



Leicester
City Council

MEETING OF THE CABINET

DATE: MONDAY, 8 MARCH 2010

TIME: 1PM

**PLACE: TEA ROOM, TOWN HALL, TOWN HALL SQUARE,
LEICESTER**

Members of the Cabinet

Councillor Willmott (Chair)

Councillor Dempster (Vice-Chair)

Councillors Connelly, Dawood, Kitterick, Osman, Palmer, Patel, Russell,
and Westley

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

for Director of Corporate Governance

MEMBERS OF THE PUBLIC:

**YOU ARE VERY WELCOME TO ATTEND TO OBSERVE THE PROCEEDINGS.
HOWEVER, PLEASE NOTE THAT YOU ARE NOT ABLE TO PARTICIPATE IN
THE MEETING.**

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INFORMATION FOR MEMBERS OF THE PUBLIC

ACCESS TO INFORMATION AND MEETINGS

You have the right to attend Cabinet to hear decisions being made. You can also attend Committees, as well as meetings of the full Council.

There are procedures for you to ask questions and make representations to Scrutiny Committees, Community Meetings and Council. Please contact Democratic Support, as detailed below for further guidance on this.

You also have the right to see copies of agendas and minutes. Agendas and minutes are available on the Council's website at www.cabinet.leicester.gov.uk or by contacting us as detailed below.

Dates of meetings are available at the Customer Service Centre, King Street, Town Hall Reception and on the Website.

There are certain occasions when the Council's meetings may need to discuss issues in private session. The reasons for dealing with matters in private session are set down in law.

WHEELCHAIR ACCESS

Meetings are held at the Town Hall. The Meeting rooms are all accessible to wheelchair users. Wheelchair access to the Town Hall is from Horsefair Street (Take the lift to the ground floor and go straight ahead to main reception).

BRAILLE/AUDIO TAPE/TRANSLATION

If there are any particular reports that you would like translating or providing on audio tape, the Democratic Support Officer can organise this for you (production times will depend upon equipment/facility availability).

INDUCTION LOOPS

There are induction loop facilities in meeting rooms. Please speak to the Democratic Support Officer at the meeting if you wish to use this facility or contact them as detailed below.

General Enquiries - if you have any queries about any of the above or the business to be discussed, please contact Heather Kent or Julie Harget, Democratic Support on (0116) 229 8816/8809 or email heather.kent@leicester.gov.uk or call in at the Town Hall.

Press Enquiries - please phone the Communications Unit on 252 6081

PUBLIC SESSION

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members are asked to declare any interests they may have in the business to be discussed and/or indicate that Section 106 of the Local Government Finance Act 1992 applies to them.

3. LEADER'S ANNOUNCEMENTS

4. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 15 February 2010, have been circulated to Members and the Cabinet is asked to approve them as a correct record.

5. MATTERS REFERRED FROM COMMITTEES

6. CORPORATE PARENTING ANNUAL REPORT [Appendix A](#)

Councillor Dempster submits a report that informs of developments around Corporate Parenting. Cabinet is asked to approve the recommendations in Paragraphs 2.2 to 2.7 of the report.

A minute extract from the meeting of the Children & Young People Scrutiny Committee, held on 2 March 2010, will be circulated as soon as it is available.

7. EXTENSION TO THE STREET DRINKING BAN IN LEICESTER [Appendix B](#)

Councillor Russell submits a report that seeks approval for the inclusion of additional streets within the current Street Drinking Ban. Cabinet is asked to recommend to Council that all areas as detailed in the report be included in an amended Street Drinking Ban as provisioned for under section 13 (3) b in the Criminal Justice and Police Act 2001.

A minute extract from the meeting of the Overview and Scrutiny Management Board, held on 4 March 2010, will be circulated as soon as it is available.

8. MEETING CLIMATE CHANGE AND SUSTAINABILITY THROUGH CONSTRUCTION (NEW BUILD AND MAJOR REFURBISHMENT) [Appendix C](#)

Councillor Russell submits a report that provides an approach to ensure that

during the design of new council buildings and major refurbishments the carbon dioxide emissions performance is considered to meet the One Leicester commitment to build zero carbon buildings, in addition to other corporate environmental objectives. Cabinet is asked to approve the recommendations in Paragraph 3 of the report.

A minute extract from the meeting of the Overview and Scrutiny Management Board, held on 4 March 2010, will be circulated as soon as it is available.

9. LEICESTER SCIENCE PARK INNOVATION WORKSPACE [Appendix D](#)

Councillor Kitterick submits a report that seeks approval to proceed with the implementation of the Leicester Science Park Innovation Workspace project. Cabinet is asked to approve the recommendations in Paragraph 2 of the report.

A minute extract from the meeting of the Overview and Scrutiny Management Board, held on 4 March 2010, will be circulated as soon as it is available.

10. CUSTOMER DATA INTEGRATION - TRANSFORMING THE CUSTOMER EXPERIENCE [Appendix E](#)

Councillor Osman submits a report that describes a Customer Data Integration (CDI) project that will join up all the Council's key back office systems and support the development of more on-line services to help transform the customer experience. Cabinet is recommended to support the CDI project and agree to release £700k from the Organisational Development & Improvement project to fund the CDI initiative.

11. REVIEW OF CORPORATE CAPITAL PROGRAMME 2010/11 [Appendix F](#)

Councillor Patel submits a report that presents a "corporate" capital programme for 2010/11. Cabinet is asked to approve the recommendations in Paragraph 3.2 of the report.

A minute extract from the meeting of the Overview and Scrutiny Management Board, held on 4 March 2010, will be circulated as soon as it is available.

12. PROCUREMENT: THE OPPORTUNITY FOR LOCAL SMALL/MEDIUM BUSINESS [Appendix G](#)

Councillor Patel submits a report that presents an overview of the various considerations and steps that can be brought to bear to assist the local economy in procurement activity. It is intended to be a starting point for more detailed consideration/development. Cabinet is asked to approve the recommendations in Paragraph 2 of the report.

13. PROPOSALS FOR A GRADUATE RETENTION PROGRAMME **Appendix H**

Councillor Patel submits a report that outlines the proposal for an overarching Graduate Retention Programme for Leicester City Council. Cabinet is asked to approve the recommendations in Paragraph 2.1 of the report.

14. SMALLER RULE BOOK, NEW RECRUITMENT POLICY AND PROCEDURE **Appendix I**

Councillor Patel submits a report that presents a proposed new Recruitment Policy and Procedure. Cabinet is recommended that the new Recruitment Policy and Procedure be agreed for consultation with Trade Unions

15. ANY OTHER URGENT BUSINESS

16. PRIVATE SESSION

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

Under the law, the Cabinet is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

The Cabinet is recommended to consider the following reports in private on the grounds that they contain 'exempt' information as defined by the Local Government (Access to Information) Act 1985, as amended and consequently that the Cabinet makes the following resolution:-

“that the press and public be excluded during consideration of the following reports in accordance with the provisions of Section 100A(4) of the Local Government Act 1972, as amended, because they involve the likely disclosure of 'exempt' information, as defined in the Paragraphs detailed below of Part 1 of Schedule 12A of the Act and taking all the circumstances into account, it is considered that the public interest in maintaining the information as exempt outweighs the public interest in disclosing the information.

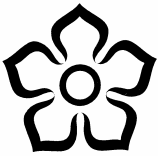
Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

17. SALE OF LAND AT THE REAR OF 70 BOSTON ROAD **Appendix B1**

Councillor Willmott submits a report.

Appendix A



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Children & Young People Scrutiny Committee

2nd March 2010

CABINET

8th March 2010

FULL COUNCIL

25th March 2010

Corporate Parenting Annual Report

Report of the Strategic Director, Children

1. Purpose of Report

1.1 To inform of developments around Corporate Parenting

2. Recommendations (or OPTIONS)

- 2.1. That Children & Young People Scrutiny Committee notes the contents of the report and makes any recommendations to Cabinet.
- 2.2. That Cabinet agrees that new Corporate Parenting briefings will be arranged on a six monthly basis, and will comprise 'beginner' sessions and 'refresher' sessions for members who have attended previous briefings.
- 2.3. That Cabinet recommends to Council an approach whereby the Party Groups are asked to demonstrate their commitment to Corporate Parenting by agreeing to compulsory training for all elected Members as set out in 4.7, coupled with more specific training for Members with additional responsibilities.
- 2.4. That Cabinet agrees the revised reporting and communication regime as outlined in the terms of reference.
- 2.5. That Cabinet notes the updated terms of reference and the need for increased representation.
- 2.6. That Cabinet agrees that the Chief Executive and Leader of the Council are invited to one Corporate Parenting Forum per year.
- 2.7. That Cabinet agrees to "Corporate Parenting" being added as an implication to all reports.
- 2.8. That Council notes the progress in embedding Corporate Parenting across the City Council and supports the recommendation set out at paragraph 2.3 above.

3. Summary

- 3.1. There are approximately 475 children and young people in the care of Leicester City Council.
- 3.2. Councillors and Officers are all responsible for ensuring that the council acts as the “corporate parent” for all the children in its care. The role of corporate parent is to seek for the children in public care the outcomes that every good parent would want for their own children.
- 3.3. The Corporate Parenting Forum has met every 2 months since March 2006. The main purposes of the Forum meetings are to:
 - inform Councillors and Officers of the issues for children in care and their Carers
 - look for areas of commonality where cross Departmental efforts can improve outcomes for children in care.
- 3.4. The Lead Member for Children and Schools, Councillor Dempster, chairs the Forum. The Strategic Director for Children Rachel Dickinson is vice-chair and she attends with a range of senior officers from across the Council. The Forum has representation from partnership agencies such as Connexions and Leicestershire Cares.
- 3.5. It is important that all political parties are represented on the Forum to ensure that the corporate parenting initiative is not associated with any one political party.
- 3.6. At present a Participation and Rights Officer presents the views of young people on the Forum. Further developments in this area are detailed in the full report.
- 3.7. Briefings for Councillors on Corporate Parenting are delivered on two occasions every year.
- 3.8. The Corporate Parenting Forum has agreed updated terms of reference, and these are attached at Appendix 1.

4. Report

Developments in Corporate Parenting

4.1. Introduction

- 4.1.1 There are currently 475 children and young people in the care of Leicester City Council.
- 4.1.2 Under the Children Act 1989, a child is looked after by a local authority if he or she is in their care or is provided with accommodation for more than 24 hours by the authority. In legislation and guidance they may be referred to as looked after children (LAC) or children in care (CiC). They fall into 4 main groups:

- children who are accommodated under a voluntary agreement with their parents (section 20)
- children who are the subject of a care order (Section 31) or interim care order (Section 38)
- children who are the subject of emergency orders for their protection (Section 44 and 46)
- children who are compulsorily accommodated. This includes children remanded to the local authority or subject to a criminal justice supervision order with a residence requirement. (Section 21).

4.1.3 For most children, care is intended to be time limited with the aim of returning home as soon as possible. Although there are many reasons why children are looked after by local authorities, they are all likely to have undergone distressing experiences. All children who are looked after have distinct backgrounds, identities, aspirations and particular needs. A common misconception about children in care is that they are there because they have done something wrong. This is untrue. The overwhelming majority of children in care (over 90% locally) are there because of family pressures and problems or because they have experienced abuse or neglect. Only one percent of children enter care because of their own behaviour.

4.1.4 Many children in our care (70%) are subject to care orders. This figure has remained fairly constant for some time. This means that the local authority has gone to court to assume parental responsibility because the child has suffered or is likely to suffer 'significant harm'.

4.1.5 Although children on care orders can live with a parent, most are cared for away from their families, in foster placements (75%) or residential children's homes (9%).

4.2 Beacon Status Award for Care Matters: Improving the Outcomes for Children in Care

4.2.1 Children & Young Peoples Services Department applied for Beacon Status in June 2007, on the theme of "Care Matters: improving the outcomes for children in care". The application form highlighted three main areas where Leicester City can rightfully be proud of the developments that continue to impact positively on outcomes for the children in our care:

- Corporate Parenting and links with the private sector
- Innovative Services that improve educational outcomes
- Participation by children in care in Service design and delivery

4.2.2 Leicester City Council was awarded Beacon status for Care Matters on 4th March 2008, and the Beacon 'year' ended in June 2009. Being a Beacon Authority has been a challenge and hard work, but we have had a high national profile at a number of events and conferences, including GOEM, LGA, Westminster Briefings, IDeA briefings for Lead Members, CAPITA and LGC conferences. Leicester City Council is regarded as a beacon of good practice in relation to Corporate Parenting.

4.2.3 A key outcome of being a Beacon Authority is to have a 'legacy product'. In Leicester we are using some of the reward money to fund a 'care-experienced' Project Worker

post that will be the key link between officers, members and children in care. This worker is taking up his post on 1st February 2010.

4.3 Corporate Parenting

- 4.3.1 Councillors and Officers are all responsible for ensuring that the council acts as the “corporate parent” for all the children in its care. The role of corporate parent is to seek for the children in public care the outcomes that every good parent would want for their own children.
- 4.3.2 These outcomes should encompass their education, their health and welfare, what they do in their leisure time and holidays, how they celebrate their culture and how they receive praise and encouragement for their achievements.
- 4.3.3 The corporate parenting responsibility is towards children looked after by Leicester City Council. However, it is important to bear in mind that it is not just social care services that impact on these children. Section 27 of the Children Act 1989 places a duty on health, housing and education authorities to assist social care services in carrying out their functions under the Act – this includes assisting in their corporate parenting function.
- 4.3.4 The council as a whole is the “corporate parent”; therefore all councillors, in addition to their specialist portfolio responsibilities and ward representation duties, share a corporate responsibility for the children in Leicester City’s care.

4.4 Corporate Parenting Forum meetings

- 4.4.1 The Corporate Parenting Forum has met every 2 months since March 2006. The main purposes of the Forum meetings are to:
 - inform Councillors and Officers of the issues for children in care and their Carers
 - look for opportunities to support children and young people in care and their carers through cross Departmental efforts to improve outcomes.
- 4.4.2 From the outset Forum participants agreed to:
 - raise the profile of Looked After Children and their Carers, and to act as champions for the needs and rights of Looked after Children in their respective Service areas and Political groups
 - engage with children and young people in a meaningful way, and offer them a genuine opportunity to contribute to the work of the Forum
 - accept that being an effective parent is a continuous supportive process, and being an effective Corporate Parent isn’t just about attending the Forum meetings every 2 months. Being an advocate for Looked After Children and their carers in the context of Forum membership requires sustained involvement in the activities and awareness raising opportunities associated with them.

4.4.3 More detailed aims of the group are included in the terms of reference document at **Appendix 1**.

4.5 Representation on the Forum

4.5.1 Cabinet Lead Member for Children and Schools, Councillor Dempster, chairs the Forum. Rachel Dickinson (Strategic Director, Children) is the groups co-chair. Interim Children's Services Director Andy Smith attends with a range of senior officers from across the Council.

4.5.2 The Forum intends to revisit the membership of the group to better reflect the One Leicester priorities, and ensure sufficient representation from across all key services in the Council. Members need to be of a sufficient seniority to be able to offer their Services' involvement and commit resources to support children and young people in care and their carers.

4.5.3 The Forum has representation from partnership agencies such as Connexions and Leicestershire Cares. Membership has now been increased to include a representative from the Leicester Foster Carers Association, Health, and the Delivering Excellence Team.

4.5.4 It is important that all political parties are represented on the Forum to ensure that the corporate parenting initiative is not associated with any one political party.

4.6 Support for Corporate Parenting Forum Members

4.6.1 Forum meetings are structured in such a way as to provide Forum members with the latest developments in legislation, research, policy and practice as they relate to children in care.

4.6.2 Forum members are also invited to training events, workshops, and conferences related to the subject of children in care to enable them to remain engaged with the issues.

4.7 Support for Elected Members

4.7.1 Briefings for members are held on a six monthly basis. The purpose of the briefing is to raise awareness amongst all Councillors of their Corporate Parenting responsibilities. The purposes of the briefings have been to:

- share some headline demographic data about the care population
- introduce Councillors to the issues for children in care
- encourage Councillors to act as a member of the Forum.

4.7.2 There are plans to further adapt these briefings by using the toolkit produced by the National Children's Bureau entitled "Putting Corporate Parenting into Practice".

4.8 Involvement by Children and Young People in care and Children in Care Council

- 4.8.1 The voice of Looked after Children and Care Leavers is provided through the work of “Stand Up Speak Out”, the Looked After Young Peoples Participation Group. Under the heading “What Looked After Children want”, the group requested a list of outcomes from the Forum. The list included issues around: Health/Lifestyle, Education, Placements, Finance, Cultural Needs, Information/Communication and Belonging. These have been incorporated into the Work Programme for the Forum.
- 4.8.2 At present a Participation and Rights Officer presents the views of Young people on the Forum. A Project Worker post has recently been created (see 4.2.3). His role as a former looked after child will provide a crucial link with young people, and together they will develop the Pledge for Children in Care alongside the Children in Care Council. Children and young people in care were invited to an event on 19th August to launch the Children in Care Council. From this we have a range of young people who have volunteered to meet regularly to develop their Council. They have met twice so far to scope out the Terms of Reference for the Council and to start some preliminary work on the Pledge.

4.9 Progress on Corporate Parenting

- 4.9.1 As a result of a range of initiatives both within the Council and in partnership with the private sector, looked after children have improved outcomes in the following areas:
- i) Through a partnership with our local Business in the Community initiative, *Leicestershire Cares*, opportunities have been given to looked after children and care leavers to undertake 4 week work experience placements with companies in the private sector. This is in addition to apprenticeships in the city council. This has resulted in more care leavers moving into further education, training and employment.
 - ii) A high number of children and young people in care and their foster carers, and/or carers enjoying a range of free leisure activities, impacting positively on their health, wellbeing, self confidence and helping them become active members of their communities. This includes:
 - Free Leisure opportunities are accessible to children in care and their carers
 - Free Bicycles and associated training.
 - Free gym and swim memberships for young people in care aged 16 and over
 - Free swimming and lessons are being accessed not only by children in care, but by their Carers and their families.
 - Tickets for children in care & Carers civic events and festivals, and to certain De Montfort hall shows
 - Tickets for rugby games at the Tigers

4.10 Governance arrangements

- 4.10.1 There are clear and robust inter-agency governance arrangements in place, which build on a long tradition of strategic partnership to drive the improvement of services for children in care in Leicester:
- Outcome indicators for children in care are included in the Local Area Agreement

- The Children's Trust Board is one of the four Local Area Agreement delivery partnerships of the Leicester Partnership. It is chaired by the Council's Strategic Director, Children and governs the city's integrated children's services arrangements. Children in care are recognised as a priority group by the Children's Trust Board.
- There are five thematic groups sitting beneath the partnership arrangements to ensure that identified need is understood, priorities are set and that performance monitoring is rigorous and robust. These groups follow the thematic areas within Every Child Matters and include Staying Safe, Being Healthy, Enjoy and Achieve, Positive Contribution and Economic Wellbeing. Children in care are prioritised as a cross cutting theme across all of these groups, and in the Children and Young Peoples Plan the groups are working to.
- The core responsibility for providing good quality care and support is located with the Social Care and Safeguarding Division under the Investing in Our Children Priority.
- Reporting arrangements are included in the revised terms of reference and set out an annual process for disseminating information throughout the structures of the City Council.

4.11 Current Performance

4.11.1 We are measured in relation to outcomes for LAC in a number of areas through Performance Indicators. The Fostering and Adoption service are both subject to regular Inspections as are the Local Authority Children's Community homes.

Leicester City Council Fostering Service (February 2008) is rated as 'Outstanding'. The Adoption Service has been rated as 'Satisfactory', largely due to circumstances associated with the county side of the joint arrangement. Leicester City Council has 2 children's homes that are rated as "Outstanding" by OFSTED and the other 3 are good with outstanding areas.

4.11.2 In summary, Leicester City Council continues to perform well across a range of measures. The main challenge in relation to performance is NI 101, Children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and Maths). The Forum has recently received a report on the steps being taken to address this challenge.

4.11.3 Although there is evidence of improvements in performance in respect of LAC, the Council cannot be complacent. Ongoing vigilance is required to ensure high standards are maintained and improved upon.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

5.1.1. There are no significant new financial implications arising from this report. However, Members may wish to note that the Beacon reward funding of £73,170 is being spent to engage a project worker for a year from February 2010 and also on the recent Celebrating Success event; and that opportunities and benefits for our children and young people are being developed under the title of the "Flying Fish Project" - to which

the Council has agreed to contribute £10k in 2010/11 from the CareMatters funding (in the Area Based Grant), to support the project in the interim until it secures other grant monies in the following financial year. - Colin Sharpe, Head of Finance and Efficiency CYPS, ext. 29 7750

5.2. Legal Implications

5.2.1. With the express support of the Party Groups, training for existing and newly elected Members on their Corporate Parenting responsibilities can be made compulsory. Currently the only statutory prerequisite for mandatory training occurs within the Planning Committee; however the endorsement, by their political groups, of a parallel approach for all Members in relation to Corporate Parenting would reinforce the commitment of the Authority to taking this obligation seriously. (Kamal Adatia, Barrister, ext 7044).

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	N	
Policy	Y	3.1- 3.8
Sustainable and Environmental	N	
Crime and Disorder	N	
Human Rights Act	N	
Elderly/People on Low Income	N	

7. Report Authors

Andy Smith, Interim Service Director, Social Care & Safeguarding, (29) 8306

Mark Fitzgerald, Project Officer (Social Inclusion), Social Care and Safeguarding, (35) 5223

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)



Corporate Parenting Forum

Terms of Reference

'The role of the corporate parent is to seek for the children in public care the outcomes that every parent would want for their children'

Aims and Principles

The Corporate Parenting Forum is one means by which member involvement and commitment can be secured, to deliver better outcomes for Looked After Children.

The main aim of the Forum is to oversee and ensure that Leicester City Council has provided the following for children and young people in its care:

- Warm, welcoming and safe accommodation, a place to call home.
- Good quality care, nurturing supportive and meaningful relationships that encourage the growth of self-esteem, confidence and resilience; enabling young people to cope with change and difficult times
- The highest standard of education; wherever possible in mainstream schools
- Opportunities and encouragement for self-development and keeping fit and healthy
- Opportunities for the transition to work, including open days and work placements
- Assistance with the transition, where possible, from being in Care to being looked after by family
- Support with the transition from care to looking after themselves
- Placement stability that will avoid disruption and maintain continuity of care, education placements and relationships
- Support for families to enable Looked After Children to leave care and return to their families

To achieve this, the Forum agrees to:

- listen to the views of looked after children, young people and their carers, and to involve them in the development and assessment of services
- encourage Looked After Children to become active citizens and offer them new opportunities which are enjoyable and fun.

Meetings and Membership

The Corporate Parent Forum will meet every two months. The agenda and minutes will be circulated prior to the meeting.

The Forum will be chaired by the Lead Member for Children and the vice-chair will be the Director of Children's Services. Lead Officer will be the Head of Service (Resources), Social Care and Safeguarding.

Membership consists of :

- Senior representatives of all strategic directorates of the Council.
- Cross-party representation of Councillors
- Representative from Leicestershire Cares
- Representative from Health Services
- Representative from Connexions
- Representative from Leicester Foster Carers Association
- Representative from the Delivering Excellence Team
- Project Worker for Looked After Children

Corporate Parent Forum members agree to take into account the needs of Looked After Children at every opportunity and will champion the needs of this group in their respective service settings.

Corporate Parent Forum meetings will be themed around the five Every Child Matters outcomes.

Governance

Corporate Parent Forum will report annually to:

- Strategic Board (formerly Corporate Directors board)
- Children's Trust (formerly C&YP Partnership)
- Leicester Partnership
- OSMB

- Cabinet
- Full Council
- Children in Care Council (in an easily readable format)

Corporate Parent Forum will invite the Chief Executive and the Leader of the Council to one meeting per year.

The Safeguarding Panel is an integral element of corporate parenting and one of the mechanisms by which councillors fulfil their responsibilities.

Corporate Parenting principles must be integral to the Children and Young People's Plan.

Views of Children

The views and comments of children will be represented by the Project Worker for Looked After Children.

The Corporate Parent Forum will feedback to children and young people through the Project Officer and by attendance, when invited, to relevant forums such as the Children in Care Council and Stand up Speak Out.

Involvement of Elected Members

Corporate Parenting is non-political and relies on cross party commitment.

