



Leicester  
City Council

## **MEETING OF THE CHILDREN, YOUNG PEOPLE AND EDUCATION SCRUTINY COMMISSION**

**DATE: TUESDAY, 18 JANUARY 2022**

**TIME: 5:30 pm**

**PLACE: Meeting Rooms G.01 and G.02, Ground Floor, City Hall, 115  
Charles Street, Leicester, LE1 1FZ**

### **Members of the Commission**

Councillor Gee (Chair)

Councillor Cole (Vice-Chair)

Councillors Batool, Crewe, Pandya, Pickering, Riyait and Willmott

#### **Co-opted Members (Voting)**

Gerry Hirst

Carolyn Lewis

Mr Mohit Sharma

Vacancy

Roman Catholic Diocesan

Church of England Diocese

Parent Governor (Primary/Special Schools)

Parent Governor (Secondary Schools)

#### **Standing Invitees (Non-Voting)**

Janet McKenna

Joseph Wynglendacz

Vacancy

Vacancy

Vacancy

Unison

Teaching Unions

Faith Representative (Hindu)

Faith Representative (Muslim)

Faith Representative (Sikh)

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

For the Monitoring Officer

#### **Officer contacts:**

**Jacob Mann (Democratic Support Officer),**

Tel: 0116 454 5843, e-mail: [jacob.mann@leicester.gov.uk](mailto:jacob.mann@leicester.gov.uk)

Leicester City Council, City Hall, 3rd Floor Granby Wing, 115 Charles Street, Leicester, LE1 1FZ

## Information for members of the public

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You have the right to attend formal meetings such as full Council, committee meetings, and Scrutiny Commissions and see copies of agendas and minutes.

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- wear face coverings throughout the meeting unless speaking or exempt;
- make use of the hand sanitiser available;
- when moving about the building to follow signs about traffic flows, lift capacities etc;
- comply with Test and Trace requirements by scanning the QR code at the entrance to the building and/or giving their name and contact details at reception prior to the meeting;
- if you are displaying Coronavirus symptoms: a high temperature; a new, continuous cough; or a loss or change to your sense of smell or taste, you should NOT attend the meeting, please stay at home, and get a PCR test.

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- ✓ to respect the right of others to view and hear debates without interruption;
- ✓ to ensure that the sound on any device is fully muted and intrusive lighting avoided;
- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

### **Further information**

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

**Jacob Mann, Democratic Support Officer on 0116 454 5843.**

Alternatively, email [jacob.mann@leicester.gov.uk](mailto:jacob.mann@leicester.gov.uk), or call in at City Hall.

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



## USEFUL ACRONYMS IN RELATION TO OFSTED AND EDUCATION AND CHILDREN'S SERVICES

(updated November 2015)

<b>Acronym</b>	<b>Meaning</b>
APS	Average Point Score: the average attainment of a group of pupils; points are assigned to levels or grades attained on tests.
ASYE	Assessed and Supported Year in Employment
C&YP	Children and Young People
CAMHS	Child and Adolescent Mental Health Service
CFST	Children and Families Support Team
CICC	Children in Care Council
CIN	Children in Need
CLA	Children Looked After
CLASS	City of Leicester Association of Special Schools
COLGA	City of Leicester Governors Association
CPD	Continuing Professional Development
CQC	Care Quality Commission
CYPF	Children Young People and Families Division (Leicester City Council)
CYPP	Children and Young People's Plan
CYPS Scrutiny	Children, Young People and Schools Scrutiny Commission
DAS	Duty and Advice Service
DCS	Director of Children's Services
EAL	English as an Additional Language
EET	Education, Employment and Training
EHA	Early Help Assessment
EHCP	Education Health and Care Plan
EHP	Early Help Partnership
EHSS	Early Help Stay Safe
EIP	Education Improvement Partnership

ELG	Early Learning Goals: aspects measured at the end of the Early Years Foundation Stage Profile
EY	Early Years
EYFS	Early Years Foundation Stage: (0-5); assessed at age 5.
EYFSP	Early Years Foundation Stage Profile
FS	Foundation Stage: nursery and school Reception, ages 3-5; at start of Reception a child is assessed against the new national standard of 'expected' stage of development, then teacher assessment of Foundation Stage Profile areas of learning
FSM	Free School Meals
GCSE	General Certificate of Education
GLD	Good Level of Development
HMCI	Her Majesty's Chief Inspector
HR	Human Resources
ICT	Information, Communication and Technology
IRO	Independent Reviewing Officer
JSNA	Joint Strategic Needs Assessment
KPI	Key Performance Indicator
KS1	Key Stage 1: National Curriculum Years (NCYs) 1 and 2, ages 5-7; assessed at age 7.
KS2	Key Stage 2: NCYs 3, 4, 5, and 6, ages 7-11; assessed at age 11.
KS3	Key Stage 3: NCYs 7, 8 and 9, ages 11-14; no statutory assessment.
KS4	Key Stage 4: NCYs 10 and 11, ages 14-16; assessed at age 16.
KTC	Knowledge Transfer Centre
LA	Local Authority
LADO	Local Authority Designated Officer
LARP	Leicester Access to Resources Panel
LCCIB	Leicester City Council Improvement Board
LCT	Leicester Children's Trust
LDD	Learning Difficulty or Disability
LESP	Leicester Education Strategic Partnership
LLEs	Local Leaders of Education
LP	Leicester Partnership

LPP	Leicester Primary Partnership
LPS	Leicester Partnership School
LSCB	Leicester Safeguarding Children Board
LSOAs	Lower Super Output Areas
MACFA	Multi Agency Case File Audit
NCY	National Curriculum Year
NEET	Not in Education, Employment or Training
NLEs	National Leaders of Education
NLGs	National Leaders of Governance
OFSTED	Office for Standards in Education, Children's Services and Skills
PEPs	Personal Education Plans
PI	Performance Indicator
PVI	Private, Voluntary and Independent
QA	Quality Assurance
RI	Requires Improvement
SA	Single Assessment
SALT	Speech and Language Therapy
SCR	Serious Case Review
SEN	Special Educational Needs
SEND	Special Educational Needs and Disabilities
SIMS	Schools Information Management Systems
SLCN	Speech, Language and Communication Needs
SLEs	Specialist Leaders of Education
SMT	Senior Management Team
SRE	Sex and Relationship Education
TBC	To be Confirmed
TFL	Tertiary Federation Leicester
TP	Teenage Pregnancy
UHL	University Hospitals Leicester
WIT	Whatever it Takes
YOS	Youth Offending Service
YPC	Young People's Council

## **PUBLIC SESSION**

### **AGENDA**

#### **FIRE / EMERGENCY EVACUATION**

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

**Appendix A  
(Pages 1 - 6)**

The minutes of the meeting of the Children, Young People and Education Scrutiny Commission held on 7 December 2021 are attached and Members are asked to confirm them as a correct record.

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

#### **5. PETITIONS**

The Monitoring Officer to report on the receipt of any petitions received.

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

The Monitoring Officer to report on any questions, representations, or statements of case received

#### **7. DRAFT REVENUE BUDGET 2022/23 AND DRAFT CAPITAL PROGRAMME 2022/23**

**Appendix B  
(Pages 7 - 70)**

The Director of Finance submits the following reports setting out the City Mayor's proposed Draft Revenue Budget 2022/23 and Draft Capital Budget 2022/23.

The Commission is recommended to consider and comment on the Children,

Young People and Education element of the budgets. The Commission's comments will be forwarded to the Overview Select Committee as part of its consideration of the reports before they are presented at the Council meeting on 23 February 2022.

**8. COVID-19 UPDATE AND VACCINATIONS IN LEICESTER SCHOOLS**

The Strategic Director of Social Care and Education and the Principal Education Officer will provide a verbal update on the current situation concerning the impact of Covid-19 and the Covid and Flu vaccination programmes.

**9. OFSTED INSPECTION REPORT**

**Appendix C  
(Pages 71 - 86)**

The Strategic Director of Social Care and Education submits the report from the recent Ofsted inspection of Children, Young People, and Education Services, alongside letters from the Department of Education and Ofsted.

**10. MILLGATE SCHOOL RESIDENTIAL REVIEW REPORT**

**Appendix D  
(Pages 87 - 94)**

The Strategic Director of Social Care and Education submits a report to provide the Commission with an overview of the findings from a strategic commissioning review of Millgate School's overnight respite / residential provision. Millgate School is a school for children with special educational needs and specialises in provision for pupils with Social Emotional and Mental Health needs.

**11. SPECIAL SCHOOL BANDING MODERATION PROCESS**

The Director for Adult Social Care and Commissioning will provide a verbal update on the Special Schools banding moderation process.

**12. HIGH NEEDS BLOCK ELEMENT 3 DECISIONS**

The Director of Adult Social Care and Commissioning will provide a verbal update on the consultation process for the High Needs Block Element 3 allocation.

**13. WORK PROGRAMME**

**Appendix E  
(Pages 95 - 100)**

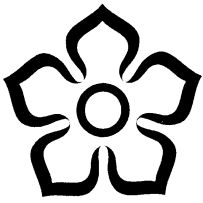
The Commission's Work Programme is attached for information and comment.

**14. ANY OTHER BUSINESS**









Leicester  
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# Appendix A

Minutes of the Meeting of the  
CHILDREN, YOUNG PEOPLE AND EDUCATION SCRUTINY COMMISSION

Held: TUESDAY, 7 DECEMBER 2021 at 5:30 pm

P R E S E N T :

Councillor Gee (Chair)  
Councillor Cole (Vice Chair)

Councillor Batool  
Councillor Crewe

Councillor Riyait

Councillor Pandya  
Councillor Pickering

Standing Invitees (Non-Voting)

Joseph Wynglendacz

Union Representative

\* \* \* \* \*

**1. APOLOGIES FOR ABSENCE**

Apologies were received from Janet McKenna and Carolyn Lewis.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3. MINUTES OF THE PREVIOUS MEETING**

AGREED:

That the minutes of the meeting of the Children, Young People and Education Scrutiny Commission held on 19 October 2021 be confirmed as a correct record.

**4. CHAIR'S ANNOUNCEMENTS**

The Chair informed the Commission that due to Officer availability, the items would be taken out of agenda order.

The Chair paid tribute to Councillor Ratilal Govind, who had passed away the week before.

## **5. PETITIONS**

The Monitoring Officer reported that none had been received.

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

The Monitoring Officer reported that none had been received.

## **7. UPDATE FROM WORKING GROUP ON THE UNDER ACHIEVEMENT OF 'BLACK CARIBBEAN' AND 'WHITE BRITISH WORKING-CLASS' PUPILS OF SECONDARY SCHOOL AGE IN LEICESTER**

Councillor Cutkelvin, Assistant City Mayor for Education and Housing, introduced the item. It was noted that this was an update from the working group lead by Councillor Cole, looking at the under achievement of 'Black Caribbean' and 'White British Working-Class' pupils of secondary school age in Leicester.

Sue Welford, Principal Education Officer, presented the item, it was noted that:

- The working group had representatives from community groups and education leaders.
- The first focus of the working group was developing a diverse curriculum in secondary schools, good practice in other Authorities was being researched and it was hoped this could be rolled out at the beginning of the next academic year.
- Racial literacy training was another area of focus, looking at supporting schools who struggle in the area. This work would be done on a school-wide level.
- This work would be pulled together with a race equality mark, enabling schools to focus on good outcomes.
- The 'Everybody's Welcome' work was already ongoing in primary schools and it was hoped this could be expanded.

In response to Members' questions, it was noted that:

- All but 4 schools in the city were involved in the work. Independent and faith schools had not yet been approached.
- Intergenerational work had not yet been considered but would be considered going forward.
- Written materials on this work would hopefully be available around the summer term.
- Schools Governors were a key part of driving the work forward, it was hoped that they would attend the racial literacy training in an online capacity.

- The unique characteristics of each school in the city presented a challenge in delivering the work.

AGREED:

1. That the Commission notes the update.
2. That the Commission requests a further update on this work in the next municipal year.

## **8. COVID-19 UPDATE AND VACCINATIONS IN LEICESTER SCHOOLS**

Sue Welford, Principal Education Officer, presented the update, it was noted that:

- There had been further changes to guidance relating to schools, including mask wearing in communal areas.
- The Covid rate for 11-16s was the highest of any age group in the city, but the rate was average for core cities.
- There had been class closures due to the lack of staff, perpetuated by a lack of supply staff.
- Vaccination rates for pupils remained low, with only a third of pupils having received a first dose.

In response to Members' questions it was noted that:

- The lack of uptake for pupil vaccines was thought to be partly due to concerns around the vaccine, but largely due to not being able to fill in the online consent form. Work was ongoing to make the consent form easier to access.
- The Leicester Partnership Trust hadn't been given any additional resources to deliver the Covid vaccination effort. Meaning that flu vaccines and other vaccines were less available.
- The delay in schools receiving CO2 monitors was an issue in helping ventilation in classrooms.
- Schools individual risk assessments were important for ensuring ventilation in classrooms.

## **9. LOCAL AUTHORITY DESIGNATED OFFICER ANNUAL REPORT 2020/21**

Caroline Tote, Director of Social Care and Early Help, presented the item, it was noted that:

- This was an annual report on the Local Area Designated Officer (LADO), responsible for supporting employers across the city understand their safeguarding responsibilities.
- LADO could provide advice and guidance in cases of concern in relation to safeguarding.
- LADO would also be involved in the process of Child Protection Investigations.

- In a investigation relating to a position of trust, the balance of probability can be used to make a decision.

In response to Members' questions, it was noted that:

- In terms of feedback, LADO was included in general quality assurance, but not on a regular basis. Any feedback gathering would need to include a broad picture.
- One area that LADO needed strengthened links with was the voluntary sector.
- The reason for an increase in referrals from the voluntary sector wasn't clear but was seen as positive.
- There weren't figures relating to referrals regarding CLA.
- It was expected that fostering services would have contact with LADO.
- An increase in referrals relating to fostering could be explained by the increased time at home over the pandemic period.
- There was no backlog of cases, but cases could take a while due to being Police led.
- LADO covered those paid and volunteered to be in a position of trust, investigations relating to parents and carers were covered by a separate Child Protection process.
- During the Covid lockdown, work had been done to ensure wellbeing for vulnerable children.
- Serious case reviews were available to view online and showed the lessons to be learnt from serious cases relating to safeguarding.

AGREED:

1. That the Commission notes the report.

## **10. DYSLEXIA SUPPORT IN SCHOOLS**

Sue Welford, Principal Education Officer, presented the item, it was noted that:

- The focus for identifying those with dyslexia was focused on what was going on in the classroom.
- Pupils with dyslexia required different levels of support depending on the severity of the case.

In response to Members' questions it was noted that:

- The official numbers of CYP with dyslexia were only for diagnosed, meaning that the number of CYP with dyslexia was higher than official.
- The diagnosis process took weeks or months due to an evidence gathering process, the main assessment could be done in one day.
- The Service typically responded to concerns raised by schools, so took a reactive rather than proactive approach. This meant that schools needed to be able to identify signs of the condition.

- It was felt that the best place for dyslexic CYP was mainstream schools.
- A consultation had recently completed on SEND funding for mainstream schools. The new funding model proposed would be child centred. There weren't a large number of dyslexic CYP who would trigger top-up funding.
- Parents looking for a private diagnosis was often due to capacity issues at schools.
- A training offer was available to schools to help them in this area.
- Some training was offered for parents and carers in this area.

AGREED:

1. That the Commission notes the report.

## **11. AUTISM AND ADHD SUPPORT IN SCHOOLS**

Sue Welford, Principal Education Officer presented the report, it was noted that this was similar to the previous report, looking at the whole process of diagnosis and support.

In response to Members' questions it was noted that:

- There were about 1,000 CYP on case loads in this area in the city.
- The Service worked in partnership with national charities such as the Autism Education Trust.
- Support was available for parents through the process of diagnosis and a range of training was available post-diagnosis. Due to CYP aging with the Service, strong relationships were often built with parents. The SENCO network was also available to support families.

AGREED:

1. That the Commission notes the report.

## **12. OFSTED INSPECTION - UPDATE**

Councillor Russell, Deputy City Mayor for Social Care and Anti-Poverty, introduced the item. It was noted that the recent Ofsted inspection was the cumulation of years of work to improve CYP Services.

Martin Samuels, Strategic Director of Social Care and Education, presented the item, it was noted that:

- The inspection process was rigorous, with the main interest of inspectors being individual families.
- The full report was only 9 pages long and was easily digestible.
- The result of the report was a 'Good' rating, with the Council having the second-best rating in the region. The best rating in the history of the

Council.

- The inspectors stated that they could not see any impact of the Covid pandemic on service delivery.
- The inspectors saw an enormous commitment to Leicester in the services inspected.
- The report deemed the ambition to be Outstanding to be realistic and achievable. This ambition was not to receive a positive Ofsted rating, but to make a difference for CYP in the city.

Members of the Commission congratulated the Service on the outcome of the report. Members thanked the City Mayor for sticking through previous difficult reports and making the right choices to improve the Service.

It was noted that areas for improvement raised in the report were already identified in the divisional 3-year plan. Other Local Authorities who did well in areas identified for improvement would also be contacted to find good practice. It was noted that the report stated these areas as being good but needing a little bit extra to take the Council to Outstanding.

### **13. WORK PROGRAMME**

Members of the Commission were invited to consider content of the work programme and were invited to make suggestions for additions as appropriate to be brought to future meetings.

### **14. ANY OTHER BUSINESS**

It was noted that West Gate School had been successful in its attempt to revoke the academy order placed upon it having received a 'Good' Ofsted rating.

There being no other business, the meeting closed at 7.54pm.



# Overview Select Committee

Date: 10<sup>th</sup> February 2022

## **Draft Revenue Budget 2022/23**

Lead director: Director of Finance



City Mayor

DRAFT

## Useful information

- Ward(s) affected:
- Report author: Catherine Taylor/Mark Noble
- Author contact details: [catherine.taylor@leicester.gov.uk](mailto:catherine.taylor@leicester.gov.uk)  
[mark.noble@leicester.gov.uk](mailto:mark.noble@leicester.gov.uk)
- Report version number: 1

### 1. **Purpose**

- 1.1 The purpose of this report is to describe the City Mayor's draft budget for 2022/23, which will be considered by scrutiny committees in the new year and by the Council on the 23<sup>rd</sup> February 2022.
- 1.2 In recent years, a full draft budget report has been published in December, prior to the Council meeting. This year, due to lack of information from the government at an early enough stage, it has not been possible to produce a full report. This is therefore a shortened version, summarising the position.

