



Leicester
City Council

SPECIAL MEETING OF THE CABINET

DATE: MONDAY, 16 AUGUST 2010
TIME: 1PM
**PLACE: TEA ROOM, TOWN HALL, TOWN HALL SQUARE,
LEICESTER**

Members of the Cabinet

Councillor Patel (Chair)
Councillor Dempster (Vice-Chair)

Councillors Bhatti, Dawood, Naylor, Osman, Palmer, Russell, Wann 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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Democratic Support,
Leicester City Council
Town Hall, Town Hall Square, Leicester LE1 9BG
Tel: 0116 229 8816/8809 Fax: 0116 229 8819
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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. Tweeting in formal Council meetings is fine as long as it does not disrupt the meeting. 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.

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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 Services 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 Services 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. CORPORATE CAPITAL PROGRAMME 2010/11, LOCAL ENVIRONMENTAL WORKS (LEW) PROGRAMME [Appendix A](#)

Councillor Osman submits a report which seeks approval of schemes for the 2010/11 Local Environmental Works (LEW) programme. Cabinet is asked to approve the recommendations set out in paragraph 2 of the report.

5. HIGHWAY CAPITAL MAINTENANCE SCHEMES 2010/11 [Appendix B](#)

Councillor Osman submits a report that seeks approval for funding for highway maintenance schemes in 2010/11 as detailed in the report. Cabinet is requested to approve the 2010/11 Highway Capital Maintenance funding of £1,065,000 and programme as detailed in Appendix 1 of the report.

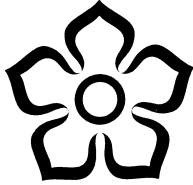
6. IMPACT OF GOVERNMENT CUTS TO 2010/11 FUNDING [Appendix C](#)

Councillor Patel submits a report which outlines the impact on the Council of the Government's cuts to 2010/11 funding and which seeks approval to the package of proposals to manage the cuts. Cabinet is asked to agree the recommendations in paragraph 2.2 of the report.

7. NEW INVESTMENT PROGRAMME IN THE MARKET AND LEISURE CENTRES [Appendix D](#)

Councillor Patel submits a report that proposes a new investment programme for the Market and for Leisure Centres utilizing resources currently available. Cabinet is asked to approve the recommendations set out in paragraph 3.2 of the report.

8. ANY OTHER URGENT BUSINESS



Leicester
City Council

WARDS AFFECTED
All Wards

Overview and Scrutiny Board
Cabinet

17th June 2010
16th August 2010

CORPORATE CAPITAL PROGRAMME 2010/11
LOCAL ENVIRONMENTAL WORKS (LEW) PROGRAMME

Report of the Strategic Director, Development Culture and Regeneration

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval of schemes for the 2010/11 Local Environmental Works (LEW) programme.

2. Recommendations

- 2.1 The Cabinet is requested to approve the 2010/11 LEW programme of £750,000 as detailed in Appendix 1 together with two additional schemes costing £240,000 pending approval if funding becomes available.
- 2.2 The Cabinet is requested to approve that the LEW programme may be varied by the Director of Regeneration, Highways & Transportation in agreement with the Cabinet Lead Member for Regeneration, Highways & Transportation.

3. Summary

- 3.1 This report details work items that are recommended for the 2010/11 LEW programme. The majority of the LEW schemes are small improvements requested by the residents and the ward councillors. They are listed in the attached Appendix 1 and not detailed in this report. However, major environmental improvements are proposed for Stephenson Drive, requiring substantial allocation of the programme funding, and they are detailed in this report.

4. Report

- 4.1 There is no specific definition for LEW but the budget for this programme is designed to cover a wide range of environmental improvements around the City, addressing a number of problems, needs and opportunities. Previously these have included the provision of a broad range of works such as:-
Laybys, Clearing up Untidy Land, Local Environmental Improvements, Bus Shelters, Improved Signing, Verge Hardening, Parking Areas, Minor Lighting Improvements, Parks and Green Spaces Improvements.

The majority of the LEW funding has usually been spent on the construction of laybys and verge hardening with comparatively small amounts spent on the other improvements detailed above. The works proposed in the 2010/11 programme have come from local ward members and residents and reflects their key local concerns, some of which go back many years. The LEW

programme is closely aligned with the emerging Neighbourhood agenda but is not a One Leicester or Local Transport Plan2 priority although it does achieve some of the objectives.

4.2 There have been requests from the Ward Councillors and residents to improve the poor condition of Stephenson Drive as part of the LEW programme for two main reasons:

a) Stephenson Drive is an important gateway to New Parks from the east. To deliver the vision of One Leicester it is essential that appropriate investment is made on this gateway to create a sustainable and confident environment. Stephenson Drive is a concrete surface road, which has rougher, noisier drive quality with the characteristic 'bump-bump' when driving/riding over it. This 'bump-bump' is due to the expansion/contraction joints that are needed on concrete roads. Concrete road surfaces are designed to last longer than blacktop road surfaces and should require fewer repairs during their life because of their rigid structure. Unfortunately the draw back of this is that it gives the impression that no maintenance is ever carried out on them. However all concrete roads are subject to the same planned and safety inspections as the other road types in the City and where identified repairs are undertaken.

b) Cars have been recorded as travelling at 70 mph along Stephenson Drive although it has a 30 mph speed limit and there are 2 schools nearby. It is therefore felt that as part of any environmental improvement scheme, traffic calming measures should be introduced to slow traffic down and enhance road safety. Any scheme would have to include additional works in Swannington Road to prevent rat running.