Members who are also on the Safeguarding Panel must have regular Criminal Records Bureau checks.

Members will raise the profile of Looked After Children in their respective service areas and political groups and settings.

Members will be invited to the annual Celebrating Success event.

Duties of Officers and co-opted Forum attenders

To raise the profile of Looked After Children and their Carers, and to act as champions for the needs and rights of Looked after Children in their respective Service areas.

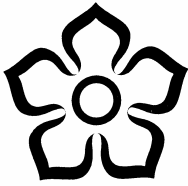
To prioritise the needs of Looked After Children and their carers.

To be creative and flexible in meeting the needs of Looked After Children.

To identify resources for Corporate Parenting and use these to good effect.

August 2009

Appendix B



Leicester
City Council

WARDS AFFECTED **Coleman/ Castle**

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Overview & Scrutiny Management Board

Cabinet

Full Council

4 March 2010

8th March 2010

25th March 2010

Extension to the Street Drinking Ban in Leicester

Report of the Strategic Director Adults & Communities

1. Purpose of Report

- 1.1 Leicester City Council introduced a Street Drinking Ban in 2002, with an extension to that ban in 2007 covering many streets in the wards of Castle, Spinney Hill and additional streets in Beaumont Leys.
 - 1.2.1 Since the establishment of the extension in February of 2007, additional streets have been identified in the Wards of Castle and Coleman whose inclusion in the street drinking ban would address street drinking issues on those roads. The purpose of this report is to seek approval for the inclusion of these additional streets within the current street drinking ban.
 - 1.2.2 The proposed extension to the street drinking ban needs to be seen within the context of a commitment by Leicester City Council working closely with our partners to tackling the issue of street drinking. To progress this a multi agency plan has been drawn up. In addition to the sharing of intelligence of front line workers within the area covered by the ban to aid effective and robust enforcement including City Wardens enforcing issues in respect of littering, this plan includes engaging street drinkers to encourage them off the streets and into suitable treatment.
 - 1.2.3 It is recognised that if the confidence of the public in our willingness to address this issue is to be gained and maintained that the ban will need to be visibly enforced. The Police, who have expressed their support and have been consulted with at every stage,

will lead in enforcing the ban supported by intelligence supplied by council and voluntary sector officers working within the area who will proactively monitor the situation. In tackling the issue of Street Drinking and in addition to the Street Drinking Ban the Police will also give consideration to the appropriateness of other enforcement issues including a dispersal issue.

2. Report

- 2.1.1 The Street Drinking Ban of 2007 unfortunately left many areas adjacent to the targeted streets available for street drinkers to move on to. In some cases, such as around Sparrow Park and Nelson Street, these areas include sight of a medical facility and a family park, meaning that vulnerable locations are not being protected and in fact are being put at risk by displacement. This is contrary to the intention of the original ban, and has caused considerable consternation and intimidation amongst the users of the park and businesses along Nelson Street.
- 2.2.1. In order to address these issues, it is proposed that Street Drinking Ban be extended to include those areas where displacement has occurred. Owing to the geographical proximity of the displacement from the 2007 ban, it is considered that the modifications needed to make the original ban workable, don't represent any significant changes or encroachments in to other areas. This is provisioned for under section 13 (3) b in the Criminal Justice and Police Act 2001. In this section, the power is given to amend or evoke existing orders made under section 13 (2) (the 2007 ban was made under this legislation).
- 2.2.1 The area of Sparrow Park itself and the area of London Road running across the entrance to Nelson Street were both included in the original ban of 2007 made under section 13 (2). As the streets surrounding Sparrow Park (also known as Uppingham Road Gardens) were not included but are close enough in proximity to the park for any drinkers there to cause the same problems for users of the park it is felt necessary to amend the ban here to include the roads that border and enclose Sparrow Park. These are Cottersmore Close and Quorn Road up to the junction with Fernie Road around the park (see map in appendix 2).
- 2.3 It is recommended the ban around London Road also be modified to include Nelson Street and Upper Nelson Street. This would prevent drinkers from accumulating outside the dentist's surgery and intimidating the staff. The three roads to be included around London Road under section 13 (3) b are Nelson Street, Upper Nelson Street and Regent Street.
- 2.4 Finally and following requests from British Transport Police, it is recommended that Leicester Train Station be included in the extension, together with Slate Street a small cul-de-sac opposite the Dawn Centre, which is adjacent to garages and business units. Both areas are a site of congregation for street drinkers disrupting users of these facilities. Inclusion of the train station and Slate Street would also act as a demonstration of partnership working by being responsive to the needs of the British Transport Police and local industry respectively.

3. Summary

The total number of streets it is proposed be included in an amendment to the existing Street Drinking Ban under 13 (3) b is,

- Cottermore Close up to junction with Fernie Road
- Quorn Road up to junction with Fernie Road
- Uppingham Road From 1 Uppingham Road to junction with Oakley Road
- Nelson Street
- Upper Nelson Street
- Regent Street
- Slate Street
- Leicester Train Station

Inclusion of these streets within the ban will address the issues which have occurred in respect of displacement and ensure that the intention of the original ban of tackling street drinking within this area can be met.

4. Recommendations

- 4.1 It is recommended that all areas as detailed above be included in an amended Street Drinking Ban as provisioned for under section 13 (3) b in the Criminal Justice and Police Act 2001.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

- 5.1 **Financial Implications** Ravi Lakhani (x29 8806), Accountancy, Personalisation & Business Support, Leicester City Council.

The cost of the proposal would be 16 signs costing a total of £720. This cost would be paid for from the Community Safety budget, which has money available for this proposal. There are no other financial implications arising from this proposal.

- 5.2 **Legal Implications** Caroline Firth, Leicester City Council Legal Services

There are no additional legal implications other than to comply with the Human Right's Act - ensuring action taken is necessary and proportionate to justify interference with people's private and domestic lives. The extension of the ban is necessary as people are reporting issues with street drinking on the proposed ban streets. The action is proportionate as it will be a measure to deal with street drinking and the associated ASB / impact on the community.

Earlier street drinking bans have been deemed to be Human Right's compatible and this extension is no different.

Must be subject to the standard "advertising" / warning of ban being implemented and again once it is implemented.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph Within Supporting information	References
Equal Opportunities	NO		
Policy	YES	1.2	
Sustainable and Environmental	YES	1.1,1.2	
Crime and Disorder	YES	1.1, 1.2	
Human Rights Act	NO		
Elderly/People on Low Income	NO		

5. Background Papers – Local Government Act 1972

- 6.1. Criminal Justice and Police Act, 2001 (Appendix 3)
- 6.2. Appendix information, please see attached

6. Consultations

Kevin Southerill - Parks Warden, Leicester City Council 1/10/09
Jane Culley - Leicestershire Constabulary Partnership Liaison 17/09/09

7. Report Author(s)

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Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

Appendix 1

Displacement will occur with all bans and it is not the intention to follow displaced drinkers around the local areas under the visage of making the 2007 ban practical. However, in the case of Sparrow Park, the specific vulnerability that the ban was in force to implement - the protection of families using the park - is not being met at present because the adjacent streets are not included. If these streets are included, the drinkers are strategically displaced further away and the park can be considered secure.

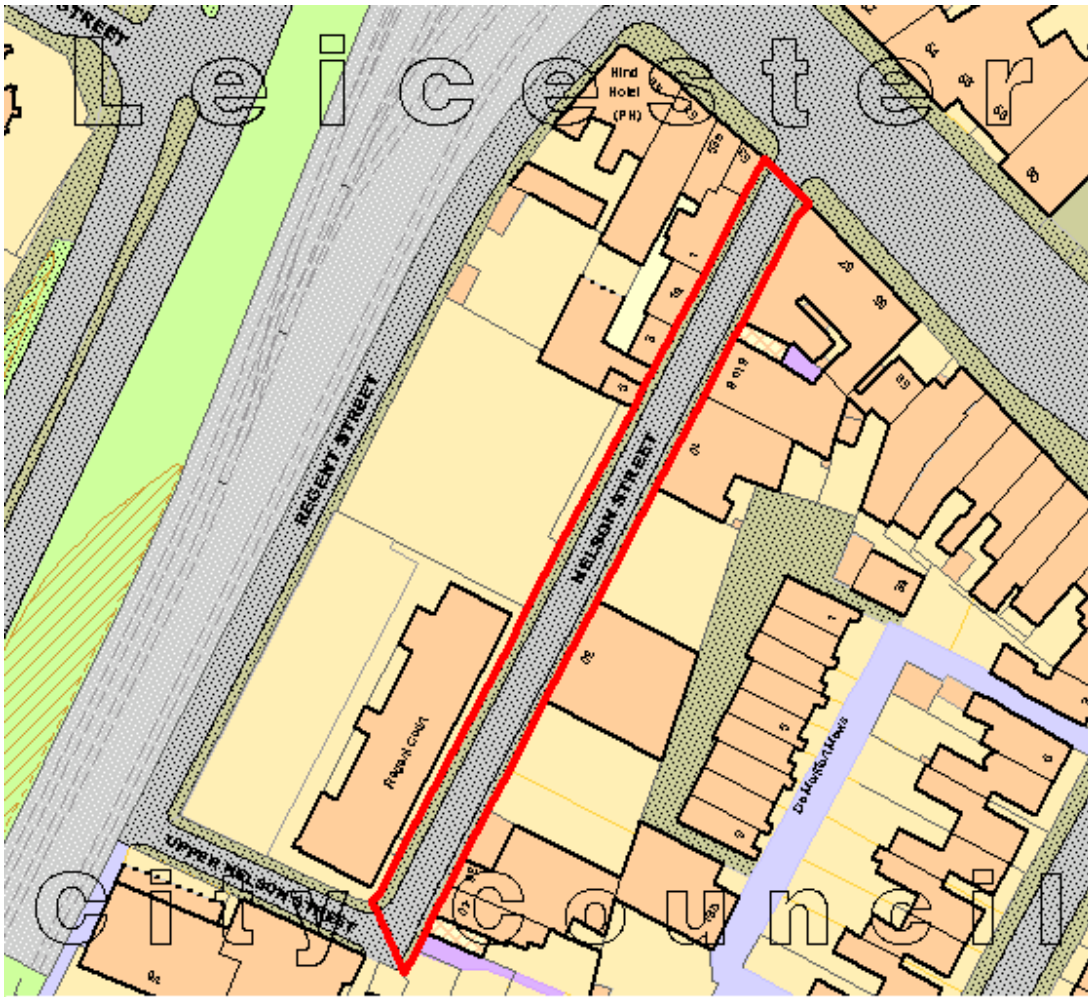
Nelson Street has significant recorded incidents in its own right (see map and information below). However, the inclusion of Nelson Street, Upper Nelson Street and Regent Street is again a strategic move as this will mean street drinkers are forced to walk off of Nelson Street and down Regent Street - doubling back on themselves to re-connect with London road where the original drinking ban is in place. This effectively moves street drinkers out of that area, which was the intention of the 2007 ban.

Consultation

Support has been received from Police and local businesses. The statutorily required 28-day consultation process will also be observed.

Evidence and mapping

The following is a map taken from police analysis showing the number of incidents/call outs for drink related disorder around the City centre. There are 12 incidents reported next to Nelson Street. This is for a 12 month period,



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12 Alcohol consumption in designated public places

(1) Subsection (2) applies if a constable reasonably believes that a person is, or has been, consuming intoxicating liquor in a designated public place or intends to consume intoxicating liquor in such a place.

(2) The constable may require the person concerned-

(a) not to consume in that place anything which is, or which the constable reasonably believes to be, intoxicating liquor;

(b) To surrender anything in his possession which is, or which the constable reasonably believes to be, intoxicating liquor or a container for such liquor (other than a sealed container).

(3) A constable may dispose of anything surrendered to him under subsection (2) in such manner as he considers appropriate.

(4) A person who fails without reasonable excuse to comply with a requirement imposed on him under subsection (2) commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

(5) A constable who imposes a requirement on a person under subsection (2) shall inform the person concerned that failing without reasonable excuse to comply with the requirement is an offence.

(6) In section 24(2) of the 1984 Act (offences to which powers of arrest without warrant apply), after paragraph (q) there shall be inserted-

"(qa) an offence under section 12(4) of the Criminal Justice and Police Act 2001."

13 Designated public places

(1) A place is, subject to section 14, a designated public place if it is-

(a) a public place in the area of a local authority; and

(b) Identified in an order made by that authority under subsection (2).

(2) A local authority may for the purposes of subsection (1) by order identify any public place in their area if they are satisfied that-

(a) nuisance or annoyance to members of the public or a section of the public; or

(b) disorder;

Has been associated with the consumption of intoxicating liquor in that place.

(3) The power conferred by subsection (2) includes power-

(a) to identify a place either specifically or by description;

(b) To revoke or amend orders previously made.

(4) The Secretary of State shall by regulations prescribe the procedure to be followed in connection with the making of orders under subsection (2).

(5) Regulations under subsection (4) shall, in particular, include provision requiring local authorities to publicise the making and effect of orders under subsection (2).

(6) Regulations under subsection (4) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

14 Places which are not designated public places

(1) A place is not a designated public place or a part of such a place if it is-

(a) licensed premises or a registered club;

(b) a place within the curtilage of any licensed premises or registered club;

(c) a place where the sale of intoxicating liquor is for the time being authorised by an occasional permission or was so authorised within the last twenty minutes;

(d) a place where the sale of intoxicating liquor is not for the time being authorised by an occasional license but was so authorised within the last twenty minutes;

(e) a place where facilities or activities relating to the sale or consumption of intoxicating liquor are for the time being permitted by virtue of a permission granted under section 115E of the Highways Act 1980 (c. 66) (highway related uses).

(2) In subsection (1)-

"licensed premises", "occasional licence" and "registered club" have the same meaning as in the Licensing Act 1964 (c. 26); and

"occasional permission" has the same meaning as in the Licensing (Occasional Permissions) Act 1983 (c. 24).

15 Effect of sections 12 to 14 on byelaws

(1) Subsections (2) and (3) apply to any byelaw which-

(a) prohibits, by the creation of an offence, the consumption in a particular public place of intoxicating liquor (including any liquor of a similar nature which falls within the byelaw); or

(b) makes any incidental, supplementary or consequential provision (whether relating to the seizure or control of containers or otherwise).

(2) In so far as any byelaw to which this subsection applies would, apart from this subsection, have effect in relation to any designated public place, the byelaw-

(a) shall cease to have effect in relation to that place; or

(b) where it is made after the order under section 13(2), shall not have effect in relation to that place.

(3) In so far as any byelaw made by a local authority and to which this subsection applies still has effect at the end of the period of 5 years beginning with the day on which this subsection comes into force, it shall cease to have effect at the end of that period in relation to any public place.

16 Interpretation of sections 12 to 15

(1) In sections 12 to 15, unless the context otherwise requires-

"designated public place" has the meaning given by section 13(1);

"intoxicating liquor" has the same meaning as in the Licensing Act 1964; and

"public place" means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

(2) In sections 12 to 15 "local authority" means-

(a) in relation to England-

(i) a unitary authority;

(ii) a district council so far as they are not a unitary authority;

(b) in relation to Wales, a county council or a county borough council.

(3) In subsection (2) "unitary authority" means-

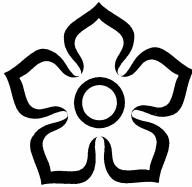
(a) the council of a county so far as they are the council for an area for which there are no district councils;

(b) the council of any district comprised in an area for which there is no county council;

(c) a London borough council;

(d) the Common Council of the City of London in its capacity as a local authority;

(e) the Council of the Isles of Scilly.



Leicester
City Council

WARDS AFFECTED

All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Overview & Scrutiny Management Board
Cabinet

4 March 2010
8th March 2010

Meeting Climate Change and Sustainability through Construction (New Build and Major Refurbishment)

Report of the Strategic Director, Development Culture and Regeneration

1. PURPOSE OF REPORT

- 1.1 An approach is needed to ensure that during the design of new council buildings and major refurbishments the carbon dioxide emissions performance is considered to meet the One Leicester commitment to build zero carbon buildings. In addition, the approach should also cover other corporate environmental objectives (eg. waste, water use etc) and the council's wider sustainable procurement policy that considers issues such as ethical sourcing.

2. SUMMARY

- 2.1 Adopting the BREEAM (the Building Research Establishment Environmental Assessment Methodology) suite of environmental construction standards for new council buildings and major refurbishments will ensure that major council building projects achieve higher environmental standards and produce less carbon dioxide.
- 2.2 An accompanying Sustainability Assessment will consider the non-environmental aspects of the corporate sustainable procurement policy (ie. issues around ethical sourcing and impact on the local community etc).
- 2.3 By incrementally improving the carbon dioxide emissions performance of new buildings, the council will prepare itself for the forthcoming zero carbon target dates set at 2013 in the One Leicester document and nationally by government at 2016 for schools and 2019 for all other non-domestic buildings.
- 2.4 The approach will also contribute towards achieving the corporate environmental improvement targets under EMAS (eg. carbon dioxide, energy, water, waste etc), improved performance under NI185 *carbon dioxide emissions from the council's own operations* and provide external credibility to council building projects.
- 2.5 There will be an increased capital cost associated with achieving higher environmental standards. For indicative purposes a new primary school achieving BREEAM "excellent" could cost an additional 5.9% to 9.85% and secondary school 3.9% to 4.4%.

- 2.6 It is anticipated that there will also be an extra design fee cost associated with the time required for collecting and submitting the evidence for the BREEAM assessment and the extra design work to achieve the higher environmental standards. However, there is currently no information to indicate what this cost might be. Internal staff who are currently designing to BREEAM are recording their time on these tasks under a specific code. An assessment will be made when enough projects have been completed.
- 2.7 The cost of undertaking the BREEAM assessment and registration for a primary school would be approximately £16,000 with an additional £5,000 for a carbon dioxide emission reduction feasibility study.
- 2.8 There will be ongoing revenue savings from lower energy and water costs, and reduced payments under the Carbon Reduction Commitment. Some types of energy conservation investment, such as increased insulation and better lighting controls, can have a short pay back period. Other types of investment, such as photovoltaic cells, have a much longer payback period and it would be difficult to ring fence revenue savings to pay for these options.

3. RECOMMENDATIONS

- 3.1 It is recommended that all new council building and major refurbishment projects that fall within the council definition of a major project (ie. over £1,000,000):
- i. will be expected to achieve the BREEAM Design standard environmental rating of “excellent” on new buildings and seek funding to meet this standard as required. Major refurbishment projects are required to achieve “very good” where BREEAM is appropriate to the nature of the refurbishment (see Appendix 1 for an explanation of BREEAM ratings);
 - ii. undertake a feasibility study as part of BREEAM to present a series of costed options for achieving different levels of carbon dioxide emissions reduction to an appropriate financial decision-making forum (eg. Cabinet); and
 - iii. are subject to a Sustainability Assessment to pick up the non-environmental aspects of the council’s sustainable procurement policy (ie. issues around ethical sourcing, impact on the local community etc).
- 3.2 In circumstances where there are existing legal or other requirements applicable (eg. planning policies) then these will take precedence. An example would be the refurbishment of a council-owned listed building.
- 3.3 The recommendations will be implemented through the corporate project management standards and the Gateway process.

4. REPORT

4.1 The BREEAM environmental construction standard

- 4.1.1 BREEAM (the Building Research Establishment Environmental Assessment Methodology) is a widely used suite of environmental construction standards.
- 4.1.2 BREEAM standards cover most common building types including offices and schools. The BREEAM Design assessment rates a building design from ‘pass’ through to

'outstanding'. The rating is based on an overall score that is calculated by awarding credit scores to a wide range of environmental issues. An explanation of BREEAM ratings is provided in Appendix 1. The assessment is undertaken by an independent, qualified assessor and the BREEAM certificate is issued by the Building Research Establishment (BRE) on project completion.

- 4.1.3 The requirement for a BREEAM Design 'excellent' rating on new buildings and 'very good' on major refurbishments is now common practice. These are the requirements for Leicester's Building Schools for the Future (BSF) phase 1 schools and the Primary School Capital Programme. These requirements for 'excellent' should be extended to all new council buildings. Major refurbishments that fall within the council definition of a major project (ie. over £1,000,000) should be required to achieve "very good" where BREEAM is appropriate to the nature of the refurbishment.
- 4.1.4 The City's new Digital Media Centre has been built on budget and will achieve BREEAM "very good". This demonstrates that higher environmental standards can be achieved within budget through good design. However, even higher levels of environmental performance will be required to meet the aspirations of One Leicester and the corporate environmental targets. The additional capital costs associated with achieving BREEAM ratings are detailed in the Financial Implications section.
- 4.1.5 As part of the BREEAM certification process a building project will need to be assessed by a qualified, independent assessor and registered with the BRE. The cost for an office or a school should not exceed approximately £16,000.
- 4.1.6 Planned building projects that are likely to be affected by this policy if they go ahead are the replacement/refurbishment of New Walk Centre and the new bus station.

4.2 A carbon dioxide emission reduction feasibility study

- 4.2.1 Research recently commissioned by the Primary Capital Programme Manager to support the current school building programmes concluded that of three city schools investigated only one could have been built to achieve zero carbon at reasonable cost. However, it would have been possible to achieve a 60% reduction in carbon dioxide emissions on all three (based on 2002 Building Regulation requirements). The research therefore suggests that at the moment it would be too expensive to build all new council buildings to zero carbon but considerable improvements in the carbon dioxide emissions are possible at a reasonable cost as detailed in the Financial Implications section.
- 4.2.2 Achieving zero carbon on major refurbishments is generally not realistically possible but again improvements in the carbon dioxide emissions are possible.
- 4.2.3 In order to support this new council buildings and major refurbishments that apply BREEAM should be required to undertake a feasibility study to present the various options for reducing carbon dioxide emissions. The study should also present members with the associated capital costs to support financial planning. This approach provides a clearer understanding of the financial implications of design decisions and is flexible enough to accommodate the individual nature of different building projects.

4.2.4 The approximate cost for a feasibility study would be £5,000 on top of the usual building services consultant design fee.

4.3 Sustainable Procurement Policy

4.3.1 One limitation of the BREEAM standards is that they do not cover all aspects of the council's Sustainable Procurement policy. However, the new project management standards include a requirement for a Sustainability Assessment to be carried out. This will be carried out by the Sustainable Procurement officer based in the Environment Team. The BREEAM assessment will pick up the environmental aspects of building projects with the Sustainability Assessment picking up the remaining aspects of the Sustainable Procurement policy (ie. issues around ethical sourcing and impact on the local community etc).

4.4 The Benefits of the Proposed Approach

4.4.1 One Leicester contains a commitment to ensure that "From 2013, every new building in Leicester will be zero carbon" and to "make sure the buildings being planned as part of public sector programmes are visible and inspirational exemplars of zero carbon construction." The proposed approach will support progress towards the One Leicester commitment by delivering new council buildings and major refurbishments that produce less carbon dioxide. The council should aim to incrementally improve the carbon dioxide emissions performance of each new council buildings in order to work toward the One Leicester commitment.

4.4.2 In addition to the One Leicester commitment, the government has already suggested zero carbon target dates for new schools (2016), all other new public sector buildings excluding local authorities (2018) and all other non-domestic building including local authorities (2019). The council should aim to incrementally improve the carbon dioxide emissions performance of new council buildings in preparation for the zero carbon target dates.

4.4.3 The Council's carbon dioxide emissions are now scrutinised annually under National Indicator 185 and the proposed approach would improve the council's performance on this indicator.

4.4.4 The council has several corporate environmental objectives identified under EMAS. BREEAM will help to deliver targets relating to carbon dioxide emissions, energy use, water use, waste generation, the generation and use of renewable energy and the number of schools with wildlife areas.

4.4.5 Financial savings will result from lower energy running costs as detailed in the Financial Implications section below although these would not provide a payback over the lifetime of the project for some types of investment (eg. photovoltaic cells).

4.4.6 Finally, BREEAM is a widely recognized, rigorous and externally assessed standard that provides additional credibility to Council building projects.

5. FINANCIAL, LEGAL & OTHER IMPLICATIONS

5.1 Financial Implications

5.1.1 Achieving a higher BREEAM rating has an associated capital cost. The BREEAM ratings recommended in this paper are already a requirement for school buildings. But applying the ratings to other new council buildings and major refurbishments will cost

more money. The exact amount depends upon the nature of the specific project and the only research available, conducted by Faithful and Gould (2008), relates to schools. For indicative purposes a new primary school achieving “excellent” could cost an additional 5.9% to 9.85% and secondary school 3.9% to 4.4%.