### 2. **Summary**

- 2.1 The budget for 2022/23 has been preceded by ten years of austerity between 2010 and 2020, and a "stop-gap" budget in 2021/22 which was occasioned by the Covid pandemic.
- 2.2 Since 2010, the Council has been forced by government cuts to make substantial savings in its budgets, whilst simultaneously making more money available for social care. By 2020, the budget for services other than social care had been cut by 50% in real terms.
- 2.3 The Council's previous approach to achieving budget reductions was based on the following approach:
  - (a) An in-depth review of discrete service areas (the "Spending Review Programme"); and
  - (b) Building up reserves in order to "buy time" to avoid crisis cuts and to manage the Spending Review Programme effectively. We termed this the "Managed Reserves Strategy."
- 2.4 The Spending Review approach served us well: savings of nearly £50m were made between 2014 and 2020, and left the Council with a relatively healthy level of reserves at the start of 2021 (compared to other authorities).
- 2.5 The budget for 2021/22 was set in the middle of the Covid pandemic. It was recognised that a significant programme of savings could not be delivered at that time. As a consequence:
  - (a) The budget for 21/22 was balanced using reserves. It was effectively a "standstill" budget representing the underlying position before any further cuts;

- (b) We “drew a line” under the Spending Review Programme;
  - (c) It was anticipated that significant additional savings would be required beyond 2021/22, to ensure future financial sustainability.
- 2.6 The outlook for the medium term, at the time the 2021/22 budget was set, was unknown.
- 2.7 The budget outlook for 2022/23 and beyond has been established by the Comprehensive Spending Review, published on 27<sup>th</sup> October 2021. As a consequence we believe, without further action, we face an increasing and unsustainable budget gap in future years. We do not yet have the local government finance settlement, the outcome of which is more unpredictable than usual.
- 2.8 As a result of past processes and firm action taken by the Council to balance earlier budgets, our reserves remain healthier than many authorities’. This will enable us to balance the budget for 2022/23 without crisis cuts.
- 2.9 The budget for 2022/23 has therefore been constructed as follows:
- (a) Increases to budgets have been made where absolutely essential to maintain service provision. In practice, this amounts to £22m for adult social care and special education services;
  - (b) Where departments have identified efficiency savings which can be achieved from management action, these have been built into budgets. £4m has been saved in this way.
- 2.10 In September, the Government published “Build Back Better - Our Plan for Health and Social Care” which promises reforms to social care, principally to limit the amounts users will have to pay towards their own care over their lifetimes. Funding has been announced, totalling £3.6 billion over the next three years, although we do not yet have full details and have reason to believe it will prove to be insufficient.
- 2.11 The national social care proposals explicitly do not provide any funding towards existing pressures in social care, which continue to escalate nationally. At the time of writing, the only support announced towards these costs is the ability to increase council tax by an additional 1% - this will raise just £1.3m in Leicester. Adult social care costs, conversely, are estimated to increase by £18m in 2022/23 rising to £43m by 2023/24 as a result of rising numbers of people needing care, increases in the needs of those already receiving care, and the impact of increases in the national living wage and a tight labour market.
- 2.12 The Comprehensive Spending Review provides an additional £1.4bn for local government in 2022/23, in addition to monies provided for social care reform. Our working assumption is that £9m of this will be allocated to Leicester. Whilst this is intended for all services, in practice it will do no more than make a small contribution to the growth of costs in social care. There is no further money in 2023/24 or 2024/25.

- 2.13 Unfunded social care pressures present a severe threat to the financial sustainability of the Council. The City Mayor has made this case strongly to the Government.
- 2.14 Some services continue to experience income shortfalls arising from the pandemic. The key areas are car parking and bus lane enforcement. Funding has been received from the Government to help meet these pressures in 2021/22, but none is expected in 2022/23. Departments have identified likely pressures of some £4m, and a one off sum has been set aside to meet these pressures.
- 2.15 The budget proposes a tax increase of just under 3%, which is the maximum we are allowed without a referendum.
- 2.16 The medium term outlook is attached as Appendix 3 and shows the escalating scale of the financial pressures facing the council.

### 3. **Budget Overview**

- 3.1 The table below summarises the proposed budget for 2022/23 (summary projections for a three-year period are included in the medium term strategy at Appendix 3):

	<b>2022/23 £m</b>
<b>Service budget ceilings</b>	323.0
<b>Corporate Budgets</b>	
Capital Financing	7.5
Miscellaneous Corporate Budgets	1.2
Contingency	1.0
<b>Total forecast spending</b>	<b>332.7</b>
<b>Rates retention scheme:</b>	
Business rates income	65.3
Top-up payment	49.8
Revenue Support Grant	38.4
<b>Other resources:</b>	
Council Tax	133.6
Collection Fund deficit	(2.9)
Social Care grants	13.1
New Homes Bonus	3.7
<b>Total forecast resources</b>	<b>301.0</b>

<b>Underlying gap in resources</b>	<b>31.7</b>
Proposed funding from reserves	(31.7)
<b>Gap in resources</b>	<b>NIL</b>

#### 4. **Departmental Budget Ceilings**

- 4.1 Budget ceilings will be prepared for each service, calculated as follows:
- (a) The starting point is last year's budget, subject to any changes made since then which are permitted by the constitution (e.g. virement);
  - (b) An allowance for non-pay inflation has been added to the budgets for independent sector adult social care (2%), foster care (2%) and the waste PFI contract (RPI, in line with contract terms). Apart from these areas, no allowance has been made for non-pay inflation;
  - (c) Unavoidable growth has been built into the budget, as described in the sections below. This includes provision for the increase in employers' national insurance rates which the Government has announced, to pay for social care reform;
  - (d) Where savings are achievable through management action, these have been deducted.
- 4.2 At the time of writing, the local government pay awards for 2021/22 and 2022/23 have not been finalised. A provision is held centrally to fund this (and is shown within the "service budgets" line in the table above, as it will eventually be transferred to the relevant budget ceilings). The budget assumes pay awards of 1.75% in 2021/22, in line with the offer made by local government employers; and 2.5% in 2022/23.
- 4.3 The role of the Council is to determine the financial envelopes within which the City Mayor has authority to act. Notwithstanding the way the budget has been constructed, the law does not enable the Council to determine how the City Mayor provides services within these envelopes: this is within his discretion.

#### **Adult Social Care**

- 4.4 Adult social care services nationally have been facing severe cost pressures for some years, and these are expected to continue. In our own case, we anticipate cost growth of £18m in 2022/23, accelerating in future years, as a consequence of rising numbers of older and younger adults requiring care, increases in the level of need of the average care recipient, pressure on providers due to National Living Wage increases, and difficulties in recruiting and retaining staff in the face of stiff competition from other sectors.
- 4.5 The government has generally responded to these pressures on an ad-hoc basis, making one-off resources available year by year. Over recent years, this has averaged an additional £8m per year, from a combination of one-off grant sources, and council tax increases via the "adult social care precept."
- 4.6 On 7<sup>th</sup> September, the government announced a number of reforms to the way social care will be funded, chiefly limiting the amount individuals will have to contribute to their own care. An additional 1.25% has been added to employers' (and employees') national insurance rates to provide funding for these reforms

(although the majority of the money raised will go to the NHS initially). In the recent Comprehensive Spending Review, £3.6 billion was provided for local government's costs over the years 2022-23 to 2024-25.

- 4.7 The government has also promised to compensate public bodies for the cost of national insurance increases they will incur, but it appears that this is included in the additional £1.4bn announced in the CSR.
- 4.8 It is not yet known whether the new monies will be sufficient to meet the new costs. In particular, it is assumed that the government will not compensate authorities for the cost of national insurance rises for the staff of care providers, which will inevitably be passed on to us.
- 4.9 The government has stated that funding for the cost of demographic growth will need to be covered through core funding and council tax, via a 1% adult social care precept (which will raise £1.3m). This presents a substantial challenge to the authority, and is the prime cause of the looming cuts described in the medium term outlook.
- 4.10 The proposed budget includes the following growth for adult social care:

	<b>2022/23</b>	<b>2023/24</b>
	<b>£000</b>	<b>£000</b>
Growth in cost of care packages	17,487	41,977
NI cost increases falling on care sector	500	500
Limitation of individual contributions to care costs	400	400
	18,387	42,877
Less measures to reduce package cost increases	(1,927)	(1,927)
<b>Net Growth</b>	<b>16,460</b>	<b>40,950</b>

- 4.11 Predicting future costs of care packages has been made more difficult because of the effects of the pandemic and its aftermath. In 2020/21, requests for adult social care support fell as people were reluctant to enter residential care or to invite carers into their homes. It is assumed that, in 2022/23, cost growth will return to trend:
- (a) a 3% per year increase in the number of older people, and a 5% increase in the numbers of working age people requiring support;
  - (b) An increase in the in-year average cost of existing care packages of 6% per year;
  - (c) The impact of a National Living Wage increase to £9.50, announced in the Comprehensive Spending Review. This must be paid by care sector providers, and the cost will inevitably be passed on to local authorities.

- 4.12 In addition to package growth, money needs to be provided for:
- (a) The expected amount we will need to pay to compensate care providers for their national insurance increases;
  - (b) Loss of income due to limitation of increases in the level of contribution made by individuals towards the cost of the care they receive, which will arise because of increases in the minimum income guarantee.
- 4.13 In order to reduce overall cost increases, the department is taking further measures to reduce costs. These include:
- (a) Reviewing existing packages of care;
  - (b) Exploring the use of technology prior to putting a package of care in place.
- 4.14 These measures are expected to reduce the overall level of growth by £1.9m per year.

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

- 4.15 In common with authorities across the country, increased demand for children's social care services has created substantial budget pressure for many years.
- 4.16 It is difficult to make accurate forecasts about spending need in 2022/23 and beyond, due to the distorting effect of the pandemic and its aftermath. At the time of preparing the 2021/22 budget, the pandemic had made no appreciable difference to demand for social care and early help (rather unexpectedly), although the number of entrants to the service started to increase in the second half of 2020/21. This led to a cost pressure which was compounded by court delays, delaying young people who were ready to leave the service. Consequently, the population of children who are looked after on 1<sup>st</sup> April 2021 was higher than budgeted.
- 4.17 A forecast of placement costs in 2022/23 has been made, which assumes the number of entrants to the care system stabilises at 150 per year, with existing preventative therapy teams being used to their full extent. On this basis, pressures on the overall budget are estimated to be £1.3m in 2022/23. However, given the current level of uncertainty, it is proposed to fund this cost from earmarked social care reserves rather than building growth into the budget. The position will be reviewed when the situation has settled down post-pandemic.
- 4.18 Work has taken place to create a wider range of semi-independent provision than we previously had, and to enhance the foster care offer and sustain foster carer numbers. Further measures are being taken to reduce placement costs:
- (a) Regular review of long-term and high cost placements;
  - (b) Development of additional internal residential homes to mitigate against independent sector price increases;
  - (c) Development of an advanced foster carer scheme to look after children with more complex needs.



4.19 Growth for the Education and Children’s Services budget is, however, proposed in respect of areas related to education services:

- (a) The need for additional resources to deal with an ever-growing number of requests for education, health and care plans (EHCPs), driven in part as a result of the pandemic, something other local authorities are also experiencing;
- (b) Deficiencies in the budget for special educational needs transport, where savings were not achieved following the abandonment of a fixed rate taxi procurement contract. A new contract is now being procured, which will be implemented from April 2022. Work is also taking place to further promote the use of personal budgets and thereby reduce the need for taxi provision.

4.20 The budget makes provision for the following additional monies:

	<b>2022/23</b>	<b>2023/24</b>
	<b>£000</b>	<b>£000</b>
SEN transport	2,948	2,948
Special Education Service staffing	562	562
<b>Total Growth</b>	<b>3,510</b>	<b>3,510</b>

4.21 In addition to the General Fund budget, Dedicated Schools’ Grant (High Needs Block) budgets for children and young people with special educational needs and disabilities continue to be under severe pressure.

#### **City Development and Neighbourhoods**

4.22 Normally, the department’s costs are reasonably predictable, when compared to social care. This year, however, forecasting is more difficult because the department’s income continues to suffer from the effect of the pandemic; it is difficult to anticipate when income will return to normal levels (or if, indeed, it will do so at all for some sources). The position has, however, improved during 2021/22.

4.23 As discussed at section 8 below, the Council has made one-off monies available to deal with the pressures arising from the pandemic. Of this, approximately £4.3m will be required for income shortfalls in City Development and Neighbourhoods. The key shortfalls are:

- (a) Car parking and bus lane enforcement (the loss is estimated at £2.6m in 2022/23, and a further £1.1m in 2023/24);
- (b) £0.2m in respect of De Montfort Hall;
- (c) £0.2m in respect of rent arrears from the corporate estate;
- (d) Smaller amounts for Building Control, City Wardens, Neighbourhood Services, the King Richard III Centre and the retail market.

- 4.24 The above pressures will be dealt with from monies set aside for Covid. Otherwise, the department is expecting to manage within its resources in 2022/23, and no growth is proposed in the draft budget.
- 4.25 The department has reviewed its budget during 2021, and has identified the following efficiency savings which have been, or are being, given effect by management action:

	<b>£000</b>
2022/23	524
2023/24	845
2024/25	928

### **Health and Wellbeing**

- 4.26 The Health and Wellbeing division consists of core public health services, together with sports and leisure provision.
- 4.27 The division has been at the centre of the authority's response to Covid 19, and has been supported by a number of grants provided by the Department of Health and Social Care. The chief one in 2021/22 has been the Contain Outbreak Management Fund, which has met the costs of the contact tracing team amongst other things.
- 4.28 The division, together with a number of services provided by other departments, is paid for from the public health grant. This grant is ring-fenced for defined public health purposes wherever they are provided in the Council. General Fund monies have also been spent on public health services, both before and after 2013/14 when the function transferred from the NHS.
- 4.29 The future of public health grant is unclear, although it is expected to be protected in real terms until 2024/25 (at national level). The Government's original intention was that the grant would be consolidated into the new 75% Business Rates Retention Scheme, the introduction of which continues to be deferred.
- 4.30 The department is able to live within its resources in 2022/23, and no budget growth is proposed.

### **Corporate Resources Department**

- 4.31 The department primarily provides back office support services, but also some public facing services such as benefits and collection of council tax. It has made considerable savings in recent years in order to contribute to the Council's overall savings targets. It has nonetheless achieved a balanced budget each year.
- 4.32 No growth is required for the departmental budget in 2022/23. The draft budget does, however, propose to use £0.5m of one-off monies set aside for the Covid response. This will temporarily boost our complement of legal staff who are catching up work delayed due to the pandemic. Many commercial procurements were halted due to the pandemic, resulting now in a backlog of contracts to be procured, and an increase in the need for contract variations and extensions. The

pandemic also led to a backlog in property transactions related to the Council's commercial estate.

- 4.33 The department has reviewed its budget during 2021, and has identified the following efficiency savings which have been, or are being, given effect by management action:

	<b>£000</b>
2022/23	1,083
2023/24	1,114
2024/25	1,169

## 5. **Corporately held Budgets and Provisions**

- 5.1 In addition to the services' budget ceilings, some budgets are held corporately. These are described below.
- 5.2 The budget for **capital financing** represents the cost of interest and debt repayment on past years' capital spending. These budgets are under pressure due to falling interest rates – whilst interest rates on our debt are mostly fixed, our investment income is reducing due to rates which fell during the pandemic. We were protected from these falls in 2021/22, as we lent money to other authorities for periods in excess of one year, prior to 2021. These loans are due to be (or have been) repaid, and we will be unlikely to secure the same level of interest when the funds are reinvested even if rates do start to edge up.
- 5.3 A **contingency** of £1m has been included in the budget to manage significant pressures that arise during the year.
- 5.4 **Miscellaneous central budgets** include external audit fees, pension costs of some former staff, levy payments to the Environment Agency, bank charges, general insurance costs, money set aside to assist council tax payers suffering hardship and other sums it is not appropriate to include in service budgets. These budgets are offset by the effect of recharges from the general fund into other statutory accounts of the Council.

## 6. **Resources**

- 6.1 This draft budget has been prepared on the basis of the government's Spending Review published in late October. At the time of writing, we do not know the details of the grant funding we will receive next year (this is expected in December).

### **Business rates and core grant funding**

- 6.2 Local government retains 50% of business rates collected locally, with the balance being paid to central government. In recognition of the fact that different authorities' ability to raise rates do not correspond to needs, there are additional elements of the business rates retention scheme: a top-up to local business rates, paid to authorities with lower taxbases, and Revenue Support Grant (RSG).
- 6.3 The top-up and RSG are set by the government. Figures in the draft budget are based on the national-level information published by the government in October,

which indicated an increase in core funding in 2022/23, albeit not sufficient to reverse previous cuts or to deal with growing pressures in social care.

- 6.4 Forecasts for business rates are particularly sensitive to assumptions around the speed and extent of the economic recovery since 2020. The figures in the draft budget assume no significant growth or decline in rates from the current position, apart from inflationary increases and improving collection rates as the economy recovers.

#### Council tax

- 6.5 Council tax income is estimated at £133.6m in 2022/23, based on a tax increase of just below 3% (the maximum allowed without a referendum). The proposed tax increase includes the additional “social care levy” allowed since 2016/17, and designed to help social care authorities mitigate the growing costs of social care. The allowable levy has decreased since last year, despite the escalating demographic and cost pressures facing the service.
- 6.6 The estimated council tax base has increased since last year’s budget; this is largely the result of reducing costs of the local council tax support scheme, as employment and the economy recover after the pandemic.

#### Other grants

- 6.7 The majority of grant funding is treated as income to the relevant service departments and is not shown separately in the table at 3.1. New Homes Bonus and grants to support social care, continuing from previous years, are held corporately.
- 6.8 In recent years, the amount of social care grant has increased annually, to reflect national cost and demographic pressures. The recent Comprehensive Spending Review did not commit any additional funding to continue this support.

#### Managed Reserves Strategy

- 7.1 Since 2013, the Council has used a managed reserves strategy, contributing money to reserves in the early years of the strategy, and drawing down reserves in later years. This policy has bought time to more fully consider how to make the substantial cuts which have been necessary.
- 7.2 As at April 2021, resources available for the strategy totalled £69.4m. Of this, £17m is required to balance the 2021/22 budget, leaving £52m for future years, subject to any over- or under-spends in the current year.
- 7.3 The budget will therefore leave £20m of reserves to offset pressures in 2023/24. This indicates that substantial cuts will be required to balance the budget in that year:

	<b>£m</b>
Available to support budget as at 1/4/2021	69.4
Used by 2021/22 budget	(17.3)
Estimated amount required for 2022/23 budget	(31.7)
<b>Balance Remaining for 2023/24</b>	<b>20.4</b>

## 8. **Earmarked Reserves**

- 8.1 In addition to our general reserves, the Council also holds earmarked reserves which are set aside for specific purposes. These include ringfenced funds which are held by the Council but for which we have obligations to other partners or organisations; departmental reserves, which are held for specific services; and corporate reserves, which are held for purposes applicable to the organisation as a whole.
- 8.2 Earmarked reserves are shown at Appendix 2 to this report.
- 8.3 The earmarked reserves also include sums set aside to support covid recovery. Together with unringfenced government grant received in 21/22, the following monies are available to support the aftermath of the pandemic:

	<b>£m</b>
Government emergency grant 21/22	11.5
Reserves to support revenue costs	10.9
Reserves to support capital	10.0
<b>Total</b>	<b>32.4</b>

- 8.4 The Council is seeking a further £3m from the Government to compensate loss of fees and charges income in 2021/22.
- 8.5 As reported in budget monitoring reports to OSC, these sums are being spent, but there is no indication at present that they will be insufficient. Some of the capital monies will be spent on projects in 2023/24, if Council approves the capital programme (also on your agenda).
- 8.6 The above money is additional to specific government schemes such as the Contain Outbreak Management Fund. We also have separate schemes to support residents facing hardship as a result of the pandemic – such as council tax hardship and crisis support schemes.