4.3 This LEW programme gives the opportunity to raise the quality of the environment along the length of Stephenson Drive. The budget estimate (excluding fees and service alterations) for the construction works is around £450,000. The estimate will be firmed up with the detailed design, which will be developed following the stakeholders consultation that is ongoing.

4.4 Housing Services also have an Environmental Works programme that is similar to the LEW programme and it gives a good opportunity for some joint funding and working to get the best possible improvements and make a significant difference to this area. They are funding a scheme (£92,800) to improve the housing frontages along Stephenson Drive.

4.5 Appendix 1 details the 2010/11 LEW programme estimated to cost £750,000 and includes criteria for scheme selection. Two additional schemes costing £240,000 are included as pending in Appendix 1 and will be constructed if funding becomes available. All the works will be completed by the 31st March 2011.

5. Financial and Legal Implications

5.1 Financial Implications

There is an approved budget in the Corporate Capital Programme 2010/11 of £750,000 for Local Environmental Works. Additional funding for the two

pending schemes will be considered when the effects of Government cuts on the Council has been determined.

Paresh Radia, Finance, Ext 29 6507.

5.2 Legal Implications

The City Council as Highway Authority has a legal duty to maintain highways and powers to improve highways. These scheduled works allow us to meet these responsibilities.

Jamie Guazzaroni, Legal Services, Resources, Ext 29 6350

5.3 Climate Change Implications

The schemes detailed in the LEW programme overall will probably lead to the increased use of cars by providing an increased number of parking places. However, the new railings and the cleaning of Hand Avenue underpasses should lead to more walking.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within the report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	Yes	The proposals will improve the quality of life in the outer areas of the City but lead possibly to increased car usage. Para 5.3
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Imp Act	No	

7. Background Papers - Local Government Act 1972

- Report to Cabinet 17th March 2008 entitled 'Capital Programme - Overall Strategy'.
- Report to Council 27th March 2008 entitled 'Capital Programme - Overall Strategy'.
- Report to Cabinet Lead Member 14th April 2010 entitled 'Draft Local Environmental Works Programme 2010/11'.

8. Consultations

- Finance Team
- Legal Services
- Staff in Regeneration, Highways and Transportation

9. Risk Assessment Matrix

	Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1	Weather Conditions	L	L	Plan works at appropriate times
2	Adverse comments from consultation with Local Residents and Pressure Groups	M	M	Project planning, ability to amend schemes
3	Conflict with other works e.g. Statutory Undertakers	L	L	Attend Coordination Meeting

L - Low L - Low
M - Medium M -Medium
H - High H - High

10. Report Author

Alan Adcock, Head of Highway Management
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E mail: alan.adcock@leicester.gov.uk

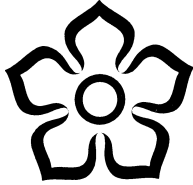
Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

Appendix 1

Ref	Location - Work Item	Ward	Requested by	Approx Cost	Criteria	Comments
1.	Stephenson Drive	New Parks	Ward Councillors and residents	450,000	Improve Local Environment Eastern gateway to New Parks Improve ride quality Reduce high traffic speeds and improve pedestrian safety. Joint Scheme with Housing	Excludes Statutory Undertakers costs. Consultation going ahead at present.
2.	Mere Road – Extending road hump ramps	Spinney Hills	Ward Councillors and residents	20,000	Reduce damage to vehicles Improve ride quality for buses, ambulances etc.	On site discussions about locations need to take place.
3.	Worthington Street - Removal of planters to provide additional car parking spaces	Spinney Hills	Ward Councillors and residents	45,000	Improve Local Environment Reduce pressure of local car parking Improve highway safety	Costs subject to underground services.
4.	Braunstone Lane Bridge - Removal of graffiti and repainting	Braunstone Park & Rowley Fields	Ward Councillors and residents	25,000	Improve Local Environment Reduce vandalism Remove local eyesore	Subject to agreed traffic management arrangements.
5.	Hand Avenue underpasses- cleaning and removal of graffiti	Braunstone Park & Rowley Fields	Ward Councillors and residents	20,000	Improve Local Environment Encourage walking Reduce vandalism and anti social behaviour	Cleaning of extensive graffiti and removal of damaged screens.
6.	Railing to Steps in Edgefield Close and benches around Hamilton Lake area	Humberstone and Hamilton	Ward Councillors and residents (petition)	10,000	Improve Local Environment Encourage walking Improve access for Elderly/Disabled persons. Make dangerous steps safe	Extent of works to be agreed with local Councillors and residents.
7.	Shaftesbury Avenue - Extending road humps ramps	Belgrave	Ward Councillors and residents	20,000	Reduce damage to vehicles Improve ride quality for buses, ambulances etc.	Raised by Belgrave Neighbourhood Association in recent patchwalk.
8.	381 –407 Braunstone Lane –	Braunstone Park & Rowley	Ward Councillors	30,000	Improve Local Environment Improve highway safety for local	Long standing complaint from residents who have to park on grassed area that regularly

