour Manifesto which talked about the museum but did not talk about the sums of money that would be required. Other Manifesto commitments had previously been deemed too expensive, but the Jewry Wall commitment had been given priority.
- People would be charged to enter the museum. There were questions about the King Richard III visitor centre which had cost £5million, had more

attraction for visitors, and had struggled with visitor numbers. There were questions over whether the Jewry Wall would have the same widespread attraction for visitors who would be able to see the main attractions of Roman ruins and wall for free from the path.

- Officers had previously outlined in terms of the capital budget and revenue budget that there was extreme uncertainty around Government funding, with impacts on business rates, and it was not known what needed to be done at this time to recover from the Covid-19 pandemic.
- The Jewry Wall project was not considered to be a priority in terms in what the Council was facing post Covid-19, when the models of tourism and museums would have changed. Members who had requested the call-in were asked for the decision to invest a further £2.5million to be delayed until the priorities for Leicester's economy were evaluated post Covid-19.

The City Mayor was given the opportunity to respond. He said it had been made clear in the Manifesto commitment that the Jewry Wall project would be developed. He added it was an exciting project in that it was the largest piece of non-military Roman masonry still standing in the UK and was important in what it represented in the 400 years of Roman governance in the City.

The City Mayor stated the city would need to use its assets to draw local and national tourists to the city post-Covid in many new ways and with the investment proposed would be a major draw to tourists rather than relying on city centre retail, the patterns of which were changing. The City Mayor added as well as the King Richard III Centre, and the Cathedral were poised to invest in its business centre.

The City Mayor noted the Jewry Wall project was well underway, with the first phase of £4million already invested which would be wasted if the project had to cut back on further investment. It was further noted the money received from the LLEP was specific for Jewry Wall, and he hoped that Members recognised the political commitment already made and the money that had been invested, and that the Committee could see the call-in withdrawn.

The Chair invited Councillor Waddington as one of the signatories to the call-in to comment. Councillor Waddington, as advised by the Monitoring Officer, declared she had no interest in the project and approached the discussion with an open mind. Councillor Waddington stated the facts received had not enabled anyone to make a clear decision about whether spending the additional £2.5million was a sensible proposals, and that she had hoped the call-in would have resulted in the Committee receiving a business case for the Jewry Wall museum so Members could see why the extra £2.5million was needed. She noted the project was not down for completion for two years, and that in the meantime there were other issues to be dealt with, including the economic recovery of the city.

Councillor Waddington had looked into pooled business rates to find out how the money could be spent, and that the amount of money available to the City and County was £24.4million, with the City's share at £8.2million. She noted that even though it was public money, there was no published information on



what projects were put forward. It was noted the money could be spent on capital or revenue project relating to economic development, the Council put forward proposals and LLEP considered projects put forward. Councillor Waddington quoted from LLEP report that the Executive were advised they could review the timing of some projects in the light of recovering from Covid-19. Any proposed changes would be assessed by LLEP and presented to the Leaders Group for determination. Councillor Waddington said it was clear the money could be used for a variety of things, one of which could be for Jewry Wall, as well as other projects for economic development. It was noted the money would be needed as the levels of unemployment in the city had risen considerably because of Covid-19. The Economic Development Recovery Plan was comprehensive and ambitious but relied on funding which it did not have. She added that she was not convinced that spending on Jewry Wall at this time would benefit the economic recovery of the city, and asked that a further report be brought back to the Committee with a business case for the Jewry Wall Museum, how the £2.5million on top of the millions already committed would enhance the economic recovery of the city, and what other options might be available to create more jobs in the city.

Members were given the opportunity to provide their points of view. Councillor Gee as Vice-Chair of Heritage, Culture, Leisure and Sport Scrutiny Commission noted the Jewry Wall Museum was a long-term project. He added as well as being a tourist attraction, it was an education facility and provided school children with the history of the city.

Further comments from Members made included:

- Museums and other cultural institutions were part of the heritage and culture of the city as well as the tourism industry.
- Where jobs and livelihoods were at risk, the City Council was duty bound to protect and preserve economic livelihood and lifeline of the city and to direct investment was one way that could be done.
- To pull out of the project would run risk of reputational damage for the city and the Council. As a manifesto promise the Council needed to revive interest and build upon it for the city.
- The costing of the project was presented to Members and discussed when the Manifesto was put together.
- The closure of Jewry Wall for many years had resulted in loss of income. To develop the project would provide an important heritage and education facility for young and old alike and would bring people into the city centre, enhance the economic fabric of the city, and support small businesses such as catering and hospitality.

Councillor Porter queried why the museum was closed previously and raised concerns that target visitor numbers when the museum was opened would not be met. He also suggested that as the majority of the tourist attraction was outdoors people should not have to pay to access the museum. He suggested that Jewry Wall be opened as before without spending too much money on it. He added a sculpture park in a green space such as Aylestone Meadows or Watermead Park could be developed as a visitor attraction as in York to bring

people to the city.

The Chair noted the retail sector was facing severe difficulties during Covid which might take many years to build up the lively city centre again and he was sure that the Executive and the Economic Development Transport and Tourism Scrutiny Commission would do all it could for the future city and tourism and education were crucial to the future of the city.

Councillor Kitterick responded to the comments that had been made, and said he was still genuinely concerned. He referenced the investment and additional proposed £2.5million and asked Members to consider how the money could be spent. He stated that if the business community were to be asked how they would spend the £2.5million and initial investment money he would be surprised if any of them had considered spending it to rebuild Jewry Wall. He added the future of business rates was not known and the city should step back and check priorities for spending the business rates pool.

The City Mayor welcomed the opportunity to have had the debate and the support from the overwhelming majority of Members at the meeting. He pointed out the project was already underway and there was a firm commitment to deliver it. He added it was not the first scheme that had had significant investment in order to bring families and visitors to the city and compared with other schemes was being delivered on budget and good value for money. The City Mayor noted the need to invest in the city in order for it to continue to thrive not be dependent on retail.

Chair stated the debate had been the true purpose of scrutiny, and a good example of how to deal with an issue, take on different views and arrive at options.

The Chair read out the various options within the report. He stated the City Mayor had heard some of the ongoing issues raised that could be looked at following the meeting. As the debate had highlighted a majority of support from Members for withdrawal of the call-in, the Chair MOVED and Councillor Gee SECONDED that the Committee withdraw the call-in of the decision, and on being put to the vote, the Motion was CARRIED.

AGREED:

1. That the call-in be withdrawn.

### **153. SCRUTINY COMMISSIONS WORK PROGRAMMES**

The Chair invited Councillor Kitterick, Chair of Health and Wellbeing Scrutiny Commission, to present a review scoping document report into “The experience of black people working in health services in Leicester and Leicestershire”.

In presenting the report, Councillor Kitterick informed the meeting the report was an initial response to the Black Lives Matter movement. It was stated that in all organisations, including Leicester City Council, there were issues with

how BAME workers were treated, and when moving up in those organisations became less representative of those populations at senior levels.

Health Services in Leicester are major employers of people from BAME backgrounds and the review aims to find out how they act as an employer amongst its black members of staff. Events had shown that more external scrutiny of the health service and its practices would be a good exercise for the city and the local NHS.

Councillor Kitterick added that external scrutiny of the City Council treated its black workforce would be equally valid but that this review would focus specifically on the Health Services. He added the Scrutiny task force would undertake a worthwhile piece of work that fitted with Leicester City Council responding to the just cause set out by the BLM movement.

The Chair endorsed the review and that it would be complementary to the work being undertaken by Cllr Hunter, and noted the Overview Select Committee would have an opportunity to revisit the review once it had been reported back to the council. The Chair asked Members of the Committee in turn if they endorsed the work.

AGREED:

1. That the review report be received and endorsed.

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

The Chair reminded Members that any questions over an individuals' Register of Interests be made outside of the meeting.

#### **155. ANY OTHER URGENT BUSINESS**

The City Mayor informed the meeting that Andy Keeling, Chief Operating Officer would be moving to the Falkland Islands. He added there would be a recommendation to Council to appoint Alison Greenhill as Chief Operating Officer and he offered her his congratulations.

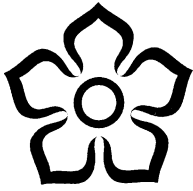
The Chair asked that the thanks of the Committee be passed on to Andy Keeling, congratulated Alison on her new role. Councillor Porter noted that Alison would be the first woman appointed to the role in the Council.

Alison thanked everyone, and reassured Members of Overview Select Committee she would continue to be present at the meeting.

#### **156. CLOSE OF MEETING**

The meeting closed at 8.17pm.