## 9. **Budget and Equalities**

- 9.1 The Council is committed to promoting equality of opportunity for its residents; both through its policies aimed at reducing inequality of outcomes, and through its practices aimed at ensuring fair treatment for all and the provision of appropriate and culturally sensitive services that meet local people's needs.
- 9.2 In accordance with section 149 of the Equality Act 2010, the Council must "have due regard", when making decisions, to the need to meet the following aims of our Public Sector Equality Duty :-
- (a) eliminate unlawful discrimination;
  - (b) advance equality of opportunity between those who share a protected characteristic and those who do not;
  - (c) foster good relations between those who share a protected characteristic and those who do not.

- 9.3 Protected groups under the public sector equality duty are characterised by age, disability, gender reassignment, pregnancy/maternity, race, religion or belief, sex and sexual orientation.
- 9.4 When making decisions, the Council (or decision maker, such as the City Mayor) must be clear about any equalities implications of the course of action proposed. In doing so, it must consider the likely impact on those likely to be affected by the recommendation; their protected characteristics; and (where negative impacts are anticipated) mitigating actions that can be taken to reduce or remove that negative impact.
- 9.5 The budget does not propose any service changes which will have an impact on residents. Where appropriate, an individual Equalities Impact Assessment for any service changes will be undertaken when these decisions are developed.
- 9.6 The budget does recommend a proposed council tax increase for the city's residents. The City Council's proposed tax for 2022/23 is £1,745.74, an increase of just below 3% compared to 2021/22. As the recommended increase could have an impact on those required to pay it, an assessment has been carried out to inform decision makers of the potential equalities implications. This includes the potential impacts of alternative options.
- 9.7 A number of risks to the budget are addressed within this report (section 10 below). If these risks are not mitigated effectively, there could be a disproportionate impact on people with particular protected characteristics and therefore ongoing consideration of the risks and any potential disproportionate equalities impacts, as well as mitigations to address disproportionate impacts for those with particular protected characteristics, is required.
10. **Risk Assessment and Estimates**
- 10.1 Best practice requires me to identify any risks associated with the budget, and Section 25 of the Local Government Act 2003 requires me to report on the adequacy of reserves and the robustness of estimates.
- 10.2 In the current climate it is inevitable that the budget carries significant risk. In my view, although very difficult, the budget for 2022/23 is achievable subject to the risks and issues described below.
- 10.3 The most significant risks in the 2022/23 budget include:
- (a) Adult Social Care spending pressures, specifically the risk of further growth in the cost of care packages;
  - (b) The costs of looked after children, which have seen growth nationally;
  - (c) The risk of a further wave of covid infections, potentially arising from a new variant;
  - (d) Inflation, which has been increasing, and was expected to reach 4.4% by the spring of 2022 by the Office of Budgetary Responsibility; some commentators have suggested that it could even peak later next year at

as much as 6%. This would put upwards pressure on pay and other costs, although partially offset by increased income on investments if interest rates rise correspondingly;

- (e) Economic downturn, which could result in new cuts to grant; falling business rates income; and increased cost of council tax reductions for tax-payers on low incomes. It could also lead to a growing need for council services and an increase in bad debts. This risk appears to have reduced since 2021/22 – the level of council tax support we are paying, for instance, has now fallen to pre-pandemic levels. The economy is recovering more quickly than feared, although it is still below pre-pandemic forecasts (and likely to remain so).

10.4 The budget seeks to manage these risks as follows:

- (a) A minimum balance of £15m of reserves will be maintained;
- (b) Reserves have been identified in 2021/22 to meet pandemic pressures, some of which will be available into 2022/23 as described above;
- (c) A contingency of £1m has been included in the budget for 2022/23;
- (d) As a last resort, managed reserves could be used, but this increases pressure in 2023/24.

10.5 Subject to the above comments, I believe the Council's general and earmarked reserves to be adequate. I also believe estimates made in preparing the budget are robust. (Whilst no inflation is provided for the generality of running costs in 2022/23, some exceptions are made, and it is believed that services will be able to manage without an allocation).

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

### 11.1 **Financial Implications**

This report is exclusively concerned with financial issues.

### 11.2 **Legal Implications**

11.2.1 The budget preparations have been in accordance with the Council's Budget and Policy Framework Procedure Rules – Council's Constitution – Part 4C. The decision with regard to the setting of the Council's budget is a function under the constitution which is the responsibility of the full Council.

11.2.2 At the budget-setting stage, Council is estimating, not determining, what will happen as a means to the end of setting the budget and therefore the council tax. Setting a budget is not the same as deciding what expenditure will be incurred. The Local Government Finance Act, 1992, requires an authority, through the full Council, to calculate the aggregate of various estimated amounts, in order to find the shortfall to which its council tax base has to be applied. The Council can allocate greater or fewer funds than are requested by the Mayor in his proposed budget.

11.2.3 As well as detailing the recommended council tax increase for 2022/23, the report also complies with the following statutory requirements:-

- (a) Robustness of the estimates made for the purposes of the calculations;
- (b) Adequacy of reserves;
- (c) The requirement to set a balanced budget.

11.2.4 Section 65 of the Local Government Finance Act, 1992, places upon local authorities a duty to consult representatives of non-domestic ratepayers before setting a budget. There are no specific statutory requirements to consult residents, although in the preparation of this budget the Council will undertake tailored consultation exercises with wider stakeholders in addition to ratepayers.

11.2.5 The discharge of the 'function' of setting a budget triggers the duty in s.149 of the Equality Act, 2010, for the Council to have "due regard" to its public sector equality duties. These are set out in paragraph 9. There are considered to be no specific proposals within this year's budget that could result in new changes of provision that could affect different groups of people sharing protected characteristics. Where savings are anticipated, equality assessments will be prepared as necessary. Directors and the City Mayor have freedom to vary or abort proposals under the scheme of virement where there are unacceptable equality consequences. As a consequence, there are no service-specific 'impact assessments' that accompany the budget. There is no requirement in law to undertake equality impact assessments as the only means to discharge the s.149 duty to have "due regard". The discharge of the duty is not achieved by pointing to one document looking at a snapshot in time, and the report evidences that the Council treats the duty as a live and enduring one. Indeed case law is clear that undertaking an EIA on an 'envelope-setting' budget is of limited value, and that it is at the point in time when policies are developed which reconfigure services to live within the budgetary constraint when impact is best assessed. However, an analysis of equality impacts has been prepared in respect of the proposed increase in council tax, and this is set out in Appendix One.

11.2.6 Judicial review is the mechanism by which the lawfulness of Council budget-setting exercises are most likely to be challenged. There is no sensible way to provide an assurance that a process of budget setting has been undertaken in a manner which is immune from challenge. Nevertheless the approach taken with regard to due process and equality impacts is regarded by the City Barrister to be robust in law.

**Provided by: Kamal Adatia, City Barrister**

**Catherine Taylor / Mark Noble**

**7<sup>th</sup> December 2021**



## Appendix 1

### Equality Impact Assessment

#### 1. Purpose

- 1.1 This appendix presents the equalities impact of a proposed 2.99% council tax increase. This includes a precept of 1% for Adult Social Care, as permitted by the Government without requiring a referendum.
- 1.2 The alternative option for comparison is a freeze on council tax at 2021/22 levels. It would of course be possible to set a council tax increase between these two levels, or indeed to *reduce* the Band D tax.

#### 2. Who is affected by the proposal?

- 2.1 As at October 2021, there are 130,173 properties liable for Council Tax in the city (excluding those registered as exempt, such as student households).
- 2.2 All non-exempt working age households in Leicester are required to contribute towards their council tax bill. Our current council tax support scheme (CTSS) requires working age households to pay at least 20% of their council tax bill and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience.
- 2.3 Council tax support for pensioner households follows different rules. Low-income pensioners are eligible for up to 100% relief through the CTSS scheme.

#### 3. How are they affected?

- 3.1 The table below sets out the financial impact of the proposed council tax increase on different properties, before any discounts or reliefs are applied. It shows the weekly increase in each band, and the minimum weekly increase for those in receipt of a reduction under the CTSS for working-age households.

<b>Band</b>	<b>No. of Properties</b>	<b>Weekly increase</b>	<b>Minimum Weekly Increase under CTSS</b>
A-	261	£0.54	£0.11
A	77,202	£0.65	£0.13
B	26,029	£0.76	£0.15
C	14,878	£0.87	£0.26
D	6,296	£0.98	£0.37
E	3,362	£1.19	£0.59
F	1,515	£1.41	£0.80
G	595	£1.63	£1.02
H	35	£1.95	£1.35
<b>Total</b>	<b>130,173</b>		

- 3.2 In most cases, the change in council tax (around £0.76 per week for a band B property with no discounts; and just 15p per week if eligible for the full 80% reduction under the CTSS) is a small proportion of disposable income, and a small contributor to any squeeze on household budgets. A council tax increase would be applicable to all properties - the increase would not target any one protected group, rather it would be an increase that is applied across the board. However, it is recognised that this may have a more significant impact among households with a low disposable income.
- 3.3 Many households at all levels of income have seen significant income shocks due to the coronavirus pandemic and the economic downturn. More recently, some households have also seen the ending of national schemes such as the £20/week increase to Universal Credit and furlough payments. These pressures are not limited to any protected group; however, there is evidence that some types of household are more likely to be struggling with their finances. The Joseph Rowntree Foundation has identified that households are more likely to be in arrears on bills if they are younger adults; from certain ethnic minorities; or have children in the household<sup>1</sup>. This gives an indication of the groups most likely to see an impact from a CT increase.

#### 4. **Alternative options**

- 4.1 The realistic alternative to a 3% council tax increase would be a lower (or no) increase. A reduced tax increase would represent a permanent diminution of our income unless we hold a council tax referendum in a future year. In my view, such a referendum is unlikely to support a higher tax rise. It would also require a greater use of reserves and more cuts to services in 2023/24.
- 4.2 The budget situation is already extremely difficult, and it seems inevitable that further cuts will have severe effects on front-line services. It is not possible to say precisely where these future cuts would fall; however, certain protected groups (e.g. older people; families with children; and people with disabilities) could face disproportionate impacts from reductions to services.

#### 5. **Mitigating actions**

- 5.1 The Council has a range of mitigating actions for residents. These include: funding through Discretionary Housing Payments, Council Tax Discretionary Relief and Community Support Grant awards; the council's work with voluntary and community sector organisations to provide food to local people where it is required – through the council's or partners' food banks; through schemes which support people getting into work (and include cost reducing initiatives that address high transport costs such as providing recycled bicycles); and through support to social welfare advice services. The Council is also running a welfare benefits take-up campaign, to raise awareness of entitlements and boost incomes among vulnerable groups.

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<sup>1</sup> *Dragged Down by Debt*, JRF, October 2021

6. **What protected characteristics are affected?**

- 6.1 The table below describes how each protected characteristic is likely to be affected by the proposed council tax increase. The table sets out anticipated impacts, along with mitigating actions available to reduce negative impacts.
- 6.2 Some protected characteristics are not, as far as we can tell, disproportionately affected (as will be seen from the table) because there is no evidence to suggest they are affected differently from the population at large. They may, of course, be disadvantaged if they also have other protected characteristics that are likely to be affected, as indicated in the following analysis of impact based on protected characteristic.

### Analysis of impact based on protected characteristic

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
<b>Age</b>	<p>Older people (pension age and older) are least affected by a potential increase in council tax and can access more generous (up to 100%) council tax relief. However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as older people are the primary service users of Adult Social Care.</p> <p>Working age people bear the brunt of the impacts of welfare reform reductions – particularly those with children. There is some evidence that younger adults and families with children are already more likely to be under financial stress.</p>	<p>Working age households and families with children – incomes squeezed through low wages and reducing levels of benefit income.</p> <p>Younger people are more likely to have lost jobs during the pandemic and may not yet have found permanent full-time employment.</p>	<p>Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on managing household budgets.</p>
<b>Disability</b>	<p>Disability benefits have been reduced over time as thresholds for support have increased.</p> <p>The tax increase could have an impact on such household incomes.</p> <p>However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as disabled people are more likely to be service users of Adult Social Care.</p>	<p>Further erode quality of life being experienced by disabled people as their household incomes are squeezed further as a result of reduced benefits.</p>	<p>Disability benefits are disregarded in the assessment of need for CTSS purposes. Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on better managing budgets.</p>
<b>Gender Reassignment</b>	<p>No disproportionate impact is attributable specifically to this characteristic.</p>		

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
<b>Pregnancy &amp; Maternity</b>	Maternity benefits have not been frozen and therefore kept in line with inflation. However, other social security benefits have been frozen, but without disproportionate impact arising for this specific protected characteristic.		
<b>Race</b>	<p>Those with white backgrounds are disproportionately on low incomes (indices of multiple deprivation) and in receipt of social security benefits. Some ethnic minority people are also low income and on benefits.</p> <p>Nationally, one-earner couples have seen particular falls in real income and are disproportionately of Asian background – which suggests an increasing impact on this group.</p> <p>There is some evidence that minority ethnic groups have been more likely to face job losses in the pandemic.</p>	Household income being further squeezed through low wages and reducing levels of benefit income.	Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on managing household budgets. Where required, interpretation and translation will be provided to remove barriers in accessing support.
<b>Religion or Belief</b>	No disproportionate impact is attributable specifically to this characteristic.		
<b>Sex</b>	Disproportionate impact on women who tend to manage household budgets and are responsible for childcare costs. Women are disproportionately lone parents. Analysis has identified lone parents as a group particularly likely to lose income from welfare reforms.	Incomes squeezed through low wages and reducing levels of benefit income. Increased risk for women as they are more likely to be lone parents.	<p>If in receipt of Universal Credit or tax credits, a significant proportion of childcare costs are met by these sources.</p> <p>Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on managing household budgets.</p>
<b>Sexual Orientation</b>	There have been reports published which suggest LGBT people are at increased financial risk during COVID-19. There is not enough data available to evidence the disproportionate impact attributable specifically to this characteristic but we will continue to monitor this.		

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## Appendix 2

### Earmarked Reserves

1. The table below shows the position on earmarked reserves, after the changes made in the 2020/21 outturn report:

	<b>Balance at 1/4/2021 £000</b>
<b><u>Ring-fenced Reserves</u></b>	
School Balances	24,108
DSG not delegated to schools	1,433
School Capital Fund	2,753
Schools Buy Back	2,429
Education & Skills Funding Agency Learning Programmes	1,112
Arts Council National Portfolio Organisation Funding	845
Business Support Grants	2,722
Covid-19 Collection Fund Compensation	25,720
<b>Subtotal Ring-fenced Reserves</b>	<b>61,122</b>
<b><u>Departmental Earmarked Reserves</u></b>	
Social Care Reserve	7,341
ICT Development Fund	8,436
City Development & Neighbourhoods	9,382
Delivery, Communications & Political Governance	3,477
Health & Wellbeing Division	4,291
Financial Services Reserve	3,052
NHS Joint Working Projects	9,420
Housing	2,358
Other Departmental Reserves	464
<b>Subtotal Departmental Reserves</b>	<b>48,221</b>
<b><u>Corporate Reserves</u></b>	
Managed Reserves Strategy	69,362
COVID Pressures	10,899
Capital Programme Reserve	97,587
Insurance Fund	10,608
BSF Financing	8,638
Welfare Reserve	6,429
Severance Fund	4,827
Service Transformation Fund	5,867
Other Corporate Reserves	4,652
<b>Subtotal Corporate Reserves</b>	<b>218,869</b>
<b>Total Earmarked Reserves</b>	<b>328,212</b>

2. Earmarked reserves can be divided into ring-fenced reserves, which are funds held by the Council but for which we have obligations to other partners or organisations; departmental reserves, which are held for specific services; and corporate reserves, which are held for purposes applicable to the organisation as a whole. The need for each reserve will be reviewed before the outturn for 2021/22 is completed, with a view to releasing more funds for the managed reserves strategy.
3. Ring-fenced reserves include:-
  - **Reserves for schools:**
    - School Capital Fund
    - Schools Buyback
    - Dedicated Schools Grant
    - Schools balances
  - Two smaller reserves held because grant funding has been received to fund specific schemes.
  - **Business Support Grants:** the government provided grant funding in 2020/21 to support businesses during the pandemic. The balance of funding is required for grants to businesses in 2021/22.
  - **Covid-19 Collection Fund Compensation:** the government provided grant funding in 2020/21 to enable councils to pay additional business rate reliefs. However, due to the way local tax is accounted for, the reliefs do not affect the general fund until 2021/22. This reserve is essentially an accounting reserve which will be fully used in 2021/22.
4. Departmental reserves include amounts held by service departments to fund specific projects or identified service pressures. Significant amounts include:-
  - **Social Care Reserve:** to assist in the management of budget pressures in adults' and children's social care. The available balance takes account of £10m committed to offset ASC pressures in the 2022/23 budget, as per the 2020/21 outturn report.
  - **ICT Development Fund** this reserve funds a rolling programme for network and server upgrades and replacement of PC stock. It also includes funding put aside to support the delivering new ways of working programme.
  - **City Development and Neighbourhoods:** to meet known additional pressures, including one off costs associated with highways functions and the cost of projects that have carried forward into 2021/22.
  - **Health & Wellbeing:** to support service pressures, channel shift and transitional costs.
  - **Delivery, Communications & Political Governance:** this is principally for elections and other projects within the department.
  - **Financial Services:** for expenditure on improving the Council's main financial systems; spikes in benefit processing and overpayment

recovery; and to mitigate budget pressures including reducing grant income to the Revenues & Benefits service.

- **NHS joint working projects:** for joint projects with the NHS.
- **Housing:** to meet spikes in temporary accommodation costs, hold grant funding for homelessness projects, and government funding to support recent arrivals to the city.