	Hard surfacing and drainage to remove parking on verge	Fields	and residents		residents Remove large muddy area	floods
9	Northfield Garages, Wood Green Road	Charnwood	Ward Councillors and Planning	45,000	Improves Local Environment Reduce vandalism and anti social behaviour.	Total estimated cost, £55,000, £10,000 brought forward from 2009/10.
10.	Ashforby Street – Extending road hump ramps	Coleman	Ward Councillors and residents	20,000	Reduce damage to vehicles Improve ride quality for buses, ambulances etc.	Requests from Local residents. On site discussions need to take place
	Fees			65,000		
	Total			£750,000		
	PENDING					
11.	Down Street – widening of road for extra parking	Latimer	Ward Councillors and residents	165,000	Improves Local Environment Reduce pressure of local car parking Improve highway safety	Scheme to improve local environment and increase parking for residents
12	Charnwood Walk – Environmental works to improve area in front of shops.	Charnwood	Ward Councillors and residents	35,000	Improves Local Environment Reduce vandalism and anti social behaviour	Scheme to improve local environment in front of shopping area and Housing office and improve parking for residents and visitors.
	Fees			40,000		
	Total			£240,000		

APPENDIX B



Leicester
City Council

WARDS AFFECTED
All Wards

Special Meeting of the Performance and Value For Money
Select Committee
Cabinet

9th August 2010
16th August 2010

HIGHWAY CAPITAL MAINTENANCE SCHEMES 2010/11

Report of the Strategic Director, Development Culture and Regeneration

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for funding for highway maintenance schemes in 2010/11 as detailed in the report.

2. Recommendations

- 2.1 The Performance and Value For Money Select Committee is requested to note the report and submit any comments to Cabinet.
- 2.2 The Cabinet is requested to approve the 2010/11 Highway Capital Maintenance funding of £1,065,000 and programme as detailed in Appendix 1 of the report.

3. Summary

- 3.1 This report details the revised Highway Capital Maintenance funding for 2010/11 and the proposed highway maintenance schemes to be funded. Cabinet are asked to approve the programme of schemes detailed in Appendix 1.

4. Report

- 4.1 The last two winters have taken a severe toll on the condition of road surfaces in the City, many of which were already coming to the end of their useful working life. As a result, the number of roads that are severely potholed or have areas of significant surface failure has increased dramatically. There is no quick fix to this problem. The scale of the problem is such that it will require a sustained investment in the long term if the overall condition of the road network is to be improved. Coupled with the current pressures on public spending, the problem is a challenging one and Officers are exploring all road maintenance and treatment options in order to get the most out of the money available.
- 4.2 However, following a comprehensive review of planned expenditure over the last few months, £613,000 has been reallocated to highway maintenance

from the Transport Capital programme, £207,000 from the winter damage emergency funding from the Department of Transport (DfT) and £245,000 has been contributed from the City Council. This £1,065,000 funding will to be spent on highway maintenance this financial year at the locations detailed in Appendix 1. and is in addition to the existing highway maintenance repair revenue budget of circa. £700,000.

4.3 This funding will be targeted at those streets in the worst condition (see Appendix 2). The extra money will also enable officers to improve the road surfaces in a number of side streets as well, not just the more important commuter routes. Officers have already identified priority streets requiring urgent attention and have commenced preparations to undertake the work over the next few months. Inevitably, the roadworks will cause disruption to the public and we ask residents and commuters to bear with us whilst this work is underway. The long term strategy for road maintenance and the necessary funding is currently being assessed and the views of local residents will play a key part in this exercise. For example, the proposed works in Evington Road / Osmaston Road and the Belgrave Road / Ross Walk areas will include some minor repair work that would only be the start of remedial work. We would need to go forward with a long term programme for these streets over a number of years.

4.4 Appendix 1 details the proposed 2010/11 highway maintenance schemes. All the works will be completed by the 31st March 2011.

5. Financial and Legal Implications

5.1 Financial Implications

The £1,065,000 is made up of uncommitted capital maintenance funding of £613,000, £207,000 additional one off government winter damage emergency funding and £245,000 additional contribution from the Council's own funds.
Paresh Radia, Finance, Ext 29 6507.

5.2 Legal Implications

The City Council as Highway Authority has a legal duty to maintain highways and powers to improve highways. These scheduled works allow us to meet these responsibilities.

Jamie Guazzaroni, Legal Services, Resources, Ext 29 6350

5.3 Climate Change Implications

Low energy and recycled materials will be used where possible.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within the report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	Yes	Low energy and recycled materials will be used where possible

Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Imp Act	No	

7. Background Papers - Local Government Act 1972

8. Consultations

- Finance Team
- Legal Services
- Staff in Regeneration, Highways and Transportation

9. Risk Assessment Matrix

	Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1	Weather Conditions	L	L	Plan works at appropriate times
2	Adverse comments from consultation with Local Residents and Pressure Groups	M	M	Project planning, ability to amend schemes
3	Conflict with other works e.g. Statutory Undertakers	L	L	Attend Coordination Meeting

L - Low L- Low
M - Medium M -Medium
H - High H - High

10. Report Author

Alan Adcock, Head of Highway Management
Ext; 392042.
E mail: alan.adcock@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	No
Executive or Council Decision	Executive (Cabinet)