Leicester  
City Council

**WARDS AFFECTED**  
**All Wards - Corporate Issue**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Overview Select Committee**

**16 March 2021**

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## **Tracking of Petitions - Monitoring Report**

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### **Report of the Monitoring Officer**

#### **1. Purpose of Report**

To provide Members with an update on the current status of responses to petitions against the Council's target of providing a formal response within 3 months of being referred to the Divisional Director.

#### **2. Recommendations**

The Committee is asked to note the current status of outstanding petitions and to agree to remove those petitions marked 'Petition Process Complete' from the report.

#### **3. Report**

The Committee is responsible for monitoring the progress and outcomes of petitions received within the Council. An Exception Report, showing those petitions currently outstanding or for consideration at the current Overview Select Committee meeting is attached.

The Exception Report contains comments on the current progress on each of the petitions. The following colour scheme approved by the Committee is used to highlight progress and the report has now been re-arranged to list the petitions in their colour groups for ease of reference:

- **Red** – denotes those petitions for which a pro-forma has not been completed within three months of being referred to the Divisional Director.
- **Petition Process Complete** - denotes petitions for which a response pro-forma has sent to the relevant Scrutiny Commission Chair for comment, subsequently

endorsed by the Lead Executive Member and the Lead Petitioner and Ward Members informed of the response to the petition.

- **Green** – denotes petitions for which officers have proposed a recommendation in response to a petition, and a response pro-forma has been sent to the relevant Scrutiny Commission Chair for comment, before being endorsed by the Lead Executive Member.
- **Amber** – denotes petitions which are progressing within the prescribed timescales, or have provided clear reasoning for why the three-month deadline for completing the response pro-forma has elapsed.

In addition, all Divisional Directors have been asked to ensure that details of **all** petitions received direct into the Council (not just those formally accepted via a Council Meeting or similar) are passed to the Monitoring Officer for logging and inclusion on this monitoring schedule.

#### **4. Financial, Legal and Other Implications**

There are no legal, financial or other implications arising from this report.

#### **5. Background Papers – Local Government Act 1972**

The Council's current overall internal process for responding to petitions.

#### **6. Consultations**

Staff in all teams who are progressing outstanding petitions.

#### **7. Report Author**

Angie Smith  
Democratic Services Officer  
Ext. 376354

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	Scrutiny Chair Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Status	Ref. No.
11/03/2020	Brenda Worrall (on behalf of Leicester CND)	Petition asking the council to make Leicester a Nuclear Ban Community	(p)	96	City-wide	19/03/2020 (C)	Miranda Cannon / Kamal Adatia	Following a question on the topic raised by the petition, at full Council on 19 March 2020, the City Mayor confirmed that he intended to bring a motion to the Council seeking to resolve a clear position in relation to the global threat of nuclear weaponry and the particular developments referred to in the petition. Due to the current abeyance of Council meetings, it is not currently possible to indicate when that will be.	Proforma returned by the Scrutiny Chair		GREEN	20/03/2001
14/12/2020	Stephen Taylor	Petition requesting traffic calming measures on Clarendon Park Road / Central Avenue / East Avenue.	(p)	33	Castle		Andrew L Smith	Proposed actions are: 1. A speed survey will be carried out on Clarendon Park Road (close to Central Avenue) to aid a decision on the request for traffic-calming this length of Clarendon Park Road. 2. If it is agreed that additional traffic-calming would be beneficial and cost effective, then it would need to go into the wider road safety scheme programme for prioritisation alongside other requests to address speeding. 3. The attached draft letter (Appendix A) is to be sent to the Lead Petitioner to inform of this proposed action.	Proforma returned by the Scrutiny Chair	11/02/2021	PETITION COMPLETE	20/12/01
23/12/2020	Elyas Adam	Petition to get on-street parking for residents of Freeman Road North. Signatures were also received from Trafford Road and King Edward Road	(p)	77	Evington		Andrew L Smith	Ward Councillors have been consulted on proposed actions, and a proforma is being developed.			AMBER	20/12/02
25/02/2021	Rumena Rahman	Petition requesting resident parking for Rowsley Street	(p)	58	Stoneygate		Andrew L Smith	Petition forwarded to the Director			AMBER	21/02/01

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RED - Pro-forma not completed within 3 months of being referred to Divisional Director

PETITION PROCESS COMPLETE - Scrutiny Chair commented on Pro-forma, Lead Executive Member signed off response and final letter sent to Lead Petitioner.

GREEN - Lead Executive Member consulted on proposed response and Pro-forma sent to Scrutiny Chair

AMBER - Petition response progressing within 3 months of being referred to Divisional Director





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# **Executive Decision- Revenue Budget Monitoring April- December 2020/21**

Decision to be taken by: City Mayor

Decision to be taken on: 16<sup>th</sup> March 2021

Lead director: Alison Greenhill

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## Useful information

- Ward(s) affected: All
- Report author: Amy Oliver
- Author contact details: 37 5667
- Report version number: V1

### 1. Summary

This report is the third in the monitoring cycle for 2020/21 and forecasts the expected performance against the budget for the year. We are now in the third national lockdown and the forecasts assume expenditure and income will not return to normal patterns before the end of March. For example, leisure centres are not expected to re-open in 2020/21. The expectation is that service expenditure and income will be directly affected next year as well.

The overall position is a forecast overspend of £37m on service spending in the current year. This is a combination of substantial additional spending (and loss of income) arising from the pandemic, offset by savings which have arisen for varying reasons. In practice, it is hard to distinguish savings which are “due to” the pandemic from those which are not. For instance, there has been less spend on putting on shows at De Montfort Hall which are clearly pandemic related (and offset the loss of income from shows). Less clear, however are underspends arising from staff vacancies which feature in a number of services’ forecasts: some posts may have been left vacant because the pandemic reduced workloads in the team concerned, some may have been vacant for longer than usual due to recruitment difficulties, and some may have been held pending organisational review (as always happens). It is safe to say, however, that the true cost has been masked by savings elsewhere. It cannot be assumed that any specific savings can be used to offset pandemic costs.

The forecast of £37m includes an assumed £10m requirement for a post pandemic recovery fund, which is further discussed at paragraph 15. The amount required is very difficult to assess and further consideration will be given both to needs and to what we can afford as the year progresses.

In addition to service spending (and as a direct consequence of the pandemic), there will be a current year deficit of £4.5m in respect of council tax income and £5.6m in respect of business rates (as reported in the 2021/22 budget report). These deficits arise from bigger provisions for bad debt, additional council tax support, and additional exemptions from business rates.

We are forecasting additional cost to the capital programme (see the separate report on your agenda). It is envisaged the COVID-19 pandemic will continue to impact on next year’s budget as noted in the budget setting report for 2021/22.

The Government has provided some additional funding to meet authorities’ costs in 2020/21, with a total of £33m of unringfenced funding being provided. In addition:

- (a) The Government is partially compensating us for losses in sales, fees and charges: the actual figure will depend on our final losses at the end of the year. We have submitted a claim for £8m for the first 8 months of the year, but the amount due to us will not be determined by the Government until after the end of the year. This scheme does not compensate losses in commercial rents;
- (b) The Government is partially compensating us for local tax losses.

Any balance of cost will fall to the Council to meet. As a well-managed authority, members have always approved a reserves strategy, and made monies available to meet the unexpected. This is further discussed in the 2021/22 budget report. At present, we do not believe residual costs will be unaffordable.

Our approach to monitoring the costs of the pandemic are as follows:

- (a) Extraordinary costs which the Council would not normally incur have been charged to a new budget. This has been used to record costs such as the food hub, IT to support working from home and accommodation for rough sleepers;
- (b) Costs of a type the Council normally incurs have been recorded as part of normal budgets (e.g. adult social care costs);
- (c) Departmental budgets will overspend as a consequence of income shortfalls caused by the pandemic. Chief ones are for facilities that continue to be shut (such as De Montfort Hall and leisure centres) and services such as car parking.

The Government has also provided additional funds for specific purposes, which do not affect our overall forecast (unless the additional funds prove to be insufficient). These include:

- (a) £140m for business support grants
- (b) £48m for additional rate reliefs;
- (c) £4m to provide further council tax reductions to those in receipt of council tax support;
- (d) £7m for infection control in adult social care establishments;
- (e) £8m for outbreak management;
- (f) £1m for winter grants.

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

2.1 The Executive is recommended to:

- Note the emerging picture detailed in the report.

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 2020/21 was £282.4m.

Appendix A summarises the budget for 2020/21.

Appendix B provides more detailed commentary on the forecast position for each area of the Council's operations.

## **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.

Alison Greenhill, Director of Finance, Ext 37 4001

### 6.2 Legal implications

This report is solely concerned with financial issues.

### 6.3 Equalities implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

#### 6.4 Climate Emergency implications

This report is solely concerned with financial issues

#### 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 19th February 2020 on the General Fund Revenue budget 2020/2021.