- 5.1.2 It is anticipated that there will also be an extra design fee cost associated with the time required for collecting and submitting the evidence for the BREEAM assessment and the extra design work to achieve the higher environmental standards. However, there is currently no information to indicate what this cost might be. Internal staff who are currently designing to BREEAM are recording their time on these tasks under a specific code. An assessment will be made when enough projects have been completed.
- 5.1.3 At the moment it would be too expensive to build all new council buildings to zero carbon but considerable improvements in carbon dioxide emissions are possible (Faithful and Gould, 2008). The Primary Capital Programme Manager has estimated that a 60% reduction based on 2002 Building Regulations is possible at an additional cost of 8% for a new primary school and 4% for a new secondary school. In relation to refurbishments around a 50% reduction is possible, typically at an additional cost of 8% to 10%. However, the individual nature of different building projects makes it difficult to adopt a set carbon dioxide emission reduction figure for all of them. The proposed approach uses a feasibility study to present members with a series of costed options for achieving different levels of carbon dioxide emissions reduction. This approach provides members with a clearer understanding of the financial implications of design decisions and is flexible enough to accommodate the individual nature of different building projects.
- 5.1.4 Adopting the recommendations would also mean that individual projects would incur the cost of undertaking the carbon dioxide emission reduction feasibility study and the BREEAM assessment and registration. An example cost for a new primary school would therefore be approximately £21,000 made up of £16,000 for BREEAM and £5,000 for the feasibility study. This cost would need to be part of the project budget.
- 5.1.5 Lower running costs will result from lower energy use. Some types of investment such as increased insulation and better lighting controls can have a short pay back period. Other types of investment, such as photovoltaic cells, have a much longer payback period. Research by Faithful and Gould (2009) has estimated that by increasing the energy conservation properties of the structure of Beaumont Leys Community College then £1,379 could be saved per annum and by introducing a ground source heat pump along side a 40kW gas boiler and 100 m² of photo voltaic cells then another £4,000 could be saved. However, the payback periods for these two options are currently 65 years and 87.5 years respectively. These payback periods would not allow savings to be used as funding mechanisms. Two BREEAM credits are available where Life Cycle Costing is applied to the building (section Man 12) in order to establish the total cost of the building for acquisition, operation, maintenance and disposal across different design options. This approach formalises the relationship between up front costs and ongoing costs in decision making. The technique is currently being applied to the rebuild of Mellor Community Primary School and if successful the Life Cycle Costing BREEAM credits could be made mandatory for all council building projects where applicable.

- 5.1.6 Financial savings will also arise as a result of lower costs associated with the Carbon Reduction Commitment (CRC) which is a cap and trade scheme for carbon dioxide emissions starting in 2010. The purchase of the first two years worth of allowances for the CRC could cost the council an estimated £1.6 million. The first purchase will be made in April 2011. If the council then needs to increase its emissions allowances, because it emits more CO² than agreed, then it would have to pay more. If emissions were reduced then there would be a refund. The cost of CO² has been set at £12 per tonne for the first 3 years of the scheme and will then increase.
- 5.1.7 Given the above, the basic financial implication of adopting higher environmental standards is that the capital cost will increase. Longer term savings in running costs would be made but some of the options for achieving this would be difficult to ring fence for funding proposals at the moment.

Martin Judson, Head of Finance, Ext 297390

5.2 Legal Implications

- 5.2.1 There are no legal implications. However, it is likely that from 2016 all new schools will be required to meet a 'zero carbon' standard. All other new council buildings will be required to meet a similar standard from 2019.

Jean Geary, Principal Contracts Officer, Ext 296357

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities Policy	No	
	Yes	The adoption of BREEAM will provide a way of ensuring that the corporate environmental policy is implemented when new council buildings are constructed and major refurbishments undertaken.
Sustainable and Environmental	Yes	BREEAM is a construction standard that was developed to improve the environmental performance of new buildings and major refurbishments.
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

7. RISK ASSESSMENT MATRIX

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1 – Failure to meet the One Leicester commitment that “From 2013, every	H	M	BREEAM may form the basis of a future sustainability code

new building in Leicester will be zero carbon”.			for non-domestic buildings which will require a zero carbon requirement.
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L - Low
M - Medium
H - High

L - Low
M - Medium
H - High

8. BACKGROUND PAPERS – Local Government Act 1972

- www.breeam.org
- One Leicester – Shaping Britain’s sustainable city (2008).
- Carbon Reduction Commitment, Cabinet Briefing (4th Nov 2008).
- Putting a Price on Sustainable Schools (2008) Faithful and Gould.
- Carbon Neutral Schools Research Study for Leicester City Council (March 2009) Faithful and Gould.

9. CONSULTATIONS

Consultee	Date Consulted
Jim Bowditch, Capital Programme Manager, CYPS	Sept 2009
Neil Gamble, Head of Property Development	Sept 2009
Reducing Our Carbon Footprint Priority Board	9 th Sept 2009

10. REPORT AUTHOR

Mark Jeffcote
Senior Policy Officer,
Environment Team.
X296765

Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

APPENDIX 1 – BREEAM Ratings and Scoring

Buildings assessed under BREEAM are rated as follows:

BREEAM Rating	BREEAM Score
UNCLASSIFIED	<30
PASS	≥30
GOOD	≥45
V GOOD	≥55
EXCELLENT	≥70
OUTSTANDING	≥85

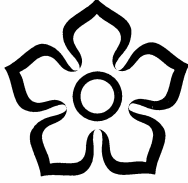
An example of how a BREEAM score for a fictitious building is calculated is presented in the table below.

BREEAM Section	Credits Achieved	Credits Available	% of Credits Achieved	Section Weighting	Section Score
Management	7	10	70%	0.12	8.40%
Health & Wellbeing	11	14	79%	0.15	11.79%
Energy	10	21	48%	0.19	9.05%
Transport	5	10	50%	0.08	4%
Water	4	6	67%	0.06	4%
Materials	6	12	50%	0.125	6.25%
Waste	3	7	43%	0.075	3.21%
Land Use & Ecology	4	10	40%	0.1	4%
Pollution	5	12	42%	0.1	4.17%
Innovation	1	10	10%	0.1	1%
Final BREEAM Score					55.87%
BREEAM Rating					V GOOD

In addition to achieving the required score, each rating also has mandatory credits that must be achieved. For example, the mandatory credits for V GOOD are:

BREEAM Credit Set	Mandatory Number of Credits
Man 1 - Commissioning	1
Hea 4 – High frequency lighting	1
Hea 12 – Microbial contamination	1
Ene 2 – Sub-metering of substantial energy uses	1
Wat 1 – Water consumption	1
Wat 2 – Water meter	1
LE4 – Mitigating ecological impact	1

Assuming the fictitious building above achieved the mandatory credit requirements then the final BREEAM score of 55.87% would have achieved a V GOOD rating.



Leicester
City Council

**WARDS AFFECTED:
ABBEY WARD
BELGRAVE WARD**

**OVERVIEW & SCRUTINY MANAGEMENT BOARD
CABINET**

**4th March 2010 ||
8th March 2010**

Leicester Science Park Innovation Workspace

Report of the Strategic Director Development, Culture and Regeneration

1. Purpose of Report

- 1.1 Following Cabinet approval for the vision and initial project development actions in August 2009, this report now seeks approval to proceed with the implementation of the Leicester Science Park Innovation Workspace project.

2. Recommendations

- 2.1 The Cabinet is asked to approve the commencement of the Leicester Science Park Innovation Workspace project and:
- (i) Authorise the Strategic Director Development, Culture and Regeneration, in consultation with Cabinet Leads for Property and Regeneration, to
 - a. Agree the terms and sign relevant funding agreements as set out in the report.
 - b. Agree terms to acquire any freehold or leasehold land and thereafter enter into leases for the completed scheme as required to deliver and subsequently operate the Leicester Science Park Innovation Workspace.
 - (ii) Authorise the Director of Legal Services to execute all the necessary documentation to complete all property transactions including procurement and construction.
 - (iii) Approve the capital funding package as set out in the report, for which the Council will act as accountable body, and add the Leicester Science Park Innovation Workspace to the Council's Capital Programme.
 - (iv) Approve the plan for funding any revenue deficit that accrues before optimum occupancy is achieved, as outlined in the report.
 - (v) Note the project risks as set out in the report and Appendix B.

3. Summary

- 3.1 'One Leicester' makes a commitment to "complete the development of the Science Park around the National Space Centre and continue efforts to attract hi-tech businesses into the Leicester economy." There is also a commitment to improving business infrastructure and ensuring that there are enough suitable premises in Leicester for businesses at all stages of their lifecycle.
- 3.2 The economic downturn places greater emphasis on the need to invest in sectors of the economy that exhibit the greatest potential to drive economic growth. It is important that the city creates a climate for innovation and attracts employers with higher skill requirements. This will help to drive up wages and also contribute to graduate retention.
- 3.3 As part of the Comprehensive Area Assessment (CAA) feedback in 2009, the Audit Commission specifically recommended that the Council accelerate projects with clear regeneration benefits such as the Science Park.
- 3.4 The Leicester Innovation Workspace project will create new employment space to support business start up and growth, particularly to support new innovative business sectors and higher value jobs. The building will be of high design quality and achieve an 'excellent' rating for sustainability.
- 3.5 Following approval of the vision and early development stages of the project in August 2009, Cabinet is now asked to approve the commencement of this project, which is intended to kick-start the development of the wider Science Park.

4. Report

The vision and outcomes/benefits

- 4.1 The proposed Innovation Workspace will establish Leicester Science Park as a high quality location for knowledge-based businesses i.e. companies creating and using knowledge, information and high level skills to drive productivity and economic growth. The project will provide serviced accommodation to these knowledge-based businesses, including a mix of business incubation and grow on space, and a mix of office and workshop spaces.
- 4.2 The scheme is being developed in collaboration with Leicester and De Montfort universities, building on research strengths and related support programmes, and complementing plans for capital programmes on the respective campuses. The aim is to position the Innovation Workspace as a natural extension to the Universities spinout, commercialisation and business incubation activities.
- 4.3 There will be a focus on growing knowledge based sectors in which the city can develop a competitive advantage. Proposals are being focused on providing appropriate support to emerging science, innovation and technology sectors including low carbon/ environmental, space and biotechnology. The precise sectoral focus for the project is being refined with the input of key

external stakeholders, including De Montfort University and the University of Leicester.

- 4.4 Clients will need to access specialist scientific and technical support services, as well as more generic business support, and it is important that the Innovation Workspace can deliver business support services to help tenant companies to grow. Complementary business development programmes will be required to support the delivery of funding outputs to regeneration funders, delivered directly and in partnership, as follows:
- The funding package and revenue profile includes provision for the delivery of a base level business support through the Innovation Workspace to directly support the delivery of ERDF funding outputs to December 2012.
 - Work is underway to align existing support programmes being delivered by external partners, including De Montfort University and the University of Leicester, and explore how these can be facilitated by the project.
- 4.5 The development of an Innovation Workspace at Leicester Science Park (see attached location plan at Appendix A) will deliver the following regeneration benefits/outcomes:
- Create new employment space on a brownfield site
 - Create new, and in particular high value jobs
 - Support existing businesses in knowledge based sectors
 - Stimulate new business start ups, particularly those emerging from University research activity
 - Support graduate retention
 - Ensure that regeneration benefits flow to the adjacent community in Belgrave and Abbey Wards creating jobs, retaining generated wealth locally and raising confidence in the area as a business location
 - Kick-start the development of the wider Science Park
 - A separately funded project will create a cycle and pedestrian walkway to link the workspace to existing routes on the riverside and potentially the Wolsey Island housing site on completion of a proposed bridge.

Site Acquisition

- 4.6 It is proposed that the Council will purchase the long leasehold for the site from Emda at a peppercorn, as the scheme needs a large public subsidy to be developed. See Appendix A for a plan of the site.
- 4.7 Heads of Terms for the site acquisition have been agreed in principle. The following main terms are anticipated:
- The lease will be for a term of 150 years at no premium and a rent of £1-00 per annum
 - The City Council will undertake to procure the agreed building and other works on the site within an agreed period
 - The site must only be used for the delivery of an Innovation Centre
 - Uses will be restricted to the following planning classes: Class B1(b) - research and development of products or processes, and B1(a) and B1(c) – ancillary office and light industrial uses respectively. Ancillary uses are restricted to 20% of the total lettable floorspace

- Maximum lettings to any one occupier are 4 units/ 5000 square feet until break even occupancy achieved, and 4 units/ 2000 square feet thereafter.
- The City Council to ensure delivery of, or referral to, an agreed level of business support and on-site services which will include provision by a range of external organisations
- Sub-letting of the whole of the property to a body suitably equipped to manage the Innovation Centre will be permitted subject to prior consent being obtained.

4.8 Emda will retain the remainder of the Science Park site for development.

Project governance and delivery structure

4.9 The project is being developed in consultation with the following key external stakeholders: De Montfort University, University of Leicester, Prospect Leicestershire, National Space Centre and East Midlands Development Agency. The objective is to position the Innovation Workspace as a natural extension to the spinout, commercialisation and incubation activities of local Universities.

4.10 A project governance structure has been developed as follows:

- Project Board: as part of the City Council's project management framework, is an internal grouping, adopting a monitoring and mandating role, consistent with Prince 2 Methodology.
- Advisory Group: this is not a decision-making body but, via the Project Manager, will be highly influential in an "expert practitioner" role, and will feed into the Project Board with appropriate recommendations. This is the mechanism for external stakeholders to advise the development of the project.
- Delivery Team: this provides the day-to-day development and implementation of the project for the design and construction, as well as the management and operation.

Appointment of contractor and design team

4.11 The Cabinet at its meeting on 3rd August 2009 approved project design and development work at a cost of up to £500,000 funded through a grant. Costs of up to £200,000 will have been incurred prior to consideration of this report by Cabinet.

4.12 Willmott Dixon Ltd has been engaged to undertake initial feasibility work under the EMPA (East Midlands Property Alliance) framework agreement. Under this agreement Willmott Dixon undertake feasibility work, with no contractual commitment. This element of the project has recently been completed. Legal services are in the process of being instructed to engage with Willmott Dixon contractually subject to cabinet approval (see legal comments in paragraph 5.2.2).

- 4.13 Willmott Dixon has appointed Maber Architects to develop the design following a competitive interview, comparing their relevant experience, design approach and fee proposal. This process carried out by Willmott Dixon is in accordance with CABE (Commission for Architecture and the Built Environment) good practice advice on design procurement. The architects are now developing a range of scheme options for discussion with the Advisory Group to refine the brief and provide a viable project.

Design proposals

- 4.14 A design brief has been developed with project partners and potential end users. Given the need to establish confidence in Leicester Science Park as a business location, and its proximity to the National Space Centre, the quality and distinctiveness of the architecture will be important.
- 4.15 The design brief for the building includes the following requirements:
- To deliver an inspirational, progressive and confident design that sets the tone for the development of the rest of the Leicester Science Park.
 - To provide a “visible and inspirational exemplar of zero carbon construction”, in line with the aspirations of One Leicester. This includes achieving a BREEAM rating of ‘excellent’ (see paragraph 4.19 below).
 - To provide a total lettable area of up to 25,200 square feet
 - To incorporate a range of facilities appropriate to the needs of companies in target sectors, with a mix of incubation and grow on facilities, with flexible office and workshop spaces
 - To minimise the long-term maintenance, energy usage and asset management cost
 - To provide sufficient space to deliver funding outputs and ensure long term financial viability
 - To provide a core of common services, including reception, administration and meeting facilities and spaces to encourage both informal and formal networking, and the delivery of specialist training and support by partner organisations
 - To provide leading edge broadband and telephone services
 - To provide ‘Excellence Demonstrator’ spaces for the showcasing of new products and research outputs emerging from Leicester and De Montfort Universities.
 - To provide an integrated design with the adjacent pedestrian/ cycleway.
- 4.16 The Design Team for the project, with appropriate input from the Main Contractor (Willmott Dixon) are progressing development of the detailed design proposals for the Innovation Workspace and the adjacent pedestrian cycleway.
- 4.17 In order to ensure a high quality design involving input by the Advisory Group and Cabinet leads, the selected architect is developing up to three scheme options during February 2010, in response to the design brief. These will be subject to feasibility testing and consultation with the Advisory Group and Cabinet leads. Following this, a single preferred scheme will be developed by late March 2010, enabling the more detailed architectural work and supporting

material for a planning application to be made in May 2010. The completed design will form the basis for Willmott Dixon's tendering to sub contractors to price for the construction and fit out of the building.

- 4.18 The scheme will be presented to the East Midlands Regional Design Review Panel prior to the submission of a planning application. This is the process endorsed by CABE and by EMDA, and is a requirement of Emda funding.

Sustainability

- 4.19 The environmental design and operational requirements for the Innovation Workspace have been driven by the following criteria:
- The Council's design brief for the project required the design team to design a quality building with specific regard given to environmental and sustainable design issues
 - Requirements to comply with the latest Building Regulations and specific planning guidance.
 - Funder requirements to comply with Emda's Sustainable Physical Development Guidance. This specifically includes a requirement for the project to achieve a BREEAM¹ (Building Research Establishment Environmental Assessment Method) rating of 'Excellent'.
- 4.20 The sustainable engineering strategy includes a mix of passive and active measures to minimise the environmental impact of the development. Options currently being explored in the development of design options include:

Passive measures

- External solar shading to minimise over heating and solar glare
- Highly insulated fabric to building
- Consideration of workspace depth and ceiling heights to maximise natural light, therefore limiting the requirement for artificial lighting
- Locally sourced materials wherever possible
- Sourcing of native planting species to assist natural ecology and wildlife
- Facilities to encourage walking and cycling to work as a means of transport

Active measures

- Heat exchanger submerged into the adjacent River Soar to provide heat transfer and cooled water to the building
- Integrated Photovoltaic & Solar Water Heating panels
- Rainwater harvesting
- Electronic building management system and intelligent metering of building services, to facilitate energy monitoring and control

Programme

- 4.21 The proposed development timetable is as follows:

¹ BREEAM (Building Research Establishment Environmental Assessment Method) is an assessment model undertaken by an independent BREEAM Assessor which looks at good and best practice for buildings across a wide number of issues including management, energy, water, land use and ecology, health and wellbeing, transport, materials and pollution.

30 th March 2010	Client sign off Stage 'C' design
14 th April 2010	Scheme considered by East Midlands Design Review Panel
17 th May 2010	Planning application submission
4 th June 2010	Client sign off Stage 'D' design
9 th August 2010	Anticipated planning consent
19 th October 2010	Construction start on site
19 th October 2011	Anticipated completion date

Project Costs

- 4.22 Table 1 below sets out the indicative cost plan for the Innovation Workspace as follows:

Table 1: Indicative cost plan

	£
Build cost	4,128,681
Fees	635,319
External evaluation	25,000
Business support	25,000
Total Innovation Workspace budget	4,814,000

- 4.23 A working cost plan for the Innovation Workspace has been developed, based on published analysis from two buildings of similar size and function. This cost plan indicates broadly that the cost for construction including fees is £1,405 per sq m/ £131 per sq. ft. A process of design development will further refine the brief and cost plan.

Project Funding Summary

- 4.24 Table 2 below sets out the funding for the delivery of the Innovation Workspace:

Table 2: Funding package

Funding Source	£	Status
European Regional Development Fund (ERDF)	2,052,000	Approved
EMDA regional	1,128,000	Approved
EMDA sub regional	1,250,000	Approved
Working Neighbourhoods Fund - capital	384,000	Approved
Total Innovation Workspace Capital Funding	4,814,000	
Working Neighbourhoods Fund - revenue	366,000	Approved
Total Innovation Workspace Revenue Funding	366,000	

Project Funding – Revenue

- 4.25 All new workspace developments require a period before optimum occupancy levels are reached and financial sustainability is achieved. The scale of any revenue deficit that accrues up to this point is sensitive to both the rental levels that can be realised, and the time taken to achieve the target occupancy rate (assumed at 85%) to at least break even.

- 4.26 Revenue deficit calculations for the Innovation Workspace have been based on rental charges of £14 per square foot (psf), and a 'standard' occupancy profile of 0% on opening, 30% at the end of Year 1, 60% at the end of Year 2 and 85% at the end of Year 3.
- 4.27 The size of the revenue deficit is sensitive to any change in rental levels and any change in occupancy profile. As such, a sensitivity analysis has been completed that estimates the size of the revenue deficit under different scenarios: different rental levels of £14 per square foot, £15psf and £16psf, and different occupancy profiles, as follows:

Table 3: Revenue Deficit Sensitivity Analysis

	£14 per sq. ft.	£15 per sq. ft.	£16 per sq. ft.
Better occupancy profile (0% /40%/ 65%/ 85%)	£312,000	£293,000	£275,000
Standard occupancy profile (0%/ 30%/ 60%/ 85%)	£366,000	£340,000	£325,000
Worse occupancy profile (0%/ 10% /30%/ 50%/ 72.5%/ 85%)	£517,000	£490,000	£467,000

- 4.28 The standard occupancy profile at £14psf produces an estimated total revenue deficit, until sustainability is achieved, of up to **£366,000** over 4 years (2011/12 to 2013/14), not including any potential financing costs of this revenue deficit. Alternative scenarios result in different revenue deficit projections, and this could be up to £517,000 over four years.
- 4.29 £366,000 of WNF allocation will be used to underwrite the anticipated revenue deficit assuming the standard occupancy profile.
- 4.30 The key risks and control measures in relation to the revenue elements of the project are shown in the risk matrix in Appendix B:

Funding outputs

- 4.31 Project funding applications include a range of funding outputs over the life of the project. Delivery of the funding outputs, occupancy and financial targets is dependant on:
- A complementary delivery of a targeted business development and support programme, including alignment with existing programmes delivered by partner organisations (see paragraph 4.4 above).
 - An intensive Marketing Plan to commence 6 months before building opening with dedicated officer support to implement the plan. Marketing costs have been included within the operational revenue budget for the project.

- 4.32 Demand, particularly for new workspace schemes, is difficult to predict with certainty. This is further complicated by the uncertain impact of the recession on the demand for workspace. Current intelligence indicates that during the recession, companies are migrating to premises that offer good value accommodation alongside appropriate facilities and support.
- 4.33 Several studies have been undertaken in previous years in relation to the LSP Innovation Workspace, and these all provide useful evidence of potential demand for the scheme and to inform the definition and specification of the services and facilities.
- 4.34 The Risk Matrix in Appendix B refers to an approach to minimise the risk of not meeting occupancy targets.

Operational management

- 4.35 It is currently proposed that Leicester City Council will provide ongoing operational management of the completed scheme. Restrictions on the use of the building, and the risk of ERDF grant clawback if the scheme produces significant surpluses over the first 10 years of operation, preclude a private sector operator being able to generate a significant financial return from managing the Innovation Workspace.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

The capital cost, funding package and revenue analyses are as follows:

5.1.1 Capital Cost

	£'000
Build cost	4,129
Fees	685
Total Innovation Workspace	4,814

Current plans provide an estimated workspace capital cost of £4.814m. More accurate costings will follow once the design has been completed. The scheme as it stands relies upon the actual capital cost being at or below the current estimates. No additional funding has currently been identified if the scheme costs are higher. Using prudential borrowing is not an option because of the additional financing costs.

5.1.2 Capital funding

Capital:	£'000
EMDA sub regional	1,250
EMDA regional	1,128
ERDF	2,052
WNF	384

Total	4,814
Revenue:	
WNF	366
Total	366

5.1.3 Revenue funding

5.1.3.1 Income and expenditure projections indicate that the workspace is sustainable provided the target normal occupancy level of between 80-85% is maintained using the current market rental of £14 per sq foot. This forecast level of occupancy is underpinned by demand research commissioned by Prospect and experience at LCB depot.

5.1.3.2 The level of cumulative revenue deficit incurred prior to achieving target occupancy varies dependant upon the early occupancy profile. A base profile indicates that cumulative losses will be approximately £366,000 built up over 4 years (2011/12 to 2013/14). Sensitivity analysis of the revenue deficit using a worse and better case profile is summarised in paragraph 4.25. The assumed worse case shows cumulative losses of £517,000, £151,000 worse than the base case.

5.1.3.3 The level of WNF funding available of £750,000 has been used to fund the anticipated revenue losses for the base case of £366,000, not the worse case, with the balance of the WNF being used to fund the capital build cost.