Appendix 1

2010/11 Highway Maintenance Programme

1. List of Proposed Schemes

	Cost (£000s)
i) Greengate Lane (Completed)	18
ii) Westcotes Drive (Completed)	20
iii) Avebury Ave (Completed)	13
iv) Gipsy Lane (Completed)	16
v) Rowlatts Hill Road - planned for August	14
iv) Fosse Road South (part) - planned for August	24
vii) Ethel Road	40
viii) Wakerley Road	5
ix) Coleman Road	35
x) Halifax Drive	25
xi) Humberstone Lane	80
xii) Fosse Road (second phase)	50
xiii) Pasley Road	50
xiv) Various streets in Abbey Ward (e.g. Marwood Road)	75
xv) Evington Drive	80
xvi) Saltersford Road	20
xvii) King Edward Road	20
xviii) Wenlock Way	40
xix) Principal Road - Joint Sealing programme	40
xx) Evington Road / Osmaston Road area (e.g. Rowsley Street, Sawley Street etc)	200
xxi) Belgrave Road / Ross Walk Area (e.g. MacDonald Road, Law Street etc)	200
Total	1,065

Appendix 2

TOTALS

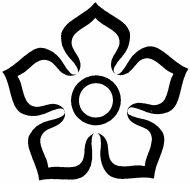
Total Inspected: **3461**

CONDITION SCORING 1-5

Carriageway			Footway		
Score	Count	Proportion of those scored	Score	Count	Proportion of those scored
1:	53	(1.83%)	1:	83	(2.45%)
2:	612	(21.10%)	2:	613	(18.06%)
3:	1330	(45.86%)	3:	1340	(39.48%)
4:	739	(25.48%)	4:	1020	(30.05%)
5:	166	(5.72%)	5:	338	(9.96%)
TOTAL:	2900		TOTAL:	3394	

Notes: The above table shows the Highway Condition scores for all of the City's roads and footways in 2009. Officers inspected all the roads and footways and gave them an overall score between 1 and 5 (a low score is good) based on the Coarse Visual Inspection (CVI) criteria. A score of 3 and above warrants remedial action. This is the basis of determining the roads in worst condition; further work on other criteria such as detailed inspections, number of complaints received etc is used to prioritise the roads in the worst condition.

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Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Performance & Value for Money Scrutiny Committee
Cabinet

9th August 2010
16th August 2010

Impact of Government Cuts to 2010/11 Funding

Report of the Chief Finance Officer

1. Purpose of Report and Summary

- 1.1. The purpose of this report is to outline the impact on the Council of the Government's cuts to 2010/11 funding and seek approval to the package of proposals to manage these cuts.
- 1.2. Addressing in-year spending cuts has been challenging, but this report proposes a balanced package of spending reductions supported by redirection of other funds to reduce the impact.

2. Recommendations

- 2.1 The Performance and Value for Money Select Committee notes the report and makes any comment to Cabinet.
- 2.2 Cabinet members are asked to:-
 - (a) note the £7.7m of in-year cuts imposed by the Government for 2010/11 and their impact;
 - (b) note that this is additional to reductions from other bodies such as EMDA, and that the position continues to change;
 - (c) approve the package of funding reductions and the use of £1.9m to mitigate the impact of the government funding cuts;
 - (d) approve the other measures described in this report to manage within reduced resources in 2010/11;
 - (e) approve the lifting of the moratorium on new spending commitments originally approved by Cabinet on the 12th July;

- (f) approve the transfer of certain uncommitted earmarked reserves to general reserves as described in paragraph 7;
- (g) Given the urgent need to implement reductions, agree to waive call in rights in accordance with Cabinet Procedure Rule 12 (d).

3. Summary

- 3.1 The Government announced a package of £6.2 billion of in-year cuts in public spending on 24th May. In a very unusual move, this included reductions to funding streams already announced for the current financial year. Almost a fifth of the reductions, £1.2bn, are to local government funding streams; in addition, there will be indirect effects on the Council from the cuts made to other bodies. Further reductions were announced on the 5th July and at the time of writing there are still some education grants at risk.
- 3.2 Total in-year cuts in grant received directly from Government amount to £7.7m. The scale of such in year funding cuts is unprecedented and has presented real challenges in managing these reductions. There remains risk over the Council's funding for certain education capital grants – Playbuilder and Surestart. In addition, the Council has very recently been advised that funding for integrated services in BSF secondary schools will be reduced by £1.5m.
- 3.3 In year budget cuts mean that for practical purposes the Council has very little time in which to consider how to respond. In the limited time available, we have endeavoured to go through as robust a process as possible, but options have been limited. The approach has been:-
 - to start with the assumption that cuts rest where they fall;
 - to test the assumption by assessing the impact, and consider whether other resources could be diverted. In particular, options have been evaluated so as to protect jobs and services as far as possible;
 - to recognize that we need to protect our position in respect of the longer term outlook for public finances, meaning it is unwise to consider measures such as diverting the Council's general reserves.

4. Report

Overview

- 4.1 The Government announced a package of £1.2 billion of in-year cuts to local government on 24th May. Further cuts have since been announced.
- 4.2 Formula grant (the main unringfenced grant that supports the revenue budget of local authorities) allocations will not be reduced in 2010/11. There are also no in-year reductions to schools' budgets.
- 4.3 The emergency national budget on 22nd June envisaged very substantial further cuts to public spending in the period 2011/12 to 2014/15. Other than education, a minimum of 25%

real terms cuts in grants to the Council are envisaged. It is estimated that real terms reductions in government grant will amount to £100m over the next four years.