Period 4 Monitoring presented to OSC on 24<sup>th</sup> September 2020.

Period 6 Monitoring presented to OSC on 3<sup>rd</sup> December 2020.

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

Appendix A – Period 9 (April-December) Budget Monitoring Summary;

Appendix B – Divisional Narrative – Explanation of Variances

#### **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 Period 9 (April – December), 2020/21

<b>2020-21</b>	<b>Current Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Financial Services	11,147.9	11,405.8	257.9
Information Services	9,190.3	9,190.3	0.0
Human Resources & Delivery, Communications & Political Governance	9,912.4	9,713.2	(199.2)
Legal Services	2,745.2	3,217.8	472.6
<b>Corporate Resources &amp; Support</b>	<b>32,995.8</b>	<b>33,527.1</b>	<b>531.3</b>
Planning, Development & Transportation	14,498.8	24,719.6	10,220.8
Tourism Culture & Inward Investment	4,117.6	7,665.5	3,547.9
Neighbourhood & Environmental Services	32,095.5	32,618.3	522.8
Estates & Building Services	4,667.1	5,955.3	1,288.2
Departmental Overheads	1,021.0	857.4	(163.6)
Housing Services	2,591.8	2,904.4	312.6
<b>City Development &amp; Neighbourhoods</b>	<b>58,991.8</b>	<b>74,720.5</b>	<b>15,728.7</b>
Adult Social Care & Safeguarding	123,483.2	120,426.2	(3,057.0)
Adult Social Care & Commissioning	(16,207.3)	(17,196.3)	(989.0)
<b>Sub-Total Adult Social Care</b>	<b>107,275.9</b>	<b>103,229.9</b>	<b>(4,046.0)</b>
Strategic Commissioning & Business Support	1,428.3	1,428.3	0.0
Learning Services	10,918.0	13,798.1	2,880.1
Children, Young People & Families	65,510.2	63,337.2	(2,173.0)
Departmental Resources	1,042.6	1,342.6	300.0
<b>Sub-Total Education &amp; Children's Services</b>	<b>78,899.1</b>	<b>79,906.2</b>	<b>1,007.1</b>
<b>Total Social Care &amp; Education</b>	<b>186,175.0</b>	<b>183,136.1</b>	<b>(3,038.9)</b>
<b>Public Health &amp; Sports Services</b>	<b>23,379.5</b>	<b>25,476.5</b>	<b>2,097.0</b>
Housing Benefits (Client Payments)	500.0	500.0	0.0
<b>Total Operational</b>	<b>302,042.1</b>	<b>317,360.2</b>	<b>15,318.1</b>
Corporate Budgets	3,061.8	3,061.8	0.0
Additional COVID-19 related costs (new budget)	0.0	22,142.0	22,142.0
Capital Financing	6,316.5	6,316.5	0.0
<b>Total Corporate &amp; Capital Financing</b>	<b>9,378.3</b>	<b>31,520.3</b>	<b>22,142.0</b>
Public Health Grant	(26,599.0)	(26,599.0)	0.0
Managed Reserves Strategy	(2,377.4)	(2,377.4)	0.0
<b>TOTAL GENERAL FUND</b>	<b>282,444.0</b>	<b>319,904.1</b>	<b>37,460.1</b>

**Divisional Narrative – Explanation of Variances**

**Corporate Resources and Support**

Corporate Resources Department is forecasting an overspend of £0.5m on a budget of £33m.

**1. Finance**

- 1.1 The Financial Services Division is forecasting a net overspend of £0.2m. An overspend of £0.7m is forecast for delayed recovery of local tax– the division budgets for income from summons costs, which is not currently being received. This overspend is reduced by a number of vacancies generating an estimated saving of £0.5m.

**2. Information Services**

- 2.1. Information Services is forecasting a balanced outturn. Specific costs in support of the Council's operations during COVID-19 have been charged directly to the COVID-19 account.

**3. Human Resources, Delivery Communications & Political Governance (DCPG)**

- 3.1. The two areas of the division are forecasting a net underspend of £0.2m. This has largely occurred due to the slowing down in recruitment of apprentices and additional income from traded activity by HR Operations and Health and Safety.

**4. Legal, Registration & Coronial Services**

- 4.1. The Legal Services Division is forecasting an overspend of £0.2m due to the loss of income estimated at £0.3m in Registration Services, Local Land Charges and Property Planning due to COVID-19. This has been offset by vacancies of £0.1m in Registration services.
- 4.2. Coronial Services are forecasting an overspend of £0.25m due to high costs in pathology tests and increased workload including additional COVID-19 costs, continuing the pattern of recent times. The overspend will be funded from Corporate Budgets in line with normal policy.

## **City Development and Neighbourhoods**

The department is forecasting an overspend of £15.7m on a net budget of £59m. The position is as follows:

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

- 5.1. The division is forecasting an overspend of £10.2m. Of this, £8m relates to a shortfall in income because of COVID-19. The main areas are car parking, bus lane enforcement and planning fees. There are also forecast overspends on running costs which are also largely COVID related.

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

- 6.1. The division is forecasting an overspend against budget of £3.5m. Income is expected to fall short of budget by £8m, with COVID-19 having significant impacts on income at De Montfort Hall, museums and markets. These income shortfalls will be partially offset by savings on running costs, such as the cost of promoting shows.

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

- 7.1. The Division is forecasting an overspend of £0.5m. Within Regulatory Services there has been a significant drop in building control fees and licensing income. Neighbourhood Services have benefitted from savings on running costs while buildings such as libraries and community centres have been closed offsetting some of the losses in income.

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

- 8.1. The division is forecasting to overspend by £1.3m largely as a result of lower capital fees being generated on projects being managed by the division; the 2021/22 budget is being realigned to reflect a more realistic income target. Savings on running costs have arisen while buildings have been closed.

### **9. Departmental Overheads**

- 9.1. This holds the departmental budgets such as added years' pension costs, postage and departmental salaries. Savings of around £0.1m are expected.



## **10. Housing General Fund**

- 10.1. The Housing General Fund is forecast to overspend by £0.3m. Fleet services is expected to overspend by £0.4m as a result of repair costs on older vehicles, hire costs and prudential borrowing for the vehicle replacement programme. Homelessness services is forecasting to underspend by £0.1m due to staffing vacancies during the year. Separate to the impact of COVID, the cost of temporary accommodation for families will exceed the budget to the order of £0.4m; additional grant income has been received which will cover this cost.

## **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 is forecasting to underspend by £0.2m, excluding revenue used for capital spending (which is reported in the capital monitoring report); this is an improvement on the £0.7m overspend predicted at period 6.
- 11.2. Rental income is forecast to be £0.5m lower than budget due to the closure of Border House. In addition, in the early stages of restrictions on the movement of people from March 2020, the ability to complete Housing Benefit claims for hostel rent was limited.
- 11.3. The Repairs & Maintenance Service is forecast to underspend by £1m. The extended lockdown means that additional work to catch up on a repairs backlog that has accumulated in tenanted properties will now not take place in the current financial year. Staffing vacancies throughout the year are expected to result in costs being £0.6m below budget, with a further £0.6m arising from a reduction in materials being used. Partially offsetting these, income into the repairs service will be below budget due to reduced capital work and chargeable work being undertaken.
- 11.4. Over the year to date there has been an increase in the number of void properties within general housing stock. Whilst not affected to the same degree as tenanted properties, staff have had to work differently (often with a single operative per property), and this has resulted in properties taking longer to be ready to let. This has contributed to the shortfall on rental income as well as the cost of council tax which is payable on empty properties. To help address this, repairs staff are being utilised in void properties.

- 11.5. Management and Landlord services are forecast to overspend by £0.9m. The cost of council tax on void properties will exceed the budget by £0.4m, and property lettings will be £0.2m over budget. In addition, £0.4m of COVID-19 costs on temporary accommodation have been incurred, offset by underspends on staffing across tenancy management and STAR.
- 11.6. The interest payable by the HRA on its debt is forecast to be £0.6m lower than the budget.