5.1.3.4 There is a risk that the losses will be worse case rather than the assumed base case leading to a potential £151,000 funding shortfall. In the absence of any additional funding, reducing the capital build cost would be an option to release more WNF to fund the higher revenue losses.

5.1.3.5 However the capital costs still need further refinement and are still only target costs at this stage. Once a more detailed design has been completed we can assess whether there is scope to release more WNF to cover prospective revenue losses.

5.1.4 Financial Risks

The financial risks related to accessing funding, delivery of the capital investment to budget and any ongoing revenue issues are included in the risk matrix attached as Appendix B.

Martin Judson, Financial Services Extn. 297390

5.2 Legal Implications

5.2.1 Property Legal Implications

5.2.1.1 The land was originally sold by the Council to EMDA in 2001. The Council will be taking the land on a long leasehold basis, which will contain obligations on use. There is the potential for clawback of the value of the

land by EMDA in the event that it is not used for the purpose for which the land is acquired by the Council. The Council will also be required to comply with the covenants contained in the Lease relating to use. These issues will need to be considered and advice provided to officers during any negotiation around the full terms of the proposed acquisition.

John McIvor: Extn. 297035

5.2.2 Legal Implications relating to Contracts and Procurement

5.2.2.1 As stated in the Cabinet report of 4th August 2009, since the Council will be the developer and proposed landowner, it will be the contracting authority in relation to any development and construction on the land.

5.2.2.2 This report identifies that the funding for this project will come from various streams and that with external funding, the Council will be expected to agree to such terms of funding, as the Accountable body. This requires Cabinet approval in accordance with the Constitution, subject to a de minimus level of £100,000. The majority of the funding outlined in paragraph 2.1 (iv) and (vi) is over the de minimus level. The Council has not received the details of the terms and conditions of any of the funding at the time of writing in order to appraise and advise Cabinet of the implications.

5.2.2.3 In relation to the development and construction work the Council should ensure compliance with Contract Procedure Rules and the Public Contracts Regulations 2006 and associated new regulations relating to remedies. Legal advice should be sought accordingly.

5.2.2.4 The report describes that the scheme is being developed in collaboration with other bodies, as stated in the report of 4th August 2009. Dependant upon the nature of such collaborative working, thought may need to be given as to whether this requires any formal agreement to regulate the relationship. Once officers have identified this aspect, legal advice may be taken to consider whether this needs to be formalised.

5.2.2.5 In relation to paragraphs 4.11 and 4.12, legal services have not been instructed as yet in relation to the initial engagement of Willmott Dixon Ltd. It is understood that their work at present is being carried out under a framework agreement which is available to the Council and is done so with no contractual commitment. Any actual procurement of works, supplies and services needs to be done in compliance with public procurement rules and officers are asked to seek early advice in this regard.

Beena Adatia: Extn. 296378

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph Within the report	References
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Equal Opportunities	Yes	It is anticipated that the project when completed will provide employment opportunities in the Belgrave and Abbey Wards and will act as a catalyst for the development of new employment opportunities for local people on the remainder of the Science Park site. Procurement of the building is being carried out under the Council's Framework Contract.
Policy	No	
Sustainable and Environmental	Yes	A sustainable and environmentally acceptable design will be a major consideration in the selection of the preferred design option.
Crime and Disorder	Yes	The development will incorporate Secure by Design Principles.
Human Rights Act	No	
Elderly/People on Low Income	No	

7. Background Papers – Local Government Act 1972

Leicester Science Park Innovation Workspace, Cabinet 3rd August 2009

8. Consultations

Andrew Smith, Director, Planning and Economic Development
Mike Dalzell, Head of Economic Regeneration
Brendan McGarry, Acting Manager Regeneration Team, Resources
Bruce Hearfield, Principal Surveyor, Resources
John McIvor, Legal Services
Beena Adatia, Legal Services
Martin Judson, Head of Resources, Regeneration and Culture
Amin Girach, Principal Accountant, Regeneration and Culture
Ian Wallace, Project Management

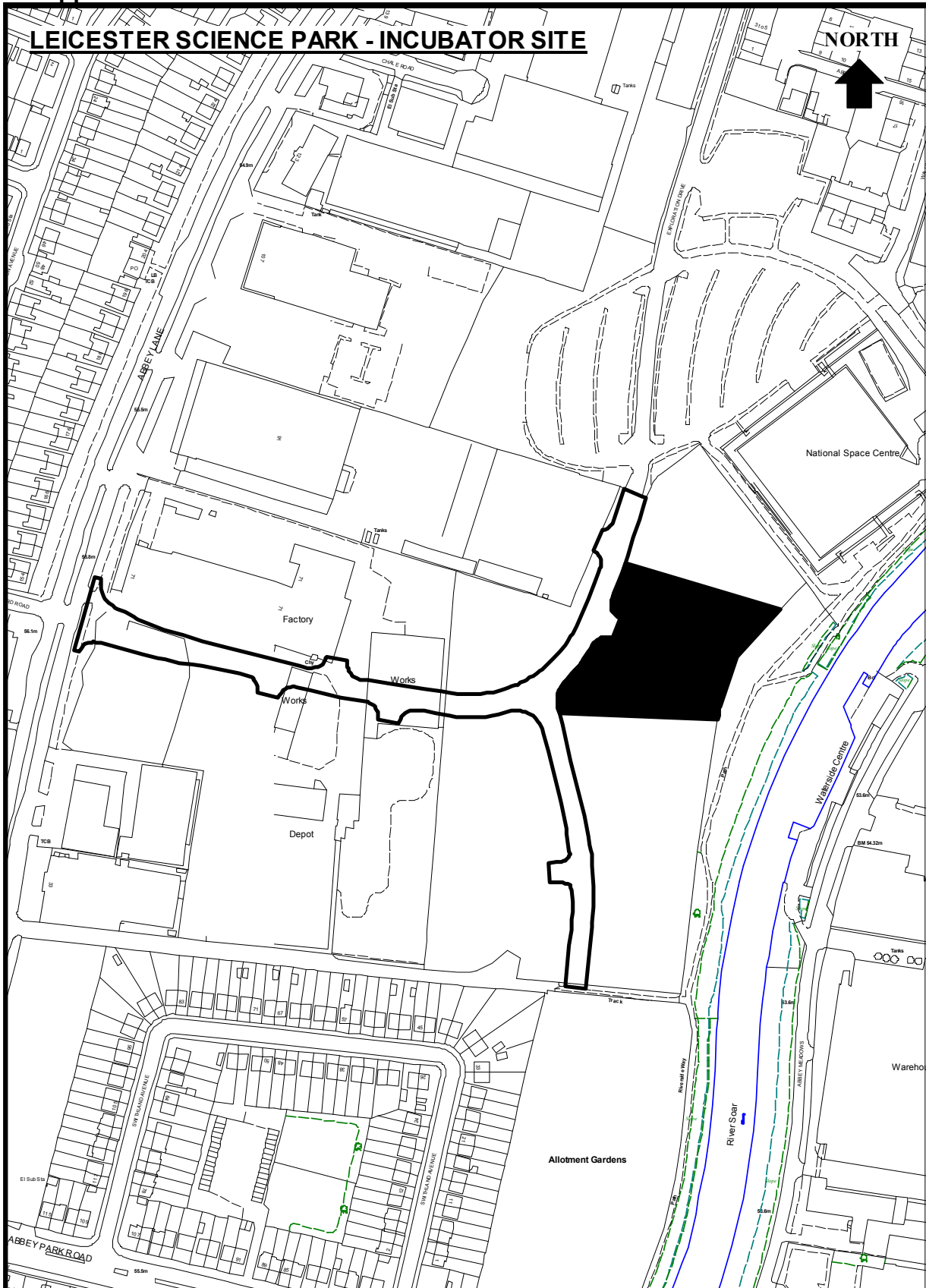
9. Report Author

Peter Chandler
Creative Workspace Development Manager
Extn. 2616 800
peter.chandler@leicester.gov.uk

Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

Appendix A: SITE PLAN

LEICESTER SCIENCE PARK - INCUBATOR SITE



BASED UPON THE ORDNANCE SURVEY MAP WITH THE SANCTION OF THE CONTROLLER OF H.M. STATIONERY OFFICE. CROWN COPYRIGHT RESERVED. LICENCE No. 100019264

DRAWN BYRE..... PLAN No ..Cttee.164 NOT TO
 CHECKED BYBMG..... DATE19/06/2009 SCALE

LYNN CAVE, DIRECTOR OF STRATEGIC ASSET MANAGEMENT LEICESTER CITY COUNCIL

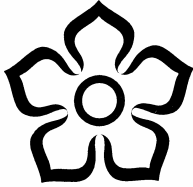
Appendix B: Key Project Risks Matrix

	Risk description and consequence	Financial Exposure	Control actions/Mitigation	Net Exposure	Likelihood after control L/M/H	Impact after control L/M/H
	Funding related					
1.	Failure to deliver against EMDA and/or ERDF funding spend profile, with fixed spend each year and no provision to move funding between years.	Up to £0.5m of Council funds.	Robust governance and project management practice to cover delivery programme meets funding spend targets;	Up to £0.1m	L	L
2.	Risk of capping of ERDF grant, or subsequent ERDF grant clawback, arising from generating net operational revenues above accepted levels. This is assessed prior to formal grant offer, during and at the end of the first 10 years of operation.	Up to £2,052k of ERDF funding.	City Council assessment shows that net revenues over relevant periods will not result in capping of ERDF grant or subsequent grant clawback. Awaiting final independent assessment requested by EMDA.	£nil	L	L
3.	Failure to comply with anticipated funding conditions (agree lease for site acquisition with Emda, agree scheme design with Emda, obtain planning consent)	Up to £0.5m of WNF funding.	- Heads of Terms for site acquisition already agreed. - Project can be abandoned, abortive design and feasibility costs are externally funded. - Design brief has been agreed with Emda. Any significant design amendments will be agreed with Emda. Emda is represented on the Advisory Group making recommendations to Project Board. - Scheme complies with local	£nil	L	L

	Risk description and consequence	Financial Exposure	Control actions/Mitigation	Net Exposure	Likelihood after control L/M/H	Impact after control L/M/H
			planning guidance, and early sharing of design options with planners has resulted in positive feedback.			
4.	Risk of Emda abolition before funding contracts signed or an inability of Emda to commit to full funding in 2011/12. Risk is therefore either (a) abortive costs incurred on fees of up to £0.5m (externally funded) if the project is halted, or (b) a shortfall in capital funding of up to £0.6m for 2011/12 which would have to be met by the Council.	(a) Up to £0.5m of WNF funding. (b) Up to £0.6m capital funding from Emda sub regional programme	Any post election Emda or Emda variant body likely to support this project. Assess terms and conditions and sign funding agreements as soon as possible with Emda. As far as possible bring forward spend of the £0.6m Emda sub regional funding to use the committed Emda 2010/11 sub regional allocation.	(a) Up to £0.5m of WNF funding. (b) Up to £0.3m required from City Council's own resources	L M	L M
5.	Failure to deliver funding outputs resulting in grant clawback	Up to £4.5m	- Output delivery based on experience of other related projects (LCB Depot). - Output variations subject to negotiation with funders - Develop effective partnerships with relevant support organisations, particularly Universities, and aligning the Innovation Workspace with any existing support programmes	£nil	L	L
	Capital delivery related					
8.	Detailed estimate of construction costs by framework contractor and or	Up to £0.6m of WNF funding	Existing cost estimate based on benchmark costs for similar	Up to £0.6m of WNF	M	L

	Risk description and consequence	Financial Exposure	Control actions/Mitigation	Net Exposure	Likelihood after control L/M/H	Impact after control L/M/H
	tendered price significantly exceeds the provisional estimate. Financial Exposure relates to abortive fee costs of up to £0.6m which will be externally funded.		schemes. Cost estimates of scheme options to inform selection of preferred design option. Cost estimates to be refined as detailed design progresses.	funding		
10.	Construction costs are exceeded after building contract entered into. LCC to bear cost over run.	Up to £0.5m	Agree design brief and implement an effective change control procedure. Ensure the effective management of construction related risks. Ensure sufficient contingency in budgeted cost.	£0.2m	L	M
	Operational delivery related					
11.	Cumulative losses in excess of available funding as a result of lower initial occupancy levels, ie worse case scenario as per para 4.25.	Up to £0.15m	Marketing, advance lettings. Request additional external funding (WNF) to fund any extra losses	£0.15m	M	M
12.	Ongoing revenue deficits as a result of occupancy levels less than target range of 80-85% or lower rental levels or higher operating costs.	Up to £0.1m pa at 50% occupancy	Marketing, past experience at LCB Depot in terms of occupancy and rental levels and operating costs. Demand assessment undertaken by Prospect Leicestershire indicates unsatisfied market demand commensurate with 80% occupancy levels.	£50k pa	L	L

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Leicester
City Council

Cabinet

8th March 2010

Customer Data Integration – Transforming the Customer Experience

Report author: Director, Information and Support

1. Purpose of Report

The council is committed to making sure Leicester's citizens receive excellent customer service in everything it does and our Customer Access Strategy 2008-2011 describes an ambitious and well funded improvement programme.

In March 2009 the council opened its fourth neighbourhood Customer Service Centre and launched its DIGITV service. In June 2009 the council launched extended opening hours of the council's telephone help desk 0116 252 7000 to 8am -8pm, six days a week. We will be opening a new flag ship city centre Customer Service Centre in the spring of 2011.

This report describes another major strand of the strategy; a Customer Data Integration (CDI) project that will join up all of our key back office systems and support the development of more on-line services to help transform the customer experience.

2. Summary

The CDI project is about a new way of working. It will enable solutions to be developed that support the Council to operate as One Council, and facilitate the delivery of more personalised and proactive services to our customers.

CDI will give customers:

- More opportunity to "Self Serve" using the internet as services containing confidential data will be accessible more easily and securely
- A better customer experience with more calls being resolved with a single contact because front line officers will have access to more information about the customer, their history and transactions
- Receive speedier enquiry resolution because customer service officers will be using joined up systems
- Receive proactive service packages because service managers will have access to a single view of the customer drawn from information across the authority

The council will benefit from:

- Greater customer satisfaction and improved corporate reputation
- Efficiencies in the handling of customer enquiries/transactions eliminating double keying and other non-value adding administrative tasks
- A shift from relatively costly telephone/ face to face service delivery to lower cost self service solutions
- Improved fraud prevention and detection
- Efficiencies in the maintenance of IT applications
- Improved enterprise reporting that will allow us to make effective, informed decisions based on solid customer data and analysis.

3. Recommendations (or OPTIONS)

Cabinet are recommended to

- 3.1 Support the CDI project.
- 3.2 Agree to release £700k from the ODI project to fund the CDI initiative.

4. Report

4.1 Background

Historically the Council's approach to investment in business IT applications has been on a service-by-service basis to meet specific business needs. This has in part been a result of departmental structures and part dictated by the local government software market. This has resulted in a large number of systems across the council with significant duplication of information, particularly relating to our customers. This is inefficient and preventing us from providing the quality customer service we aspire to.

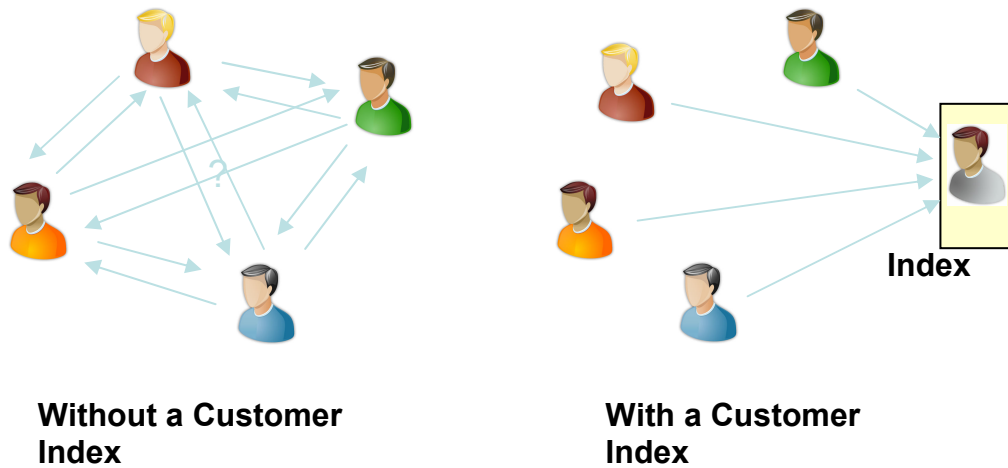
4.2 What is CDI?

CDI is not one piece of software but a collection of tools and a new way of working. The CDI project includes: a single index of customer data; a web customer portal; a staff portal, and an enterprise wide reporting tool. Together these tools will support the business to transform the way it operates.

The single index of customer data

Many of our large systems are currently cluttered with duplicate customer records and a great deal of time is wasted verifying data in those systems. Using specialist tools we will 'clean' the data in these systems and then cross reference them to provide an accurate index of customer data. All major systems will then use this customer index to keep core customer data up to date.

The image below illustrates the 'before' and 'after' situation.



Whilst staff will only have access to data that is relevant to their role, specially designed rules linked to the customer index will ensure that changes in one system are notified to others who may need, and have a right, to know. For example Children’s social care may receive an automatic notice from the Housing Benefits system that there have been a change in occupancy in a home housing a vulnerable person.

The staff portal

The central customer index will, for the first time, allow us to automatically link customer information held in different systems to give authorised post holders access to the all of the information that they need to do their job effectively. Staff will access this linked data via a staff portal which will, for example, allow social workers to see what other interactions a customer has had with the council which will help with their assessment.

The customer portal

CDI will use the central customer index to provide secure password controlled access for Customers to their own records via a customer portal on the council’s web site (see 4.3 below).

Enterprise reporting

An enterprise reporting tool will also be implemented by CDI which will allow the production of reports that combine customer information held in different systems into a single report. This will improve efficiency and will facilitate the effective targeting of services.

4.3 The benefits of CDI

This CDI project will help us to:

- ***Improve customer service***

Currently the council relies on largely manual systems to share key information between services about a customer for example a change of address or bereavement. With CDI customers will only have to tell us once and all

interested parties (with a recognised 'need to know') will automatically be notified of a change in personal circumstances.

CDI will support the roll out of more on line services (see below) which means customers can be self sufficient 24/7 via one secure online log in. Customers will be able to check the status of an enquiry online, by phone or by visiting a Customer Service Centre.

CDI could help identify those eligible for benefits such as freedom passes and reduce the amount of time taken to identify what benefits the customer is already in receipt of. It should also make the maintenance of the list of customers who do not wish to receive services or be contacted about them more efficient.

The project includes a corporate wide reporting tool that will give us improved knowledge of our customers and facilitate effective targeting of services for example we will be able to more easily see who is eligible for free school meals but not currently claiming.

- ***Support the delivery of more on-line services***

We know that increasing numbers of our customers prefer to interact with the council using on-line services. From a council perspective, on line contact is considerably cheaper than face-to-face or telephone contact.

We don't need the central customer view that this CDI project will deliver to provide services on-line, we can develop one off solutions for each service area, but with potentially dozens of services that require some form of user authentication this would mean the customer having to remember multiple usernames, pins and passwords for each online system which is neither practical or desirable.

To make online services work, and to gain maximum efficiencies from increasing online services, we need to make it easy for people to access services and as simple as possible for staff to administer.

A key deliverable of this project is an on-line customer portal that will provide an engaging front end for the customer and be the link between them and on-line services. The customer will be able to personalise it and display their account information. We will be able to use it to draw their attention to things that are important to them, things that are happening in their area and things where they can get involved. Address based information will be displayed on Google style maps.

- ***Support multi agency working***

A reliable source of customer information will make it easier to share information with other agencies (subject to appropriate information exchange agreements being in place) as we can be more confident we are talking about the same person. For example the CDI initiative will allow us to easily identify vulnerable people who are the victim of persistent but low level anti social behaviour; this information can be shared with the Police and other relevant agencies to ensure that tragedies such as the Pilkington case in Barwell can be avoided.

- ***Deliver tangible service efficiencies and cashable savings***

Joining up systems will avoid the need to re-key information and reduce the risk of error and associated costs of correction. We will be able to reduce administration costs and improve efficiency in customer service enquiries.

A detailed business case has been developed which identifies a conservative minimum of £309,000 per year of cashable savings from year 4, which has been supported by Service Managers, together with additional significant non-cashable benefits including:

- Housing Benefits believe they will be able to increase benefit take up by £540,000 a year through improved identity management. While this isn't a cashable saving, it effectively means this money being put into the Leicester economy from central government who reimburse the benefits we pay out.
- The income collection team believe that a 10% improvement in collection rates and processing within the first year of operation with a further 20% improvement within 4 years – this would mean reduced debt of £400,000 in year 3 rising to £800,000 in year 4 (non-cashable saving)
- We will make significant efficiency savings by encouraging our customers to use our web site instead of more expensive access channels (benchmark costs are £6.56 for a face to face transaction; £3.22 via call centre, 27p for an online transaction¹)

- ***Improve fraud detection***

Improving the ability of the council to verify customer details could help reduce fraud. For example, the council would be able to verify the permanent addresses of people claiming grants, helping them decide who genuinely needs help and who is falsely claiming aid

- ***Improve performance management***

The project will implement an enterprise-reporting platform, join up systems that hold customer information and significantly improve data quality, which will provide:

- Improved reporting capability of all customer data at ward level
- A better understanding of our customer base will improve targeting of services.
- Accurate, up to date, customer information with improved data quality
- Alignment with National initiatives such as “ContactPoint”, “Tell us Once”, and “Government Gateway”
- Improved knowledge and information management
- Improved ability to share key information with external agencies and strategic partners and improved quality of the information we share.

¹SOCITM insight 2009

- **More effective information assurance**

CDI will help us to ensure that data we hold on our customers is current, accurate, relevant, secure and with no duplication.

4.3 CDI will build on existing developments

Security is a key issue in the delivery of more services via the Internet and the council have been working with De Montfort University in a Knowledge Transfer Partnership (KTP) to research and address these issues.

The partnership have been conducting research into available strategies and options, choosing the most appropriate candidate solution, implementing the necessary infrastructure and piloting a working integration with some of the back office systems used to manage the council's services. CDI will build on the work carried out to date to deliver secure access for customers to personalised information.

We have been working for some time now on a revised 'My Leicester' portal on the council's web site Leicester.gov.uk that will bring together all local based information in a new user friendly interface for our customers. The new site should be launched in March 2010.

Customers will be able to customise their view to meet their personal needs be it the 'Best Bar None' site to show the best drinking venues in their area or information about their council representative. The next development of this site (planned for the summer) will be to link in the library pages so that someone registered with this portal will also have access, via a single sign on, to the library site to reserve or renew books.

Over the next 12-18 months as we develop CDI, and procure secure identification and authentication solutions so we can tell who users are, we will add other services such as Council Tax and Housing Benefits to this same portal.

4.4 Proposed CDI Project

The proposed CDI project will join up a number of our key customer centric systems and implement new processes and technologies that will provide a consistent, accurate, single view of key customer information held by the Council.

The initial implementation will be "customer centric", focusing on people data, and subsequent improvements will incorporate "property and business data" which will maximise the benefits for transaction/case based service areas.

Housing, Registrars, Revenue and Benefits, Adults Social Care, and Customer Services will be the first service areas connected to the central record, as this will enable the most benefit and return to the Council. The remaining service areas will be connected later.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

This report details a business case for a Customer Data Integration project. The project is estimated to cost approximately £1.150m over 2 years with a further annual maintenance cost of £225K from 2012/2013.

This is an extensive project which has significant financial implications, both continuing and in the short term. The budget strategy for 2008/09 made provision for service transformation of £1.1m which has not yet been released. Funding of £700K from the ODI project for service transformation change can be used to contribute towards the cost of this project.

Cabinet approval is required for the release of £700K from the total set aside for service transformation.

This leaves a one off funding shortfall of up to £450K and ongoing revenue costs of £225K from 2012/2013. Operational Board have agreed that service divisions will fund contributions totalling £225K per annum for this project from 2010/2011. Divisions will contribute varied amounts each depending on the impact the initiative is anticipated to have on their operations.

A business case has been developed which identifies savings of £309K per year of cashable savings from year 4 (2013/2014).