5. Corporate reserves include:-

- **Managed Reserves Strategy:** a key element to delivering this budget strategy, and discussed further in section 7 of the main report. The available amount takes account of transfers from the social care reserve, and to support COVID pressures, as set out in the 2020/21 outturn report;
- **COVID-19 pressures:** set aside to support services facing COVID-related pressures or income shortfalls that continue into 2021/22;
- **Capital Programme Reserve:** to support approved spending on the Council's capital programme;
- **Insurance Fund:** to meet the cost of claims which are self-insured;
- **BSF Financing:** to manage costs over the remaining life of the BSF scheme and lifecycle maintenance costs of the redeveloped schools;
- **Welfare Reserve:** set aside to support welfare claimants who face crisis, following the withdrawal of government funding; to mitigate longer-term impacts of Covid-19; and to support the anti-poverty strategy;
- **Severance Fund:** to facilitate ongoing savings by meeting the redundancy and other costs arising from budget cuts;
- **Service Transformation Fund:** to fund projects which redesign services enabling them to function more effectively at reduced cost, including the New Ways of Working programme;
- **Other reserves:** includes monies for "spend to save" schemes that reduce energy consumption, the combined heat and power reserve, and the surplus property reserve which is used to prepare assets for disposal.



## Appendix 3

### Medium Term Financial Outlook 2022/23 – 2024/25

1. The purpose of this medium term financial outlook is to provide members with details of the forecast financial position of the Council for the next 3 years, and to set the context within which the budget process will need to work to achieve a balanced position. The figures are indicative and volatile, especially 2024/25.
2. Our central forecasts for the period up to 2024/25 are set out in the table at paragraph 5, and show that:
  - **Expenditure pressures are increasing at a faster rate than income.** Over the period we expect expenditure to increase by nearly 30% (in cash terms) while income projections rise by only 10% assuming there is no change in Government policy.
  - **The biggest factor in these increases is the rising cost of adult social care, as illustrated in the chart below.** These increases have been seen nationally for several years now, and now present a substantial challenge to the authority's future sustainability. These pressures arise from factors largely outside the authority's control (e.g. increases in the minimum wage and demographic pressures). The rate of growth is now accelerating.



NB scale does not start at zero

- **We have already invested significant amounts in social care.** Since 2016 we have seen the cost of adults' social care packages increase by £44m, or 60%, due to a combination of increasing need and higher wage costs. Over the same period we have invested over £20m in children's social care.
  - **Other budget areas have already seen significant cuts in the last decade.** Expenditure on services other than adults and children's social care has fallen from £192m in 2010 to £106m in 2020. Our ability to find further savings from within these services is now severely limited.
3. The 2021/22 budget was balanced by using £17m of reserves. On current projections, sufficient reserves remain to balance the 2022/23 budget and provide some support to the 2023/24 budget. After this, ongoing savings will need to be found to ensure the longer-term financial stability of the Council.
  4. Our approach is to tackle the position for 2023/24 by means of the Fundamental Budget Review, which is aiming to achieve savings of £40m. The need to achieve further savings for 24/25 will be reviewed during the course of the year when we have more clarity about Government funding and the impact of social care reforms. The level of savings currently projected by 2024/25 would appear to be unachievable without change in Government policy.
  5. A summary of the central budget projections for the next three years is set out below:

	<b>2022/23</b> <b>£m</b>	<b>2023/24</b> <b>£m</b>	<b>2024/25</b> <b>£m</b>
Net service budget (including inflation)	323.0	354.2	381.3
Corporate and other centrally held budgets	8.7	9.6	10.4
Contingency	1.0		
Planning provision		3.0	6.0
<b>Expenditure total</b>	<b>332.7</b>	<b>366.8</b>	<b>397.7</b>
Business rates income	65.3	67.3	69.1
Top-up payment	49.8	51.3	52.6
Revenue Support Grant	38.4	39.3	40.1
Council Tax	133.6	138.8	143.9
Collection Fund deficit	(2.9)	(2.4)	
Social Care grants	13.1	13.1	13.1
New Homes Bonus	3.7	2.7	1.7
<b>Income Total</b>	<b>301.0</b>	<b>310.2</b>	<b>320.5</b>
<b>Indicative Budget gap</b>	<b>31.7</b>	<b>56.6</b>	<b>77.2</b>

5. Key assumptions and risks in the forecast are set out below:

	Assumptions	Risks
<b>Expenditure</b>		
Pay costs	<p>We assume the 1.75% pay offer for 2021/22 is implemented. The projections include 2.5% per year from 2022/23 to 2023/24.</p> <p>A provision is included for the 1.25% increase in National Insurance for 2022/23, as announced in September 2021.</p> <p>No provision is included for increasing employers' pension contributions (in recent years, increases have been absorbed by departmental budgets)</p>	<p>Inflation has been rising in recent months, reaching 4.2% (CPI) in October 2021. If it remains high, there will be additional pressures on pay awards and non-pay inflation.</p>
Non-pay inflation	<p>In line with the policy in past years, departments are expected to absorb the costs of non-pay inflation in most cases. The exceptions are independent sector care package costs, fostering allowances and the waste management contract; an allowance is built in for these increases.</p>	
Adult social care costs	<p>Demographic pressures lead to 3% per year increase in service users aged 65+, and 5% for working age.</p> <p>National Living Wage increases at 6.6% per year (4% in 2024/25).</p> <p>Need – average 6% per year in-year increase in package costs</p>	
Other service cost pressures	<p>Departments are expected to find savings to manage cost pressures within their own areas. From 2023/24 onwards, a £3m per year planning provision has been included to meet unavoidable costs that cannot be managed within departments.</p>	<p>Costs relating to children who are looked after have been increasing nationally, and are a particular risk for future years.</p>
<b>Income</b>		
Council Tax	<p>Band D Council Tax will increase by 2.99% per year (2% base increase plus 1% for the Adult Social Care precept).</p> <p>Council tax baseline increases by 500 Band D properties per year, in line with historic growth levels.</p>	<p>Further economic downturn leading to increased costs of council tax support to residents on a low income.</p>
Business rates	<p>The multiplier freeze for 2022/23, and new reliefs announced in October 2021, are fully funded.</p> <p>No significant movements in the underlying baseline for business rates</p>	<p>Business rates are particularly sensitive to economic conditions.</p> <p>Government changes to business rates (e.g. new reliefs) will affect our retained income. To date, these have been met by additional government grant</p>

<p>Government grant</p>	<p>Government-controlled elements of the rates retention scheme (RSG and top-up) increase in line with CPI inflation: 3.1% for 2022/23 and 2% thereafter.</p> <p>In 2022/23, RSG will increase by an estimated £9m, which is our share of the £1.4bn growth announced in the Comprehensive Spending Review. This includes funding to meet the cost of National Insurance increases.</p> <p>There is no net impact from Fair Funding reforms; the 2023 rates revaluation; or any move towards 75% local rates retention.</p> <p>We assume grant support towards Adult Social Care continues at 2021/22 cash levels, but no additional funding is available.</p>	<p>We do not yet have the details of local government funding for 2022/23 and subsequent years – these are expected in December.</p> <p>The impact and timing of Fair Funding reforms remains a significant unknown.</p>
<p><b>COVID-19 impacts</b></p>	<p>The forecasts assume no long-term impact of the pandemic on service costs or income.</p> <p>To the extent that there are effects persisting into 2022/23, it is assumed that these can be met from one-off resources.</p>	

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# Capital Programme 2022/23

Decision to be taken by: Council

Date of meeting: 23<sup>rd</sup> February 2022

Lead director: Colin Sharpe, Deputy Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Ben Matthews
- Author contact details: ben.matthews@leicester.gov.uk
- Report version number: 1.0

## 1. Summary

- 1.1 The purpose of this report is to ask the Council to approve a capital programme for 2022/23.
- 1.2 Capital expenditure is incurred on works of lasting benefit and is principally paid for by grant, tenants' rents, and the proceeds of asset sales (capital receipts). Money can also be borrowed for capital purposes, but the scope for this is limited as borrowing affects the revenue budget.
- 1.3 Traditionally, the Council has prepared a multi-year capital programme but for 2020/21 and 2021/22 we set a one year programme due to uncertainty over future resources. There continued to be uncertainty during the period in which we prepared this programme, and we did not know what grant to expect, either in 22/23 or beyond. The COVID-19 pandemic also added uncertainty, creating significant slippage on our recent programmes. We are therefore presenting another one year programme. Schemes already approved and in the current programme for 2021/22 will continue to form part of the programme.
- 1.4 The proposed schemes set out in this report for the "General Fund" element of the capital programme will cost £56m. In addition to this, the HRA capital programme (which is elsewhere on your agenda) includes works estimated at £117m, £100m of which relates to the affordable homes programme.
- 1.5 The table below summarises the proposed spending for capital schemes starting in 2022/23, as described in this report:-

	<u>£m</u>
<b><u>Proposed Programme</u></b>	
<b><u>Immediate Starts:</u></b>	
Estates and Building Services	6.1
Housing General Fund	5.4
Neighbourhood and Environmental Services	0.8
Planning, Development and Transportation	11.3
Tourism, Culture and Inward Investment	1.2
Social Care and Education – Children's Services	8.4
Policy Provisions	<u>22.5</u>
<b>Total New Schemes</b>	<b>55.7</b>

## Funding

Monies ringfenced to Schemes	12.6
Unringfenced Resources	43.1
<b>Total Resources</b>	<b>55.7</b>

- 1.6 The table below presents the total spend on General Fund and Housing Revenue Account schemes:

	<u>£m</u>
General Fund	55.7
Housing Revenue Account	117.5
<b>Total</b>	<b>173.2</b>

- 1.7 In addition to the above, the current programme is still being delivered and therefore a number of significant schemes will continue to spend in future years.
- 1.8 The Council's total capital expenditure now forecast for 2022/23 and beyond is expected to be around £300m, including the HRA.
- 1.9 The Council continues to bid for significant sums from government initiatives and has been extremely successful at the end of 2020/21 and during 2021/22. Examples include:
- Receiving £24m in Government Grant for the funding of energy efficiency technology on the Council's estate.
  - Being successful in "levelling up" grant bids towards Pioneer Park, Pilot House and the Railway Station, that will bring a total investment on these schemes of £59m.
  - Awarded £19m in Government Grant towards the purchase of 96 electric buses and their associated charging infrastructure, with there also being substantial operator contributions to the scheme.
- 1.10 The capital programme is split into two parts:-
- (a) Schemes which are "**immediate starts**", being schemes which directors have authority to commence once the council has approved the programme. These are fully described in this report;
  - (b) Schemes which are "**policy provisions**", where the purpose of the funding is described but money will not be released until specific spending proposals have been approved by the Executive.

1.11 Immediate starts have been split into three categories:-

- (a) **Projects** – these are discrete, individual schemes such as a road scheme or a new building. These schemes will be monitored with reference to physical delivery rather than an annual profile of spending. (We will, of course, still want to make sure that the overall budget is not going to be exceeded);
- (b) **Work Programmes** – these will consist of minor works or similar schemes where there is an allocation of money to be spent in a particular year;
- (c) **Provisions** – these are sums of money set aside in case they are needed, but where low spend is a favourable outcome rather than indicative of a problem.

## 2. Recommendations

2.1 The Council is asked to:-

- (a) Approve the capital programme described in this report and summarised at Appendices Two to Six, subject to any amendments proposed by the City Mayor;
- (b) For those schemes designated immediate starts, delegate authority to the lead director to commit expenditure, subject to the normal requirements of contract procedure rules, rules concerning land acquisition and finance procedure rules;
- (c) Delegate authority to the City Mayor to determine a plan of spending for each policy provision, and to commit expenditure up to the maximum available;
- (d) For the purposes of finance procedure rules:
  - Determine that service resources shall consist of service revenue contributions; HRA revenue contributions; and government grants/third party contributions ringfenced for specific purposes (but see below for LLEP investment programmes);
  - Designate the operational estate capital maintenance programme, highways maintenance programme and transport improvement programme as programme areas, within which the director can reallocate resources to meet operational requirements.



- (e) As in previous years, delegate to the City Mayor:
- Authority to increase any scheme in the programme, or add a new scheme to the programme, subject to a maximum of £10m corporate resources in each instance;
  - Authority to reduce or delete any capital scheme, subject to a maximum of 20% of scheme value for “immediate starts”; and
  - Authority to transfer any “policy provision” to the “immediate starts” category.
- (f) In respect of Government investment programmes for which the Council receives grant as the accountable body to the Leicester and Leicestershire Enterprise Partnership (LLEP):-
- Delegate to the City Mayor approval to accept Government offers of funding, and to add this to the capital programme;
  - Delegate to the Strategic Director, City Development and Neighbourhoods, in consultation with the Director of Finance, authority to allocate the funding to individual schemes (in effect, implementing decisions of the LLEP);
  - Agree that City Council schemes funded by the programme can only commence after the City Mayor has given approval;
  - Delegate to the Director of Finance authority to reallocate programme funding between schemes, if permissible, to ensure the programme as a whole can be delivered; and
  - Note that City Council contributions to schemes will follow the normal rules described above (i.e. nothing in this paragraph permits the City Mayor to supplement the programme with City Council resources outside of normal rules).
- (g) Delegate to directors, in consultation with the relevant deputy/assistant mayor, authority to incur expenditure in respect of policy provisions on design and other professional fees and preparatory studies, but not any other type of expenditure;
- (h) Approve the capital strategy at Appendix 7.

### 3. Proposed Programme

#### Key Policy Issues

- 3.1 In preparing the 2022/23 capital programme, similar to previous years the key focus is to deliver strategic objectives and meet (as far as possible) a level of need which considerably exceeds the level of resources the Council has available.
- 3.2 The resulting capital programme is primarily focussed around some key pledges of the Council. The key pledges are:
- A fair city
  - Connecting Leicester
  - Homes for all
  - Lifelong learning
  - A city to enjoy
- 3.3 The capital programme for 2022/23 is a one year programme for the reasons stated above. Nonetheless, it complements the existing programme and explicitly aims to support the City Mayor's delivery plan.
- 3.4 When the outturn for 2020/21 was approved, sums were set aside to assist with the aftermath of the pandemic. This included £20m set aside for potential match funding for "levelling up" schemes and a further £10m for schemes supporting recovery. In the event, our levelling up grant application to the Government was wholly successful, but will only require half of the £20m set aside. The remainder is available to support the capital programme. Some of the recovery monies are being utilised for schemes in this programme, such as assisting retail and to support New Ways of Working within the Council. This is further detailed in the financial implications to this report.
- 3.5 It is important to note that the council's commitment to tackling the climate emergency is most obviously but not exclusively addressed within the Connecting Leicester and the Transport Improvement Works Programmes.
- 3.6 However, addressing the energy and bio-diversity requirements of all our capital projects is central to the entire capital programme. Recent years' capital projects have included energy saving and generating elements across the corporate estate, as well as a raft of energy efficiency measures in our schools and on our housing estates. The Council is currently working to obtain further government grant funding to expand such schemes.
- 3.7 Similarly, our commitment to invest in the whole city cuts right across our capital programme. The housing, children's and transport capital

investment programmes represent the largest components of this and likely future capital programmes. These capital investment strands will benefit the entire city from our outer estates to the city centre.

## Resources

- 3.8 Resources available to the programme consist primarily of Government grant and capital receipts (the HRA programme is also supported by tenants' rent monies). Most grant is unringfenced, and the Council can spend it on any purpose it sees fit.
- 3.9 Appendix One presents the unringfenced resources available to fund the proposed programme, which total some £43m. The key funding sources are detailed below.
- (a) £5.8m of general capital receipts and £0.7m of Right to Buy Receipts;
  - (b) £13.6m of unringfenced grant funding;
  - (c) £10.4m of Earmarked Reserves set aside to support schemes in the Levelling Up programme, which are surplus to requirement, as a result of being successful in the bid for government grant.
  - (d) £12.5m of monies we already have, primarily from savings achieved in previous programmes. This figure is net of £0.94m which will be used to support phase 2 of the Leisure Centre Capital Programme in line with a decision on 27<sup>th</sup> October 2021.
- 3.10 The Council has a policy of not committing capital receipts until they are received. This increases the resilience of the capital programme at a time when revenue budgets are under severe pressure. £5.8m of general capital receipts are available for 2022/23 based on receipts received or due at the time of writing. Subsequent receipts will be available to fund the 2023/24 programme.
- 3.11 The exception to not committing receipts in advance is the expected receipts from the sale of council housing. Where tenants exercise their "Right to Buy" the RTB receipts are layered, with different layers being available for different purposes. A sum of £0.7m will be available for general purposes: this is predictable. Further tranches are available to us but must be used for new affordable housing or returned to the government.
- 3.12 For some schemes the amount of unringfenced resources required is less than the gross cost of the scheme. This is because resources are ringfenced directly to individual schemes. Ringfenced resources are shown throughout Appendix Two and include the following:
- (a) Other grants and match funding, such as government grant and contributions made to support the delivery of specific schemes;

- (b) Borrowing. Because borrowing has an impact on the revenue budget, it is only used for reasons detailed in capital strategy at Appendix 7 of this report;
- (c) Earmarked reserves, such as the Covid Recovery Reserve and the Transformation Fund

3.13 Finance Procedure Rules enable directors to make limited changes to the programme after it has been approved. For these purposes, the Council has split resources into corporate and service resources. These are similar to, but not quite the same as, ringfenced and unringfenced resources. Whilst all unringfenced resources are corporate, not all ringfenced monies are service resources. Borrowing, for instance, is treated as a corporate resource requiring a higher level of approval.

3.14 Directors have authority to add schemes to the programme, provided they are funded by service resources, up to an amount of £250,000. This provides flexibility for small schemes to be added to the programme without a report to the Executive.

#### Proposed Programme – Immediate Starts

3.15 Schemes classified as immediate starts can commence as soon as required, once the Council has approved the capital programme. No further approval is necessary. The whole programme is summarised at Appendix 2. Responsibility for the majority of projects rests with the Strategic Director of City Development and Neighbourhoods. The exceptions are the children's homes refurbishments and the Children's Capital Improvement Programme which are the responsibility of the Strategic Director of Social Care and Education.

3.16 £6.1m is provided for Estates and Building Services. This area is focussed on the Council's corporate estate.

- (a) £252,000 is provided to replace the Air Handling Units at the **African Caribbean Centre Ventilation**. The new system will be more efficient, cost effective and would provide suitable ventilation throughout the building.
- (b) £680,000 is provided to support the **Changing Places – Disabled Toilet Facilities** scheme. The Council is contributing £200,000 as match funding and is expecting to receive £480,000 in government grant. The project focusses on provision of larger accessible toilets for severely disabled individuals, with equipment such as hoists, privacy screens, adult-sized changing benches, peninsula toilets and space for carers.