## **Adult Social Care**

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

- 12.1. Adult Social Care is forecasting to spend £3.7m on additional COVID-19 costs from its own resources. During the pandemic additional payments have been made to domiciliary care providers, residential home providers, supported living and shared lives providers. This has taken the form of a 10% fee uplift which is intended to cover costs including those for additional PPE and agency staff required due to higher staff sickness absence. Domiciliary care providers also received a four-week advance payment to ease cash flow issues.
- 12.2. Separately the Council has received additional grant funding from the Department of Health and Social Care (DHSC). The first of these was the ring-fenced Infection Control Fund of £3.7m which has been paid out as directed by the DHSC, principally to residential home providers, but also to domiciliary care and supported living providers. This fund is intended to cover additional COVID-19 related costs incurred up to the end of September. A second Infection Control Fund of £3.6m to cover the period from October to March 2021 has also been substantially distributed.
- 12.3. Further grants totalling £1.7m have now been received to support increased testing in care homes (the Rapid Testing Fund) and to boost staffing levels in residential and community settings where there are existing shortages (the Workforce Capacity Fund).
- 12.4. During the March to September period hospital patients were rapidly discharged from hospital with adult social care packages in order to free up bed space. Such patients received their care package free of charge. For those who were already receiving adult social care prior to hospital admission, any charges post-discharge were stopped and the lost fee income recovered from the NHS via the CCG. For those who were new to adult social care, the service paid for their care package and then re-charged this cost to the NHS via the CCG. These arrangements came to

an end on 1 September and anyone still requiring an ongoing package of care will be subject to the normal financial assessment process, although the backlog of cases is still taking some time to process. Hospitals are still discharging people back home as rapidly as possible with an initial package of care if required, which the NHS will pay for, but only for up to six weeks, until the person is assessed to determine whether an ongoing care package is necessary. The NHS discharge funding is not confirmed until 1<sup>st</sup> April 2021 although the expectation of rapid discharge is maintained. To date we have re-charged £2.7m of package costs for over 500 people.

- 12.5. There has been a small net increase of 2.7% (137 people) in numbers of people receiving services at the end of December compared to the start of the year. Numbers of requests for support through the normal community routes have been lower this year though due to the lockdown, but this has been offset by the new people coming into care following discharge from hospital. The package costs of the people being discharged has been recovered from the CCG as outlined above. There has also been a reduction of nearly 100 in the number of people in residential care compared to the start of the year and this has significantly reduced in year package costs. People have also not been able to access services as easily during the lock downs with lower usage of direct payments, lower transport costs and less take up of community equipment. Taken as whole, these factors result in costs which are lower compared to the assumptions in our original pre-pandemic budget. It must be stressed that the lower costs are a temporary one-off event which is attributable to the unique circumstances created by the pandemic in this financial year. Nevertheless, these one-off cost reductions mean that the service is able to provide for this year only, the additional COVID related support payments to the sector as outlined in paragraph 12.1 above, within the overall service budget.
- 12.6. The increase in the level of need of our existing people using services was nearly 5.9% in 2019/20 (£6.5m), an increase of 0.4% from 2018/19. The rate of increase in need and the number of existing people with services seeing a change of package in the first nine months is lower than at the same point last year. Nevertheless, the forecast assumes that the rate of increase will conclude at 5.9% for the year in line with previous trends.
- 12.7. £3.7m of unbudgeted income will be received in the 2020/21 accounts, the bulk of which relates to the final settlement and recovery of prior years' related joint funded income due from the CCG. This income together with £0.3m of uncommitted expenditure budgets which are due to contribute to spending review savings in 2021/22, result in the service

forecasting an overall underspend of £4m in 2020/21. For the sake of clarity this underspend of £4m is one-off in nature and has no bearing on future year's budget assumptions in terms of the level of provider price increases (driven by changes in the rate of the statutory national living wage) and increases in the level of need and demographic changes.

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

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

- 13.1. Children's services are forecasting to spend an additional £1m more than the budget of £78.9m as a result of the pandemic in 2020/21. These costs are detailed in the following two paragraphs:
- 13.2. As a result of the pandemic and the impact on the local economy the review of the Connexions service has been postponed with the loss of £0.24m of savings. The new charging arrangements for the Education Welfare service have been postponed for a year which, together with the loss of penalty notice income results in a £0.49m unbudgeted cost.
- 13.3. City Catering is forecasting a loss of at least £0.3m this year as a result of lost income from paid meals following the lockdowns.
- 13.4. Additional resources have been deployed in the Special Education Service in 2020/21 to deal with a backlog of Education, Health and Care plan assessments and reviews. The additional costs associated with this and the ongoing budget pressure from SEN home to school transport costs totalling £2.2m have been offset this year from staffing savings in Social Care and Early Help and Performance.
- 13.5. The net increase in LAC placements during the first nine months was 7, with 628 placements at the period end. Overall placement costs are forecast to be as per the budget at £33.9m

## **Public Health & Sports Services**

### **14. Public Health & Sports Services**

- 14.1. In early July, the city was placed in extended lockdown, and an extensive local testing operation was launched. The costs of this have been recorded against the central budget for pandemic costs. Public Health is forecasting to spend £19.6m, £1.2m less than the budget of £20.8m.

- 14.2. The costs of the sexual health service provided by Midlands Partnership Foundation Trust during the lock down were subject to negotiations as activity levels have been low during this period. A similar situation applies to GP provided health checks and GP provided contraception provision. The overall impact of this is a forecast underspend of £0.8m.
- 14.3. There have also been vacant lifestyle coordinators and advisor posts in the Integrated Lifestyle services team, a vacant commissioning manager and programme officer post in the main public health team and deferral of the bi-annual public health annual surveys. This is forecast to save £0.3m. There are variety of other small savings totalling £0.1m.
- 14.4. Following the recent lock-down Sports Services are forecasting to be overspent by £3.3m compared to the budget of £2.5m. This forecast assumes that the sports centres and other facilities remain closed for the remainder of the financial year with the consequent loss of income.

## **Corporate Items & Reserves**

### **15. Corporate Items**

- 15.1. The corporate budgets cover the Council's capital financing costs, items such as audit fees, bank charges and levies. There is no significant change forecast at this stage.
- 15.2. Since the start of the year, an additional corporate budget has been created for costs created by the pandemic. This has recorded all costs which have been incurred as a direct consequence of the pandemic, other than those which cannot be distinguished from normal departmental activity (the chief exclusion is social care costs, which continue to be charged to the department). All income shortfalls also fall to departments.
- 15.3. As we are now in the third lockdown the forecast spend on COVID-19 related expenditure has increased. This is mainly due to expenditure on PPE, communication, track and trace to reduce transmissions and accommodation to support rough sleepers.
- 15.4. As the pandemic continues, it is becoming increasingly apparent that funding is going to be required for a recovery package once it is over. This will be needed to support businesses and vulnerable people, and may be a combination of capital and revenue spending. For the time being, a provision of £10m is shown in the table below, which will be re-assessed as time goes by. It is unlikely that any of this will be spent in

2020/21 given that restrictions are likely to be in place for the whole year and the money will therefore be carried forward in a reserve.

- 15.5. The table below summarises the types of expenditure recorded, and the estimated final cost:

<b>Type of Expenditure</b>	<b>Forecast £000's</b>
Food Hub	1,649
Community mobilisation	150
Accommodation	2,093
IT costs	811
Communications	1,220
Property costs including PPE	2,889
Security	285
Staffing	1,282
Other	36
Transport	618
Reducing Transmissions	942
Supporting Self Isolators and the Vulnerable	111
Supporting testing	406
Covid-19 Recovery Plan	10,000
<b>Total</b>	<b>22,492</b>

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# **Executive Decision Capital Budget Monitoring April- December 2020/21**

Decision to be taken by: City Mayor

Decision to be taken on: 16<sup>th</sup> March 2021

Lead director/officer: Alison Greenhill

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## Useful information

- Ward(s) affected: All
- Report author: Amy Oliver
- Author contact details: amy.oliver@leicester.gov.uk

### 1. Summary

- 1.1 The purpose of this report is to show the position of the capital programme for 2020/21 as at the end of December 2020 (Period 9).
- 1.2 This is the third capital monitoring report of the financial year. A further outturn report will be presented at year end.
- 1.3 As previously reported, the COVID-19 pandemic has had a significant impact on the capital programme, with many schemes delayed. Some £28.5m slippage has been reported on work programmes, the chief reason for which is the pandemic. A number of projects have had to revise their forecast completion dates, some of these schemes are now showing as green in the RAG rating as the revised dates are expected to be met. This will have an impact on capacity to deliver additional schemes next year as we make up for lost time, this has been considered when putting the 2021/22 capital budget together.
- 1.4 Work is continuing to monitor any additional cost pressures as a consequence of the COVID-19 pandemic. Some schemes are expected to suffer contractual cost increases.

### 2. Recommended actions/decision

2.1 The Executive is recommended to:

- Note total spend of £88.8m for the year.
- Note the budget reduction of £182k for the Onsite Construction Skills Hub, due to external funding being less than originally forecast.
- Approve the addition of £400k from HRA reserves to External Property Works to fund concrete surveys, Appendix B, Work Programmes, para 3.26.
- Approve the addition of £250k to the Virtual Desktop Infrastructure Expansion project funded from the earmarked reserves set aside for this purpose. This project will enable the Council to continue to enable improved remote & flexible working.

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

4.1 The 2020/21 Capital programme was initially approved by Council on 19<sup>th</sup> February 2020. It has subsequently been amended after monitoring exercises.