- 4.4 Total in-year cuts in grant received directly from Government amount to £7.7m (so far). Details of the Government cuts are summarised in the following table:

	£000
Transport Capital	2,000
Children's Services Area Based Grant (ABG)	2,514
Working Neighbourhoods Fund - ABG	905
Other ABG	382
Business Growth	247
Planning Grant	225
Free swimming grant	267
Other Education Grants (est)	1,123
Total	7,663

- 4.5 Other funding bodies have also been affected by in-year budget cuts, and will be passing on these cuts to the projects they fund. These include:

- East Midlands Development Agency (EMDA) funding. Projects at risk include the Science Park project and the New Business Quarter.
- The Arts Council has had to cut its budget by £18 million; a 0.5% cut is being passed on to all regularly funded organisations and other projects. In Leicester, this will have a direct impact on funding for Curve (£10,000) and a small impact on the City Gallery.
- The Department for Culture, Media and Sport has also ceased funding for Find Your Talent (young people's arts and cultural projects) and whilst there is no direct financial impact for the Council, it will diminish the range of activities in this area. Funding for Renaissance in the Regions (a regional museums development programme managed by the Council) has been reduced by around £155,000 and this will reduce the number of projects in the region with an estimated loss to projects in Leicester of £10,000 to £30,000.

- 4.6 Since preparing these proposals, a further reduction of £1.5m has been made for integrated services in BSF secondary schools, which will reduce the scale of works in schools affected.

Our Approach

- 4.7 The Council's approach to managing these in year government funding cuts has been to seek to protect services and jobs as far as is possible, whilst recognizing the longer term outlook on public finances and the need to be adequately prepared for the significant challenges ahead.
- 4.8 The package of proposals in response to the funding cuts redirect some resources to help deliver priorities and mitigate the impact of significant reductions in transport and children's services. Full details of proposals are outlined below.

The Proposals

The implications and proposed actions to manage the Government cuts are:

4.9 Transport Capital

- 4.9.1 The total transport capital allocation has been reduced by £2 million in 2010/11. The main element of this has been a £1,390,000 cut in the integrated transport programme which represents a 25% cut in previously announced funding. Other cuts were £450,000 from the urban congestion fund and £80,000 each for road safety and the Primary Route Network bridges.
- 4.9.2 With regard to the integrated transport programme, the funding reduction of £1.39 million is proposed to be met primarily by deferring previously planned transport schemes and by an additional Council contribution of £280,000. A schedule of schemes deferred is shown in the following table. These schemes will be reviewed in 11/12 in the light of all priorities and the Government funding settlement for that year.

Scheme	Value £
Aylestone Old Mill Bridge – repair work will be deferred and the bridge closed to traffic	363,000
Melton / Troon junction improvement – preliminary design of scheme deferred	25,000
New Signing & Lining (Industrial Areas) – erection of direction signing and road marking deferred	30,000
Network Improvements (SCOOT etc.) – SCOOT is a tool for managing and controlling signals in urban areas. The on-going planned upgrade will be delayed.	50,000
Systems Integration / Upgrade – fibre optic network in Belgrave area	50,000
St. Nicholas Circle / Peacock Lane Pelican – scheme deferred	50,000
Level Access at Bus Stops – programme of introduction of raised kerbs at bus stops slowed	50,000
City Centre Bus scheme – preliminary design of city centre improvements forming part of the third local transport plan slowed down	400,000
Network performance monitoring server and CCTV camera upgrades – deferred	92,000
Subtotal – schemes which will be delayed	1,110,000

City Council Additional Contribution	280,000
Total	1,390,000

- 4.9.3 The cut in the urban congestion fund can be managed from uncommitted resources, as the expected allocation (dependent on performance against congestion targets) had not been allocated to schemes. However, the reduction in funding means that other improvements to relieve congestion such as extending quality bus corridors cannot now be funded. The Road Safety and Primary Route Network bridges grant funding reductions of £80,000 each will be met by not utilising the funding for additional schemes.
- 4.9.4 In addition to the reductions in capital resources, it is now projected (mainly due to the reduction in scheme expenditure) that there will be a revenue budget shortfall in internal design/supervision fees estimated at up to £0.5m in 2010/11. This is because there are less capital schemes for design teams to work on and charge costs to. This shortfall would increase (assuming a 30% reduction in future capital allocations, and no new Community Infrastructure Funding and/or New Growth Point Funding) to £1.5 million p.a. thereafter. Whilst the shortfall in the current financial year is planned to be met from savings in other revenue budgets, the 2011/12 and onwards shortfall can only be addressed by significant cuts to staffing of up to 15 posts.
- 4.9.5 There is an uncommitted balance of £820,000 within the capital maintenance programme from schemes which have been held back, particularly Abbey Lane resurfacing. To help address road maintenance issues an additional council contribution of £245,000 is proposed and a separate report is on your agenda outlining proposals for the transport capital maintenance programme.