- (c) £1m is provided for the **Malcolm Arcade Refurbishment** to create a lighter more vibrant atmosphere with the intention to entice new businesses and customers. Refurbishment works will include a roof replacement, which will help to reduce maintenance costs and ensure the building is watertight. Other works will be updates to the floors, walls, staircase, lighting, doors and windows.
- (d) £400,000 is provided for **Feasibility Studies**. This will enable studies to be done, typically for potential developments not included elsewhere in the programme or which might attract grant support, without requiring further decisions.
- (e) £3.8m has been provided to support the annual **Operational Estate Capital Maintenance Programme**. This will support works to the properties the Council uses. This is a rolling annual programme and spending is prioritised to reflect asset condition and risk. The proposed programme is shown at Appendix 4, but may vary to meet emerging operational requirements.

3.17 £5.4m is provided for the Housing General Fund.

- (a) £100,000 is provided in 2022/23 to continue the programme of **Repayable Home Repair Loans**. These grants aid vulnerable, low income home owners to carry out repairs or improvements to their homes, to bring properties up to decent home standards. Any loan will remain in place until a change of ownership or sale of the property, after which repayment of the loan is required.
- (b) £1.9m has been provided for **Disabled Facilities Grants** to private sector householders. This is an annual programme which has existed for many years. These grants provide funding to eligible disabled people for adaption work to their homes, and help them maintain their independence.
- (c) £3.4m has been made available to fund the annual **Fleet Replacement Programme** as part of a rolling programme. This programme is funded from borrowing, which is repaid from existing budgets.
- (d) £50,000 continues to be made available to top up **the Long Term Empty Home Acquisitions** pot in 2022/23. The Empty Homes Team gives advice and assistance to owners, helping them bring homes back into occupation. As a last resort, when all avenues have been exhausted, we have to use compulsory purchase. £50,000 covers the incidental costs associated with acquisition where CPO or negotiated purchase is required, where such costs cannot be recouped from the sale proceeds.

3.18 £0.8m is provided for Neighbourhoods and Environmental Services.

- (a) £592,000 is provided for the **Library Self-Access Rollout** scheme encompassing nine Leicester libraries, to enable customers to access library facilities outside of staffed hours. The rollout follows on from the pilot project implemented during 2021/22 at two libraries. The scheme is being funded by the transformation fund earmarked reserve.
- (b) £200,000 is provided for **Grounds Maintenance Equipment** to replace ageing machinery with up to date, energy efficient models to provide continued maintenance of our parks and open spaces. The replacement of this equipment is met from borrowing, and a revenue budget exists for this purpose.

3.19 £11.3m is provided for Planning, Development and Transportation.

- (a) £4m is provided for the **Connecting Leicester** scheme to support the continuation and expansion of the City Mayor's programme to enhance the city centre and local centres through improvements to public realm and accessibility by modes other than use of private cars. A work programme will be determined in due course and the priority areas are as follows: St Martin's; Queens Road; Granby Street; Braunstone Gate.
- (b) £100,000 has been provided for the **Front Walls Enveloping Scheme** and is a continuation of previous schemes. It involves the enclosure of small spaces in front of housing. Enveloping schemes can make a significant improvement to local neighbourhoods and enable occupiers to tend house fronts more effectively.
- (c) £250,000 is included as part of the continued rolling programme to replace **Festive Decorations**. This is a higher than usual amount in order to make a step improvement in displays, which will assist economic recovery. It will be funded from the covid recovery reserve.
- (d) £300,000 is provided to continue the **Flood Risk Prevention** scheme into 2022/23. The programme supports the Local Flood Risk Management Strategy and action plan, and the delivery of our statutory role to manage and reduce flood risk in collaboration with the Environment Agency & Severn Trent Water.
- (e) £400,000 has been provided for **Local Environmental Works** in wards. This scheme will focus on local neighbourhood issues including residential parking, local safety concerns, pedestrian

routes, cycle ways and community lighting to be delivered after consultation with ward members.

- (f) £1.6m is provided for **Strategic Sites Development** to continue with the Council's ongoing development programme and commitment to creating more homes. The sites included are Ashton Green, Western Park Golf Course and Land at Beaumont Park. This programme will enable the continuation of strategic plans for development of key sites for future homes to be built. This programme will initially be funded from prudential borrowing and repaid with future capital receipts that it generates.
- (g) £2.2m is provided as part of the continued **Highway Capital Maintenance Programme**. This is a rolling annual programme and spending is prioritised to reflect asset condition, risk and local neighbourhood priorities. The proposed programme is shown at Appendix 5. £50,000 has also been included to continue the successful street branding programme.
- (h) £2.6m is provided in 2022/23 to continue the rolling programme of works constituting the **Transport Improvement Programme**. Some of the priority areas include:
  - Delivering cross cutting cycling, walking and public transport benefits.
  - Local safety schemes
  - 20mph schemes in Neighbourhoods
  - Delivery of the Local Transport Plan

3.20 £1.2m is provided for Tourism, Culture and Inward Investment.

- (a) £300,000 is provided for the **Ugandan Asians – 50 Year Anniversary Commemoration** for commemorative works (to be determined after consultation with the local community) to celebrate the contributions of Ugandan Indians who first arrived in the UK 50 years ago.
- (b) £850,000 is provided for **Retail and Shop Front Improvements**. The funds will enable the continuation of the retail area improvement scheme. The scheme will continue with the provision of grants such as shop front grants to business to support business growth and café seating grants to increase footfall in the city Centre and neighbourhoods. Furthermore, improvements will also entail enhancing retail areas through new paving, bollards, landscaping, roofing, and shop fronts. It will be funded from the covid recovery reserve.

3.21 £8.4m is provided for Social Care and Education, Children's Services.

- (a) £850,000 is provided for **Children's Homes Refurbishments** at the following Children's Homes: Barnes Heath House, Dunblane Avenue and Wigston Lane. Works will include a ground floor extension at Barnes Heath House, the refurbishment of kitchens and bathrooms and increasing storage space.
- (b) £7.5m has been provided to continue with the **Children's Capital Improvements Programme** within our schools. The programme will include routine maintenance in our schools and spending is prioritised to reflect asset condition and risk. This will be a 2 year programme to allow for better forward planning. The proposed programme is shown at Appendix 6: detailed schemes will be developed following consultation with schools.

#### Proposed Programme – Policy Provisions

3.22 Policy provisions are sums of money which are included in the programme for a stated purpose, but for which a further report to the Executive (and decision notice) is required before they can be spent. Schemes are usually treated as policy provisions because the Executive needs to see more detailed spending plans before full approval can be given.

3.23 Executive reports seeking approval to spend policy provisions must state whether schemes, once approved, will constitute projects, work programmes or provisions; and, in the case of projects, identify project outcomes and physical milestones against which progress can be monitored.

3.24 Seven policy provisions have been identified as part of this programme:

- (a) £0.6m for **investment in multi-use games areas (MUGAs)** over the next two years to improve outdoor game areas and ballcourts, many of which have fallen into disrepair. An inventory of existing provision will be made together with its condition and a priority list of works will be drawn up. This may include new provision where there is a deficiency. Sponsorship will also be sought. If the scheme is successful, it is hoped to provide a sum of around £0.3m per year in future years.
- (b) £2.2m is set aside for the **Education System Re-tender**. The Council is preparing to retender its core education IT system, and the money may be required to cover system implementation costs if a new system supplier is selected.

- (c) £1.8m will be available to support potential **Strategic Property**



**Acquisitions** of land and buildings within the City. Such acquisitions are likely to support economic regeneration or enhance the performance of the corporate estate.

- (d) £3m is set aside to support **New Ways of Working** as a result of the pandemic. Potential schemes could involve re-purposing buildings for more agile working and proposals will be brought for consideration once they have been determined.
- (e) 3.7m is set aside to support further improvements at **Leicester Museum and Art Gallery** with the aim of improving the overall visitor experience through development of facilities, improved visitor flow by opening new routes and the potential to increase gallery space.
- (f) A **Programme Contingency** of £3.8m has been set aside for cost pressures arising from construction inflation, or (if not needed for this purpose) for any emerging capital needs such as potential match funding for any new government programmes.
- (g) £7.3m has been set aside for **Phase 3 of the Outdoor Market Programme** of improvements to the outdoor market and surrounding public realm. A further detailed report will be prepared on the expected scope of works and detailed costing.

### Capital Strategy

- 3.25 Local authorities are required to prepare a capital strategy each year, which sets out our approach for capital expenditure and financing at high level.
- 3.26 The proposed capital strategy is set out at Appendix 7.

### Consultation

- 3.27 This report will be subject to consultation with stakeholders along with the revenue budget. Comments received will be reflected in the final report to Council.

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

### 4.1 Financial implications

- 4.1.1 This report is exclusively concerned with financial matters.
- 4.1.2 There is some proposed prudential borrowing in the programme for replacement of vehicles of £3.4m and replacement grounds maintenance machinery for £0.2m. The anticipated revenue costs arising will be £0.3m per year, for which revenue budget exists. This borrowing is affordable,

sustainable and prudent (this is further described in the Treasury Strategy on your agenda).

4.1.3 No schemes are expected to lead to higher ongoing costs and some will lead to savings.

4.1.4 At the end of 2020/21, the Council set aside £10m to support capital expenditure which facilitated covid recovery, such as rejuvenating the local economy. This programme commits £4.4m, as shown in the table below:

	<u>£000</u>
African Caribbean Centre - Ventilation	252
Festive Decorations – Enhanced Programme	250
Retail and Shop Front Improvements	850
New Ways of Working	3,000
<b>Total Covid Recovery Funds</b>	<b>4,352</b>

(Other sums are being committed during 2021/22).

## 4.2 Legal implications

4.2.1 As the report is exclusively concerned with financial matters, there are no direct legal implications arising from the report. In accordance with the constitution, the capital programme is a matter that requires approval of full Council. The subsequent letting of contracts, acquisition and/or disposal of land etc all remain matters that are executive functions and therefore there will be the need to ensure such next steps have the correct authority in place prior to proceeding. There will be procurement and legal implications in respect of individual schemes and client officers should take early legal advice.

Emma Jackman, Head of Law (Commercial, Property & Planning)

## 4.3 Equalities implications

4.3.1 Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected

characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

- 4.3.2 Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- 4.3.3 People from across all protected characteristics will benefit from the improved public good arising from the proposed capital programme. However, as the proposals are developed and implemented, consideration should continue to be given to the equality impacts of the schemes in question, and how they can help the Council to meet the three aims of the Public Sector Equality Duty.
- 4.3.4 The capital programme includes schemes which improve the city's infrastructure and contribute to overall improvement of quality of life for people across all protected characteristics. By doing so, the capital programme promotes the PSED aim of fostering good relations between different groups of people by ensuring that no area is disadvantaged compared to other areas as many services rely on such infrastructure to continue to operate.
- 4.3.5 Some of the schemes focus on meeting specific areas of need for a protected characteristic: disabled adaptations within homes (disability), home repair grants which are most likely to be accessed by elderly, disabled people or households with children who are living in poverty (age and disability), and provision of funds for festive decorations (religion and belief).
- 4.3.6 Other schemes target much larger groups of people who have a range of protected characteristics reflective of the diverse population within the city. Some schemes are place specific and address environmental issues that also benefit diverse groups of people. The delivery of the capital programme contributes to the Council fulfilling our Public Sector Equality Duty (PSED). For example, schemes which support people in being able to stay in their homes, to continue to lead independent lives, and to participate in community life help promote equality of opportunity, another one of the aims of the PSED.
- 4.3.7 Where there are any improvement works to buildings or public spaces, considerations around accessibility (across a range of protected characteristics) must influence design and decision making. This will ensure that people are not excluded (directly or indirectly) from accessing a building, public space or service, on the basis of a protected characteristic. All schemes should consider the PSED and conducting Equality Impact Assessments where relevant in order to inform the process.

Kalvaran Sandhu, Equalities Manager

## 4.4 Climate Emergency implications

- 4.4.1 The city council declared a climate emergency in February 2019 and has now published its new Climate Emergency Strategy & Action Plan, setting out the ambition to make Leicester a carbon neutral city. The council is one of the largest employers and land owners in the city, with carbon emissions of 28,085tCO<sub>2</sub>e from its buildings and schools in 2020/21, and has a high level of influence in the rest of the city. The council has a vital role to play in reducing emissions from its buildings and operations, and leading by example on tackling the climate emergency in Leicester. The report notes the importance of tackling the climate emergency through the capital programme, with many of the projects outlined playing a positive role in reducing carbon emissions in the city.
- 4.4.2 There is not sufficient information within this report to provide specific details of climate change implications for individual projects, which may have significant implications and opportunities. Detailed implications should therefore be produced for individual projects as and when plans are finalised. At a high level, there are some general principles that should be followed during the planning, design and implementation of capital projects, as detailed below. A toolkit is also being developed to support the achievement of reduced carbon emissions in council capital construction and renovation projects.
- 4.4.3 New buildings should be constructed to a high standard of energy efficiency, and incorporate renewable energy sources where possible, with projects aiming to achieve carbon neutral development or as close as possible to this. Maintenance and refurbishment works, including replacement of systems or equipment, should also seek to improve energy efficiency wherever possible. This will reduce energy use and therefore bills, delivering further benefits. Major projects will also need to meet Climate Change policy CS2 in the Leicester City Core Strategy planning document, which requires best practice in terms of minimising energy demand for heating, ventilation and lighting, achieving a high level of fabric efficiency, and the use of low carbon or renewable sources of energy.
- 4.4.4 Projects involving procurement, including for construction works, should follow the Council's sustainable procurement guidelines. This includes the use of low carbon and sustainable materials, low carbon equipment and vehicles and reducing waste in procurement processes. Transport projects should seek to enable a greater share of journeys to be safely and conveniently undertaken by walking, cycling or public transport wherever possible, and many of the planned works will directly contribute to this. Flood risk and environmental works are also a key part of increasing resilience to a changing climate in the city.

Aidan Davis, Sustainability Officer

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

Equal Opportunities	Yes	Paragraph 4.3
Policy	Yes	The capital programme is part of the Council's overall budget and policy framework, and makes a substantial contribution to the delivery of Council policy.
Sustainable and Environmental	Yes	Paragraph 4.4
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	A number of schemes will benefit elderly people and those on low income.

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

**6. Summary of appendices:**

Appendix 1 – Corporate & Unringfenced Capital Resources.

Appendix 2a – Immediate Starts – Estates and Building Services

Appendix 2b – Immediate Starts – Housing General Fund

Appendix 2c – Immediate Starts – Neighbourhood and Environmental Services

Appendix 2d – Immediate Starts – Planning, Development and Transportation

Appendix 2e – Immediate Starts – Tourism, Culture and Inward Investment

Appendix 2f – Immediate Starts – Social Care and Education – Children's Services

Appendix 3 – Policy Provisions.

Appendix 4 – Operational Estate Maintenance Capital Programme

Appendix 5 – Highways Maintenance Capital Programme

Appendix 6 – Children's Capital Improvement Programme

Appendix 7 – Capital Strategy 2022/23.

7. 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

8. Is this a “key decision”? If so, why? No – it is a proposal to the Council.

**Report Author:** Ben Matthews

**Date:**

DRAFT

## Appendix One

### Capital Resources

	<b>22/23</b> <i>{£000}</i>	<b>23/24</b> <i>{£000}</i>	<b>Total</b> <i>{£000}</i>
<b><u>Resources Brought Forward</u></b>			
Previous years' savings	12,534		<b>12,534</b>
Levelling Up reserve	10,400		<b>10,400</b>
<b>Total One Off Resources</b>	<b>22,934</b>		<b>22,934</b>
<b><u>Capital Receipts</u></b>			
General Capital Receipts	5,819		<b>5,819</b>
Council Housing - Right to Buy Receipts	700		<b>700</b>
<b>Total Receipts</b>	<b>6,519</b>	<b>0</b>	<b>6,519</b>
<b><u>Unringfenced Capital Grant</u></b>			
School Places - Basic Need Grant	1,563		<b>1,563</b>
Education maintenance	4,500	3,000	<b>7,500</b>
Integrated Transport	2,576		<b>2,576</b>
Transport maintenance	2,000		<b>2,000</b>
<b>Total Unringfenced Grant</b>	<b>10,639</b>	<b>3,000</b>	<b>13,639</b>
<b>TOTAL UNRINGFENCED RESOURCES</b>	<b>40,092</b>	<b>3,000</b>	<b>43,092</b>
<b>Ringfenced resources</b>	<b>12,588</b>		<b>12,588</b>
<b>TOTAL CAPITAL RESOURCES</b>	<b>52,680</b>	<b>3,000</b>	<b>55,680</b>

**Immediate Starts – Estates and Building Services**

	<b>Division</b>	<b>Scheme Type</b>	<b>Corporate Programme Funding</b>	<b>Ringfenced Funding</b>	<b>Total Approval</b>
			{£000}	{£000}	{£000}
<b><u>Estates and Building Services</u></b>					
African Caribbean Centre - Ventilation	CDN (EBS)	PJ	-	252	<b>252</b>
Changing Places – Disabled Toilet facilities	CDN (EBS)	PJ	200	480	<b>680</b>
Malcolm Arcade Refurbishment	CDN (EBS)	PJ	1,000	-	<b>1,000</b>
Feasibility Studies	CDN (EBS)	WP	400	-	<b>400</b>
Operational Estate Maintenance	CDN (EBS)	WP	3,822	-	<b>3,822</b>
<b>TOTAL</b>			<b>5,422</b>	<b>732</b>	<b>6,154</b>

Key to Scheme Types : PJ = Project ; WP = Work Programme

**Summary of Ringfenced Funding**

	{£000}
COVID Recovery Fund Reserve	252
Changing Places Toilets (CPT) Fund	480
<b>TOTAL RINGENCED FUNDING</b>	<b>732</b>



**Immediate Starts – Housing General Fund**

	Division	Scheme Type	Corporate Programme Funding {£000}	Ringfenced Funding {£000}	Total Approval {£000}
<b><u>Housing General Fund</u></b>					
Empty Homes Acquisition Programme	CDN (HGF)	PV	50		50
Repayable Home Repair Loans	CDN (HGF)	WP	100	-	100
Disabled Facilities Grant	CDN (HGF)	WP	-	1,861	1,861
Fleet Replacement Programme	CDN (HGF)	WP	-	3,396	3,396
<b>TOTAL</b>			<b>150</b>	<b>5,257</b>	<b>5,407</b>

Key to Scheme Types : WP = Work Programme ; PV = Provision ;  
Oth = Other

**Summary of Ringfenced Funding**

	{£000}
Disabled Facilities Grant	1,861
Prudential Borrowing	3,396
<b>TOTAL RINGENCED FUNDING</b>	<b>5,257</b>

**Immediate Starts – Neighbourhood and Environmental Services**

	Division	Scheme Type	Corporate Programme Funding {£000}	Ringfenced Funding {£000}	Total Approval {£000}
<b><u>Neighbourhood and Environmental Services</u></b>					
Library Self-Access Rollout	CDN (NES)	PJ	-	592	592
Grounds Maintenance Equipment	CDN (NES)	WP	-	200	200
<b>TOTAL</b>			<b>0</b>	<b>792</b>	<b>792</b>