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, there is no attention given to in-year financial slippage;
- (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 schemes in previous years' capital programmes, usually consisting of small amounts of money brought forward from earlier years.

4.3 A summary of the total approved 2020/21 capital programme as at Period 9 is shown below:

	<b>£000</b>
Projects	190,365
Work Programmes	141,664
Provisions	202
Schemes Substantially Complete	24,786
<b>Total Immediate Starts</b>	<b>357,017</b>
Policy Provisions	35,540
<b>Total Capital Programme</b>	<b>392,557</b>

4.4 The following changes have occurred to the capital programme since Period 6:

	<b>£000</b>
St Margaret's Regeneration Gateway addition	10,500
Granby St/St George's St Gateway Regeneration addition	1,700
High Streets Heritage Action Zones addition	1,500
Green Homes addition	1,251
Connecting Leicester addition	1,103
VDIs addition	250
Cossington Street Recreation Ground addition	17
Onsite Construction Skills Hub reduction	(182)
<b>Net Movements</b>	<b>16,139</b>

These movements are included in the table at 4.3 above.

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

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 9, the Council has realised £6.4m of General Fund capital receipts. These receipts are not required to fund the current programme. In line with our policies, with the exception of any earmarked receipts, these are set aside for future capital programmes.

4.7.2 “Right to Buy” receipts from sales of council housing have amounted to £7.2m received in year.

### 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.

Alison Greenhill, Director of Finance, 37 4001

### 6.2 Legal implications

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

Emma Jackman, Head of Law (Commercial, Property and Planning).

### 6.3 Equalities implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

### 6.4 Climate Emergency implications

This report is solely concerned with financial issues.

### 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 2020/21 presented to Council on 19<sup>th</sup> February 2020.

Housing Revenue Account Budget (including Capital Programme) 2020/21 presented to Council on 19<sup>th</sup> February 2020.

2019/20 Capital Monitoring Outturn Report presented to OSC on 29<sup>th</sup> July 2020.

2020/21 Capital Monitoring P4 Report presented to OSC on 24<sup>th</sup> September 2020.

2020/21 Capital Monitoring P6 Report presented to OSC on 3<sup>rd</sup> December 2020.

**8. Summary of appendices:**

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

**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

## 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 on pages 10-21 within this Appendix.

Department / Division	Total Budget £000	2020/21 Spend to Date £000
Corporate Resources	1,416	578
Smart Cities	200	0
Adult Social Care	2,510	0
Planning, Development & Transportation	116,226	22,624
Tourism, Culture & Inward Investment	23,149	679
Neighbourhood & Environmental Services	2,261	28
Estates & Building Services	6,709	3,221
Children's Services	23,567	2,458
Public Health	3,056	1,569
Housing Revenue Account	11,271	5,786
<b>Total</b>	<b>190,365</b>	<b>36,943</b>

- 1.2 A list of the individual projects is shown in the table on pages 8-9 of this report. 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 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 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	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CRS	Cash Income Management System	566	32	0	Jan-20	Oct-21	Purple	Purple
CRS	Corporate LAN/WAN Network Cisco Infrastructure Replacement	600	296	0	Dec-21	Dec-21	Green	Green
CRS	Virtual Desktop Infrastructure (VDI) Expansion	250	250	0	Dec-20	Dec-20	N/A	Blue
SC	Smart Cities Pilot Projects	200	0	0	Dec-20	Mar-22	Green	Amber
ASC	Extra Care Schemes	2,510	0	0	Aug-20	TBC	Green	Purple
CDN (PDT)	Leicester North West Major Transport Scheme	5,778	5,071	0	Mar-20	Mar-21	Green	Green
CDN (PDT)	Connecting Leicester	67,537	7,869	0	Nov-20	Mar-23	Green	Green
CDN (PDT)	Waterside Strategic Regeneration Area	9,892	2,243	0	Mar-23	Mar-23	Green	Green
CDN (PDT)	St George's Churchyard	812	0	0	Aug-18	Mar-22	Amber	Green
CDN (PDT)	Ashton Green	625	232	0	Mar-21	Mar-21	Green	Green
CDN (PDT)	Pioneer Park	2,406	206	0	Jan-21	May-21	Green	Green
CDN (PDT)	Pioneer Park Commercial Workspace (formerly Dock 2)	4,892	3,436	0	Spring 18	May-21	Green	Green
CDN (PDT)	Ashton Green Highways Infrastructure	8,584	2,657	0	Mar-21	Nov-21	Amber	Green
CDN (PDT)	City-wide Parkmap TRO review, signs and lines upgrades	200	0	0	Mar-21	Jun-21	Green	Green
CDN (PDT)	North West Leicester Regeneration Area	500	50	0	Mar-22	Mar-22	Green	Green
CDN (PDT)	St Margaret's Gateway	13,500	860	0	Sep-22	Sep-22	N/A	Green
CDN (PDT)	High Streets Heritage Action Zones	1,500	0	0	Apr-24	Apr-24	N/A	Green
CDN (TCI)	Jewry Wall Museum Improvements	14,235	130	0	Mar-23	Mar-23	Green	Green
CDN (TCI)	Leicester Market Redevelopment	2,916	240	0	Dec-21	Mar-23	Green	Green
CDN (TCI)	Abbey Pumping Station	246	0	0	Mar-19	Nov-21	Purple	Green
CDN (TCI)	Gresham Business Workspace	250	0	0	Mar-21	Sep-21	Amber	Green
CDN (TCI)	Onsite Construction Skills Hub	818	0	0	Dec-22	Dec-22	Green	Green
CDN (TCI)	New Walk Museum Phase 1	2,439	23	0	Mar-22	Mar-23	Green	Amber
CDN (TCI)	Museums Security Programme	125	0	0	Nov-21	Nov-21	Green	Green
CDN (TCI)	Visit Leicester Relocation	320	42	0	Nov-21	Mar-22	Green	Amber
CDN (TCI)	Growth Hub	1,400	244	0	Jun-23	Jun-23	Green	Green
CDN (TCI)	Phoenix 2020	400	0	0	Mar-23	Mar-23	N/A	Green
<b>Total</b>		<b>143,501</b>	<b>23,881</b>	<b>0</b>				

Dept/ Division	Project	Total Budget (£000)	2020/21 Spend (£000)	Forecast O/(U)spend (£000)	Original Completion Date	Forecast Completion Date	Previous Reported RAG Rating	Project RAG Rating @ P9
CDN (NES)	St Mary's Allotments	507	25	0	Jul-19	Mar-21	Green	Green
CDN (NES)	Abbey Park Precinct Wall	546	0	0	Mar-22	Mar-22	Green	Green
CDN (NES)	Library RFID Self-Service System	330	0	0	Mar-21	Dec-21	Green	Amber
CDN (NES)	Library Improved Self-Access Pilot	210	0	0	Mar-21	Dec-21	Green	Amber
CDN (NES)	Reuse Shop Expansion	530	3	0	Jul-20	Jul-21	Green	Green
CDN (NES)	Highways and Parks Public Toilet Refurbishment	138	0	0	Mar-21	Mar-21	N/A	Green
CDN (EBS)	Haymarket House, Car Parks & Lifts	3,797	3,160	0	Mid-20	Nov-20	Green	Blue
CDN (EBS)	Demolition of Former Anchor Recovery Centre	49	2	26	Jun-20	Nov-20	Green	Blue
CDN (EBS)	Housing Estate Shops	905	0	0	Mar-22	Mar-22	Green	Green
CDN (EBS)	Touchdown Project	50	0	0	Mar-21	Mar-22	Amber	Green
CDN (EBS)	Haymarket Theatre - Internal Completion Works	574	28	0	Mar-21	Mar-22	Amber	Purple
CDN (EBS)	Haymarket Bus Station - Toilet Expansion and Refurbishments	446	31	0	Dec-20	Aug-21	Green	Amber
CDN (EBS)	Climate Emergency - Carbon Reduction Fund	888	0	0	Mar-22	Mar-22	Green	Green
ECS	Additional SEND Places (including Pupil Referral Units)	15,310	2,190	1,100	Dec-19	Sep-22	Green	Red
ECS	Overdale Infant and Juniors School Expansion	3,534	179	0	Nov-21	Mar-22	Green	Green
ECS	Expansion of Oaklands Special School	4,675	89	0	Mar-22	Sep-22	Green	Green
ECS	New Parks House	48	0	0	Jan-21	Jan-21	Green	Blue
PH	Leisure Centre Improvement Programme	2,656	1,515	0	Mar-20	Jun-21	Green	Green
PH	Leisure Centre Air Handling Units	400	54	0	Mar-20	Jul-21	Amber	Green
<b>Total (excluding HRA)</b>		<b>179,094</b>	<b>31,157</b>	<b>1,126</b>				
CDN (HRA)	St Leonard's Tower Block - Lift	528	19	0	Mar-18	Sep-21	Green	Green
CDN (HRA)	Goscote House Demolition	2,844	223	0	Jan-20	Jan-22	Green	Green
CDN (HRA)	New House Build Council Housing	5,846	5,478	0	Apr-20	Jun-23	Green	Green
CDN (HRA)	Tower Block Sprinkler Systems	1,322	23	0	Apr-22	Apr-22	Green	Green
CDN (HRA)	Property Conversions	481	43	0	Mar-22	Mar-22	Green	Green
CDN (HRA)	Feasibility Study for Sheltered Housing	250	0	0	Apr-22	Apr-22	Green	Green
<b>Total HRA</b>		<b>11,271</b>	<b>5,786</b>	<b>0</b>				
<b>Total (including HRA)</b>		<b>190,365</b>	<b>36,943</b>	<b>1,126</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 2020/21 Period 9