4.10 Children's Services ABG

- 4.10.1 The Children's Services ABG allocation for 2010/11 has been reduced by £2.5m, a reduction of 24%, which is clearly significant. Given the scale of the reductions a number of options have been explored which seek to address the funding shortfall, whilst mitigating its impact on front line services. To mitigate this, the Schools Forum has agreed in principle to provide £0.75m, with the Council adding £1.05m from other sources. This leaves reductions to be found of £0.714m.
- 4.10.2 The approach to these reductions has been to identify uncommitted revenue budget growth in the current year that could be released, and to look to make savings in existing ABG projects which would have the least impact on key priorities. The proposals are:

	£000
Contributions from Other Funding Sources	
Schools Budget – Dedicated Schools Grant from earlier years <i>(approved in principle by the Schools Forum on 13th July)</i>	750
City Council Contribution	1,050
Subtotal	1,800

Revenue Budget Growth 2010/11 Uncommitted	
Primary School Children – Access to Laptops – reduced funding <i>(The One Leicester Commitment will be met by a targeted local pilot scheme complemented by the National Home Access Scheme)</i>	230
Data Capture, Management and Analysis <i>(First half year funding can be released as implementation delayed due to corporate review)</i>	50
Subtotal	280
ABG Reductions from Efficiencies, Vacancies, Early Termination	
National Strategy – early termination	51
Young People’s Substance Misuse – vacancies	41
Extended Rights to Free Transport – funding not required	10
Emergency Flexible Support Worker – deferred implementation	32
Grant to Connexions Service – efficiencies and prioritisation	300
Subtotal	434
Total Savings	2,514

4.11 Other Children’s Services Grants Reductions

4.11.1 In addition to the significant reduction to Children’s Services ABG allocation the Department for Education has announced a number of other grant reductions which have an impact on the Council. These reductions total £1.1m and will rest where they fall. The impact of these reductions are outlined below:

Playbuilder Revenue Grant

The £13,000 revenue grant to assist in the development of new play facilities has been removed. This reduction is small and will be managed within the overall resources available for Children & Young People.

Buddying 0 – 7 Pilot Project

The grant allocation of £115,000 has been reduced to £28,000, a reduction of £86,000, by funding ceasing at the end of June. The purpose of the funding was to enable staff in schools, other early years settings and childminders to work together more effectively, for example taking part in joint activities such as coaching and mentoring, shadowing and joint training. The cessation of funding will bring these initiatives to an early end.

Local Delivery Support Grant

This supports the infrastructure to deliver 14-19 reforms, including the development of diplomas, foundation learning and functional skills. The original grant allocation of £208,000 (in itself a significant reduction from 2009/10) has been reduced by £51,000, a 25% reduction. This will present a significant impact for the City, with challenges in maintaining the infrastructure within Children’s Services, the Secondary Education Improvement

Partnership and within secondary schools to support and develop these areas and to review the established plans.

Training Development Agency Grants

In 2009/10 the Council received £237k for training of teachers and support staff. This funds training and cover for school staff whilst being trained. Funding in 2010/11 has been reduced by £149,000, with the deletion of the support staff training grant and a reduced workforce grant. This will directly affect schools in that funding for training support staff and reimbursing schools is substantially affected. A plan of the activities that the reduced grant will support is being drawn up.

Extended Services Capital Grants

This grant relates to extending services for schools such as afterschool clubs and breakfast clubs and can include equipment purchase and building alterations. It is also planned to contribute to the development of Integrated Services Hubs in Leicester, with key links to the BSF programme to rebuild and refurbish secondary schools. The original allocation was £316,000 in 2010/11 (as part of a £1.5m programme from 2008-2011), but has been reduced by £172,000 and will result in reduced funding for new extended services facilities in schools and/or the Integrated Services programme.

Youth Capital Fund

This fund had been reduced by half to £105,000. It funds a range of projects across statutory and voluntary youth sector provision and allocations are made in partnership with young people. Existing commitments will be met by reprofiling some expenditure into the Youth Opportunities Fund, which was not fully committed, and from which the ringfence has been removed.

Harnessing Technology Capital Grant

This provides capital funding for schools' IT and is also used for City-wide work such as the broadband network for schools. The grant has been reduced by half (£547,000). There will be a direct impact on the allocation to schools, which were issued earlier in the year and will therefore need to be clawed back.

Co-location Fund

The co-location funding of £2.64m for the refurbishment of accommodation for vulnerable people at the YMCA's East Street centre will continue to be funded. However, the funding for developing Integrated Service Hubs in BSF secondary schools has been cut completely. The Integrated Services element of the co-location grant is now £1.7m, a reduction of £1.5m, which will be used to deliver the developments planned for non-schools sites (such as youth centres). This is a late announcement and not included in the table of £7.7m reductions.

Surestart and Playbuilder Capital Grants

The government is seeking savings on these two capital grants and has asked all councils for details of commitments. Information has been supplied and details of any grant reductions are awaited. There are some potentially significant implications for schemes that had reached an advance stage but which had not reached contract close.

Given the uncertainty around education capital growth, the Council proposes to provide a sum of £0.3m to mitigate the impact.

4.12 **Working Neighbourhoods Fund – ABG**

The Working Neighbourhood Fund (WNF) is a dedicated fund for local councils and communities to develop more concentrated, concerted, community-led approaches to getting people in the most deprived areas back to work. The Council's £9.2m allocation has been reduced by £905,000, a cut of 10%. This reduction will be met from the uncommitted balance on this fund.

4.13 **Other ABG**

Other ABG covers the following:

Supporting People Administration Grant

4.13.1 The supporting people administration grant funds 26% of the administration costs of managing the £13.7m supporting people programme, the remainder of administration costs (£413,000) are funded by the Council. All Government support (£146,000) for funding administration costs has been withdrawn. Given the scale of the reduction and the need to continue to manage this significant programme it is proposed to 'top-slice' the budget for supporting people activities (also funded by ABG) to cover the shortfall in the administration grant. This would reduce the amount spent on commissioning contracts for service users.