Key to Scheme Types : PJ = Project ; WP = Work Programme ;

**Summary of Ringfenced Funding**

	{£000}
Transformation Fund (Earmarked Reserve)	592
Prudential Borrowing	200
<b>TOTAL RINGENCED FUNDING</b>	<b>792</b>

**Immediate Starts – Planning, Development and Transportation**

	<b>Division</b>	<b>Scheme Type</b>	<b>Corporate Programme Funding</b>	<b>Ringfenced Funding</b>	<b>Total Approval</b>
			{£000}	{£000}	{£000}
<b><u>Planning, Development and Transportation</u></b>					
Connecting Leicester Programme	CDN (PDT)	PJ	4,000	-	<b>4,000</b>
Front Walls Enveloping Scheme	CDN (PDT)	WP	100	-	<b>100</b>
Festive Decorations – Enhanced Programme	CDN (PDT)	WP	-	250	<b>250</b>
Flood Risk Prevention	CDN (PDT)	WP	300	-	<b>300</b>
Local Environmental Works	CDN (PDT)	WP	400	-	<b>400</b>
Strategic Sites development	CDN (PDT)	WP	-	1,557	<b>1,557</b>
Highway Capital Maintenance	CDN (PDT)	WP	2,152	-	<b>2,152</b>
Transport Improvement Works	CDN (PDT)	WP	2,556	-	<b>2,556</b>
<b>TOTAL</b>			<b>9,508</b>	<b>1,807</b>	<b>11,315</b>

Key to Scheme Types : PJ = Project ; WP = Work Programme ;

**Summary of Ringfenced Funding**

	{£000}
COVID Recovery Fund (Earmarked Reserve)	250
Future Earmarked Capital Receipts	1,557
<b>TOTAL RINGENCED FUNDING</b>	<b>1,807</b>

**Immediate Starts – Tourism, Culture and Inward Investment**

	<b>Division</b>	<b>Scheme Type</b>	<b>Corporate Programme Funding</b>	<b>Ringfenced Funding</b>	<b>Total Approval</b>
			<i>{£000}</i>	<i>{£000}</i>	<i>{£000}</i>
<b><u>Tourism, Culture and Inward Investment</u></b>					
Ugandan Asians – 50 Year Anniversary Commemoration	CDN (TCI)	PJ	150	150	<b>300</b>
Retail and Shop Front Improvements	CDN (TCI)	WP	-	850	<b>850</b>
<b>TOTAL</b>			<b>150</b>	<b>1,000</b>	<b>1,150</b>

*Key to Scheme Types : PJ = Project ; WP = Work Programme ;*

**Summary of Ringfenced Funding**

	<i>{£000}</i>
Other Contributions	150
COVID Recovery Fund (Earmarked Reserve)	850
<b>TOTAL RINGENCED FUNDING</b>	<b>1,000</b>

**Immediate Starts – Social Care and Education – Children’s Services**

	<b>Division</b>	<b>Scheme Type</b>	<b>Corporate Programme Funding</b> {£000}	<b>Ringfenced Funding</b> {£000}	<b>Total Approval</b> {£000}
<b><u>Social Care and Education – Children’s Services</u></b>					
Children's Homes Refurbishments	SCE (ECS)	PJ	850	-	<b>850</b>
Children's Capital Improvement Programme	SCE (ECS)	WP	7,508	-	<b>7,508</b>
<b>TOTAL</b>			<b>8,358</b>	<b>0</b>	<b>8,358</b>

*Key to Scheme Types : PJ = Project ; WP = Work Programme ;*

## Appendix 3

### Policy Provisions

	<b>Division</b>	<b>Scheme Type</b>	<b>Corporate Programme Funding</b>	<b>Ringfenced Funding</b>	<b>Total Approval</b>
			{£000}	{£000}	{£000}
<b><u>Policy Provisions</u></b>					
Investment in multi-use game areas (MUGAs)	CDN (NES)		600	-	600
Education System Re-tender	SCE (ECS)		2,200	-	2,200
Strategic Property Acquisitions	CDN (PDT)		1,840	-	1,840
New Ways of Working	CDN (CRS)		-	3,000	3,000
Leicester Museum and Art Gallery (LMAAG)	CDN (TCI)		3,738	-	3,738
Programme Contingency	All Divisions		3,826	-	3,826
Outdoor Market phase 3	CDN (TCI)		7,300	-	7,300
<b>TOTAL</b>			<b>19,504</b>	<b>3,000</b>	<b>22,504</b>
<b>GRAND TOTAL – ALL SCHEMES</b>			<b>43,092</b>	<b>12,588</b>	<b>55,680</b>

#### **Summary of Ringfenced Funding**

	{£000}
COVID Recovery Fund (Earmarked Reserve)	3,000
<b>TOTAL RINGENCED FUNDING</b>	<b>3,000</b>

**Operational Estate Maintenance Capital Programme**

<b>Description</b>	<b>Amount £000's</b>
Building Works - Essential maintenance at the Council's operational and investment buildings and parks. Works include replacing life expired pool liner with tiles, changing room refurbishments, maintenance work at the Haymarket Centre, and stabilisation and repair works required at the Council's parks.	2,177
Compliance Works - Generally consisting of surveys to gain condition data across the estate and works arising from the legionella risk assessments.	70
Electrical Works - Replacement fuse boards, fire alarms and mains distribution panels.	155
Heritage Works - Full condition survey and repairs at Glenfield Tunnel	60
Mechanical Works - Replacement anti flood valve and ventilation works required at the Council's leisure centres.	70
Security Works - Alarm system replacements and provision for other security works.	410
Sustainability Works - Energy monitoring systems across the Council's estate	120
Town Hall - external works (including repairing balcony) and interior works (including balustrade reseating)	400
Emergency Provision – Provision for emergency reactive works that could be required across the Council's estate	360
<b>TOTAL</b>	<b>3,822</b>

**Proposed Highways Maintenance Capital Programme**

<b>Description</b>	<b>Amount £000's</b>
Major Public Realm & Transport Improvement Schemes - Public realm and transport maintenance works associated with transforming cities and active travel fund	100
Principal Roads – Uppingham Road, Thurmaston Lane/Victoria Road East Roundabout	450
Classified Non-Principal Roads – Saffron Lane continuation (The Fairway to Pork Pie Roundabout), Barkby Road, Swain Street	630
Unclassified Neighbourhood Roads – Scraptoft Lane (Bowhill Grove to Thurncourt Road)	200
LEAN Carriageway & Pothole Repairs – Target large carriageway pothole repairs to provide longer term repairs in readiness for surface dressing.	130
Footway Relays and Reconstructions – Focus on local neighbourhood priorities; Narborough Road continuation and Melton Road Cycleway.	215
Strategic Bridge Deck Maintenance & Replacement Works Friday Street bridge	135
Bridge Improvement & Maintenance Works – Parapet replacements, structural maintenance works and technical assessment review project.	200
Traffic Signal Installations Renewals and Lighting Column Replacements – Signalling Upgrades, Lamp Column Replacements, Illuminated Bollards and Sign Replacements.	240
DfT / Whole Government Accounting Lifecycle Asset Management Development Project – Strategic asset management development, data analysis, lifecycle planning and reporting in support of DfT Challenge Funding bidding linked to asset management performance.	300
<b>TOTAL *</b>	<b>2,600</b>

\*This scheme is deliberately over-programmed to manage risks from scheme co-ordination clashes and other factors affecting timing of works.



**Children's Capital Improvement Programme**

<b>Description</b>	<b>Amount £000's</b>
Building Works - Typical works include roof replacements, sports hall floor replacements and window replacements.	3,823
Compliance Works - This work stream will mainly be used to ensure the playing fields and pavilions used by schools are fully compliant with current regulations and to conduct health and safety works.	70
Mechanical Works - schemes being undertaken within the programme typically consist of re-piping heating systems and end of life ventilation replacements	685
Safeguarding Works - building works to ensure sites are secure.	750
Fire Risk Reduction Works - this is to continue with priority works identified within the fire risk assessments for schools.	780
Legionella Risk Reduction Works - Schemes typically include removal of cold water storage tanks to reduce the risk of legionella and other works that arise from the risk assessments carried out.	140
Asbestos Risk Reduction Works - Schemes consist of asbestos removal identified within the management surveys.	240
Sustainability Works - Replacement of the system that monitors energy usage, to allow for carbon reduction.	120
Individual Access Needs Works - This is a provision to allow works to be carried out to enable children with additional needs to access mainstream school.	420
Emergency Provision - This is provision within the programme to allow for emergency unforeseen works to be carried out.	480
<b>TOTAL</b>	<b>7,508</b>

**Capital Strategy 2022/23**

1. **Introduction**
  - 1.1 It is a requirement on local authorities to prepare a capital strategy each year, which sets out our approach to capital expenditure and financing at a high level. The requirement to prepare a strategy arises from Government concerns about certain authorities borrowing substantial sums to invest in commercial property, often primarily for yield and outside the vicinity of the Council concerned (something the Council has never done).
  - 1.2 There is also a requirement on local authorities to prepare an investment strategy, which specifies our approach to making investments other than day to day treasury management investments (the latter is included in our treasury management strategy, as in previous years). The investment strategy is presented as a separate report on your agenda.
  - 1.3 This appendix sets out the proposed capital strategy for the Council's approval.
2. **Capital Expenditure**
  - 2.1 The Council's capital expenditure plans are approved by the full Council, on the basis of two reports:-
    - (a) The corporate capital programme – this covers periods of one or more years, and is always approved in advance of the period to which it relates. It is often, but need not be, revisited annually (it need not be revisited if plans for the subsequent year have already been approved);
    - (b) The Housing Revenue Account (HRA) capital programme – this is considered as part of the HRA budget strategy which is submitted each year for approval.
  - 2.2 The capital programme is split into:-
    - (a) Immediate starts – being schemes which are approved by the Council and can start as soon as practical after the council has approved the programme. Such schemes are specifically described in the relevant report;
    - (b) Policy provisions, which are subsequently committed by the City Mayor (and may be less fully described in the report). The principle here is that further consideration is required before the scheme can start.
  - 2.3 The corporate capital programme report sets out authorities delegated to the City Mayor. Decisions by the City Mayor are subject to normal requirements in the constitution (e.g. as to prior notice and call-in).

- 2.4 Monitoring of capital expenditure is carried out by the Executive and the Overview Select Committee. Reports are presented on 3 occasions during the years, and at outturn. For this purpose, immediate starts have been split into three categories:-
- (a) **Projects** – these are discrete, individual schemes such as a road scheme or a new building. These schemes are monitored with reference to physical delivery rather than an annual profile of spending. (We will, of course, still want to make sure that the overall budget is not going to be exceeded);
  - (b) **Work Programmes** – these will consist of minor works or similar schemes where is an allocation of money to be spent in a particular year.
  - (c) **Provisions** – these are sums of monies set aside in case they are needed, but where low spend is a favourable outcome rather than indicative of a problem.
- 2.5 When, during the year, proposals to spend policy provisions are approved, a decision on classification is taken at that time (i.e. a sum will be added to projects, work programmes or provisions as the case may be).
- 2.6 The authority does not capitalise expenditure, except where it can do so in compliance with proper practices: it has never applied for directions to capitalise revenue expenditure.
- 2.7 The table below forecasts the past and forecast capital expenditure for the current year and 2022/23. It therefore, includes latest estimates of expenditure from the 2021/22 programme that will be rolled forward.

<b>Department / Division</b>	<b>2021/22 Estimate £m</b>	<b>2022/23 &amp; Beyond Estimate £m</b>
All Departments (Programme Contingency)	0	3.8
Corporate Resources	0.1	3.1
Smart Cities	0.2	-
Planning, Development & Transportation	45.9	72.5
Tourism, Culture & Inward Investment	11.1	33.3
Neighbourhood & Environmental Services	2.5	4.3
Estates & Building Services	35.7	8.2
Adult Social Care	1.3	8.0
Children's Services	13.9	33.4
Public Health	1.0	0.1
Housing General Fund	4.9	9.5
<b>Total General Fund</b>	<b>116.6</b>	<b>176.2</b>
Housing Revenue Account	103.1	125.1
<b>Total</b>	<b>219.7</b>	<b>301.3</b>

- 2.8 The Council's Estates and Building Services Division provides professional management of non-housing property assets. This includes maintaining the properties, collecting any income, rent reviews, ensuring that lease conditions are complied with and that valuations are regularly updated at least every 5 years. A capital programme scheme is approved each year for significant improvements or renovation.
- 2.9 The Housing Division provides management of tenanted dwellings. Apart from the new build, the HRA capital programme is almost entirely funded from tenants' rents. The criteria used to plan major works are in the table below:-

<b>Component for Replacement</b>	<b>Leicester's Replacement Condition Criteria</b>	<b>Decent Homes Standard: Maximum Age</b>
Bathroom	All properties to have a bathroom for life by 2036	30 - 40 years
Central Heating Boiler	Based on assessed condition	15 years (future life span of new boilers is expected to be on average 12 years)
Chimney	Based on assessed condition	50 years
Windows & Doors	Based on assessed condition	40 years
Electrics	Every 30 years	30 years
Kitchen	All properties to have an upgraded kitchen by 2036	20 - 30 years
Roof	Based on assessed condition	50 years (20 years for flat roofs)
Wall finish (external)	Based on assessed condition	80 years
Wall structure	Based on assessed condition	60 years

### **3. Financing Capital Expenditure**

- 3.1 Most capital expenditure of the Council is financed as soon as it is spent (by using grants, capital receipts, revenue budgets or the capital fund). The Council will only incur spending which cannot be financed in this way in strictly limited circumstances. Such spending is termed "prudential borrowing" as we are able to borrow money to pay for it. (The treasury management strategy explains why in practice we don't need to borrow on the external market: we must still, however, account for it as borrowing and make "repayments" from revenue each year). Circumstances in which the Council will use "prudential borrowing" are:-
- (a) Where spending facilitates a future disposal, and it is estimated that the proceeds will be sufficient to fully cover the initial costs;
  - (b) Where spending can be justified with reference to an investment appraisal (this is further described in the separate investment strategy).

This also includes social housing, where repayment costs can be met from rents;

- (c) Other “spend to save” schemes where the initial cost is paid back from revenue savings or additional income;
- (d) Where, historically, the Council has used leasing for vehicles or equipment, and revenue budgets already exist to meet the cost;
- (e) “Once in a generation” opportunities to secure significant strategic investment that will benefit the city for decades to come.

3.2 The Council measures its capital financing requirement, which shows how much we would need to borrow if we borrowed for all un-financed capital spending (and no other purpose). This is shown in the table below:-

	2021/22 Estimate £m	2022/23	2023/24	2024/25
HRA	269	283	295	308
General Fund	272	270	258	252

*(The table above excludes PFI schemes).*

3.3 Projections of actual external debt are included in the treasury management strategy, which is elsewhere on your agenda.

#### 4. **Debt Repayment**

4.1 As stated above, the Council usually pays for capital spending as it is incurred. However, this has not always been the case. In the past, the Government encouraged borrowing and money was made available in Revenue Support Grant each year to pay off the debt (much like someone paying someone else’s mortgage payments).

4.2 The Council makes charges to the general fund budget each year to repay debt incurred for previous years’ capital spending. (In accordance with Government rules, no charge needs to be made to the Housing Revenue Account: we do, however, make charges for newly built and acquired property).

4.3 The general underlying principle is that the Council seeks to repay debt over the period for which taxpayers enjoy the benefit of the spending it financed.

4.4 Where borrowing pays for an asset, debt is repaid over the life of the asset.

4.5 Where borrowing pays for an investment, debt is repaid over the life of the Council’s interest in the asset which has been financed (this may be the asset life, or may be lower if the Council’s interest is subject to time limits). Where borrowing funds a loan to a third party, repayment will never exceed the period of the loan.

4.6 Charges to revenue will be based on an equal instalment of principal, or set on an annuity basis, as the Director of Finance deems appropriate.

- 4.7 Debt repayment will normally commence in the year following the year in which the expenditure was incurred. However, in the case of expenditure relating to the construction of an asset, the charge will commence in the year after the asset becomes operational or the year after total expenditure on the scheme has been completed.
- 4.8 The following are the maximum asset lives which can be used:-
- (a) Land – 50 years;
  - (b) Buildings – 50 years;
  - (c) Infrastructure – 40 years;
  - (d) Plant and equipment – 20 years;
  - (e) Vehicles – 12 years.
- 4.9 Some investments governed by the treasury strategy may be accounted for as capital transactions. Should this require debt repayment charges, an appropriate time period will be employed. Share capital has a maximum “life” of 20 years.
- 4.10 Authority is given to the Director of Finance to voluntarily set aside sums for debt repayment, over and above the amounts determined in accordance with the above rules, where he/she believes the standard charge to be insufficient, or in order to reduce the future debt burden to the authority.
- 4.11 In circumstances where the investment strategy permits use of borrowing to support projects which achieve a return, the Director of Finance may adopt a different approach to debt repayment to reflect the financing costs of such schemes. The rules governing this are included in the investment strategy.
- 4.12 The ratio of financing costs to net revenue budget is estimated to be:-

	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>%</b>	<b>%</b>	<b>%</b>
General Fund	2.2	2.4	2.4
HRA	11.3	11.4	11.8

## 5. **Commercial Activity**

- 5.1 The Council has for many decades held commercial property through the corporate estate. It may decide to make further commercial investments in property, or give loans to others to support commercial investment. Our approach is described in the investment strategy, which sets the following limitations:-
- (a) The Council will not make such investments purely to generate income. Each investment will also benefit the Council’s service objectives (most probably, in respect of economic regeneration and jobs). It will, however, invest to improve the financial performance of the corporate estate;
  - (b) The Council will not make investments outside of the LLEP area (or just beyond its periphery) except as described below. We would not, for instance, borrow money to buy a shopping centre 100 miles from Leicester;

- (c) There is one exception to (b) above, which is where the investment meets a service need other than economic regeneration. An example might be a joint investment in a solar farm, in collaboration with other local authorities; or investment in a consortium serving local government as a whole. In these cases, the location of the asset is not necessarily relevant.
- 5.2 Such investments will only take place (if they are of significant scale) after undertaking a formal appraisal, using external advisors if needs be. Nonetheless, as such investments also usually achieve social objectives, the Council is prepared to accept a lower return than a commercial funder might, and greater risk than it would in respect of its treasury management investments. Such risk will always be clearly described in decision reports (and decisions to make such investments will follow the normal rules in the Council's constitution).
- 5.3 Although the Council accepts that an element of risk is inevitable from commercial activity, it will not invest in schemes whereby (individually or collectively) it would not be able to afford the borrowing costs if they went wrong. As well as undertaking a formal appraisal of schemes of a significant scale, the Council will take into account what "headroom" it may have between the projected income and projected borrowing costs.
- 5.4 In addition to the above, the Council's treasury strategy may permit investments in property or commercial enterprises. Such investments may be to support environmental and socially responsible aims, and are usually pooled with other bodies. For the purposes of the capital strategy, these are not regarded as commercial activities under this paragraph as the activity is carried out under the treasury strategy.
6. **Knowledge and Skills**
- 6.1 The Council employs a number of qualified surveyors and accountants as well as a specialist team for economic development who can collectively consider investment proposals. It also retains external treasury management consultants (currently Arlingclose). For proposed investments of a significant scale, the Council may employ external specialist consultants to assist its decision making.