### Corporate Resources

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Cash Income Management System	566	0	Jan 2020	Oct 2021	P
Corporate LAN/WAN Network Cisco Infrastructure Replacement	600	0	Dec 2021	Dec 2021	G
Virtual Desktop Infrastructure (VDI) Expansion	250	0	Dec 2020	Dec 2020	B
<b>Total</b>	<b>1,416</b>	<b>0</b>			

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

**2.1 Cash Income Management System** – This project has been paused to enable resources to focus on the COVID-19 pandemic work. We are currently looking at picking up this project in the coming months.

## Capital Programme Project Monitoring 2020/21 Period 9

### Smart Cities

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Smart Cities Pilot Projects	200	0	Dec 2020	March 2022	A
<b>Total</b>	<b>200</b>	<b>0</b>			

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

- 2.1 Smart Cities Pilot Projects** - The project forecast completion date has been extended due to delays caused by businesses being closed due to COVID-19, resulting in limited stakeholder engagement.

## Capital Programme Project Monitoring 2020/21 Period 9

### Adults

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast 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** – Following extensive talks with the extra care developer and Homes England, it has been concluded that the scheme needs to be put on hold and reviewed.

## Capital Programme Project Monitoring 2020/21 Period 9

### Planning, Development & Transportation

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leicester North West Transport Scheme	5,778	0	March 2020	March 2021	<b>G</b>
Connecting Leicester	67,537	0	Nov 2020	March 2023	<b>G</b>
Waterside	9,892	0	March 2023	March 2023	<b>G</b>
St George's Churchyard	812	0	Aug 2018	March 2022	<b>G</b>
Ashton Green	625	0	March 2021	March 2021	<b>G</b>
Pioneer Park	2,406	0	Jan 2021	May 2021	<b>G</b>
Pioneer Park Commercial Workspace	4,892	0	Spring 2018	May 2021	<b>G</b>
Ashton Green Highways Infrastructure	8,584	0	March 2021	Nov 2021	<b>G</b>
City-wide Parkmap TRO review, signs and lines upgrades	200	0	March 2021	June 2021	<b>G</b>
North West Leicester Regeneration Area	500	0	March 2022	March 2022	<b>G</b>
St Margaret's Gateway	13,500	0	Sep 2022	Sep 2022	<b>G</b>
High Streets Heritage Action Zones	1,500	0	April 2024	April 2024	<b>G</b>
<b>Total</b>	<b>116,226</b>	<b>0</b>			

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

2.1 **St George's Churchyard** - A scheme has now been agreed in the churchyard. The first phase of works on the trees has been carried out in January 2021, and the remaining works to the resurfacing of the path and relocation of gravestones will take

place over the course of 2021 subject to planning consent, and Church Commissioners' approvals.

## Capital Programme Project Monitoring 2020/21 Period 9

### Tourism, Culture and Inward Investment

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Jewry Wall Museum Improvements	14,235	0	March 2023	March 2023	G
Leicester Market Redevelopment	2,916	0	Dec 2021	March 2023	G
Abbey Pumping Station	246	0	March 2019	Nov 2021	G
Gresham Business Workspace	250	0	March 2021	Sep 2021	G
Onsite Construction Skills Hub	818	0	Dec 2022	Dec 2022	G
New Walk Museum Phase 1	2,439	0	March 2022	March 2023	A
Museums Security Programme	125	0	Nov 2021	Nov 2021	G
Visit Leicester Relocation	320	0	Nov 2021	March 2022	A
Growth Hub	1,400	0	June 2023	June 2023	G
Phoenix 2020	400	0	March 2023	March 2023	G
<b>Total</b>	<b>23,149</b>	<b>0</b>			

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

**2.1 New Walk Museum Phase 1** – A review of the project was undertaken and areas of spend have been identified that could be eligible for grant support via a new scheme about to be launched by Arts Council England (MEND fund), hence the project date has been extended to capture this funding.

**2.2 Visit Leicester Relocation** – An initial programme of work has been completed in the reception area of the King Richard III Visitor Centre. Development work on the new

displays was delayed due to the lockdown as a result of COVID-19. The scheme has now recommenced, with further design work being undertaken to install new elements to upgrade the King Richard III visitor experience.

## Capital Programme Project Monitoring 2020/21 Period 9

### Neighbourhood and Environmental Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Mary's Allotments	507	0	July 2019	March 2021	G
Abbey Park Precinct Wall	546	0	March 2022	March 2022	G
Library RFID Self-Service System	330	0	March 2021	Dec 2021	A
Library Improved Self-Access Pilot	210	0	March 2021	Dec 2021	A
Reuse Shop Expansion	530	0	July 2020	July 2021	G
Highways and Parks Public Toilet Refurbishment	138	0	March 2021	March 2021	G
<b>Total</b>	<b>2,261</b>	<b>0</b>			

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

**2.1 Library RFID Self-Service System & Library improved Self-Access** – The contracts for Library RFID Self-Service System are to be signed shortly. For both projects, the forecast completion date has been extended due to delays caused by COVID-19.



## Capital Programme Project Monitoring 2020/21 Period 9

### Estates and Building Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Haymarket House, Car Park and Lifts	3,797	0	Mid 2020	Nov 2020	<b>B</b>
Demolition of Former Anchor Recovery Centre	49	26	June 2020	Nov 2020	<b>B</b>
Housing Estate Shops	905	0	March 2022	March 2022	<b>G</b>
Touchdown Project	50	0	March 2021	March 2022	<b>G</b>
Haymarket Theatre - Internal Completion Works	574	0	March 2021	March 2022	<b>P</b>
Haymarket Bus Station - Toilet Expansion and Refurbishments	446	0	Dec 2020	August 2021	<b>A</b>
Climate Emergency – Carbon Reduction Fund	888	0	March 2022	March 2022	<b>G</b>
<b>Total</b>	<b>6,709</b>	<b>26</b>			

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

- 2.1 Demolition of Former Anchor Recovery Centre** - Additional costs have been incurred due to asbestos removal and unanticipated works. These will be funded from the maintenance budget within the division.
- 2.2 Haymarket Theatre – Internal Completion Works** - The Council is currently reviewing the future operation of the theatre and therefore the works are on hold pending this review.
- 2.3 Haymarket Bus Station - Toilet Expansion and Refurbishments** - The completion of this project has slipped due to delays in getting the license from the Haymarket to complete some of the works and a delay in the tender process.

## Capital Programme Project Monitoring 2020/21 Period 9

### Children's Services

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Additional SEND Places (including Primary Pupil Referral Unit)	15,310	1,100	Dec 2019	Sept 2022	<b>R</b>
Overdale Infant and Juniors School Expansion	3,534	0	Nov 2021	March 2022	<b>G</b>
Expansion of Oaklands Special School	4,675	0	March 2022	Sept 2022	<b>G</b>
New Parks House	48	0	Jan 2021	Jan 2021	<b>B</b>
<b>Total</b>	<b>23,567</b>	<b>1,100</b>			

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

**2.1 Additional SEND Places (including Primary Pupil Referral Unit)** - Following a review of the provision additional works have been identified to cater for a more specialist group of Autism Spectrum Disorder children at Knighton Fields Centre. In order to make the building a specialist standalone unit additional works have been identified to the kitchen, playground and infrastructure.