Devanshi Mavani
Interim Chief Accountant

5.2 Legal Implications

Any additional procurements associated with this project will have to be in compliance with the Council's Contract Procedure Rules and/or EU procurement legislation. The proposal to share personal data across the Authority should be compliant with the Data Protection Act 1998.

Carolyn Howard
Solicitor

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	NO	
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	
Elderly/People on Low Income	NO	

7. Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
<p>1) Risks of not doing the project or failure of the project through lack of funding</p> <p>a) Not getting the benefits detailed in the Outline Business Case</p> <p>b) Don't know how customers are accessing services across the council</p> <p>c) transformation projects will have increased costs and timescales</p> <p>d) Adult Social Care Transformation Programme will not go ahead</p> <p>e) Joined up services will be very difficult to achieve and expensive to maintain.</p>	L	H	Rigorous Business Case clearly demonstrating a positive cost/benefit. Business case demonstrating consequences to key priority programmes if this infrastructure is not in place.
<p>2) Public Opinion is against the project</p> <p>a) They may perceive it as a risk to their civil liberties or their personal data or that it will increase the risk or consequences of their identity theft</p> <p>b) Citizens may refuse their consent to share data or have not already given appropriate consent</p>	M	M	The system will be a cross reference between our existing systems to speed up administration – it will not replace our existing systems with a super database. However, our previous departmental approach to data management may have an effect on our ability to share data. An review of issues and stakeholder consultation on data sharing are is early deliverable for the project
<p>3) Business units or staff resisting CDI</p> <p>a) Business units resistant to change</p> <p>b) Business units worried that their systems will be replaced by a central system</p> <p>c) “hands off our data”</p> <p>d) Staff worried that “efficiency gains” will mean that they will loose their job</p>	M	H	A programme of workshops with staff and management affected will be organised to raise awareness and consult on issues that may affect the process. This will continue the work already started in the planning for this report. The CDI project will not change core data or replace business systems – but provide a cross referencing service and allow them to work together.
<p>4) Legal ethical issues</p> <p>a) DPA - we are not allowed to share information as it was collected for a different purpose</p> <p>b) links being made between the wrong customers</p>	M	M	<p>An independent review of issues associated with this project and associated data sharing will be commissioned as an early deliverable</p> <p>Data will be linked automatically where there is a certain match between customer data. Where there is a reduced probability this will be checked when the customer next contacts us and the link made then</p>
<p>5) Security</p> <p>a) Un-authorized access to data</p> <p>i) hacking into the website</p> <p>ii) staff accessing data inappropriately or accessing data they are not authorised</p>	L	M	<p>Government standard authentication procedures for the public</p> <p>Penetration testing</p> <p>Staff will have access controls that will limit what they can see according to their requirements/role</p>

to			
6) Not getting the benefits we were expecting a) not linked to business change - just an IT project b) technology doesn't work c) skills shortage	H	L	It is essential that the CDI project is seen as being part of the transformational change projects as the full benefits of either will not be achieved without the other.
7) The project is just too complicated/ambitious a) trying to do too much at once b) budget costs over-run c) Time overruns	L	L	The staff data integration project has demonstrated our capabilities to deliver projects of this nature. The complexity is mitigated by breaking the project down into components. Each can exist in its own right and will give benefits. The project will be managed according to Prince 2 and LCC Project Management Standards. Project Assurance by OD&I team
8) components don't do what they're supposed to a) errors discovered by customers	M	L	Thorough formalised testing will be part of the delivery of the project

8. Background Papers

Detailed business case available on insite.

9. Consultations

A wide range of staff were consulted during the development of the business case.

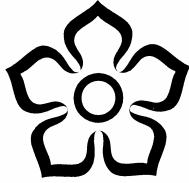
10. Report Author(s)

Marlo Valente
Head of ICT, Enterprise Services

Jill Craig
Director, Information and Support

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

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Leicester
City Council

OVERVIEW & SCRUTINY MANAGEMENT BOARD
CABINET
COUNCIL

4 MARCH 2010
8 MARCH 2010
25 MARCH 2010

REVIEW OF CORPORATE CAPITAL PROGRAMME 2010/11

Report of the Chief Finance Officer

1. Purpose of Report

- 1.1 The purpose of this report is to present a “corporate” capital programme for 2010/11.
- 1.2 The corporate programme is that part of the Council’s capital programme which can be spent at our own discretion, and is chiefly funded from property sales. These sales have reduced substantially in the economic downturn.
- 1.3 Significant programmes exist for housing, education and transport, funded by earmarked government resources. These programmes have been, or are being, reported separately to Cabinet and Council.

2. Summary

- 2.1 The Council approved a new financial strategy in February 2009. The financial strategy supports the Council’s vision for Leicester, and forms the strategic context for the capital programme.
- 2.2 In March, 2009, the Council departed from its usual practice of approving multi-year capital programmes, and approved a one year programme. This was due to the economic downturn and our inability to forecast future capital receipts. It is proposed that a one year programme be prepared again for 2010/11.
- 2.3 In practice, the programme only includes a programme of minor works, together with works continuing from 2009/10; and a development of the New Business Quarter which is a major, externally funded, regeneration project.

- 2.4 An assessment of the property market will take place in Autumn 2010, with a view to establishing whether or not normal levels of activity are returning. Dependent on this, a one year or multi-year programme will be prepared from 2011/12.
- 2.5 Through adopting a short-term outlook, the Council has avoided having to review, and make cuts to, a multi-year capital programme.
- 2.6 The programme also envisages a longer term project to redevelop the market, and the creation of a capital reserve to “save up” for this purpose.

3. Recommendations

- 3.1 Overview and Scrutiny Management Board is asked to give its comments on the proposed corporate capital programme to help inform Cabinet’s recommendation to the Council.
- 3.2 Cabinet is asked to:
- (a) recommend to Council:
 - (i) that the schemes identified in Appendix A, as described in paragraph 5 be the corporate capital programme for 2010/11;
 - (ii) the split between schemes in block A which can proceed without further approval and schemes in block B which require a report to Cabinet;
 - (b) designate the following as service resources for the purposes of this programme (being resources which fall outside the scope of the corporate programme):
 - (i) housing capital receipts;
 - (ii) housing, education and transport supported capital expenditure (borrowing and grant) allocations;
 - (iii) any other supported capital expenditure allocations awarded by central government for specific purposes;
 - (iv) profits made by the Housing Maintenance DSO;
 - (v) third party contributions for specific purposes;
 - (vi) divisional revenue contributions;

- (c) In connection with Financial Procedure Rules:
 - (i) recommend to Council a “higher limit” of £10m, being the amount below which the Cabinet can make changes to the programme. This “higher limit” of £10m is subject to no more than £2m of the funding in total of any scheme being financed from corporate resources.
 - (ii) approve a “lower limit” of £250,000 below which directors can vire resources;
- (d) note that the above limits apply to the capital programme as a whole, not just the corporate capital programme.
- (e) to approve the creation of an earmarked reserve for the development of the market.

4. Resources

4.1 This section of the report describes the resources available to the Council for the entirety of its capital spending, how these are allocated between programmes, and the amount made available in the Government’s 2010/11 Capital Settlement.

4.2 Types of Capital Resources

4.2.1 Capital resources are sources of funding for capital projects. They include borrowing, capital grants, and the proceeds of the sale of property (capital receipts). The Council has divided capital resources into 2 categories: “Service” resources and “Corporate” resources.

4.2.2 “Service” resources are those resources ringfenced to a particular service or scheme by government or local policy (although local policy usually follows government expectation). Capital grants fall into this category as they are provided for a specific purpose. By local policy, receipts from the sale of HRA property are ringfenced to the housing programme.

4.2.3 “Corporate” resources are those resources that can be spent at the Council’s discretion and hence are available for the corporate programme. Corporate resources may be “supported” (i.e. funded by central government) or “unsupported” (borrowed by the Council, and paid for out of the revenue budget).

They include:-

- supported borrowing for unrestricted purposes

- capital receipts from non-housing sources
- unsupported borrowing for specific projects
- corporate (non-divisional) revenue contributions.

4.2.4 The most significant “service” programmes are housing, transport and education.

4.3 The Government’s Capital Settlement

4.3.1 Table 1 shows the main elements of the Government’s capital settlement for 2010/11. These are almost entirely service resources.

Table 1 - MAIN CAPITAL RESOURCES

	<u>Supported Borrowing</u> £000s	<u>Grants</u> £000s	<u>Total</u> £000s
<u>Transport</u>			
Integrated Transport Package	3,703	1,851	5,554
Road safety grant		79	79
Transport – Maintenance	2,189		2,189
Maintenance – A563/A6030 schemes		380	380
Total transport	5,892	2,310	8,202
<u>Education</u>			
New Pupil Places	4,227		4,227
Schools Access Initiative	612		612
L.A. Devolved Formula		3,362	3,362
Targeted Capital Fund			0
Primary Capital			0
Modernisation	266		266
Harnessing technology grant		1,090	1,090
Extended Schools		316	316
Total Education	5,105	4,768	9,873
Social Care	79	304	383
Housing (HRA)	5,500	0	5,500
TOTAL	16,576	7,382	23,958

4.3.2 Housing

The housing allocation for 2010/11 support of £5.5m will be the same as last year. However, 2010/11 is expected to be the last year of funding for the decent homes programme, and it is considered unlikely that there will be an equivalent funding stream in 2011/12 onwards.

4.3.3 Social Care

There is a total allocation of £383,000 in 2010/11. This comprises of £79,000 supported borrowing allocated on a formulaic basis available for the corporate programme, and grants of £304,000 allocated for social care and mental health.

4.3.4 Transport

The allocation for transport has increased from £8.158m in 2009/10 to £8.202m in 2010/11, which is in line with expectations.

4.3.5 Education

The allocation for Education in 2010/11 has decreased overall from £19.573m to £9.873m. However, the main reason for this reduction is that £12.078m of funding allocated by central government was brought forward into 2009/10 from 2010/11 to counter the effects of the recession.

4.4 Other Funding

4.4.1 Most of the funding for the corporate capital programme has traditionally come from capital receipts. Usual levels are some £5m pa. The economic downturn has substantially reduced the potential for capital receipts given their current market values. The anticipated level of receipts for 2009/10 is £500k and for 2010/11 is £500k. All these receipts are committed to funding the 2009/10 programme (the latter are, in fact, receipts which have slipped from 2009/10).

4.4.2 Due to shortfalls in capital receipts, it is currently estimated that the 2009/10 capital programme will be underfunded by £0.7m. This has been carried forward to be met from 2010/11 resources.

4.4.3 Cabinet has however agreed that £2m of general reserves can be used to fund the corporate capital programme. This decision was taken in June 2009. As part of the budget for 2010/11 a further £2m was set-aside, making £4m in total. It is recommended that £0.9m be set-aside to ensure we have some resources for a capital programme in 2011/12 (which will hopefully be supplemented by capital receipts).

4.4.4 The total amount of resources available for 2010/11 for general purposes is £1.4m.

4.4.5 In addition, the Council continues to use unsupported borrowing for specific schemes which meet the requirements of the financial strategy. No new schemes are proposed for unsupported borrowing in 2010/11, although it is possible that a few relatively small scale “spend to save” schemes may be proposed in future. Such “spend to save” schemes by definition should not affect available capital resources or net revenue budgets.

4.5 Corporate Capital Resources

4.5.1 The estimated funding sources for the corporate capital programme are detailed in the table below:

Table 2 - FUNDING SOURCES

	<u>2010/11</u> £m
Supported Borrowing	0.1
Revenue Contribution	4.0
Less over-programming in 2009/10	(0.7)
TOTAL	3.4
Proposed new programme	(2.5)
Carry forward for 2011/12	0.9

5. Capital Programme

5.1 The proposed programme is shown at Appendix A. This includes schemes which are continuing from 2009/10 plus proposed schemes for 2010/11. The proposed schemes are generally schemes which require on-going annual contributions to allow for programmed maintenance, to refurbish and/or improve existing assets.

Table 3 - PROGRAMME COSTS

	<u>2009/10</u> £m	<u>2010/11</u> £m	<u>Later Years</u> £m	<u>Total</u> £m
2009/10 Programme	10.3	1.9		12.2
2010/11 Programme	0	2.5		2.5
TOTAL	10.3	4.4		14.7

In addition the Council has previously approved a £29.9m scheme for the centrally located administrative buildings review, which predates the 09/10 programme and is happening over a number of years.

5.2 The rationale for the proposed schemes in 2010/11 (ie those shown in Appendix A) is detailed below. In cases where the sum proposed is lower than in previous years, this is generally due to previous years' under spends and a smaller allocation in 2010/11 will provide an opportunity to catch up.

5.2.1 Children's Residential Homes - £100,000

This is a continuing programme of improvements and modernization of children's homes including residential facilities and modernizing external play areas.

5.2.2 DDA Improvements – £40,000

This is towards the end of a rolling programme to improve access to buildings / signage and lift refurbishment in line with the requirements of the Disabilities Discrimination Act. More urgent needs are now complete.

5.2.3 Watercourse Maintenance and Improvements – £50,000

This scheme will carry out urgent repairs and improvements to watercourses in the City reducing the risk of flooding to properties. This includes maintaining the free flow of water throughout the watercourse network and maintains the upkeep of the city's flood retention areas. The sum assigned is in line with recent spending levels and previous years' allocations.

5.2.4 Local Environmental Works - £600,000

This scheme will enable a programme of local works to be developed improving lighting conditions of footways and verges reducing delays to public transport and improving untidy land areas. The sum assigned is £200,000 greater than previous years' allocations. In addition, members will recall that additional funding has also been approved within the Housing capital programme for other environmental works which are set to increase by £870,000 to £1.67 million in 2010/11 compared to a total of £800,000 in the current financial year.

5.2.5 Elderly People's Homes Refurbishment - £60,000

This is part of a rolling programme to maintain and improve existing premises. This is in line with the past two years' spending levels.

5.2.6 Bridge Refurbishment - £150,000

This is a programme to improve the condition and appearance of bridges, which don't come within the ambit of the integrated transport plan. The sum assigned is equivalent to the provision in previous years.

5.2.7 Property Schemes to fit block sum allocated (Including Water Hygiene) - £1,000,000

These are individual schemes relating to improvements, renovation or Health and Safety of Council properties and remedial work to reduce the risk to employees, customers and public of infection due to contaminated water in Council buildings. It is also expected that a review of fire precautions will result in a programme of additional works being required. The total allocated is slightly lower than for 2009/10 (i.e. £1,045,000), but reflects the reduced availability of resources.

5.2.8 New Business Quarter £11.75m

£11.75m has been added to the proposed capital programme subsequent to a decision of Cabinet on 25th January in respect of the New Business Quarter. This is a major development, entirely funded by external sources (principally EMDA) which is intended to facilitate the continued regeneration of the city and unlock development of around £100m. It is further proposed to include a contingency of £0.5m in the corporate programme to deal with risk associated with the VAT treatment of this transaction. If this is not required, it will be available for the 11/12 capital programme.

5.2.9 Pedestrian / Cycle Way

This is a grant funded scheme to complement the science Park.

5.2.10 Science Park

This is a grant funded development of a science park near the national space science centre, proposed to be approved by Cabinet on 8th March, to create cutting edge business units.

5.2.11 Leicester Market

The Council has a long-term ambition to redevelop the market in pursuit of its regeneration aims. Whilst no specific funding is included in this programme, the creation of an earmarked reserve is recommended in order to save any funds which may become available during the course of the year. This will be considered in more detail as part of next year's capital programme.

5.3 Impact of Capital Programme on Later Years

The proposed one-year capital programme for 2010/11 like that for the previous year is essentially a limited programme of minor works that takes into account of the paucity of expected capital receipts in the near future.

It should be noted however that there are two overhangs to the available resources which have to be taken into account. Both are as a result of previous years' programme decisions. Firstly, the capital programme for 09/10 relied upon slippage of £2m to be recouped when the property market recovered. This will therefore be a first call on future years' receipts. Secondly, as part of the review of the capital programme undertaken in 2008/09 when the economic downturn took hold, a sum of £2.4 million was "borrowed" from Education provision for new school provision. This provision will not be required to be repaid until new housing developments come on stream, and thus should be linked to additional capital receipts available in future. However, the liability to repay this sum does need to be considered in planning for future programmes.

6. Other Issues

- 6.1 There is a revenue budget of £3m p.a. from 2010/11 onwards which has been provided to cover potential increased borrowing costs from additional capital expenditure required on centrally located administrative buildings, less any which needs to be spent on the revenue implications of the programme.
- 6.2 The recommendations to this report propose an increase in the amount Cabinet can add to the programme from £5m to £10m. This, however, is caveated by a new restriction (consistent with the revenue budget) that only £2m can be added from corporate resources. The purpose of this increase is to ensure we can comply with funding bodies' timescales for large (externally funded) projects.

7. Financial / Legal Implications

- 7.1 This report is exclusively concerned with financial issues.
- 7.2 There are no specific legal implications arising from this report. Peter Nicholls, Legal Services has been consulted as Legal Advisor and has confirmed that there are no legal issues arising from the report.

8. Equality Impact Assessment

Items of the capital programme for Children's Residential Homes, DDA Improvements and Elderly People's Homes will benefit disadvantaged groups.

9. Other Implications

Other Implications	Yes/No	Paragraph References
Equal Opportunities	No	
Policy	Yes	The programme has been

		formulated with reference to the approved financial strategy.
Sustainable & Environment	No	
Crime & Disorder	No	
Human Rights Act	No	
Elderly people on low income	No	

10. Background Papers – Local Government Act 1972

11. Consultations

11.1 All services have been consulted on the programme. The public has been consulted on capital priorities.

12. Report author

Mark Noble
Chief Finance Officer
x297401
19 January 2010

Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

Appendix B

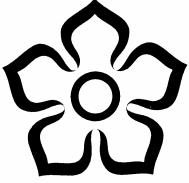
CORPORATE CAPITAL PROGRAMME 2009/10 – 2010/11

2009/10 PROGRAMME	<u>2009/10</u> £000s	<u>2010/11</u> £000s	<u>Total</u> £000s
1. New Parks Library & Community Centre (Earmarked funding)	388 (388)	0	388 (388)
2. Children's Residential Homes	100	0	100
3. Property Maintenance	1,000	0	1,000
4. DDA Improvements	40	0	40
5. Meynells Gorse	20	0	20
6. Intermediate Care	3,500	0	3,500
7. Gilroes Cemetery – Burial land extension	100	320	420
8. Water courses	50	0	50
9. Water Hygiene (up to a maximum of £345k)	345	0	345
10. Tree Planting	200	0	200
11. City Centre Youth & Children's HUB	1,500	0	1,500
12. Procurement of combined Heat & Power	300	0	300
13. Local Environment Works	400	0	400
14. EPH Refurbishments	250	0	250
15. Bridge Refurbishment	150	0	150
16. Property Schemes to fit block sum	700	0	700
17. Community Centre	200	0	200
18. Development of Amateur Football Facilities	1,400	1,600	3,000
19. City Gallery (Earmarked funding)	230 (230)	1,830 (1,830)	2,060 (2,060)
2010/11 PROGRAMME – Block A			
1. Children's Residential Homes	0	100	100
2. DDA Improvements	0	40	40
3. New Business Quarter (Earmarked funding)	0	11,750 (11,250)	11,750 (11,250)
4. Pedestrian/cycleway link (Earmarked funding)	0	271 (271)	271 (271)
5. Science Park (Earmarked funding)	0	4,814 (4,814)	4,814 (4,814)
2010/11 PROGRAMME – Block B Funding Approval Subject to Further Information			
1. Water courses	0	50	50
2. Local Environmental Works	0	600	600
3. EPH Refurbishment	0	60	60
4. Property schemes	0	1000	1000
5. Bridge Refurbishment	0	150	150
TOTAL	10,255	4,420	14,675

Appendix B

RISK ASSESSMENT MATRIX

No.	Risk	Likelihood (L/M/H)	Severity Impact (L/M/H)	Control Actions (if necessary / or appropriate)
1	The Corporate Programme is not affordable	L	H	Robust management and monitoring of the funding streams, primarily Capital Receipts. Cautious assumptions of receipts.
2	Overspending on a scheme	M	M	Robust financial management of the outturn of schemes. Review and stop, if possible, any non-essential works on schemes.
3	Slippage	H	L	Robust profiling of expenditure on schemes where possible. Monthly progress meetings and regular reports to Members through the Capital Monitoring reports.
4	Accuracy of Estimates	L	L	As most programmes are minor works, work can usually be contained within a total sum, and can be slowed down or expedited as necessary.



Leicester
City Council

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

15th February 2010

PROCUREMENT: THE OPPORTUNITY FOR LOCAL SMALL/MEDIUM BUSINESS

Report of the Service Director Legal Services

1. Purpose of Report

This report is an overview of the various considerations and steps that can be brought to bear to assist the local economy in procurement activity. It is intended to be a starting point for more detailed consideration/development.

Section 3 of the report looks at the specific context of the current recession. Sections 4 to 6 outline various steps and considerations that are relevant to opportunities for local small/medium business in the context of effective delivery and the needs of the community, developing the market to improve outcomes and added value and the use of resources. Section 7 is a summary of the legal position.

In this report “SME” refers both to small and medium enterprises but includes social enterprises, community and voluntary organizations, BME’s, disability organizations and women’s organizations. Very small enterprises (less than 10 employees) are sometimes referred to as “micro”.

2. Recommendation

That this report be noted, and the direction of travel endorsed. In particular officers to work up guidance and support packages for SME’s, particularly with a view to reducing barriers to doing business with the Council, and to consider the approach to social issues in procurement.

3. BACKGROUND: RESPONSE TO THE RECESSION

This section considers the possible levers that can be brought into play in a procurement and business context to mitigate the effects of the recession.

Impact Assessment

- **early market engagement**

This will not only help to assist in the assessment of the effect of the recession, so that action can be focused where it is necessary but can benefit both the Authority and potential suppliers by aligning procurement to market and understanding the capacity needed/available. Early market engagement – including the SME/voluntary sector – usually takes one of three forms – regular provider meetings; “soft” market testing or “warming up the market”.

Developing the Right Skills

- **help with procurement**

This will promote an understanding of procurement practices. National surveys have shown that the process of procurement (and commissioning) can be a barrier for small locally based organizations. Advice and training, for example about how a local authority buys, how to compete for tenders, how to “win” grants and environmental considerations is a sustainable way of building capacity and reducing wastages of time.

Supporting Moves Away from Services to Innovation

- **calling for innovative solutions**

This would generally be done by “warming up” the market to the Authority’s needs or seeking a contract for the development of a solution rather than the final “specification” itself.

- **Environmentally Sustainable procurement**

There is considerable scope for environmental issues and outcomes to be taken into account throughout the procurement process. This clearly can be support “sustainable communities” through saving the use of resources, protecting the Environment, sustainable economic and employment growth and social outcomes. Environmental issues can be addressed through the contract specification, contract management conditions and, in procurement through selection criteria and evaluation criteria (in proportionate terms to the relevance to the particular contract).

Help for Vulnerable Businesses

- **grants and loans**

This “lever” stands outside the procurement process but would be relevant in this context to build skills through training or start up, or to support businesses having difficulty in raising loans.

- **contractors in distress**

This is relevant where a contractor is in contract but is in difficulty and steps can be taken to save the contract.

Role of Advice Services

This issue relates to the capacity of the advice service market to respond to increasing issues of debt management, insolvency as well as advice in technical terms as to accessing contracting or funding opportunities.

Safeguarding the Local Supply Market

There are a range of actions open to a local authority – these are considered further below.

4. EFFECTIVE PROCUREMENT AND THE NEEDS OF THE COMMUNITY

Encouraging SMEs

SMEs have short management chains and approval routes, so should respond quickly to changing requirements. SMEs may also be highly focused on particular markets making them particularly responsive to changes in those markets. The SME may also be more willing and able to tailor a product or service to meet specific needs than a larger firm that sells an established offering.

Many SMEs, including social enterprises, VCOs, BMEs, DOs and WOs supply high quality specialist products services than larger suppliers, either because larger suppliers are discouraged by the limited demand, or because the SME has particular skills, originality and commitment in that field that are unusual.