# Inspection of Leicester City Council local authority children's services

**Inspection dates:** 20 September 2021 to 1 October 2021

**Lead inspector:** Neil Penswick, Her Majesty's Inspector

<b>Judgement</b>	<b>Grade</b>
The impact of leaders on social work practice with children and families	Good
The experiences and progress of children who need help and protection	Good
The experiences and progress of children in care and care leavers	Good
Overall effectiveness	Good

Children's services have continued to build on the improvements evident at the last Ofsted local authority judgement inspection, in 2017, which judged services to require improvement. This inspection has continued to see improvements being made in all services, with help and protection and children in care services now judged to be good.

In 2020 and 2021, the city of Leicester was significantly affected by COVID-19 and, due to the very high rates of infection, was subject to increased local lockdown arrangements throughout the pandemic and until recently. However, children's services continued to provide a robust level of support for all children known to children's social care, including ongoing face-to-face visits, to ensure that they were safe and protected and their welfare was being promoted.

Inspectors saw a robust management focus on improving services to benefit children and families, including the effective roll-out of a nationally recognised model of social work practice. The use of performance data shows that the local authority knows

itself well. In the main, help and protection services are timely, and well focused on addressing risk and promoting the welfare of the most vulnerable children. Strong support is provided to families through effective early intervention and through preventative work prior to family court proceedings.

For the majority of children in care, social work support recognises well children's individual needs and focuses on progressing permanence as promptly as possible, including return to parents or family. Direct work, children's participation and care leaving services are impressive strengths in Leicester.

In a small number of children's cases, however, the quality of social work practice, management decision-making or recording is not to as high a standard as that delivered to the vast majority of children and families.

## **What needs to improve?**

- The coordination of private fostering support.
- Designated officer arrangements, ensuring that all identified actions are completed.
- Sufficiency of placements and support provided for children and young people aged 16 and over.
- The consistency of the recording of social work involvement and management oversight.
- The consistency of case file auditing and identification of learning for the organisation.

## **The experiences and progress of children who need help and protection: good**

1. Children in Leicester are well protected from harm. Their needs are well assessed and understood, and a wide range of services and interventions are available to help improve their circumstances.
2. Families benefit from a comprehensive early help offer. They receive proportionate support and signposting to a variety of community services and parenting programmes which help them to address needs. Skilled workers support children and families to improve children's circumstances and prevent escalation of issues.
3. When concerns for children are referred to children's services, thorough enquiries are made promptly, including consideration of historical information. Thresholds are well understood by partner agencies and acted on by the 'front door' staff.
4. Decisions to hold a strategy meeting are made appropriately. These meetings take place promptly and are well attended by partners, informing clear plans. Child protection enquiries are proportionate, sensitive and well focused on the children.
5. Children benefit from thorough assessments. Good use is made of age-appropriate and culturally sensitive direct work tools. This means that decisions as to further support or intervention and safety plans are well informed by children's views. There are many different cultures and diverse communities in Leicester and social workers have a clear understanding of the cultural needs of children and families. Where needed, social workers make sure that interpreters are involved to help gain an accurate assessment of family experience.
6. Strong assessments are ensuring that children are on the most appropriate plan according to their risk and needs. Child protection and children in need plans are

regularly updated, although the recorded actions are not always clear on what difference they will make for children, and how the success of those actions will be measured.

7. Core groups are well attended and recorded, with active involvement from family members, carers and professionals. Progress against plans is tracked effectively, making a positive difference in reducing risk. Where children's circumstances do not improve through child protection planning, early consideration is given to pre-proceedings, avoiding any unnecessary delay in responding to continuing or increasing concerns.
8. There is a highly effective system in place to ensure that children's circumstances in pre-proceedings are tracked and progressed, with children at the heart of decision-making. Creative and resilient work tackles entrenched and concerning parental behaviours and is frequently successful in supporting children to remain safely with their family.
9. Children and families benefit from access to a wide range of support services, including multi-systemic therapy and the functional family therapy team. Social work practice is enriched by this co-worked approach and this results in children living with greater emotional warmth, improved living conditions and better school attendance.
10. Where children are identified as being at risk of exploitation, risk assessments are routinely completed and forwarded to a specialist team manager for oversight and direction. When children are at high risk, daily management meetings consider changes in circumstances, with children engaged in safety planning and decision-making to empower them as much as possible to take positive control of their circumstances.
11. When children go missing from home or care, return home interviews are conducted by workers from the child exploitation team. The best examples of these are explorative and attempt to ascertain the child's reason and pull factors for going missing.
12. A very small number of children live in private fostering arrangements and some benefit from robust assessment and support. However, for others, visits to review their circumstances are not always timely, and not enough consideration is given to the impact on children when circumstances change.
13. In the majority of cases, the responses to concerns about professionals who may present risks to children are robust. The designated officer coordinates the work of agencies, participates in a range of formal meetings and advises actions to be taken appropriately. However, inspectors saw a very small number of cases where not all of the identified actions had been completed.

14. There is a clear protocol with respect to 16- and 17-year-old children who present as homeless. However, children's records do not always detail whether the protocol had been followed, in particular whether children were made aware of their options and entitlements.
15. Leaders have oversight of children missing education and those who are home educated, supported by effective tracking systems. Leaders do not shy away from using statutory attendance orders to ensure that children attend school or receive their education in appropriately registered places.
16. The number of electively home-educated children has increased significantly following the national restrictions due to the pandemic. Leaders ensure that the well-being of these children is a priority, and that checks are undertaken to confirm that there is suitable support for all children who are home educated.

### **The experiences and progress of children in care and care leavers: good**

17. Children come into care at the right time, following careful and thoughtful consideration. There is effective exploration of children's circumstances, with professionals ensuring that decisions are in the child's best interests. In most cases, these decisions are pre-planned and appropriate following long-standing intervention with families who have been unable to sustain and maintain change. In a small number of cases, children have come into care due to escalating risks which require urgent responses. There is appropriate response in these circumstances, which swiftly ensures that children are protected and well cared for.
18. Social workers are tenacious and endeavour to explore all situations thoroughly to support children to live within their extended families whenever possible. They promptly and robustly assess alternative carers. Children live with their siblings whenever possible through effective and assessed consideration of an individual's needs.
19. Social workers apply careful consideration when matching and placing children. As a result, children are able to develop nurturing and positive relationships with their carers. For the vast majority of children in residential care, support meets their needs well. Some children live with their foster carers well into adulthood, meaning that these children have stable, forever homes.
20. Children's plans are thoroughly reviewed and scrutinised to ensure that they continue to meet children's needs. Independent reviewing officers provide a good level of support and challenge to practice. They maintain an oversight of progress between planning meetings and keep a strong child focus. They know

the children very well and prepare and communicate with them to enable children to participate in important meetings.

21. Direct work with children is of an excellent quality and children's views are central in decision-making about their lives. Social workers ensure that children are seen regularly and alone in order to develop positive relationships. This allows social workers to complete creative and age-appropriate work to secure children's views.
22. When safeguarding concerns arise for children in care, the appropriate actions are taken to ensure that the children are protected. There is effective use of child protection processes to ensure that concerns are explored and addressed.
23. Early consideration is given to permanence planning in all situations regardless of the circumstances, including to support reunification with parents. Regular permanence planning meetings help to drive progress, and ensure that all necessary assessments are taking place or commissioned accordingly. Delay in achieving permanence for children is rare. Once decisions have been made for permanence for children, these are progressed in a timely manner. This is the case irrespective of which permanence option is identified to be in the best interests of the child. Children's life-story work is sensitively and imaginatively completed for children with permanence decisions, to ensure that they have a comprehensive understanding of their families and experiences.
24. Children are mostly safe and settled where they live. However, there are some young people, over 16 years old, who are not receiving the level of support that they need. At the time of the inspection, these included a small number of young people with complex needs and vulnerabilities, some of whom were asylum seekers. Their assessed needs were not always fully met in the care provided or from the level of support they received.
25. Recruitment and assessment of foster carers and adopters is thorough, timely and analytical. Training builds their confidence and enables children to be well matched to their carers or adopters.
26. Children's relationships with their own families are maintained and supported. Social workers ensure that opportunities for regular family time occur, no matter where families are located or what the barriers may be.
27. For disabled children in care, their needs are well met within the mainstream social work teams. There is good consideration of their complex needs and communication styles within assessments and plans. Children's cultural and diversity needs are also well understood and met, with good use of interpreters, enabling all children in care to have their voice and views heard.

28. The virtual school is ambitious in ensuring that children and young people in the care system make good educational progress at school or other provision. Leaders and staff know individual children well. They adopt an approach of 'as if it were my child' in meeting the needs of children in care. Children in care make good progress from their starting points. The achievement of children is celebrated through popular annual awards events and residential programmes, such as the Tall Ships sailing programme. Personal education plans are reviewed regularly, although there is some variability in the detail recorded. Leaders have taken effective action to promote good attendance and keep the number of exclusions from school for children in care as low as possible.
29. Care leavers benefit from a comprehensive leaving care offer, which is highly effectively delivered by an enthusiastic team of leaving care advisers. For many children, this is making a positive difference to their lives.
30. Early consideration of planning means that most young people are supported to transition to independence at the right time for them. Pathway plans reflect the needs and skills of individuals, and appropriate support packages are developed for when they leave care. This means that many care leavers can fulfil their potential in completing apprenticeships, getting jobs and being able to parent their own children successfully.
31. Social workers and leaving care advisers are ambitious for their children. Care leavers value the positive relationships and support they receive from leaving care advisers. This enables care leavers to feel valued, which supports them in maintaining their independence and achieving their goals. Excellent support is provided to care leavers who are able or wish to attend higher education, including the maintenance of staying put arrangements for those in foster care. Nineteen per cent of this year's care leavers have entered university, demonstrating the success of the enhanced support.
32. Care leavers are well supported into employment, education and training. The leaving care team works closely with external organisations, including Leicestershire Cares, to enable care leavers to meet with local employers to discuss their futures.

### **The impact of leaders on social work practice with children and families: good**

33. There have been continued improvements in children's services since the last Ofsted inspection and all services are now judged to be good. Particular strengths were identified by inspectors in earlier intervention, direct work with families, support to families in pre-proceedings, care leaver services and in children's participation.

34. Leicester was significantly affected by the COVID-19 pandemic and, due to the very high rates of infection, was subject to additional local lockdown arrangements until recently. During the lockdown periods, children's services continued to provide a robust level of support for all children, including ongoing face-to-face visits to ensure that children were protected and their welfare promoted. Despite the personal and professional impact on social workers and managers, inspectors saw no dip in the high quality of support being offered to children and families during this time and this was impressive.
35. An improvement board supports the drive to continue to improve services. This is chaired by a highly experienced independent social care manager who robustly supports and challenges key personnel in Leicester, with an aim to be delivering consistently outstanding services within the next two years.
36. Children's services are now seen to be an important component of the council. Over the last few years, services have received additional financial support, and this has now resulted in an effectively resourced organisation.
37. A new strategic director, who was appointed at the beginning of the pandemic, has focused well on developing a longer-term perspective on continuing to improve services. This builds on the work of the director of children's social care and her senior management team, who have worked tenaciously to steadily improve operational services. Reprioritising with partner agencies to a focus on earlier support, across the range of diverse cultures and communities in the city, has also resulted in better identification of need and targeted support for vulnerable children across the city.
38. The skilled and experienced lead member has been in post for six years and has worked robustly with other councillors and departmental heads to ensure a wider understanding of the children's services' role. In particular, she has succeeded in improving the ownership of corporate parenting responsibilities. Corporate parenting is now undertaken through a number of 'delivery groups'. These are led by senior personnel and involve councillors, officers from across the council, and children and young people.
39. Senior managers are highly aspirational for their services to continue to improve the lives of the vulnerable children in Leicester. They have concentrated on getting systems in place that allowed managers and social workers to do their job properly and to improve as practitioners. Social workers who met inspectors described how they appreciated the culture of high challenge and the support they receive. They spoke about the system of 'commendations', which they receive following compliments from families or in recognition of a good-quality piece of work they have completed.
40. Performance data is accurate and detailed and contains useful analysis. It demonstrates that the authority knows itself well. Regular performance and quality assurance reports and meetings, attended by managers, focus not only



on compliance but also on what the findings indicate about the experience of the children. Quality assurance includes excellent examples of good practice/success reviews, and in-depth 'deep dives' into a range of practice issues. Although there are a high number of audits undertaken each month, these are of a variable quality and the thematic learning for the organisation is not always sufficiently clear.

41. The voice of the child is integral to the improvement of services in Leicester. Throughout the inspection, inspectors saw the voice of the child sought in individual case work and in planning meetings, supported by excellent advocacy arrangements. Children's participation in strategic planning is also a strength in the city. There are a wide range of opportunities available for children to be involved in the co-production of information, materials and websites. A number of nationally recognised videos have been produced by individuals and groups of young people. These well-established opportunities continued through the long periods of lockdown experienced by Leicester and led to innovative projects to ensure that children and young people were not isolated during those exceptional times. Inspectors also met a range of children and young people from established groups, including Care Experienced Consultants, the Big Mouth Forum and the Generation Select group, who are a driving force in ensuring that services improve in the city.
42. In the main, the local authority's current self-evaluation is accurate. However, it did not identify the issues with placement sufficiency that inspectors found on site. As a result of the lack of placements for children and young people over the age of 16, there were a small number of young people in unregistered provision and a higher number in unregulated provision. Inspectors assured themselves that, for the most vulnerable children who had been placed in unregistered provision, due to a lack of nationally suitable registered providers and as a result of orders made by the high court, there were as robust arrangements as possible to protect them. Many of the young people in unregulated supported accommodation were appropriately placed to promote their independence. However, a small number of these young people were not receiving the level of assistance identified as necessary in their assessments, including some asylum-seeking young people. As a result of inspectors identifying these issues, senior managers reviewed all the young people in these placements to ensure that the packages of support did meet their needs.
43. One of the significant strengths of children's services in Leicester is that many of the staff have remained with the authority for many years. This provides a bedrock of stability, which can be seen across the experiences of many children who have been supported by social workers who know them well and have excellent relationships with them which can support changes to happen.
44. A nationally recognised model of social work practice has been embraced by children's services in Leicester. Although the model is not yet fully embedded,

staff and partner agencies use it on a daily basis, resulting in a good, shared understanding with the family of the risks to children and what needs to change.

45. Social workers are well supported by their managers in terms of availability and in helping them make the right decision. They spoke to inspectors about how much they appreciated the support they had received during the additional local lockdown arrangements and in preparing them for the recent service-wide return to the office space. Most social workers receive good-quality, in-depth supervision sessions. Social work documentation is generally up to date and of a good quality. In the main, the recording of management decision-making is clear. However, for a small number of children, the quality of the documentation, including the recording of management decision-making, is not of that consistently high standard.
46. All the social workers who met inspectors reported that their caseloads were of a manageable size, allowing them to engage purposefully with families. The many examples of direct work seen by inspectors across help and protection and children in care were of a very high quality, ensuring that progress was being made to improve children's lives.



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**Will Quince MP**

Parliamentary Under-Secretary of State for Children and Families

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Sir Peter Soulsby  
Leicester City Council  
City Hall  
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LE1 1FZ

22 November 2021

Dear Sir Peter,

**LEICESTER CITY COUNCIL; INSPECTION OF LOCAL AUTHORITY  
CHILDREN'S SOCIAL CARE SERVICES (PUBLISHED 12/11/21)**

I am writing following Ofsted's publication of its report on Leicester City Council's children's social care services, in which Ofsted has judged the overall effectiveness of these services to be 'Good'.

Delivering effective children's social care services presents significant challenges, and even more so during the Covid-19 pandemic, but the fact that they are so important to vulnerable children means it is essential that we all strive to achieve the highest possible standard. In that light, I am pleased to see that children's services in Leicester have improved from 'Requires Improvement' to 'Good'.

I know that Leicester was significantly impacted by the pandemic and the additional lockdown arrangements that affected the city, so I am particularly impressed that, despite this, you have continued to deliver high quality services, ensuring that children and young people are safe and protected while maintaining a focus on improvement. I am pleased to see the strong support provided to families through effective early help, that there is strong corporate leadership including ensuring services are resourced sufficiently, and that, as Ofsted noted, the voice of the child has been integral to Leicester's improvements.

While there are still areas for improvement, as Ofsted's report highlights, I am pleased that leaders and social workers in Leicester are ambitious in their desire to improve and deliver outstanding services for the city's children and families.

Finally, I am keen to encourage local authorities to share their learning on improvement and on delivering good quality services with other authorities facing

similar challenges. I know that you are already playing a significant part in developing the sector-led approach to improvement in children's services through the East Midlands Regional Improvement and Innovation Alliance. I would encourage you to continue to play a full part in this, and to continue to engage with our Regional Improvement Support Lead for the East Midlands, Stewart Bembridge ([stewart.bembridge@education.gov.uk](mailto:stewart.bembridge@education.gov.uk)).

I am copying this letter to Cllr Sarah Russell, Alison Greenhill, Martin Samuels, Claudia Webbe MP, Jon Ashworth MP, Liz Kendall MP.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Will Quince', written in a cursive style.

**Will Quince MP**  
**Parliamentary Under Secretary of State for Children and Families**

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12 November 2021

**Yvette Stanley**  
National Director, Regulation and Social Care

By email: [martin.samuels@leicester.gov.uk](mailto:martin.samuels@leicester.gov.uk)

Mr Martin Samuels  
Strategic Director, Social Care & Education  
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Dear Martin

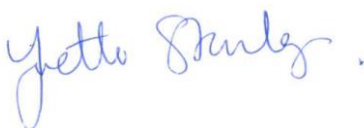
## **Inspection of children's social care services**

I am writing to personally congratulate you on the outcome of your recent ILACS inspection, which saw Leicester City move out of the requires improvement rating to an overall effectiveness of good.

This is a significant achievement and one which I wanted to acknowledge today. This outcome is testament to your hard work and tenacity, as well as that of the leadership team, managers and frontline staff, the wider council and your safeguarding partners. It was particularly pleasing to read that, despite the challenges of the pandemic, "*... children's services continued to provide a robust level of support for all children known to children's social care, including ongoing face-to-face visits, to ensure that they were safe and protected and their welfare was being promoted.*" The work your teams do with children in need of help and protection shows that their needs are well assessed.