## Capital Programme Project Monitoring 2020/21 Period 9

### Public Health

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
Leisure Centre Improvement Programme	2,656	0	March 2020	June 2021	G
Leisure Centre Air Handling Units	400	0	March 2020	July 2021	G
<b>Total</b>	<b>3,056</b>	<b>0</b>			

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

## Capital Programme Project Monitoring 2020/21 Period 9

### Housing

#### 1. Projects Summary

Project Name	Approval 2020/21 (£000)	Forecast Over / (Under) Spend (£000)	Original Completion Date	Forecast Completion Date	RAG Rating
St Leonard's Tower Block - Lift	528	0	March 2018	Sept 2021	G
Goscote House Demolition	2,844	0	Jan 2020	Jan 2022	G
New Build Council Housing	5,846	0	April 2020	June 2023	G
Tower Block Sprinklers	1,322	0	April 2022	April 2022	G
Property Conversions	481	0	March 2022	March 2022	G
Feasibility Study for Sheltered Housing	250	0	April 2022	April 2022	G
<b>Total</b>	<b>11,271</b>	<b>0</b>			

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

**2.1 New Build Council Housing** - Phase 1 of the new build programme is now substantially complete, with dwellings on 5 of the 6 sites now ready to let. Costs increased over the life of the project with significant re-engineering work being required to bring these difficult back-land sites into use, alongside improvements to the environmental credentials of the units with the addition of solar panels. Phases 2 and 2b are in their early stages and are expected to complete by June 2023.

**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 20/21 £000</b>	<b>2020/21 Spend to Date £000</b>	<b>Forecast Slippage £000</b>	<b>Forecast Over/(under) Spend £000</b>
Adult Social Care	21	0	0	0
City, Development & Neighbourhoods	595	119	0	0
Planning, Development & Transportation	26,596	5,620	12,497	0
Tourism, Culture & Inward Investment	1,390	138	738	0
Neighbourhood & Environmental Services	1,160	291	311	0
Estates & Building Services	3,699	1,117	1,712	0
Housing General Fund	10,035	2,094	4,426	(280)
Children's Services	4,992	1,269	2,251	0
<b>Total (excluding HRA)</b>	<b>48,488</b>	<b>10,648</b>	<b>21,935</b>	<b>(280)</b>
Housing Revenue Account	49,307	22,531	6,526	(660)
<b>Total (including HRA)</b>	<b>97,795</b>	<b>33,179</b>	<b>28,461</b>	<b>(940)</b>

## 2. Summary of Individual Work Programmes

Work Programme	Dept/ Division	Approved £000	2020/21 Spend to Date £000	Forecast Slippage £000	Forecast Over/(under) Spend £000
Dementia Friendly Buildings Initiative	ASC	21	0	0	0
Feasibility Studies	CDN	595	119	0	0
Transport Improvement Works	CDN (PDT)	9,912	2,046	6,410	0
Bus Engine Retrofitting (DFT funded)	CDN (PDT)	467	0	467	0
Air Quality Action Plan	CDN (PDT)	463	250	200	0
Highways Maintenance	CDN (PDT)	7,458	1,676	2,750	0
Townscape Heritage Initiative - Business Grants	CDN (PDT)	284	181	0	0
Flood Strategy	CDN (PDT)	312	158	0	0
Festive Decorations	CDN (PDT)	49	0	0	0
Local Environmental Works	CDN (PDT)	341	113	50	0
Legible Leicester	CDN (PDT)	201	15	175	0
Parking Strategy Development	CDN (PDT)	274	138	100	0
Leicester Strategic Flood Risk Management Strategy	CDN (PDT)	2,835	515	1,050	0
Potential Strategic Development Sites Assessment	CDN (PDT)	225	154	0	0
Architectural & Feature Lighting	CDN (PDT)	200	0	200	0
Front Wall Enveloping	CDN (PDT)	225	55	100	0
Replacement Doors & Windows St Savours Rd	CDN (PDT)	50	0	0	0
Transforming Cities Work Programmes	CDN (PDT)	2,855	294	700	0
Campbell Street Feasibility Study	CDN (PDT)	200	0	120	0
Conservation Building Grants	CDN (PDT)	50	0	0	0
Street Nameplates City Branding Programme	CDN (PDT)	100	0	100	0
On-Street Charging	CDN (PDT)	95	25	75	0
Heritage Interpretation Panels	CDN (TCI)	288	34	208	0
Retail Gateways	CDN (TCI)	276	20	200	0
Arts & Museum Security Improvements	CDN (TCI)	40	0	0	0
Leicester Museum and Art Gallery	CDN (TCI)	350	3	330	0
Cank St Feasibility	CDN (TCI)	236	0	0	0
Local Shopping Centres Reopening & Improvement Programme	CDN (TCI)	200	81	0	0
Parks Plant and Equipment	CDN (NES)	150	0	0	0
Beaumont Park Depot Rd & Related works	CDN (NES)	99	6	93	0
Cossington Recreation Ground Access Improvements	CDN (NES)	187	184	0	0
Parks and Open Spaces	CDN (NES)	724	101	218	0
Euston Street Store	CDN (EBS)	157	76	0	0
Property & Operational Estate Capital Maintenance Programme	CDN (EBS)	3,292	1,041	1,462	0
Pilot House	CDN (EBS)	250	0	250	0
Private Sector Disabled Facilities Grant	CDN (HGF)	3,213	751	1,766	0
Repayable Home Repair Loans	CDN (HGF)	300	5	0	(280)
Vehicle Fleet Replacement Programme	CDN (HGF)	6,522	1,338	2,660	0
School Capital Maintenance	ECS	4,742	1,269	2,109	0
Foster Care Capital Contribution Scheme	ECS	250	0	142	0
<b>Total (excluding HRA)</b>		<b>48,488</b>	<b>10,648</b>	<b>21,935</b>	<b>(280)</b>

Council Housing - New Kitchens and Bathrooms	CDN (HRA)	4,115	2,075	1,715	0
Council Housing - Boiler Replacements	CDN (HRA)	3,456	1,275	1,156	0
Council Housing - Rewiring	CDN (HRA)	1,884	878	784	0
Council Housing - Disabled Adaptations & Improvements	CDN (HRA)	1,300	508	0	(600)
Council Housing - Insulation Works	CDN (HRA)	100	14	86	0
Council Housing - External Property Works	CDN (HRA)	1,656	1,066	45	0
Council Housing - Fire and Safety Works	CDN (HRA)	1,538	294	1,138	0
Community & Environmental Works	CDN (HRA)	2,385	656	333	(60)
Affordable Housing - Acquisitions	CDN (HRA)	30,256	14,966	0	0
Affordable Housing - RPs & Others	CDN (HRA)	854	399	454	0
Public Realm Works	CDN (HRA)	1,200	1	781	0
Business Systems	CDN (HRA)	563	399	34	0
<b>Total HRA</b>		<b>49,307</b>	<b>22,531</b>	<b>6,526</b>	<b>(660)</b>
<b>Total (including HRA)</b>		<b>97,795</b>	<b>33,179</b>	<b>28,461</b>	<b>(940)</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. Due to the pandemic, there has been a lot of slippage.
- 3.2 **Transport Improvement Works** – The main area of work under this work programme is on Putney Road. Most of the expenditure in 2020/21 is in relation to utilities diversions. Utilities diversions commenced in October 2020, but ongoing COVID-19 delays experienced by utilities providers means they will extend beyond March 2021, resulting in additional slippage of £500k to what was previously reported.
- 3.3 **Bus Engine Retrofitting** - The bus retro-fit programme has been affected by COVID-19 related delays in obtaining specialist parts, resulting in slippage of £467k. This project is funded by Central Government, the City Council does not undertake or directly manage the works.
- 3.4 **Air Quality Action Plan** - The programme will slip £200k of expenditure into 21/22. This is primarily for COVID-19 related reasons, including putting on hold the purchase of staff pool cars.
- 3.5 **Highways Maintenance** - Significant Schemes completed in the last quarter include: Bradgate Street - £120k; Abbey Gate - £40k; Netherhall Road (Phase 3) - £100k and a number of patching sites, including Tennis Court Drive, totalling £120k. Most remaining schemes will be delivered this financial year, with the exception of Welford Road (DfT Challenge Fund scheme) and patching sites including Stoughton Road.

Welford Road resurfacing is programmed for Summer 2021 to minimise highway disruption, and constitutes the majority of the £2.75m slippage being reported for Highways Maintenance.

- 3.6 **Legible Leicester** – There have been delays in delivering the wayfinding expansion areas, resulting in slippage. This is due to delays with the contractor, which have now been resolved and the project is progressing.
- 3.7 **Leicester Strategic Flood Risk Management Strategy** - Marsden Lane – This was delayed 6 weeks at the beginning of the COVID-19 lockdown, due to the uncertain situation in relation to prospective contractors visiting sites. This delayed the contractor's start date, which in turn has pushed the construction more into the winter, with weather conditions having an impact. In addition, delays relating to technical approvals for the structure delayed the contractor placing the order for timber.

Towpath works – this project is being delivered by our partner, the Canals and Rivers Trust (CRT), and their work was delayed last spring when survey work was required to inform design and tender documents. This was due to access



restrictions and also CRT staff were furloughed and could not progress works. This has led to an overall slippage in their programme of approximately 4 months.