The following steps can be appropriate:-

- Consider “package” size of contracts
- Advertise opportunity where SME’s can more easily find out about opportunities

Example 1

In Leicester the Council were looking for a provider to work with and support a particular minority. It was essential that the provider had knowledge of Leicester’s diverse communities. There is a strong VCS in Leicester, especially small organizations, working with our communities and the Council wanted to make sure this opportunity reached this market. The contract value was low. As well as advertising the opportunity on the Council’s website the Council then uses existing community networks to advertise the opportunity

- Hold “meet the buyer” events
- Increase awareness of possibility of “consortia” bids

- Emphasis on quality and delivery evaluation criteria
- Providing for interim or milestone payments (to help with cash flow) or even for start up costs
- Encourage main contractors to adopt good supply chain management – even if an SME cannot bit itself it may be part of the contractual supply chain – this can also extend to “fair payment” clauses or agreements which protect payments to sub contractors
- Helpful feedback on bids
- Establish training courses and workshops to help SMEs improve competitive skills in completing tender documentation
- Include consideration of SME/VCS suppliers in the “market assessment” stage

Example 2

In Leicester workshops have been held for the local VCS through the Council, acting in partnership with Voluntary Action Leicester. The aims of these sessions were to give practical advice and support, and tips on completing and meeting the minimum standards of the Pre Qualification Questionnaire. Representatives from the Council’s Equalities, finance , risk management, health and safety and environment teams gave out information and sample policies were provided as a guide to enable organizations to develop their own.

Promoting Skills and Regeneration

This is part of Government Policy to promote skills development, training and apprenticeships.

This can be achieved – of course where relevant to the subject matter of the contract by:-

- Requiring contractors to have a formal training plan to develop their workforce
- Require a specific proportion of contractors workforce to be apprentices or in receipt of training skills
- Requiring a specific proportion of the hours worked to be by apprentices or persons in receipt of skills training
- Where “partnering” is used to develop partnership objectives in education, training, apprenticeships and employment to be realized through a procurement strategy
- Identifying training requirements for SMEs and communicating these early in the process to bidders

- Ensuring contractor staff have basic skills for example to understand health and safety procedures
- Requiring particular qualifications (for example electricians) and CPD as part of the specification
- Requiring a method statement as to how bidders would support the Authority's targeted recruitment and training initiative through the supply chain.

Example 3

A government department has a contract clause in their prime contracts requesting the contractor to advertise their subcontract opportunities. They facilitate this process by allowing the contractor to advertise such sub contracts in the departmental bulletin and on the departments website at no cost.

4. Developing the Market to Improve Outcomes

“Local Labour Clauses”

This relates to employment and training opportunities for unemployed and young people, and are particularly relevant when large construction projects are undertaken or large service contracts are let.

The phrase as such is a danger zone as explained below but it is in common parlance.

Reducing unemployment, helping those with particular difficulty in achieving integration, on site vocational training (in particular through apprenticeships and the development of the skills of young people, for example, are possible to address through procurement and contracting, although the justification and VFM analysis needs care.

Reference has been made above to the principle of non-discrimination. This means that it is not possible to give *preference* to local firms or require suppliers or their workers to be local. Local firms may however, find that they have strengths and advantages in meeting the Authorities requirements. For example, a security alarm contract would require a very short response time.

Post contract award voluntary protocols do not present the same problem.

Example 4

A prime contractor for a West Midlands hospital project has developed a code of practice for the conduct of industrial relations to assist in the process of working together with trade sub contractors and the appropriate trade unions to promote the successful completion of the works. This includes an understanding the basis how sub contractors source their labour, the participation of trade contractors in training and employment initiatives, and working rules for operatives of trade sub contractors.

Example 5

An ALMO in the Midlands has developed a training scheme to help provide an avenue for local trainees into the construction industry thus increasing the skills base within the local communities it is working in. training is delivered on site and in day release by various local colleagues. The ALMO and its construction partners have developed a framework to offer sustainable training. A key element of the framework is a partnership with local colleges and Connexions for the recruitment of apprentices and the delivery of training programmes.

Social Issues in Procurement

This phrase generally refers to how issues such as community benefits, gender equality, disability equality, race equality, labour standards, training and employment issues, workforce skills, sourcing of materials and encouragement for SMEs can be incorporated into the contract specification, contract management conditions and the selection and evaluation of bidders.

Great care needs to be taken from the outset to ensure that such provisions or requirements are relevant to the subject matter of the contract or the service users. Equally important is to make it clear to bidders from the very start of the procurement how these issues will be taken into consideration.

Some examples of how social issues can be taken into account:-

- Relevant staff skills and training (“or equivalent”) can be specified and assessed – this can include – where relevant – sub contractor staff
- A suppliers ability to perform the contract can be taken into account so if the contract has “social” outcomes this would be relevant
- Particular options could be “welcomed” but not assessed, if the successful contractor offered this option then the contract can make it clear that that option is made available
- Bidders can be asked to come up with solutions for involving “hard to reach” service users
- Bidders can be eliminated if they have convictions under national laws relating to workforce conditions (providing such law is EU law compliant) for example, equality laws
- Additional benefits can be taken into account in award criteria provided that it is explained how these will be scored

- With care to avoid them being seen as discriminatory against bidders from other EU states targeted recruitment and training conditions can be included, for example, to benefit job seekers and young persons seeking apprenticeships
- Relevant characteristics of a product can be specified for example, “sustainable timber” – characteristics that do not relate to the product, but for example, the quality of life of the growers are more difficult

Training and Development Grants, Loans and Business Investment

The Authority would in most cases be able to provide these using well being powers. The Authority may in limited cases be able to invest directly (for example by buying shares).

Grants, loans and the like (but not financial investments) are most likely to be “subsidy” and count as “state aid” – therefore need to be compatible with EU treaty and have to be notified. There is however, a considerable regime of exceptions and block approvals – temporarily enhanced because of the recession.

Care would be needed to frame and time any subsidy so that the procurement process would be liable to challenge on the grounds of discrimination. This would normally be achieved by keeping the procurement process whole and transparent or perhaps even including the opportunity of subsidy as part of the competitive package.

5. Added Value and the Use of Resources

Advertising opportunities

The Government has developed a website: <http://www.supply2.gov.uk/> - where below threshold procurements can be advertised. This acts as a central and simple way for businesses to find out about opportunities. The Council also maintains current contracting opportunities on its website and has the facility of advertising on line at SOURCE LEICESTERSHIRE and SOURCE EAST MIDLANDS

For “OJEU” procurements local advertising is of course permitted as long as it does not pre date or supplement the OJEU notice.

Simplifying Procurement

The administrative burden of responding to calls for interest is borne by the contractor and this can be significant for small firms. However there are certain legal reasons why the Authority asks questions – to ensure that the bidder does not trigger one of the mandatory grounds for exclusion, to ensure that contractors are legally, financially and technically able to carry out the contract, and to be able to demonstrate fairness and transparency.

The following can be considered:-

- e-procurement can reduce costs and time but can exclude competitors who are not comfortable with the technology or process involved – however procurement of

particular packages where more “high tech” suppliers would be interested may be made easier by e procurement

- simplified PQQ – possibly a two tier structure to accommodate non complex, straight forward risk allocation contracts
- avoid asking for too much, or disproportionate, information during procurement
- supporting capacity building either through funding sources of advice or subsidy for capacity building
- on line work books etc
- national accreditation schemes (basically a “passport” through PQQ) are problematic for small business as they are relatively expensive to register for (with no guarantee of business) and are generally out of date.”
- hold “meet the buyer” events

Example 6

EMPA (of which this Council is a partner) is procuring a regional framework for construction works of value £10k to “2m. As part of this a series of meet the buyer events are planned, one of which was on 27th January at the Walkers Stadium. The partners have been very conscious and keen that the Framework Contractors use local supply chain contractors and labour in undertaking the works. To aid this, performance indicators have been included within the performance monitoring of the Framework Contractors to demonstrate the level of local labour/suppliers and contractors they are using in procuring these works.

- allow sufficient time for procurement, this will mitigate against abortive procurements (with disproportionate cost effect on small businesses), and allow time for those unfamiliar with bidding to ask for and receive clarifications

The Council already has on line information about selling (goods, works and services) to the Council at :

<http://www.leicester.gov.uk/business/selling-to-leicester-city-council/>

Smaller Packages

Aggregating (“bundling”) the Authority’s requirements into large packages may well bring savings, reduction in procurement and management costs, bring consistent management information and “buying power” but it can also reduce the number of suppliers able to compete, exclude small firms, lead to “one size fits all” services and reduce the number of innovative suppliers.

Case by case consideration of, amongst other things, the following factors is relevant:-

- the Authority's own capacity to manage and monitor the procurement and in contract phases of contracts
- what similar things is the Authority buying and at what price?
- would larger (or smaller) bundles change the market or the price – are there, for example, significant economies of scale to be had or is the degree of investment involved only something which a large company can source?
- what are the dangers of anti-competitive situations by reducing competition to a few “usual suspects”
- if Authority is looking for innovation is this something that can be achieved locally or by niche firms; or only by large companies?
- if there are geographical requirements, high level service requirements or response time requirements is local sourcing the better option?
- risk transfer or risk distribution?
- if a larger contract is sought can the Authority can the involvement of local business at sub contractor level be promoted for example, through benchmarking, sub contracting protocols (probably not legally binding), “local labour” provisions or through specifying local economy outcomes

Example 7

Seven social landlords and two local authorities in the Merseyside area set up a social enterprise for housing projects. A social enterprise is like a company, although its purpose is to put back surplus profits into the community. The procurement model creates training and employment opportunities for local people from strategic procurement savings and volume efficiencies. These opportunities are made available through the contractual conditions that the supply chain adheres to. One per cent of the total contract value is contributed by the social enterprise.

Financial and Insurance criteria

This factor can be summarised as the risk of contracting. Small enterprises may be deterred from bidding, or indeed may be eliminated from bidding processes because they do not meet the financial and insurance criteria. On the other hand the Authority has to secure value for money and may be under a duty to ensure service delivery.

This is a difficult area but a risk assessment/equivalent measures approach could be used for smaller, less complex procurements.

Contract Management

Contract management and working with contractors can help to spot signs of contractor distress and potentially keep the contract and the associated supply chain contracts alive of that is the best course of action

It can also assess whether there are any shortcomings in workforce skills or whether particular conditions, say, as to the use of apprentices have been observed, so that these can be followed up

There are steps that the Authority could take to help cash flow situations, for example prompter payment, (some subcontractors, for example, may be on a “pay when paid” regime), advance payments, rescheduling of milestones, early discussions about possible contract variations or waivers of contractual rights (for example giving the contractor “time”) and, for subcontractors, “fair payment clauses.

Example 8

A grouping of Councils in Oxfordshire have set up a collaborative procurement hub. As part of their workplan they have signed up to the Government’s “Prompt Payment Code” This aims to tackle the crucial issue of late payments and in particular help small businesses. The aid behind the prompt payment discounts project was to support suppliers with their cash flows and support economic development in difficult times, at the same time discussing what additional savings suppliers might provide to the Council. 3,201 lines of suppliers were identified. Quick wins over 8 weeks amounted to £31,600 new savings per annum.

Issues of service delivery risk, value for money, ownership of materials and contractual and sub contractual remedies would have to be considered as well as the inevitability of the contract falling.

6. Legal Implications

The following legal threads run through this report at all times:-

The Council has “well being” powers to do things that will promote the social, environmental and economic well being of its area or its inhabitants (or part or some) This can extend to the making of grants and the giving of guarantees

- The Council has “Best Value” duties of effectiveness, economy and efficiency.
- Under the Local Government Act 1988 the Council cannot have regard to certain “non commercial” considerations in the award of contracts. This does not apply to the “6 race equality questions” as set out in the act or to cases where the questions are required for “Best Value” reasons.
- All procurement is subject to EU regulation and the requirement for “fairness and transparency” Only contract awards over certain thresholds are however subject to full EU procurement regime.
- EU procurement rules, based on principles of non-discrimination, transparency and competitive procurement, must be applied appropriately to all public procurement activity. In seeking to enhance the local economy, it is important to ensure that

particular suppliers are not given an unfair advantage in any subsequent procurement.

- Contracts can be awarded on “price alone” criteria or “most economically advantageous” criteria. The latter would be required to implement the procurement implications outlined in this report.

7. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph Within Supporting information	References
Equal Opportunities	Yes	Through Report	
Policy	Yes	Whole Report	
Sustainable and Environmental	Yes	Through report	
Crime and Disorder	No		
Human Rights Act	No		
Elderly/People on Low Income	Yes	Through report	

8. Background Papers

Research file held by author

9. Consultations

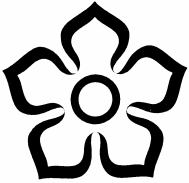
Strategic Commissioning Project Board

10. Report Author

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Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

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Leicester
City Council

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Cabinet

08 March 2010

Proposals for a Graduate Retention Programme

Report of Director of Human Resources

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to outline the proposal for an overarching Graduate Retention Programme for Leicester City Council. It sets out the proposed framework for the programme and highlights the contribution it makes towards the One Leicester Strategy and the benefits it brings to the wider community.
- 1.2 The report also includes details of a Graduate Talent Pool Scheme under the Government's Business Innovation and Skills initiative and highlights other graduate retention schemes/activity currently in place at the Council.

2. RECOMMENDATIONS

- 2.1 It is recommended that Cabinet approve:
 - (i) the proposal to establish a Graduate Retention Programme (*paras 3.3, 4.1.1 – 4.1.4*);
 - (ii) the proposal to establish a Graduate Trainee Scheme (*paras 4.3 & 4.4*);
 - (iii) the proposal to establish a Graduate Talent Pool (*paras 4.5 & 4.6*);
 - (iv) the proposal to source posts/placements from vacancies/projects currently covered by agency workers as a means of reducing agency spend (*paras 4.1.3 & 4.3.1*);
 - (v) the proposal to make offers of permanent employment on completion of the programme where appropriate (*paras 4.3.2*);
 - (vi) the recruitment and assessment process in accordance with the timescales provided (*paras 4.7.1 – 4.7.4*);
 - (vii) Note the benefits of the Programme (*para 4.2.1 – 4.2.5*)
 - (viii) the pay structure *Options* (*para 4.8.9/Appendix 2*)
 - (ix) the proposal to meet with Divisional Directors to discuss post allocation to the scheme (*para 4.10.1*)

3. SUMMARY

- 3.1 The One Leicester Strategy has as one of its seven priorities the need to 'Invest in Skills and Enterprise' to improve the city's economy and ensure people have the skills they need to take advantage of the prosperity new investment in Leicester will bring.
- 3.2 Historically graduates have tended to migrate to other cities that appear to offer more attractive employment and development opportunities. The current economic downturn has made it difficult for graduates to find even basic jobs. This is an exciting time for Leicester, especially with the ongoing inward investment and regeneration activity (e.g. Highcross, Curve, Abbey Meadows Science and Innovation Park etc). As one of the region's biggest employers it is important that we capitalise on the city's transformation by taking advantage of the emerging talent to be found amongst our graduates and to continue to build on the Council's reputation as an employer of choice.
- 3.3 The Graduate Retention Programme is designed to be the initial phase of a wider graduate retention strategy for the Council and will comprise a primary scheme – the Graduate Trainee Scheme and a secondary scheme – the Graduate Talent Pool.
- Graduate Trainee Scheme – is a practical professional development programme that seeks to attract and retain graduates in the city as well as helping to address our own areas of skills shortage as an authority.
 - Graduate Talent Pool – is a Government initiative set up by the Department for Business Innovation and Skills in July 2009. The primary aim of the scheme is to assist graduates to improve their employability via a number of routes.
- 3.4 In accordance with the Council's Redeployment Policy, all vacancies will go to the Redeployment Board in the first instance before being allocated to the scheme.
- 3.5 The report is due to be presented to Cabinet on 8th March 2010.

4. REPORT

4.1 Proposed Graduate Retention Programme

- 4.1.1 The proposal to establish a graduate retention programme in the current economic climate of financial cutbacks and the impact of such measures on employers may appear ill-timed. However, now more than ever, employers need to be creative and flexible in their approach to maintaining effective and efficient service delivery and the Council is no different. Increasingly, graduate schemes are being utilised amongst key employers to build high-performing and flexible workforces.
- 4.1.2 This proposal has been developed to reflect the One Leicester Strategy and the ethos of sustaining Leicester's community by retaining graduates from our universities. It is proposed that the scheme will work in partnership with Leicester, De Montfort and Loughborough Universities to source potential candidates and where necessary to extend it wider to ensure quotas are met. This will be one of many ways in which the Council will work in partnership with our universities to invest in the skills and enterprise agenda.
- 4.1.3 It is proposed to have a joined up approach between this Programme and the Agency Workers Project for the purpose of supporting divisions to achieve the 5.7% efficiency target. This will be done by sourcing posts/projects for the trainee scheme and the talent pool from

posts/projects currently resourced by agency staff, where possible, thereby realising savings based on the difference in the cost of procuring agency staff and the cost of internships/placements. Detailed information on costs is outlined in section 4.8. and at Appendix 2.

- 4.1.4 The Programme has the added benefit of contributing to efficiency savings across the Council.

4.2 The Benefits of the Programme

- 4.2.1 The Graduate Retention Programme has the potential to play a key role in supporting the Council to achieve significant savings and contribute to current and future efficiency targets. There a number of ways in which the programme could add value the Council.
- 4.2.2 The proposed Programme can be utilised to address the Council's current skills shortage and hard-to-fill posts. It offers flexibility when planning staffing requirements to meet short term needs e.g. specific time-limited or one-off project needs/tasks and frees up existing staff to focus on high priority work. Utilising graduates will reduce dependency on agency workers and negate the need to pay excessive agency worker costs, thereby reduce staffing costs.
- 4.2.3 There is also the added benefit of cost savings of between £281k to £321k per annum for 20 posts on the trainee scheme and savings ranging from £227k to £352k per annum for 20 talent pool placements (actual savings will depend on the preferred option – Appendix 2). The pay structure for the scheme does not include eligibility to the Local Government Pension Scheme, therefore the Council will not have to make provision for superannuation contributions. Further savings could be realised through advertising graduate placements through the universities at no cost to the Council.
- 4.2.4 Graduates bring with them a range of skills including cutting edge research methods, fresh ideas and ways of working which contribute to the development of a high performing workforce. Providing them with the opportunity to develop employability skills with the Council could reap the reward of graduates acting as ambassadors of the Council thereby contributing to the Talking Up Leicester Priority and promoting Leicester City Council as an employer of choice and the public sector as an attractive career choice.
- 4.2.5 The programme will serve to strengthen ties with universities, student bodies and other partner organisations. It also provides another platform for the establishment of a wider skills development programme for the Council e.g. talent management and align with future succession planning at the Council,

4.3 Graduate Trainee Scheme

- 4.3.1 The Trainee Scheme will be the main function of the Programme and will require the allocation of a minimum 20 posts. It is expected that these posts will be sourced from current vacancies across the divisions with particular emphasis on areas of skills shortage where possible. It will be targeted at recent graduates who have gained a first degree in the last 12 months. The recruitment process will be managed by the Employment Service Centre (ESC) and will include an initial filtering process followed by an assessment centre and interview. Once established, the scheme will be managed and delivered by the Council's City Learning Team.

4.3.2 The duration of the scheme will be for 1 year and during this time graduates can expect to participate in a rigorous programme of personal and professional development. This will include an ongoing assessment programme as outlined in the framework at Appendix 1. Successful completion of the scheme may lead to the offer of a permanent position. Any such offer will require the individual to have satisfactorily completed the final project and assessment and be subject to the Council's normal HR procedures.

4.4. The Trainee Scheme Framework (See Appendix 1 & 1a)

4.4.1 The scheme will provide participants with structured opportunities for learning and development, ongoing support via a mentoring programme, as well as day to day support. See further detail of the framework at Appendix 1.

4.4.2 A key feature of the scheme will be the performance management framework which will ensure ongoing monitoring of performance against a clear set of standards and objectives including a final assessment. The outcome of individual performance against objectives will play a major role when determining whether or not to offer permanent positions to graduates where feasible.

4.5 Graduate Talent Pool

4.5.1 The Graduate Talent Pool is a Government Initiative set up by the Department for Business Innovation and Skills in July 2009, to support its strategy: to achieve the vision to build a dynamic and competitive UK economy by creating the conditions for business success; promoting innovation, enterprise and science, and giving everyone the skills and opportunities to succeed. The aim of the scheme is to assist graduates to improve their employability via a number of routes including internships. Leicester City Council is now registered on the Scheme.

4.5.2 Primarily, the Graduate Talent Pool Internship scheme seeks to help match new and recent graduates (with at least a degree or foundation degree) to organisational skills requirements. It offers a flexible method to attract talent to the Council for a specified period of time or to support a specific project whilst offering real work experience to the interns.

4.5.3 The duration of internships range from 3 months to 6 months (but can be shorter than 3 months) and is dependent on the needs of the organisation. This arrangement provides flexibility and will enable the direct matching of placements to time-limited projects.

4.5.4 The graduate talent pool will not be subject to the Council's Redeployment Policy. This is due to the short term nature of placements and the likelihood that all placements will be sourced from temporary time-limited projects.

4.6 The Talent Pool Framework (See Appendix 1b)

4.6.1 The scheme will provide participants with structured opportunities for developing transferable skills and knowledge and to gain valuable work experience in a controlled and supportive environment.

4.6.2 The scheme will require each placement to have clear objectives of what needs to be achieved, the type of pre-placement skills and knowledge required from the graduates, including agreed timescales to enable accurate matching.

4.6.3 It is proposed that the scheme will be managed by the Employment Service Centre (ESC). A clear structure will be put in place setting out:

- How the matching service will operate
- Clear selection criteria
- Timescales for stages of the process
- Project specifications for placements, to include clear objectives
- Generic intern profiles and where needed specific intern profiles
- Pay structure

4.7 Recruitment and Selection

4.7.1 All vacancies allocated to the Trainee Scheme will go to the Redeployment Board in the first instance and will be open to internal and external applicants, the scheme will also be advertised in the internal Jobs Bulletin to allow “in house” graduates the opportunity to apply as well as those from outside the council. External candidates would primarily, but not exclusively, be sought from Leicester, De Montfort and Loughborough Universities. Wider advertisement could also be undertaken if required.

4.7.2 Recruitment to the scheme will be via a rigorous process which will include an initial filtering process against the agreed criteria, followed by an assessment centre and a competence based interview process. Subject to Cabinet and SMB approval, the proposed timescales for recruitment are:

Date	Activity
End March 2010	Advertise posts
Mid - End April 2010	Agree recruitment process Arrange assessment centre
May 2010	Conduct interviews/assessments
June/July 2010	Successful applicants commence employment and scheme becomes operational.

4.7.3 Sourcing of interns for the Talent Pool will be via the Graduate Talent Pool Matching service. Matching of graduates to profiles/projects will be by way of a specified initial filtering process which matches graduates to the project/placement description. The scheme provides an option to set 10 key questions all of which must be answered correctly before being allowed to apply for an internship. Successful applicants will then be subject to a structured LCC selection process.

4.7.4 There are no published deadlines to the scheme enabling selection of graduates to take place on a rolling basis as and when required. The scheme is open to all recently qualified graduates from UK universities. Applicants from countries within the EEA can apply subject to having the correct immigration documents (visas, work permits etc) permitting them to stay and work in the UK and meeting the criteria of the Graduate Talent Pool Scheme.

4.8 Posts and Pay Structure

4.8.1 Job type and pay will need to be at a level that will ultimately attract and retain graduate candidates. Equally, the Council will benefit from savings between salary paid whilst on the scheme and actual salary for the post. It is proposed that the scheme will be made up of posts at SC5 - PO1 (£19,621 - £29,236) however the scheme salary will range from Scale 2 - 4 (SCP 12: £15,039 – SCP 19: £17,802). This is because on entry to the scheme graduates are unlikely to have the level of knowledge and experience required for job. It is hoped that by the end of the programme year, they will have developed the necessary skills and if successful, could be considered for a permanent position, (normally in the role which

they had been recruited against, subject to suitability) which would see them move to the low point of the actual scale/grade for the post.

4.8.2 As an equal opportunity employer it is important to ensure, that where possible, there is parity and equity between schemes especially in relation to pay, for this reason a number of pay options are proposed.

4.8.3 There are a number of existing graduate schemes across the Council, notably these are:

Chartered Institute of Public Finance & Accounting Scheme: is a 3 year scheme which is based on a 3-part qualification route. The salary for the scheme ranges from Scale 4 to SO with a corresponding salary range of £17,161 - £27,052. Progression through the pay structure is subject to successful achievement of each part of the qualification. This is a well established scheme which has its own dedicated mentoring and performance management programme.