Prevent

4.13.2 Prevent aims to address the underlying causes of violent extremism. It builds on and is linked to local partners' wider work to create and support cohesive, resilient and empowered local communities. Funding of £350,000 has been reduced by £102,000, a 29% cut. There are sufficient unspent resources to manage this reduction in 10/11; however, it will reduce the planned carry forward of unspent grant to allow for spending on core Prevent work beyond March 2011 when funding ceases.

Road Safety Grant

4.13.3 Funding of £357,000 has been reduced by £95,000, a cut of 27%, and a capital grant of £80,000 has been lost entirely. The budget has sufficient unspent money to manage these reductions, but there will be a reduction in the number of new road safety cameras installed.

Home Office

4.13.4 Total funding of £495,000 is provided to address young people's substance abuse and to promote stronger, safer communities. This element of grant has been cut by £39,000 and

there is sufficient uncommitted spend to manage this reduction in year. However, this will reduce the money available to the Safer Leicester Partnership in commissioning services to achieve its objectives of reducing crime, developing stronger neighbourhoods & tackling the harmful effects of drugs and alcohol.

4.14 Business Growth Incentives (Local Authority Business Growth Incentives)

The Government had previously indicated that the Council would receive a payment of £247,000 related to growth in business rates as a consequence of local economic growth. The purpose of the scheme is to encourage local authorities in their local economic development activities by providing a financial incentive. Given the complex allocation methodology no payment had been budgeted for. However, the loss of the indicated payment clearly represents a loss of resources to the Council.

4.15 Housing & Planning Delivery Grant

4.15.1 The Government has announced that it will make no allocation for this grant in 2010/11. This grant was given for meeting service targets in the planning process, which are to be removed. £225,000 was budgeted in 10/11, which funds 6 establishment posts (planners). There is sufficient under-spend from the grant in 2009/10 to fund the posts in 2010/11, but this will require to be resolved for 2011/12 onwards.

4.16 Free Swimming

4.16.1 The Council currently receives grant of £267,000 (in 2009/10) to provide free swimming for over 60s and under 16s. Rather than the scheme continuing until March 2011, the Government has announced that this grant will now cease on 31 July.

4.16.2 Cabinet has already agreed to maintain the free provision for under 16s during August whilst schools are on holiday. This will cost an estimated £50,000 in lost income (August is the busiest month), and will be funded half by the Primary Care Trust and half by the Council. Free swimming for under 16s will cease at the end of August, but older people's free swimming will continue as previously. Should resources permit, Cabinet may wish to consider providing further support for free swimming in subsequent schools holidays.

5. Spending Moratorium

5.1 The spending moratorium on new commitments approved by Cabinet on 12th July can now cease, although given the future outlook on public spending care should be continued to be exercised in entering into new commitments that may limit the Council's flexibility to respond to the future challenges or may present additional spending pressures.

7. Other Matters

7.1 In order to provide the Council with some additional flexibility for the 2011/12 budget it is proposed to transfer the uncommitted balances of the following earmarked reserves to general reserves:

a) Savings from tree planting programme -	£50,000
(the programme to plant 10,000 trees can be completed	

without this money)	
b) Talk up Leicester reserve	£265,000
c) Uncommitted 2008/09 LABGI	£272,000
d) Uncommitted LPSA rewards	£900,000

8. Financial, Legal and Other Implications

8.1 Financial Implications

The report deals solely with the impact of the Government cuts in 2010/11 funding. In mitigating the in-year cuts Council resources have been redirected as follows:

	£000s
To support:	
Children's ABG reduction	1,050
Children's Services capital funding	300
Additional transport support - Integrated transport programme	280
- capital maintenance	245
Free swimming for school children in August	50
Total	1,925
Funded by:	
Removal of pay award provision and inflation contingency in 2010/11 budget	1,710
PCT contribution to free swimming	25
Other uncommitted funds (Chief Executive's initiatives reserve)	190
Total	1,925

It should be noted that on 26th July the unions wrote to register a formal dispute regarding the employers not making a pay offer for 2010/11 and they are seeking the matter to be resolved via ACAS. There is therefore a degree of risk that some pay award provision may be required for 2010/11, depending on how the formal dispute is resolved. Should this materialise, it is proposed to substitute funds described in paragraph 7 above.

8.2 Legal Implications (Peter Nicholls, Director of Legal Services)

Within the tight timescale imposed, Legal Services staff are working with the Chief Finance Officer and Directors to ensure that contractual and other legal consequences are minimised wherever possible.

Cabinet will also need to consider whether or not to waive call-in rights in accord with Cabinet Procedure Rule 12 (d).

8.3 Equality and Climate Change Implications

8.3.1 Equality

The Council is required to assess the impact of any proposed policies on race, sex and disability equality. There are no proposals currently identified which pose a high risk of serious adverse impact. The detailed Equality Impact Assessment for each proposal will be deposited in Member's Services prior to the cabinet meeting.

8.3.2 Climate Change

The only proposal contained within this report which has been identified at this stage as having the potential to reduce carbon relates to the Integrated Transport Programme. Some of the schemes contained within this programme would have contributed to reducing city-wide carbon emissions (by improving the flow of traffic and encouraging public transport use through improved routes), these reductions will now not occur which means that other actions will have to be identified if we are to meet our city-wide carbon reduction targets especially given that transport is already showing consistent increases in carbon.