- 3.8 **Architectural & Feature Lighting** – Two schemes were approved in 2020, to be implemented by third parties. However, both schemes have been put on hold due to COVID-19. Further schemes are in the early stages of development and will be implemented in 21/22.
- 3.9 **Transforming Cities Work Programmes** - There is £450k slippage in Transforming Cities' secure parking and e-bike share schemes. This is primarily due to COVID-19 related supply and contracting delays. E-bikes have, however, now been delivered and delivery of docking stations is being rolled out across the city.
- 3.10 **Campbell Street Design and Feasibility** – An extended period of commercial negotiations with a prospective development partner has resulted in slippage of £120k.
- 3.11 **Street Nameplates City Branding Programme** –The procurement process for a new street nameplate supplier is nearing completion, but the design stage for the nameplates has been delayed. We anticipate that the contract will be signed shortly.
- 3.12 **Retail Gateways** – Programme slippage is a result of not being able to deliver some of the schemes caused by business closures and lockdowns due to COVID-19.
- 3.13 **Beaumont Park Depot Rd & Related works** – This programme is on hold pending the strategic review of depots.
- 3.14 **Parks and Open Spaces** – Slippage is due to delays consulting with key stakeholders on two major schemes. These are Rally Park - new ball court (£143k) and Victoria Park Bandstand (£75k). These have now been completed and planning applications will be submitted soon, with anticipated completion in the summer.
- 3.15 **Property & Operational Estate Capital Maintenance Programme** - The Corporate Property Improvement Programme has slippage due to the impacts of COVID-19.
- 3.16 **Pilot House** – The design and survey for the Pilot House development was delayed. This has now been finalised, with spend on design work planned for 21/22.
- 3.17 **School Capital Maintenance** - Forecast slippage is mainly due to delays in contractors being able to gain access to schools to carry out works.
- 3.18 **Foster Carers – Capital Contribution** - Of the capital investment this year, £83k has been spent so far and a further £25k is forecast to be spent by the

end of the financial year. We have continued to receive applications for this funding, with a further £109k spend committed. This capital investment supports the Council's wider placement sufficiency requirements to ensure there is adequate suitable accommodation for children who are Looked After. The full £165k is proposed to slip into 2021/22 to continue support these works.

- 3.19 **Disabled Facilities Grants** – Given the vulnerability of many people in receipt of these grants, the extended lockdown period has resulted in further delays to the works on properties. This will result in forecast slippage of nearly £1.8m.
- 3.20 **Repayable Home Repairs Loans** – As a demand-led service, there are variations in the number of requests for loans, and this has been under-subscribed this year. It is not anticipated that the £280k forecast underspend for 20/21 will be required in 21/22.
- 3.21 **Fleet Replacement**– By the end of the year, orders for vehicles will have been placed to the full extent of the budget. However, the time-lag between placing orders and their delivery will result in slippage, exacerbated by the increases in manufacturing and delivery times caused by COVID-19.
- 3.22 **Kitchens & Bathrooms** – Limited access to tenants' properties due to COVID-19 has resulted in forecast slippage of £1.7m on this work programme. This reflects the current capacity of contractor.
- 3.23 **Boiler Replacements** – Boiler replacements have been limited compared with previous years due to COVID-19, but contractors are continuing to catch up with planned work despite the additional lockdown.
- 3.24 **Re-Wiring** – Re-wiring is still currently being limited to void properties, which is expected to continue for the foreseeable future. As a result of additional focus on this area, the forecast slippage has reduced from period 6 to £0.7m.
- 3.25 **Disabled Adaptations** – This demand-led work programme is forecasting an underspend of just over £0.6m; as reported previously, fewer requests for support are being received.
- 3.26 **External Property Works** – The re-roofing and soffits/facia work has been largely unaffected by COVID-19, which has enabled the service to bring forward work to the value of £0.4m that would otherwise have been completed in 2021/22. Whilst the balcony improvement work on Aikman Avenue will slip into 2021/22, concrete survey work on the St Matthews and St Peters estates can take place this year and this report requests that £400k be added to the HRA capital programme, funded from HRA reserves.
- 3.27 **Fire & Safety Works** – As reported at period 6, there is currently a national delay in the process for manufacturers of fire doors gaining accredited approval for their use from government. Existing doors are being monitored to ensure they remain safe, but the current procurement process continues to be affected.

- 3.28 **Communal & Environmental Works** – Due to the external nature of the work some of the 2021/22 programme of concrete path replacement has been brought forward into the current year, to the value of £150k. However, as reported at period 6, large-scale planned works on the district heating network have been delayed because of the desire to avoid shutdowns during lockdown.
- 3.29 **Affordable Housing – Acquisitions** – Although COVID-19 has had an impact on the number of properties available for purchase, a continued pipeline of properties has been maintained. Some larger acquisitions are planned which is likely to result in bringing forward budget which was originally profiled for spend in 2021/22.
- 3.30 **Public Realm Works** – Whilst the full budget for the year has been allocated to specific schemes, much of the work will not have been completed by the end of March. The extended lockdown period continues to result in procurement delays, with improvement schemes to internal areas of blocks being pushed back until it is safer to carry out work in public areas. Work has been carried out to tidy up the green spaces and the landscape architects are currently mapping and developing plans for the St Matthews and St Peter's estates.

**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 Period 9, £11k of the budgets for capital provisions had been spent.
- 1.3 Normally provisions are there if needed. The sums below are for the 2020/21 financial year.

<b>Provision</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>2020/21 Total £000</b>	<b>Remaining Budget £000</b>
Empty Homes Purchase	CDN (HGF)	50	0	0	50
Early Years - Two Year Olds	ECS	152	11	11	141
<b>Total</b>		<b>202</b>	<b>11</b>	<b>11</b>	<b>191</b>

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

- 1.1 As at the end of Period 9, the following schemes were nearing completion. The budgets are the unspent amounts from previous years' capital programmes, mainly as a result of slippage.

<b>Project</b>	<b>Dept/ Division</b>	<b>Approved £000</b>	<b>2020/21 Spend to Date £000</b>	<b>Forecast Over/(Under) Spend £000</b>
ICT Investment - Phase 2 - Liquidlogic	ASC	64	22	0
Great Central Street / Vaughan Way	CDN (PDT)	262	34	(150)
11-15 Horsefair Street	CDN (EBS)	145	58	0
Corporate Storage Area Network (SAN) Replacement	CRS	350	350	0
Additional Primary School Places	ECS	189	50	(13)
Additional Secondary School Places	ECS	22,757	17,439	(3,680)
Children's Residential Homes	ECS	879	688	0
Waterside Primary School	ECS	20	0	0
St Paul's Temporary Modular Buildings	ECS	7	0	(7)
Relocation of Sexual Health Clinic	PH	113	52	0
<b>Total</b>		<b>24,786</b>	<b>18,693</b>	<b>(3,850)</b>

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

1.1 As at Period 9, 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>
CDN (PDT)	Economic Action Plan	1,232
CDN (PDT)	Ashton Green Infrastructure	400
CDN (PDT)	Strategic Acquisitions	4,000
CDN (EBS)	Commercial Property Acquisitions	1,933
CDN (TCII)	Tourism & Culture	550
CDN (TCII)	Highways, Transport & Infrastructure	3,364
CDN (Various)	People & Neighbourhoods	1,792
ECS	New School Places	14,569
ASC	Extra Care Schemes	6,700
<b>Total (excluding HRA)</b>		<b>34,540</b>
CDN (HRA)	Other HRA Schemes	1,000
<b>Total HRA</b>		<b>1,000</b>
<b>Total (including HRA)</b>		<b>35,540</b>

1.2 Releases from policy provisions since Outturn (reflected in the tables above) are listed below:

- £170k policy provision for Cossington Recreation Ground Access Improvements released 29/04/20.
- £500k policy provision for North West Leicester Regeneration Area released 10/06/20.
- £236k policy provision for Cank St Feasibility released 23/06/20.
- £250k policy provision for Pilot House released 29/06/2020.
- £10,030k policy provision for Additional Secondary School Places released 10/07/20.
- £8,122k policy provision for Additional SEND Places (including Pupil Referral Units) released 17/07/20.
- £920k policy provision for Additional SEND Places (including Pupil Referral Units) released 29/07/20.
- £500k policy provision for Local Shopping Centres Reopening & Improvement Programme released 29/07/20.
- £138k policy provision for Highways and Parks Public Toilet Refurbishment released 05/10/20.
- £3,200k policy provision for St Margaret's and Granby St/St George's Street Regeneration Gateways released 23/10/20.

- 1.3 The Economic Action Plan Policy Provision includes £1,000k that has been committed for the Cultural Investment Programme, as per an executive decision taken on 23<sup>rd</sup> October 2018. This money will not be formally committed until all of the other funding for the scheme is in place.