Social Worker Scheme: the Council does not currently subscribe to the Social Worker Scheme. However it does operate a social work-related Sponsored Student Scheme. The scheme is mainly aimed at internal staff and will accept external students (e.g. from partner organisations). There is no need to be a graduate and those on the scheme continue to earn the salary for the substantive post regardless of the grade.

4.8.4 It is necessary to acknowledge the different requirements of the schemes (qualifications, academic achievement, work experience, length of placements etc.) to justify the difference in salary levels. Nonetheless, a pay structure that reflects these differences is required.

4.8.5 It is proposed to have a tiered pay structure that reflects the level of academic achievement a graduate has. For example, undergraduates will be paid at tier one and graduates paid at tier two. The table below outlines the proposed tiered approach for both the graduate talent pool and the graduate trainee scheme for consideration. Further detailed information is provided at *Appendix 2*.

4.8.6 Tiered Pay Structure

Tier One – Trainee Scheme Undergraduates & Graduate Talent Pool	Tier Two – Graduates – Graduate Trainee Scheme
<p>Scale 2/3 (SCP 12 - 14) £15, 039 - £15,725 pa (pro rata)</p> <p><i>Tier One acknowledges the further development required to reach graduate status and/or the short duration of talent pool placements which limits the Council's return on investment (ROI).</i></p> <p><i>Pay may be based on length of assignment.</i></p>	<p>Scale 3/4 (SCP 16 – 19) £16,440 - £17,802</p> <p><i>Tier Two acknowledges the completion of a degree and the skills and knowledge graduates bring with them.</i></p> <p><i>Pay progression will be linked to the achievement of milestones/targets.</i></p>

4.8.7 The options for tiered pay structure are:

- a) Tier One – undergraduates and Graduate Talent Pool candidates to be paid at Scale 2/3 or to achieve higher savings, to be paid the National Minimum Wage for the duration of the placement.

- b) Tier Two – graduates on the trainee scheme to be paid either the National Minimum Wage for the first 12 weeks then SC3/4 for the rest of the duration (40 weeks) or SC3/4 for the total duration (52 weeks). Appendix 2 provides further detail of potential savings.

4.8.8 It will be necessary to have a defined pay structure for the various schemes to ensure transparency and consistency in agreeing rates of pay. All placements and associated training needs will be funded from salary savings/staffing budgets within the relevant divisions. Pay progression during the programme will be closely linked to performance.

4.8.9 In the interest of parity and equity and balancing the need to be financially prudent, it is recommended that the following options (which present the highest savings) are approved for implementation:

Tier One – Option (b): National Minimum Wage for the duration of the placement

Tier Two – Option (a): First 12 weeks at National Minimum Wage and 40 weeks at Scale 3/4

4.9 Core Training Programme for Graduate Trainee Scheme

4.9.1 City Learning will deliver a robust training and development programme as outlined below.

Induction:	To integrate successful applicants to the culture and ways of working at the Council.
Generic Skills	To develop skills in the following areas: <ul style="list-style-type: none"> • Report writing • Managing meetings • Supervisory skills • Effective presentations • Time Management • Other relevant skills
Mentoring Programme	Applicants will be allocated a mentor who will provide guidance and support during the lifespan of the scheme to develop operational and strategic business acumen.
Work Experience	To focus on developing sound operational knowledge and understanding of the Council. This may involve spending time in other service areas.
Vocational Qualification (where applicable)	To facilitate further development of skills in work-related areas

4.9.2 Mentoring is an integral part of the trainee scheme and it is proposed to identify a minimum of 10 mentors whose role it will be to provide guidance to graduates during their time on the scheme. Ideally mentors will be at head of service level.

4.9.3 Where vocational training is required, this will be funded by savings made on the substantive salary for the post

4.9.4 Due to the short-term nature of the talent pool, the full core training programme will not be extended to interns. There will be a basic development programme which will include a corporate induction, line manager mentoring and on the job work experience.

4.10 Next Steps

4.10.1 Subject to Cabinet and Strategic Management Board approval, Divisional Directors will receive a briefing paper outlining the scheme, closely followed by a meeting to discuss the options and to secure allocation of suitable posts to the scheme.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications (See Appendix 2)

5.1.1 The proposed scheme has clear financial benefits in addition to the training opportunities it provides and the potential for the creation of a talent pool. The costings set out in Appendix 2 show that Tier One opportunities which will be of a 6 month maximum duration can reduce salary costs by between £6k and £10k per placement, which over a 12 months period for 20 placements could generate salary savings of between £227k and £352k per annum depending the pay structure adopted.

5.1.2 Tier Two placements have been costed at a slightly higher rate to recognise that some placements may be at a more demanding level than others. Therefore, salary savings are less but still significant and for 20 placements could be between £281k and £321k, again depending on the pay structure adopted.

5.1.3 These saving are however mitigated by the cost of setting up, recruiting to and generally running the scheme. These have been identified as £3k for recruitment and £7k (existing staff time) for mentoring. These additional costs are relatively marginal compared with the potential savings and opportunities that can be achieved.

5.2 Legal Implications

5.2.1 There is the potential for indirect discrimination claims to be made in respect of the scheme. For example, it could be argued that the scheme provides a better opportunity for men and younger individuals. This argument, however, lacks strength as graduates are increasingly diverse. Even if this were not the case and an argument of indirect discrimination succeeded, it is likely that the scheme could be objectively justified which would defeat any such claim.

6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

- Building Britain's Future: New Industry, New Jobs, April 2009. (Dept for Business Innovation and Skills)
- Graduate Talent Pool, (Dept for Business Innovation and Skills)
- Graduate Trainee Scheme Report, 27th October 2009
- Agency Worker Review Report, September 2009

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Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

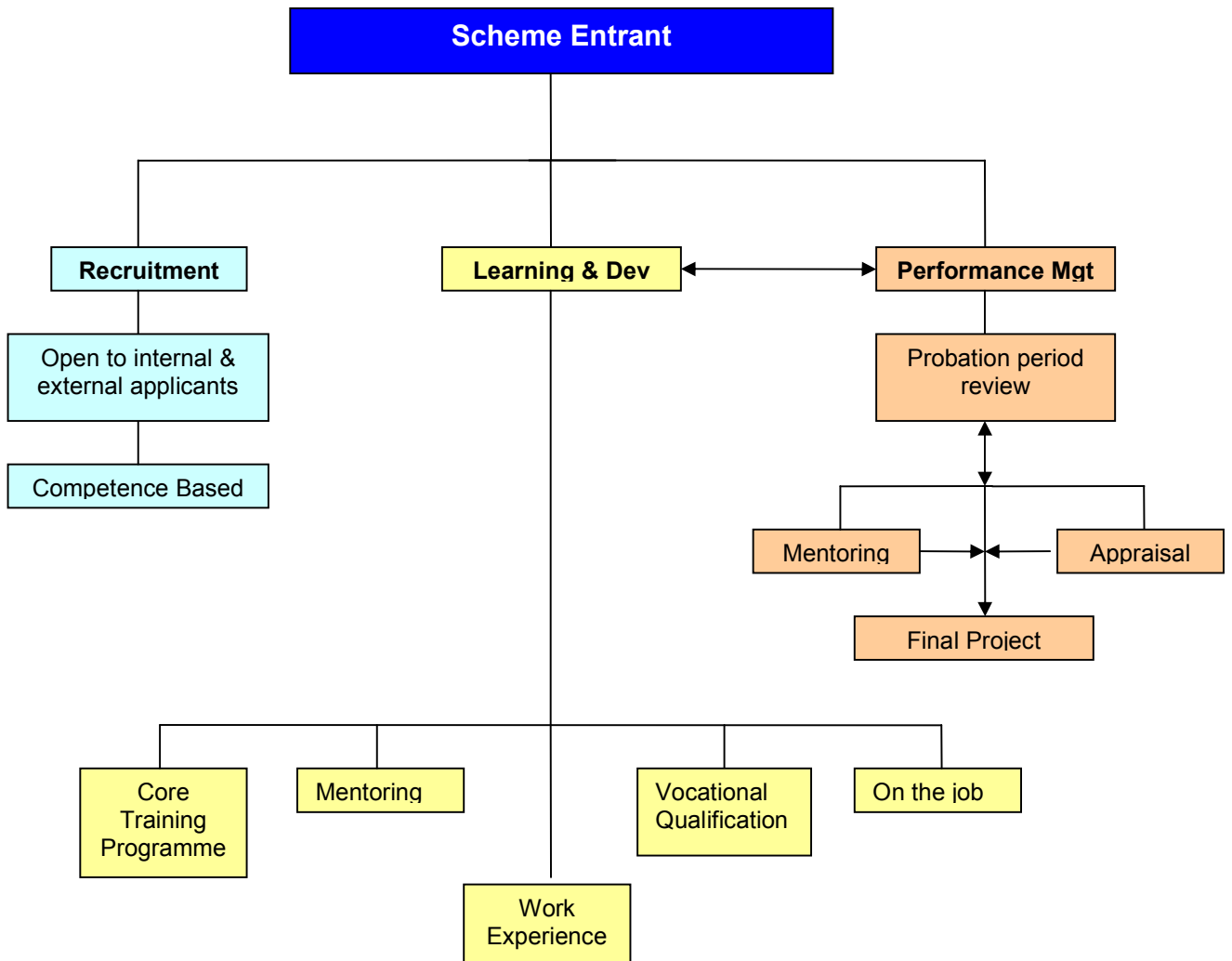
LEICESTER CITY COUNCIL GRADUATE PLACEMENT SCHEME 2010/11

Recruitment & Selection	<p>Open to internal and external applicants who meet the entry criteria.</p> <p>Recruitment will be competence based and include a formal interview and assessment process.</p>	<p>Applicants will be assessed for competence in the following areas:</p> <ul style="list-style-type: none"> • Working with others /collaboration • Managing own work • Planning and organising • Developing own capability • Persuasive communication • Analytical skills • Motivation for learning • Driving for results • Presenting themselves professionally
Core Training & Development Programme	Induction:	To integrate successful applicants to the culture and ways of working at the Council.
	Generic Skills	<p>To develop skills in the following areas:</p> <ul style="list-style-type: none"> • Report writing • Managing meetings • Supervisory skills • Effective presentations • Time Management • Other relevant skills
	Mentoring Programme	Applicants will be allocated a mentor who will provide guidance and support during the lifespan of the scheme to develop operational and strategic business acumen.
	Work Experience	To focus on developing sound operational knowledge and understanding of the Council across all/relevant service areas.
	Vocational Qualification (where applicable)	To facilitate further development of skills in work-related areas
	Probationary Period Review	Assess individual performance / ongoing suitability for the placement in relation to business needs.

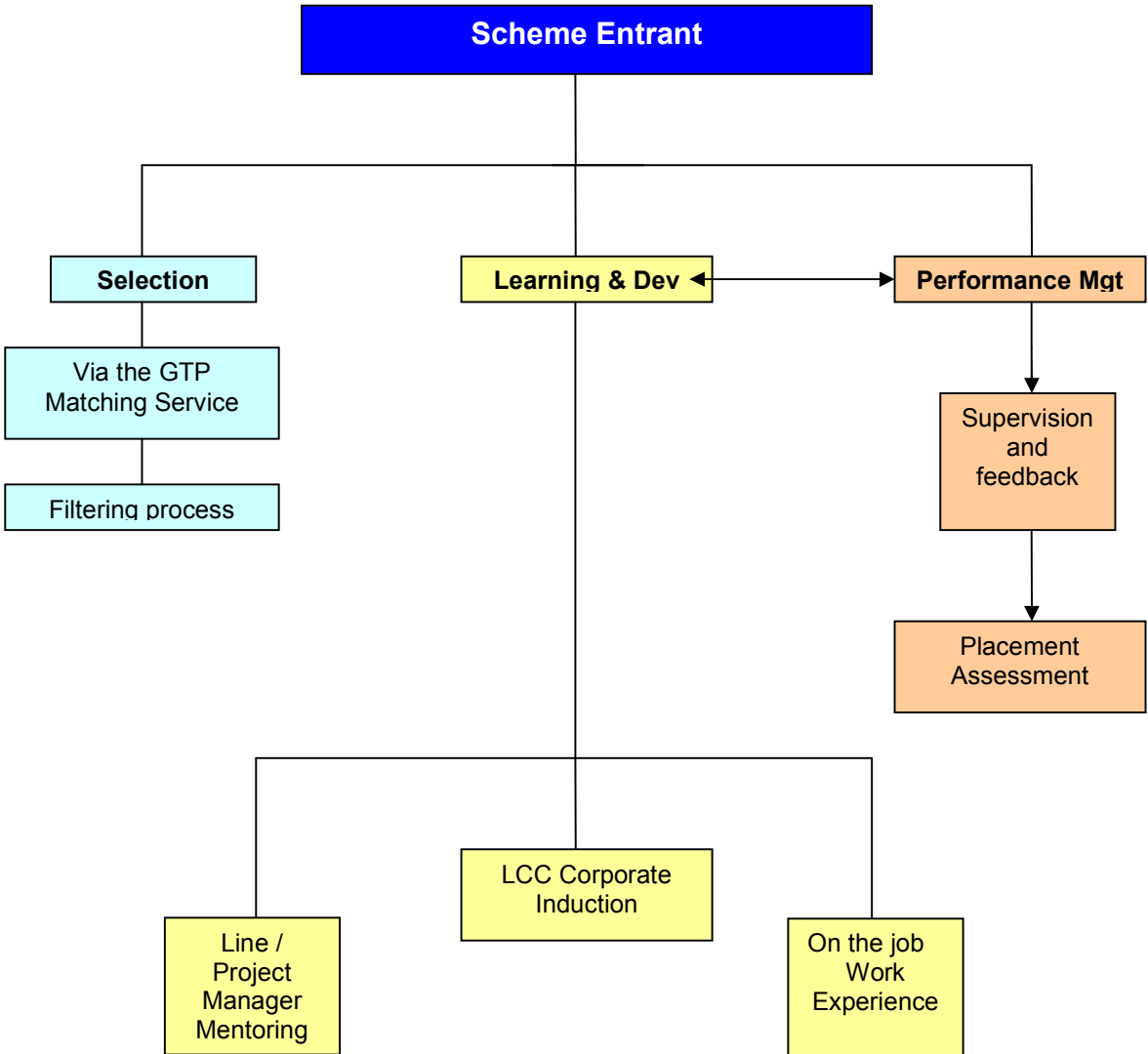
Performance Management	Appraisal	A framework that provides for: <ul style="list-style-type: none"> • Target setting • Reviewing progress against targets • Provide feedback on performance • Identify areas for development
	Mentoring	Provide structured support on specific areas of work and to nurture personal and professional development.
	Final Project	The placement will culminate in a final work related project which is likely to take the form of an Action Learning Set.
	Final Assessment	A final assessment to establish suitability to transfer to a permanent role.

LEICESTER CITY COUNCIL GRADUATE RETENTION PROGRAMME FRAMEWORK

LCC Graduate Trainee Scheme Framework Outline



LCC Graduate Talent Pool Framework Outline



Graduate Retention Programme Costings

The preferred option for a graduate retention programme is option one. Clearly the scheme has financial benefits in that both tier one and tier two will have a differential between the grade of posts proposed to be identified as suitable for the scheme and the proposed level of remuneration for graduates and undergraduates.

The proposals are costed below. All costings are undertaken at the top of the grade and employer's superannuation contributions are excluded for the proposed trainees.

1. Tier One – trainee scheme undergraduates & graduate talent pool

The assumption is that the maximum length of an assignment is 6 months, with posts being at the level of scale 5/6.

(a) Pay at Scale 2/3

Existing post = £14,936
(being Scale 5/6 + on-costs x 6 months)

Trainee = £ 9,257
(being Scale 2/3 + on-costs x 6 months)

Saving = £ 5,679

(b) Pay at minimum wage (£4.83 for 18-21) (£5.80 for 22+)

Existing post = £14,936
(being Scale 5/6 + on-costs x 6 months)

Trainee 18-21 = £ 5,111

Trainee 22+ = £ 6,138

Saving = £ 8,798 to £ 9,825

2. Tier Two – graduate trainee scheme

The assumption is that the maximum length of an assignment is 12 months, with posts being at the level of scale 5/6 or SO/PO.

(a) 12 weeks national minimum wage (£5.80), 40 weeks at scale 3/4

	Scale 5/6	SO/PO
Existing post = (including on-costs)	£29,872	£37,814
Trainee = (being Scale 3 + on-costs)	£ 16,816	£18,759 (being Scale 4 + on-costs)
Saving =	£13,056	£19,055

(b) 52 weeks at scale 3/4

	Scale 5/6	SO/PO
Existing post = (including on-costs)	£29,872	£37,814
Trainee = (being Scale 3 + on-costs)	£ 18,513	£21,039 (being Scale 4 + on-costs)
Saving =	£11,359	£16,775

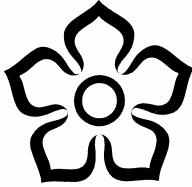
3. Summary

The following table demonstrates the range of salary savings that could be achieved per annum by implementing this scheme whilst also providing training opportunities and a future talent pool. The assumptions are that up to 20 posts could be offered at tier one and up to 10 posts at tier two.

	Tier 1 – Talent Pool	£
	<i>Assumption = 20 posts x 6 months x twice per year</i>	
1a	Pay at scale 2/3	227,160
1b	Pay at minimum wage	351,920

	Tier 2 – Graduate Trainee Scheme	£
	<i>Assumption = 10 posts @ sc3, 10 posts @ sc4 x 12 months</i>	
2a	12 weeks national minimum wage (£5.80), 40 weeks at scale 3/4	321,110
2b	Pay at scale 3/4	281,340

Alison Greenhill
Interim Chief Accountant
14.01.10



Leicester
City Council

**WARDS AFFECTED
ALL**

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

8 March 2010

Smaller Rule Book New Recruitment Policy and Procedure

Report of the Director of Human Resources

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to present a proposed new Recruitment Policy and Procedure.
- 1.2 The new policy and procedure is part of a series of new policies designed to create a smaller rule-book. Consultation took place last year with recruiting managers, workforce representative groups and trade unions on what they would like to see in the policy and procedure.
- 1.3 The purpose of the policy is to ensure we attract and retain a high calibre workforce in order to deliver quality services for the people of Leicester. As the Council enters a period of financial constraint where higher quality services are required using less resources, it is particularly important that we attract and appoint the best calibre of staff with the right skills set and approach to deliver services in this environment.
- 1.4 It aims to promote a positive image of the Council as an employer and to reflect the diversity of the community we serve.
- 1.5 As Leicester's largest employer, the way in which we recruit our workforce will impact on our broader vision for the city. The policy therefore aims to ensure our recruitment practices are accessible, promote equality and have a positive impact on skills development and prosperity in the city.
- 1.6 As Members will be aware it was recently agreed to have a Managed Vacancy process. This policy would be followed after a decision to recruit to the role has been made.

2. RECOMMENDATIONS

2.1 That the new Recruitment Policy and Procedure be agreed for consultation with Trade Unions

3. SUMMARY

3.1 The new policy (attached at Appendix 1) has been written to support the six values of the Council's 'One Leicester' values

- **Driving out inequalities:** it helps to ensure fair access to services and opportunities
- **Delivering quality services:** it ensures that recruitment is efficient and effective
- **Delivering outcomes:** by enabling the best candidates to be selected
- **Having a customer focus:** it aims to be responsive to potential applicants as well as the needs of managers
- **Joining up what we do:** we will work with other agencies to be more effective in how we recruit and to contribute to the shared vision for Leicester
- **Being sustainable in everything we do:** by taking into account social, economic and environmental requirements

3.2 The new procedure (attached at Appendix 2) aims to attract and select high quality candidates with the necessary competencies to ensure that the council delivers excellent services and operates in the most effective and efficient way.

3.3 The procedure does recognise the need for flexibility and therefore, depending on the needs of a service area, the relevant labour market and the nature of the vacant job, recruitment and selection processes may vary. However, to ensure objectivity and fairness, each selection process will, in itself, be followed consistently.

3.2 Performance management begins with effective recruitment. The new policy and procedure therefore supports the objectives of the individual performance management project. It is based on competency-based recruitment designed to ensure that applicants are selected against the key competencies needed for a particular post.

4. REPORT

4.1 **New Recruitment Policy and Procedure - What's Different?**

4.2 **The introduction of competency based recruitment** - where the job description and person specification identify the main purpose, key tasks and, in particular, the competencies and other attributes the post-holder requires to carry out the role.

4.3 **A new revised competency based application form will be used** - This will include a series of pre-determined questions which allow applicants to self-select themselves prior to submitting a completed application form. It will also provide recruiting managers with a mechanism for scoring candidates at the application

stage and deciding which candidates best meet the criteria on the person specification

- 4.4 **Selection panels** – There are two main changes proposed. Firstly, we are proposing that only one member of the recruitment panel *must* have undertaken the Council’s Recruitment and Selection training. Secondly, following feedback from the workshops, it is clear that some authorised recruiters from minority groups felt they were asked to join a selection panel merely to make a selection panel ‘balanced’ and not because of their knowledge of the role. They felt this was ‘tokenism’. Under the new arrangements, therefore the emphasis on the make up of panels will be that panel members will be selected based on those with the greatest knowledge and understanding of the job. The panel will also be diverse wherever possible.
- 4.5 **Selection process** - again feedback from the various workshops highlights the fact that we need to be flexible in assessing candidates’ ability. It shouldn’t be about who can answer the questions on the day. Various objective assessment methods should be available to assist recruiting managers in testing for the most relevant competencies and skills, depending on the nature of the role, to ensure the best overall candidate is appointed. Various options are detailed in the procedure (Appendix 2).
- 4.6 **Telephone interviews** may be used to assist the shortlist process, again making the process slicker.
- 4.7 **To speed up the recruitment process**, pre-employment checks could be undertaken and information collected *prior to, or at, interview*. This shifts the responsibility of gathering this information to the recruiting manager, especially around CRB checks and medical questionnaires. The completed forms are to be returned at the interview stage to the Recruitment Team, who will shred unsuccessful applicants’ information,
- 4.8 **Pooled Recruitment** - this allows the authority to recruit ‘in bulk’ for future vacancies for generic posts. This system affords many benefits. It reduces advertising costs and the time taken to get someone into post. It cuts down the time taken by managers in terms of planning and organising the selection process. It also saves time on pre-employment checks such as references, which will already have been obtained.
- 4.9 **Flexible working** -the presumption that all posts will be available for job-share or flexible working hours would no longer apply automatically. Instead, managers would consider carefully service needs and if the posts are suitable for flexible working arrangements in accordance with the law.
- 4.10. **Different options** to finding suitable replacements will be available, including developing new talent through apprenticeships or graduate trainees or placements; sponsored government work placements, redeployment opportunities, filling jobs part-time or negating the need to recruit through job re-design.

- 4.11 **Secondment opportunities** should now normally go through the HR Recruitment Team for advertising, except on rare occasions where exceptional business needs exist. This will ensure secondments opportunities are normally open to all LCC staff.
- 4.12 **Complaints Procedure** - HR currently has a Recruitment Complaints Procedure, which has a high profile place in the procedure. This sends out the wrong message to potential employees, i.e. 'you will probably have to complain' Any complaints with regard to recruitment will now go through the Council's Complaints Procedure and then be referred to Head of Employment Service Centre for investigation.
- 4.13 **Employing Non European Economic Area migrant workers** - With the introduction of the UK Border Agency's new points based immigration system, managers wanting to employ skilled workers from Non EEA countries may do so. The Council has successfully applied to be a licensed sponsor.
- 4.14 **Sickness absence history** - to ensure the Council continues to drive down its sickness absence rate the revised application form will ask for details of applicants' sickness history. (It did not previously include this). This information should be taken into account when making a recruitment decision. The selection panel may further explore this at interview if they feel it is appropriate.

5. OTHER BENEFITS / DEVELOPMENT

- 5.1 HR are currently working with the Individual Performance Management Board and ODI on improvements around the life cycle of the employees. An action plan has been agreed. This will compliment the revised Recruitment Policy and Procedure
- 5.2 To attract and retain high calibre staff we need to also learn from feedback on candidates' recruitment experience. We have received feedback from recently recruited staff and are acting upon recommendations.
- 5.3 The electronic recruitment workflow system is being further developed. These improvements to the Recruit on-line web system are detailed in the Improvement Plan. This will enable us to move forward from circulating paper applications forms around the council and enable managers to have access to application forms on-line, thus speeding up the recruitment process
- 5.4 Revised Recruitment Guidelines are being produced to give more guidance and support to managers on the new policy and procedure. A revised Recruitment and Selection training course will be provided to enable managers to use the new policy and procedure effectively.