I know you will be already concentrating on the next stages of your improvement journey. Please pass on my congratulations to all Leicester City colleagues who have contributed to this achievement, as well as extending my thanks to all the staff, children, foster carers and wider stakeholders who participated in the inspection process.

Yours sincerely



**Yvette Stanley**  
National Director Regulation and Social Care





# Appendix D

## Children's, Young People and Education Scrutiny Commission Report

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### Millgate School Residential Review

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Lead Member: Cllr Elly Cutkelvin

Lead Strategic Director: Martin Samuels

Date: 18 January 2022

## Useful information

- Ward(s) affected: All
- Report author: Clare Nagle
- Author contact details: Clare.Nagle@Leicester.gov.uk
- Report version number: v1.0

### 1. Summary

- 1.1. The purpose of this report is to provide the Children's, Young People and Education Scrutiny Commission with an overview of the findings from a strategic commissioning review of Millgate School's overnight respite / residential provision. Millgate School is a school for children with special educational needs and specialises in provision for pupils with Social Emotional and Mental Health needs.
- 1.2. The review took place between June and September 2021, to understand the benefits of the provision, which is funded from the High Needs Block grant, which the Council receives to provide educational support to children and young people with special educational needs and disabilities.
- 1.3. The cost of the provision is £400k per annum and the High Needs Block grant is predicted to be overspent by £7.5m for 2021/22. The local authority is required to manage within the budget and no longer able to top-up from local authority reserves.
- 1.4. The review involved the school staff, pupils, parents, Special Education Needs & Disabilities Services (SEND), Children's Social Care, and the City of Leicester Association of Special Schools (CLASS) Headteachers.
- 1.5. The school provides overnight respite / residential provision for up to 8 pupils a night, for 5 nights a week throughout term-times, approximately 30% of the school population access it annually. Whilst the provision is highly regarded by parents and carers of those children who attend, there is no tangible evidence that the facility significantly improves the educational attainment for children using the provision or reduces cost elsewhere to the local authority, in terms of reducing the number who would require statutory interventions.
- 1.6. The provision is accessible to Millgate School pupils only and not the wider SEND population, of over 1,000 pupils across all special schools.
- 1.7. Three options for the future of the provision have been proposed for consideration and are presented in paragraph 5.13.
- 1.8. The Executive has been recommended to consider Option 3, which seeks to take savings offered by the school for 2021/22 and then seeks to end the funding over a further 2-year period.

## **2. Recommendations**

2.1. The Scrutiny Commission is recommended to:

- Note the context of the report and findings from the review
- To note the preferred Option (3)
- To provide comment / feedback

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

3.1. The review was intended to take place May – July 2021, however this was extended through until late September to allow for the summer holidays, further clarifications from the school, and full engagement from stakeholders.

3.2. The approach to the review involved

- Qualitative evidence from school staff, school pupils, parents (identified by the school) and wider stakeholders, including City of Leicester Association of Special Schools (Head teachers). In addition, information from Special Education Needs Heads of Service and Children Social Care and Early Help Heads of Service was also considered as part of the review.
- Quantitative data provided by the school and from school census data.

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

4.1. It was agreed in March 2021, following on from the Re-alignment of Special School Funding Report, the council would undertake a strategic review to understand the purpose and benefits of the overnight respite / residential provision at Millgate School to ensure fairness, transparency and accountability. The purpose of the review was to consider:

- the provision/ service delivered to pupils
- cost of operating the provision
- the impact and outcomes the provision offers to the pupils
- alignment to the strategic priorities of the local authority

4.2. Millgate School has had a residential provision since 2002, with their first Ofsted inspection in 2003. Most of the inspections have noted the provision as Outstanding.

4.3. The school has grown in recent years to almost 120 pupils, with a majority being boys, except for 2 girls recently placed in the school's primary cohort. All pupils at the school have Education, Health and Care Plans (EHCPs) and the school specialises in provision for pupils with Social Emotional and Mental Health (SEMH) needs.

4.4. The school until recently (August 2021) was federated to Keyham Lodge school, however both schools have now joined the Discovery Trust (September 2021).

## 5. Detailed report

5.1. The residential provision prior to covid-19, enabled up to 8 pupils a nightly stay in the 'flat' (as it is also known). This enabled pupils to join in with the 'extended day' activities, before joining the residences for a more structured evening, including an evening meal, further activities, homework time and a night's sleep in their own room. There are 2-night staff who sleep onsite with the pupils, and additional staff who support through the 'extended day' activities and into the evening.

5.2. The school on average operated this for 179 nights over the school year. Pupils were able to access based on a rota basis, identified by staff, during 2018/19 this access equated to 34% of the schools 103 pupils.

5.3. During covid, the school reduced its pupil numbers down to 4-5 pupils a night, but for a longer period of 3 nights, and offered more targeted use, based on families identified by the school who needed additional support. Just over 33% of the 120 pupils were able to access the provision during 2020/21, with the school operating the residence for 148 nights.

5.4. The school confirmed it does not take referrals from other professionals, and decisions for access are based on the knowledge and expertise of the school staff.

5.5. The school confirmed the budget for the residential provision was interlinked to the wider extended day provision, broken down into five areas:

- Staffing
- Leadership
- Residential expenses
- Extended day
- Catering

The most substantial costs being staffing and leadership. The school have also forecast a proposed reduction for 2021/22 costs by £100k.

5.6. During the review the school provided case studies evidencing the impact the provision has on its pupils their wellbeing and education, alongside data relating to pupil's attainment, attendance, behaviour and achievement. This also includes:

- Better concentration whilst in school
- Completion of homework
- Greater awards for good schoolwork
- Improved attendance including punctuality and overall attendance

5.7. Several pupils were able to chat with Officers undertaking this review during a visit to the flat. Their feedback, on the flat and the role it plays in their lives, statements made by the pupils included:

- *Being in the flat, we do things we wouldn't do at home.*

- *We're able to sleep well, there are ground rules which would mean we have to be in our bedrooms at a set time.*
- *We're able to be with friends and staff are really supportive.*

5.8. Parents (identified by the school) were spoken to as part of this review to gather their views and feedback on the impact and outcomes the provision provides for their child, themselves and their families. Key comments included:

- Children can wash and complete personal hygiene at home.
- Thought child would end up in prison and the school have turned his behaviour around
- Child is calmer at home and is more respectful and has improved relationships
- Parents are able to support other siblings who also have complex needs
- Helps with parents' mental health issues
- The energy, commitment and knowledge of the school staff, and how much of a difference the provision has made to their children, their wellbeing and that of the families.

5.9. A brief presentation was given to CLASS, (the City of Leicester Association of Special Schools) as part of this review The group were of the view the provision offered excellent outcomes for the pupils and had a big impact on the families of those pupils. However, the group raised a query regarding equality of accessing, acknowledging only those pupils at the school were able to access the provision, and there was limited access to the council's respite provision at Barnes Heath House.

5.10. The school provided details of pupils who had used the residential provision, where there had been child protection concerns. These details were cross referenced with Children Social Care and early help records, only a small proportion were open to the services or on a pathway.

5.11. Also, whilst pupils at the school have Education, Health and Care plan, which provides a statutory duty on the council to provide support, none of the children have a requirement for overnight respite / residential provision stated on their plan. Furthermore, the council does not commission residential places for pupils at the school.

5.12. Several local authorities within the region have also undertake similar reviews of residential provision (including Nottinghamshire, Lincolnshire and Leicestershire due to increasing pressures on their high needs funding block. The provisions were open to a small number of pupils compared to the wider SEND population.

5.13. Three recommendations were proposed following the review, these included:

- **Option 1:** Review operating model to rationalise funding, including development of a specification for service
- **Option 2:** Do nothing and retain the provision (including the extended day)
- **Option 3:** Funding to be reduced from £400k to £300k from September – August 2021/22 (the school have indicated they are able to reduce their staffing costs by this amount). A further reduction to £200k in 2022/23 and a reduction to £100k in 2023/24, no further funding from 2024/25.

5.14. Option 3 was recommended to enable a transition period for the trust/ school in order to plan their finances over the years, consider alternative options to re-purpose the building and it also supports the local authority to manage its high needs block as highlighted in paragraph 1.3, which is predicted to be overspent by £6m in 2021/22. Options 1 and 2, were not recommended due to the cost implications on the high needs block.

5.15. The school are now part of a multi-academy trust, therefore the decision regarding about whether to continue/reduce the provision will not be for the school, but the trust. If funding is reduced it may mean the residential provision will not operate at the same capacity. The Trust have been made aware of the recommendations during December 2021, to enable them to plan their finances over the next 12 – 24 months.

5.16. Discussions have also taken place with NHS Leicester Clinical Commissioning Group (CCG), to understand whether there is a need for this type of provision for children and young people with complex health needs. They confirmed there is a need, in order to help prevent hospital admission and would be looking to procure a building-based service in the future. This may be an option for the school to consider as alternative funding.

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

### 6.1 Financial implications

6.1.1. The recommended option of reducing the call on the council's High Needs Block (HNB) funding for this residential/respite provision is a local decision and does not need DfE approval. At the end of the transitional period, ie from 2024/25, under the recommended option, expenditure from the HNB will have reduced by £0.4m.

6.1.2. For context, the HNB is under severe financial pressure with a forecast deficit between funding allocation and expenditure in 2021/22 of in excess of £7.5m as a result of continued increases in demand for Education, Health and Care Plans.

*Martin Judson, Head of Finance*

### 6.2 Legal implications

Part 3 of the Children and Families Act 2014 sets out the duties placed on Local Authorities for children and young people in England with SEND. High Needs Block (HNB) funding provides the funding for support packages for an individual with special educational needs in a range of settings. The purpose of the HNB is to ensure equality and equity of opportunity for all children and young people irrespective of their need.

It should be noted that some of the decision-making around SEN provision, particularly the level of provision and type of placement to be provided under an EHCP, can be determined by the SEND Tribunal regardless of the authority's position. If educational provision is specified in an EHCP, the local authority is under a duty to secure that. It is therefore important to give consideration to whether the residential provision is specified in any individual EHCPs.

The report identifies options where potential savings can be made. There have been a number of recent legal challenges to local authorities seeking to make savings in this area.

When taking decisions, the Council therefore needs to be mindful of the welfare of the children and young people who may be affected and not simply seeking to address financial concerns.

Julia Slipper, Principal Lawyer (Education & Employment), tel: ext 6855

Legal implications are given on the basis of the recommended option, option 3. Where an alternative option is agreed, legal services should be re-engaged to provide further implications.

A consultation exercise was completed in 2020 which included an element of reduction of funding for the respite provision provided by Millgate School. As part of the consultation, a separate joint commissioning review was completed in relation to the reduction of funding.

The council has engaged stakeholders, parents and pupils as part of this review.

The council should consider the responses of the consultation and the separate review and take these into account when deciding on the recommended option to ensure fairness.

Shireen Elias, Qualified Lawyer. ext 4479

### 6.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public-Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. The Public Sector Equality Duty cannot be delegated and therefore responsibility will remain with the Council.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

This report presents findings from a strategic commissioning review of Millgate School's residential provision and presents three proposed options for the future of the provision for consideration. Those most likely to be affected by any change are likely to have the protected characteristics of age and disability.

An equality impact is being carried out to consider the potential equalities implications and whether any of the options would disproportionately impact any specific protected characteristic/s. Findings from any formal consultation should inform the equality impact assessment which should be an iterative process and should inform decision making.

Equalities Officer, Surinder Singh, Ext 37 4148

### 6.4 Climate Emergency implications

No climate change implications

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

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

**8. Summary of appendices:** None



## Children, Young People and Education (CYPE) Scrutiny Commission

### WORK PROGRAMME 2021 - 22

Meeting Date	Meeting Items	Actions Arising	Progress
<b>22 June 2021</b>	<ol style="list-style-type: none"> <li>1) Review of the Scope of the Commission</li> <li>2) The Underachievement of 'Black Caribbean' and 'White British Working-Class' Pupils of Secondary School Age in Leicester</li> <li>3) Provision of Taxi Framework for Vulnerable People</li> <li>4) Review of High Needs Block – SEN Support for Pupils in Mainstream</li> </ol>	<ol style="list-style-type: none"> <li>1) Separate training sessions being arranged for Commission Members</li> <li>2) Update from Working Group in Oct.</li> <li>3) Further update on transport policy expected when developed/</li> <li>4) Updates to be given following the consultation</li> </ol>	<p>Training sessions have been organised as of 8<sup>th</sup> Sept 21.</p> <p>SEN Support updates expected in Oct 21 and Jan 22.</p>
<b>2 September 2021</b>	<ol style="list-style-type: none"> <li>1) Ofsted Reports</li> <li>2) Social Care and Leadership Report on Mainstream school Funding for SEN</li> <li>3) National Review of Children's Social Care</li> <li>4) Update on Improvement Progress (Annual engagement meeting)</li> <li>5) Joint Special Education Needs and Disabilities Commissioning Strategy</li> <li>6) Update on SEND local area re-visit</li> <li>7) Verbal update on COVID19 and vaccinations in Leicester Schools</li> </ol>	<p>Item 1 is a report following the verbal update in June.</p> <p>Remaining items were deferred from the June 2021 meeting due to time constraints.</p>	
<b>19 October 2021</b>	<ol style="list-style-type: none"> <li>1) COVID19 update and vaccinations in Leicester Schools</li> <li>2) Report on government school support programme (including latest 'catch up funding')</li> </ol>	<p>Item 1 was requested as a standing item by Chair, with an invitation to be extended to partners from the CCGs to attend.</p>	

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Appendix E

Meeting Date	Meeting Items	Actions Arising	Progress
	3) High Needs Block Consultation Update 4) SEND and Education 3-Year Strategies 5) Verbal Update on Mental Health and Well-being Offer in Schools 6) Leicester City Children's Rights and Participation Service 2020/21 Annual Report 7) OFSTED Inspections Update – verbal		
<b>Tuesday 7<sup>th</sup> December 2021</b>	1) Verbal Update on the outcome of the OFSTED inspection 2) COVID19 update and vaccinations in Leicester Schools 3) Update from Working Group on The Underachievement of 'Black Caribbean' and 'White British Working-Class' Pupils of Secondary School Age in Leicester 4) Dyslexia Support in Schools 5) Autism and ADHD Support in Schools	Item 2 is a standing item.	
<b>Tuesday 18<sup>th</sup> January 2022</b>	1) COVID19 update and vaccinations in Leicester Schools 2) Report on Multisystemic Therapy-Child Abuse and Neglect (MST-CAN) & Functional Family Therapy (FFT) intervention programmes 3) High Needs Block Element 3 decisions 4) Special School banding moderation process 5) LAC placements – policy and placement costs 6) Draft General Fund 2022/23 Revenue Budget & Draft Capital Programme	Item 4 was mentioned at OSC. Item 5 was deferred from the previous meeting.	

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Meeting Date	Meeting Items	Actions Arising	Progress
<b>Tuesday 8<sup>th</sup> March 2022</b>	<ol style="list-style-type: none"> <li>1) COVID19 update and vaccinations in Leicester Schools</li> <li>2) Local Plan</li> <li>3) Report on Home Schooling in the City</li> <li>4) LADO Annual Report</li> <li>5) Outcome of SEND Home to School Transport Policy Consultation (Clare Nagle and Prashant Patel)</li> <li>6) Mainstream school funding for SEND</li> </ol>	Item 3 was requested in the previous meeting, with focus on; suitability and adequacy of home schooling, partnership work to keep track of children being home schooled (educational welfare)	

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**Draft Forward Plan / Suggested Items for 2021/22**

Topic	Details / Progress	Proposed Date
<b>Performance Reporting and data monitoring, including Quarterly and Qualitative Reports</b>	The commission to receive regular 'Quarterly Quality Assurance & Performance' Reports - ( <i>'Performance Book' and 'Dashboard' is sent to members as background information</i> ).  <i>Note:</i> a request for the sharing of LADO reports to resume, was given in the Oct 2021 meeting by outside representatives.	<b>STANDING ITEM</b>
<b>COVID19 Update and Vaccinations in Schools</b>	This was requested as a standing item by Chair following the Oct 2021 meeting.	<b>STANDING ITEM</b>
<b>Safeguarding Partnership Annual report</b>	To receive a report for members consideration.	tbc
<b>Participation Annual Report</b>	Success of the Lundy model of child participation / engagement to be included in this. Mentioned in the June Scrutiny meeting as an item of consideration. Confirmed in September that this can be included in the participation report.	tbc
<b>School Attendance Annual Report</b> (incorporating update on Children Missing Education and Elective Home Education)	To receive a report on progress for members consideration	tbc
Report on Multisystemic Therapy-Child Abuse and Neglect (MST-CAN) & Functional Family Therapy (FFT) intervention programmes (Annual Report)	To receive a report on progress for members consideration	Oct 2021
Virtual school head teacher	A report on the impact of COVID on the service and its users (deferred from February 2021 meeting).	tbc
SCE Social Work Progression Framework	A report on the impact of COVID on the service and its users (deferred from February 2021 meeting).	tbc
Adventure playgrounds	Item carried over from the previous work programme.	tbc
CMS Management Information - system procurement for the service area	Mentioned in the June Scrutiny meeting as an item of consideration.	tbc
Connexions funding for NEETS	Mentioned in the June Scrutiny meeting as an item of consideration.	

Topic	Details / Progress	Proposed Date
Commissioning of contracts for racial literacy education in schools	Mentioned in the June Scrutiny meeting as an item of consideration; an action from the underachievement review.	
Provision of Taxi Framework & Travel Policy (engagement process report)	Mentioned in the June Scrutiny meeting as an item of consideration.	
Review of High Needs Block - SEN Support for Pupils in Mainstream	Presentation completed in June prior to the consultation going live.	Jun 21
SEND and Education 3-Year Strategies		Oct 21
SEND Joint Commissioning Strategy	Completed in Sept 21 and progress update expected in 3-6 months.	Sept 21
HNB Element 3 consultation		Oct 21
HNB Element 3 decisions		Mar 22
Special School banding moderation process		Mar 22
OFSTED engagement	Commission aware of potential updates that may be given during this municipal year.	TBC
How schools have coped with national exams and pressures	further detail at a future meeting, once data relating to the pattern of grades is collated in February 2022 (requested by Cllr Cole in June's Agenda Meeting)	TBC
Update from Working Group on The Underachievement of 'Black Caribbean' and 'White British Working-Class' Pupils of Secondary School Age in Leicester	Update requested at June 2021 meeting	Dec 21
Dyslexia Support in Schools	Requested by Chair in the August agenda planning meeting.	October 2021
Autism and ADHD Support in Schools	Requested by Chair in the August agenda planning meeting.	October 2021
Draft Revenue Budget Report	Standard item to go to all Commissions	Jan 22
School Nursing Provision	Joint Item with Health and Well-being Scrutiny Commission	tbc

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Topic	Details / Progress	Proposed Date

DRAFT

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