6. LEGAL IMPLICATIONS

- 6.1 The new Recruitment Policy and Procedure will assist the Council in complying with its legal obligations in relation to recruitment. Furthermore, it will assist the Council in defending claims brought against it in relation to recruitment decisions.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications arising from this report however the proposals it contains should facilitate a more streamlined recruitment procedure resulting in a more efficient and effective process.

8. OTHER IMPLICATIONS

Other Implications	Yes/No	Paragraph References
Equal Opportunities	Yes	1.4 , 3.1, 4.4
Sustainable and Environmental	No	
Crime and Disorder	No	

10. CONSULTATION

Workshops were held with recruiting managers, employee groups, equality representatives, Trade Union representatives, plus

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AUTHOR OF THE REPORT

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Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

Leicester City Council
Recruitment Policy

Introduction

There are two key drivers for the Council's recruitment policy: -

- the need to attract and retain a high calibre workforce in order to deliver quality services for the people of Leicester.
- as Leicester's largest employer, the way in which we recruit our workforce will impact on our broader vision for the city. The policy therefore aims to ensure our recruitment practices are accessible, promote equality and have a positive impact on skills development and prosperity in the city.

Purpose

The purpose of the policy is to attract and select the best candidates to work at the Council to ensure that we are resourced to deliver quality services and achieve our objectives. It aims to promote a positive image of the Council as an employer and to reflect the diversity of the community we serve.

Our Values

The policy supports the Council's values:-

- **Driving out inequalities:** it helps to ensure fair access to services and opportunities
- **Delivering quality services:** it ensures that recruitment is efficient and effective
- **Delivering outcomes:** by enabling the best candidates to be selected
- **Having a customer focus:** it aims to be responsive to potential applicants as well as the needs of managers
- **Joining up what we do:** we will work with other agencies to be more effective in how we recruit and to contribute to the shared vision for Leicester
- **Being sustainable in everything we do:** by taking into account social, economic and environmental requirements

Principles

- The number and calibre of potential applicants are developed within the city, by creating links with local schools, colleges and universities, building skills and relationships within local communities and promoting opportunities for under represented groups
- Vacancies will be advertised once they have been made available as redeployment opportunities.
- Vacancies may be considered as internal secondment opportunities to provide experience and develop and retain talent within the organisation.
- Recruitment and selection will comply with relevant legal requirements. This includes ensuring that candidates are not treated less favourably on the grounds of age, gender, gender identity, race, ethnic origin, disability, sexual orientation, religion/belief or nationality.
- A consistent approach is taken **within** each recruitment and selection process.
- Recruitment and selection processes **may vary from each other** in order to respond to the needs of the business, the nature of the skills and labour market and differing job requirements.
- Recruitment will be as efficient as possible by developing talent pools and facilitating permanency for employees who are performing well in posts to which they were appointed on a temporary basis
- The Council's Recruitment Procedure will be based on competencies, with reference to the Council's Competency Framework

- Selection will be based upon ensuring candidates have the competencies required for good job performance
- Selection processes will include assessment tools to measure objectively the skills, knowledge, competencies and attitudes required for the role.
- Selection decisions are based on merit to select the best candidate for the job.
- Practical guidance is available to all those involved in recruitment and selection at all stages of the process.
- Those involved in recruitment and selection will have attended relevant training.
- Relevant checks will be carried out prior to employment, including additional checks to safeguard children and vulnerable adults when recruiting to relevant jobs.
- Once appointed, employees will be provided with an induction and development action plan, with assessments made during the selection process informing development plans.
- All appointments will be confirmed after completion of a 6-month probationary period.
- Feedback is available to all candidates.
- Recruitment and selection processes will maximise wherever possible the benefits and efficiencies of developing new technology

Scope

The policy applies to recruitment and selection of all jobs at Leicester City Council, except those in schools and further education colleges, where the local policy will apply.

The policy may not apply to recruitment and selection conducted on behalf of the Council's partners.

External consultants, agencies and third party suppliers who assist in recruitment and selection are required to comply with the policy.

Appendix 2

Leicester City Council Recruitment Procedure

Recruitment Process Stages

This will include a visual flow chart

Procedure Paragraph No.	Step in the Process
2	Vacancy Arises
2.1	Identifying If There Is A Need To Recruit
3	Planning The Recruitment Process
3.2	Designing The Job
3.2	Job Analysis And Evaluation
3.3	Reviewing & Drafting Job Descriptions And Person Specifications
3.4	Considering Options For Filling The Vacancy
4	Attracting Applications
4.1	Preparing Information For Candidates
4.2	The Competency-Based Application Form
4.3	Dealing With Late Applications
4.4	Dealing With Casual Enquiries
5	Establishing A Selection Panel
5	Ensuring Panel Members are Trained
6	Selecting Candidates
6.1	Short-listing From Applications
6.2	Selection Processes And Exercises
6.3	Making Reasonable Adjustments For Disabled Candidates
6.4	Interviewing Candidates
6.5	Paying for Candidates' Interview Expenses
6.6	Ensuring Documentary Evidence Is Provided
6.7	Making The Selection Decision
7	Ensuring Pre-Employment Checks Are Carried Out
8	What To Do With The Recruitment Documentation
9	Getting A Contract Of Employment Issued
10	Ensuring Confidentiality
11	Providing Feedback To Candidates

For Recruitment Advice and Support please contact Employment Service Centre

1. INTRODUCTION

Attracting and selecting high quality candidates is essential to ensuring that the Council delivers excellent services and operates in the most effective and efficient way. This procedure sets out the main steps when recruiting and selecting employees within the Council.

The procedure does recognise the need for flexibility and therefore, depending on the needs of a service area, the relevant labour market and the nature of the vacant job, recruitment and selection processes may vary. However, to ensure objectivity and fairness, each selection process will, in itself, be followed consistently.

The key elements of recruitment and selection are contained within this procedure, with additional information for guidance purposes available separately.

2. WHEN A VACANCY ARISES

A vacancy will arise if a need for a new post within the organisation is identified and is approved or when an employee leaves a job. If an employee leaves a job voluntarily, his/her line manager should discuss the reasons for leaving to see if there are any options available which would help the Council to retain high quality staff. Employees should complete exit questionnaires on MyView. Alternatively, paper copies are available for completion from the Employment Service Centre.

2.1 Is Recruitment Necessary?

When a post becomes vacant due to an employee leaving, it may not be necessary to recruit a direct replacement. It is an opportunity for the line manager to consider the following prior to deciding to recruit:-

- Workforce planning:
 - What are the current and future needs of the service?
 - How does the current structure fit with staffing capacity?
 - Do we need different skills?
 - Is there any impact from restructuring within or outside of the service area?
- Do we need this job as it is?
- Does the job need to be redesigned if our needs have changed?
- Do we still need the post to be carried out for the same number of hours or on the same work pattern?
- What is the current and future financial position – is the post affordable?

At this stage, a decision will be made by the line manager as to whether to seek permission to fill this role during the period when the Managed Vacancy process is in place. The Managed Vacancy process is designed to control the Council's expenditure on staffing during a period of financial restraint and minimise the potential for redundancies. If the manager believes it is essential to fill the role either on the basis of reduced hours or on a full-time basis, he/she must submit their Permission to Fill form with their case for filling the role to their Divisional Director who will decide whether or not to allow the manager to proceed to fill the vacancy.

3. RECRUITMENT PLANNING

3.1 Forward Planning

Planning the recruitment process in advance will ensure that it is as effective as possible so that the skills and experience required can be sourced for the role. Planning can also shorten the time it takes to recruit by ensuring that unnecessary delays are avoided, e.g. meeting advertising deadlines, confirming availability of interview panel members.

3.2 Job Design/Job Analysis and Job Evaluation

When a job becomes vacant, the nature of the role should be reviewed to identify if the job is meeting the needs of the business. It may be appropriate to re-design the job to ensure it is focused on what the service requires.

It is also an opportunity to review the hours or work-pattern of the role to better fit the needs of the service. The use of flexible contracts and different forms of contracts to meet the delivery needs of the service concerned should also be considered e.g. annualised hours or compressed working week contracts. Further guidance on these is available in the Recruitment Policy guidelines.

A new post will need to go through a job analysis and job evaluation process.

The benefits package associated with the post should also be reviewed – for example whether there is an identified objective case for market increments and whether the car allowance policy is applicable to the post. It is important that these considerations are taken in line with the relevant Council policy as way of helping to maintain a consistent approach.

3.3 Job Descriptions and Person Specifications

The job description sets out what the role entails – its main purpose, key tasks and the competencies required to carry out the role. It is important to get the job description right, as it forms the basis of the recruitment and selection process, sets out what is expected of the post holder, forms part of the contract of employment, and is the basis for the grade assigned to a post.

The person specification sets out the competencies and other attributes the post-holder requires in order to carry out the role effectively. This document is important because potential candidates will refer to it to decide their own suitability for applying, it will indicate what types of selection tests and assessments would be included in the selection process and will be the basis of the decision on whom to appoint.

Both of these key documents should therefore be reviewed when recruiting in order to ensure they are updated to current requirements and clearly set out expectations. If as a result of this review there are changes to the principal responsibilities within the job description, the post should be submitted for job evaluation to check if the changes produce a change in grade.

Key points when writing job descriptions and person specifications are:-

- Ensure plain English is used and jargon is avoided
- Ensure that the criteria you include within the person specification are relevant to the job, and does not unfairly take into account age, gender, gender identity, race, ethnic origin, disability, sexual orientation, religion/belief, nationality and can be justified in terms of supporting effective performance in the job.
- Avoid using too many criteria
- Differentiate between what is essential for good job performance and what is desirable
- Think about how you can/will assess candidates against the criteria, e.g. on-line tests, assessment centres. The Recruitment Team in the Employee Service Centre can provide advice and assistance with this.
- The Council has a competency framework, which sets out behaviours that support good performance as well as our organisational values. The competency framework should be referred to, identifying the competencies which are required within the role and which would therefore be incorporated into the person specification.
- The person specification should also include other competencies that are required to undertake the role effectively, qualifications and the nature of any previous experience which are necessary.
- Be prepared to make reasonable adjustments for people with a disability. Consider what adjustment might be made depending on the candidates disability
- Where a job involves working with children, young people and vulnerable adults, include reference to responsibilities for safeguarding and promoting the welfare of children, young people and vulnerable adults and that the jobholder is subject to the relevant statutory pre-employment checks, e.g. (CRB), ISA registration.
- Jobs graded at spinal column point 44 and above or those that regularly advise Council or Committees or which speak to the media on behalf of the Council are politically restricted. This restriction should be made clear in the specification and job description.

Guidelines on how to prepare job descriptions and person specifications, as well as example documents are provided in the guidelines on InSite.

3.4 Options for Filling a Vacancy

Apart from advertising a post, other options are available in finding a suitable post holder: -

- Providing a redeployment opportunity for an existing City Council employee in accordance with the established 'Redeployment Priority Order', which can be found on Insite through the following link ([Link to Redeployment Priority Order](#)). This should be considered in advance of advertising a post externally. The Council has a legal responsibility to redeploy staff at risk of redundancy to suitable alternative employment. Facilitating redeployment also assists the Council in managing costs arising from redundancy/early retirement
- Confirming a temporary employee in a role permanently, subject to them obtaining the temporary appointment via a competitive interview and satisfactory completion of a probationary period.
- Where a job-share role becomes vacant, offering the remaining hours to the other job-sharer.

- Offering the post to a candidate from a previous recruitment exercise to the role who was deemed to be appointable, having met the criteria for the role, by the recruiting panel. This should be within 12 months of the original recruitment process.
- Appointing a candidate from a generic recruitment or talent pool. This is where the Council runs a recruitment and selection process for generic posts, where continuous service delivery is important, or those with higher turnover rates. Successful candidates are then notified when a vacancy arises, having already been assessed as having met the requirements for the role.
- Where jobs are difficult to recruit to, a recruiting manager may wish to consider a range of options including growing talent by taking on an apprentice or graduate trainee, or recruiting from outside the EEA under the UK Border Agency's points-based system. Information on the provisions of these schemes or the conditions and criteria which apply to recruiting from outside the EEA, along with associated costs, are provided in briefing notes on In Site.

4. ATTRACTING APPLICATIONS

Advertising the vacancy internally and externally will generate interest from applicants. All vacancies will normally be advertised on the Council's website with links to specialised recruitment sites for local government, and through Jobcentre Plus. The Council's policy is normally to advertise externally, therefore use of local and/or national press and specialist professional magazines and websites should be considered. (Advertising in the local press may sometimes mean primarily using sign-posting adverts to the Council's web site.)

Sharing vacancy information with partner organisations of the Council, such as the PCT and Universities may also be appropriate ways of attracting suitable candidates.

Using careers fairs within the City, advertising vacancies within communities and/or providing pre-recruitment/skills development support for people within Leicester will help to improve diversity within the Council as well as support the objectives of One Leicester in terms of investing in skills and in communities.

Advertisements must be clearly written and must outline:-

- the requirements of the job
- the essential criteria to limit the number of inappropriate applications received
- salary and nature of the contract, e.g. part-time, temporary etc
- the role in a way that will appeal to all sections of the community by using positive visual images and wording

4.1 Information for Applicants

Applicants will be provided with information on a consistent basis within a recruitment exercise. As a minimum they will be provided with the application form, person

specification and job description, a copy of the advertisement and guidance notes. This will be available on-line or provided in paper-format when requested.

At each stage of the selection process candidates will be provided on a consistent basis with sufficient information to support them and inform them about the process.

4.2 The Application Form

Applicants are required to complete a competency-based application form in order to ensure that relevant information to make a short-listing and selection decision is provided. This process can also be conducted via a prearranged telephone interview.

The application form is customised to include the competencies required in the post concerned and any further criteria required, e.g. additional information required for posts working with children, young people and vulnerable adults. An example is provided as an Appendix/on In Site.

Applicants are able to track the progress of their application on-line or by contacting the Recruitment Team.

4.3 Late Applications

Normally the closing date for applications will be kept to. However, the selection panel may agree to accept late applications on an exceptional basis, maintaining a consistent approach.

4.4 Casual Enquiries for all Permanent, Temporary and Casual Posts

Casual enquirers will be informed that they will need to apply to advertised vacancies. They will be offered the opportunity of registering their interest in working for the Council on the Council's website so that they can be notified via e-mail when relevant vacancies are advertised.

5. SELECTION PANELS

The selection panel will comprise of at least two people and will be responsible for short-listing and selection decisions. The Chair of the panel will normally be the most senior officer on the panel.

The Chair of the panel must have been completed the Council's Recruitment and Selection course, or as a minimum, been provided with a briefing on the Council's Recruitment and Selection policy and relevant legal and procedural aspects from an HR or Training Manager.

The Chair has lead responsibility for the recruitment and selection process and will be the final arbiter where there is any disagreement amongst the selection panel.

A panel will consist of the most appropriate individuals. Having a balanced panel in terms of gender, ethnic origin, disability etc, is positive in representing diversity, however this is not essential as the priority is that membership of a panel is based on the contribution the

panel member can make, in terms of their knowledge of the role or service and/or their expertise/experience in recruitment and selection. A panel would typically therefore include the line manager and potentially their manager or alternatively an experienced senior professional or staff member in the most relevant service area.

All panel members will have a full role in the decision-making process. Panel members are equally responsible for ensuring decisions are made fairly and objectively, following the Council's policies and procedures in order to make the best decision on the best candidate for the post.

Panel members must declare to the Chair any conflict of interest regarding relationships with applicants as soon as they are aware of the situation and should stand down from the panel.

5.1 External Advisers and Partners

External advisers can provide a specialist, technical input to support the panel's decision-making process. Employees or Board Members of partner organisations of the Council may be invited to join a selection panel as appropriate to the nature of the role. As the appointment is to Leicester City Council, however, the short-listing and selection decisions will be the ultimate responsibility of Council employees and Members.

5.2 Member Panels

Where the vacancy is at or above 3rd tier, the selection panel will be a Member panel as set out in the Council's Constitution, advised by relevant officer(s). The Council will commission and work with a specialised recruitment agency to undertake an executive search to strengthen the pool of candidates from under represented employee groups.

Recruitment to posts below that level will be conducted by an officer selection panel.

Members on appointment panels will have been briefed in advance on the Council's Recruitment and Selection policy and relevant legal and procedural aspects by an HR or Training Manager. The appointment panel will be advised by a relevant Director or senior officer and an HR adviser.

6. SELECTING CANDIDATES

Selecting candidates involves two main processes: short-listing and assessing applicants in order to decide who should be offered a job.

6.1 Short-listing

The competency-based application form provides a mechanism for scoring candidates and deciding which candidates best meet the criteria on the person specification. A

manageable number of candidates should be selected for the next stage of the selection process, based on those who have best demonstrated meeting the criteria from the evidence provided on their application form. The panel should include desirable criteria as well as essential criteria in order to achieve a manageable number of short-listed candidates.

This process should be carried out in an objective and consistent way by at least one member of the selection panel. An example of a scoring sheet which panel members may wish to use is provided on InSite.

Disabled candidates who meet the essential criteria are guaranteed to be taken forward to the next stage of the selection process.

6.2 Selection Processes

The selection process filters applicants to the point that the person who best meets the criteria for the post can be identified and selected.

Assessment methods will measure candidates' abilities to meet the criteria for the post. A range of selection methods are available which will support this decision-making.

Examples of assessment methods available include:-

- psychometric ability tests and personality/work styles questionnaires – which can be completed on-line or in written formats
- group exercises
- presentations
- interviews – including telephone interviews for initial sifting
- in-tray exercises
- job simulation exercises where candidates carry out an activity required within the job
- written reports or job related exercises
- role plays
- work trials

Choosing which method(s) are most appropriate will depend on the competency or criteria being assessed and the nature of the role. The decision on which to include should be based on providing the best way of assessing a skill or competency in way which links to the nature of the job.

The Council's recruitment procedure provides flexibility in determining which selection methods are most suitable, but they should:-

- be relevant to the post
- assess performance in an objective way
- not unfairly disadvantage candidates because of their background or because of being external candidates
- be consistently applied to the candidate pool, except when making reasonable adjustments for applicants under the Disability Discrimination Act.

Assessment Centres are selection processes which include a number of different assessment methods to ensure that criteria are assessed in more than one way. They therefore provide a full range of information on candidates' ability to perform across different types of situation and assessment method and provide the most accurate prediction of candidates' future performance and potential. Their use is advisable in senior management roles, roles with significant impact on service users and where the impact of a poor selection decision is significant. They can also be appropriate for talent pools.

Further information on selection methods and assessment centres is available on Insite and advice can be sought from the Recruitment Team in the Employment Service Centre.

6.3 Disabled Candidates

At all stages within a recruitment and selection process, from the format of information being provided on vacancies to the arrangements for assessing candidates, reasonable adjustments should be made for candidates with a disability, as set out in the Disability Discrimination Act. Disabled candidates who meet essential criteria are guaranteed an interview.

6.4 Interviews

Interviews provide the selection panel with relevant information about the candidate's ability to do the job beyond that which is provided in the application form.

The interview will also enable the panel to clarify any discrepancies or gaps in employment history, which is particularly important when recruiting to posts involving working with children, young people and vulnerable adults.

From the candidate's perspective, the interview will provide an opportunity to find out more about the role, the service and the Council and will inform the candidate's decision as to whether they would want to accept the post if it was offered. The interview should therefore be arranged and conducted to promote the image of the Council as an employer and provider of quality services.

Interviews will be structured to ensure that questions are linked to identifying how well candidates meet the requirements for the role. Candidates are generally asked the same questions, but additional questions and probing are also necessary to ensure that a clear picture is provided of the candidate's ability to carry out the role and to cover issues which are specific to an individual. For example, in clarifying a discrepancy in the application form, or for seeking further information about a candidate's sickness absence history, as appropriate.

It is recommended that interviews are competency-based. This means that they include a structured series of questions aimed at eliciting information against specific job-related competencies and criteria, i.e. skills or behaviours found to be relevant to the job. Questions elicit specific examples from candidates, describing situations where they have

demonstrated the required behaviours or skills. These are probed to build up a picture of candidates' strengths and weaknesses against the criteria for the role.

Interview questions must be relevant to the vacant role and must avoid any questions that discriminate against candidates because of their gender, gender identity, age, ethnic origin, disability, religion/belief, or sexual orientation.

Panel members should make individual notes of the interview to support their decision-making and to maintain a record of the process. An example of a competency-based interview assessment record is provided as an Appendix/on In Site.

Further information is available on selection interviewing, including competency-based interviewing within the briefing notes on In Site and from the Recruitment Team in the Employment Service Centre.

6.5 Interview Expenses & Financial Assistance

Candidates attending interview may claim for reasonable expenses in line with the Council's policy. (Further details of this are in Section 6 of the Terms and Conditions of Employment, paragraph 6.4)

Financial assistance may be available to support successful candidates to relocate to the area. (Further details of the relocation policy are at Appendix B1 of the Terms and Conditions of Employment)

6.6 Other Documentary Evidence

At the interview stage, other documentary evidence should be asked for and checked and photocopied. Depending on the role, this may include:-

- Qualification certificates (originals)
- Driving licences (originals)
- CRB forms
- ISA Registration – from July 2010
- Identity checks
- Medical questionnaires
- Eligibility to work in the UK

The Recruitment Team in the Employment Service Centre can advise on these and agree with the Chair of the selection panel what support the Team can provide in checking and processing these documents.

6.7 Making the Selection Decision

Once all assessment and selection methods have been completed for all candidates, the selection panel will decide from all the information provided which candidate best meets the criteria for the job and should be offered the vacant post.

A verbal and written conditional offer may be made subject to appropriate pre-employment checks, but a formal offer appointment should only be confirmed when all relevant checks are complete and satisfactory.

The panel may wish to identify and agree a “hold” candidate – who was second strongest in terms of demonstrating their suitability for the role and whom the panel felt confident in appointing. This person can then be offered the vacancy if the candidate originally offered declined to accept the job, failed their probationary period or left the role within 12 months.

Second interviews may be considered if a panel is unable to decide whom to appoint.

If no-one is deemed appointable, then the panel will need to consider whether re-advertisement or a review of the job design is appropriate.

7. PRE-EMPLOYMENT CHECKS

Pre-employment checks will include reference checks and medical assessments as a minimum.

7.1 References

The selection panel should seek and refer to two references, at least one of which should be from the current or previous employer, if the candidate has been previously employed. References may be taken up, with candidate’s permission in advance. An offer may be made once one satisfactory reference has been received, where this is from the current or most recent employer.

Where recruitment is to a post involving working with children, young people or vulnerable adults, two references are required prior to an offer being made and these will need to be validated.

The Chair of the panel should liaise with the Recruitment Team in the Employment Service Centre to agree when and how references are sought and provided back to the selection panel.

Any issue or concern arising from a reference should be explored with the referee and/or the candidate, without breaching the referee’s confidence.

7.2 Medical Checks

A medical questionnaire is sent out to all interview candidates to complete and return when they attend for interview. Only the successful candidate will have their questionnaire processed, with the questionnaires of other candidates being destroyed.

7.3 Additional Checks

Depending on the nature of the role, some posts will require further checks, for example jobs working with children, young people and vulnerable adults and those which process bank information. These checks may include Criminal Records Bureau, Independent Safeguarding Authority checks and other checks. Further information is available from the Recruitment Team in the Employment Service Centre and on InSite.

8. RECRUITMENT DOCUMENTATION

The selection panel must ensure that notes are made to record short-listing and selection decisions, including candidates' performance in any assessment exercises or tests. These records may be required to demonstrate a fair and transparent process. All recruitment documentation should be returned to the Recruitment Team in the Employment Service Centre.

9. CONTRACTS OF EMPLOYMENT

The Employment Service Centre will produce and send out the contract of employment to the successful candidate, based on information provided by the Chair of the selection panel.

10. CONFIDENTIALITY

All recruitment documentation, e.g. application forms, interview and short-listing records, assessment records, references and medical information etc are confidential and all employees and Members involved in recruitment processes and having access to such documentation are required to maintain the confidentiality of the documents and the information they contain.

11. FEEDBACK

All applicants may receive verbal feedback on their application if requested. This should be provided or arranged by the Chair of the Recruitment Panel.