Helen Lansdown, Senior Environmental Consultant - Sustainable Procurement

8. **Comments from Stakeholders**

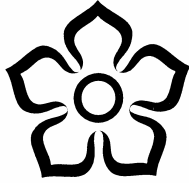
As already outlined in the report the Council has had very limited time in which to consider how to respond to the imposed cuts and it has therefore not been possible to undertake a normal process of consultations with stakeholders. Briefings have been provided on the proposals contained in this report with key parties such as the trade unions. Any comments received will be made available prior to when Cabinet meets.

9. **Report Author**

9.1 Julian Allen / Mark Noble
Chief Finance Officer

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)

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Leicester
City Council

Performance & Value For Money Select Committee
CABINET

9 AUGUST 2010
16 AUGUST 2010

NEW INVESTMENT PROGRAMME IN THE MARKET AND LEISURE CENTRES

Report of the Chief Finance Officer

1. Purpose of Report

- 1.1 The purpose of this report is to propose a new investment programme for the Market and for Leisure centres utilizing resources currently available.

2. Summary

- 2.1 This report proposes a new investment programme for the Market and for Leisure Centres, to be funded mainly by redirecting additional resources originally allocated for the introduction of new personal care legislation which will not be required in 2010/11.

3. Recommendations

- 3.1 The Performance & Value for Money Select Committee is asked to note the report and provide any comments to Cabinet.
- 3.2 Cabinet is asked to:
- (a) Authorise an additional £600,000 capital expenditure in 2010/11 for Market improvements as set out in this report.
 - (b) Authorise an additional £308,000 capital expenditure in 2010/11 for minor works at leisure centres as set out in this report.
 - (c) Add these schemes to the capital programme.

4. Report

4.1 It is proposed to invest in the market to try to address the trend of its trade decline, and in addition a number of minor improvements to leisure centres have been identified. Following the deferral of the Personal Care at Home Bill, there is now scope to redirect the funding provision within the revenue budget to finance the proposed one-off improvements. Details of the proposed works are outlined below.

4.2 Market Improvement Scheme £600,000

4.2.1 A potential market improvement scheme estimated to cost £600,000 has been identified to improve the appearance and trading environment of the Market. This is intended to address the trend of trade decline, and form a first phase of a comprehensive future development scheme (should resources be available). The proposed improvements would however be of significant benefit whether or not a phase 2 scheme follows.

4.2.2 In summary, it is currently envisaged that the proposed scheme would include:

- The selective removal of the canopy to the North side (Gadsby side) of the Corn Exchange, installation of services and potential purchase of demountable stalls for the new space, to create a more flexible, vibrant and customer friendly trading environment, building on the success of the recent Food and Drink Festivals, estimated at £495,000.
- Environmental improvements related to the general market, canopy, signage and street furniture estimated at £40,000.
- Implementation of waste management operation after current trial estimated at £15,000
- Preparation of a comprehensive redevelopment scheme by the end of the year. estimated at £50,000.

4.2.3 The exact nature of the work will be finalised after consultation with market traders and other key stakeholders.

4.3 Improvements in Leisure Centres £308,000

The need for improvements at Leisure Centres has been prioritised by officers, and works are required at four of them. The details of the proposed works are as follows:

4.3.1 New Parks Leisure Centre

- Replace broken and outdated cubicles and lockers in swimming pool changing areas. £65,000

- Purchase of new equipment for extended gym. £40,000

4.3.2 Leicester Leys Leisure Centre

- Signage from the car park to the leisure centre with improved lighting and Braille signage within the centre £25,000.
- Replacement of broken water features in the main pool £25,000.

4.3.3 Cossington Street Sports Centre

- Repaint the sports hall and changing rooms £20,000
- New gym equipment £20,000
- New external signage £8,000
- Retiling of the pool and changing areas £60,000

4.3.4 Spence Street Sports Centre

- Refurbishment of changing rooms £25,000
- New Flooring and refurbished equipment in the gym £20,000.

5. FINANCIAL , LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

The total cost of the works to the market is estimated at £600,000 and that at the leisure centres is estimated at £308,000, making a total cost of £908,000. It is proposed to fund these works from savings within the revenue budget resulting from the deferral of the free personal care at home bill. There is provision of £850,000 within the 2010/11 revenue budget which can be redirected. The balance of £58,000 will be found from the £2.6m resources currently set-aside for the 2011/12 capital programme.

5.2 Legal Implications

The recommendations do not give rise to any immediate legal implications. Legal services will be fully involved as this project develops.

Peter Nicholls - Director Legal Services

5.3 Climate Change Implications

The report does not contain any significant climate change implications and therefore should not have a detrimental effect on the Council's climate change targets. Some of the proposed refurbishment work may have a carbon impact (e.g. new lighting and gym equipment) but it is not anticipated that this would result in a significant increase in carbon emissions.

Helen Lansdown, Senior Environmental Consultant

6. Other Implications

Other Implications	Yes/No	Paragraph References
Equal Opportunities	Yes	The proposed provision of Braille signage at Leicester Leys Leisure Centre will improve provision for blind people.
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	
Corporate Parenting	No	
Health Inequalities Impact	Yes	Improvements to Leisure Centres should increase opportunities for disadvantaged groups to keep fit

7 Background Papers – Local Government Act 1972

n/a

8 Consultations

8.1 Officers responsible for the market and sports have been consulted on the report.

9. Report author

Nick Booth
Principal Accountant
x297460
29 July 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	No
Executive or Council Decision	Executive (Cabinet)

RISK ASSESSMENT MATRIX

No.	Risk	Likelihood (L/M/H)	Severity Impact (L/M/H)	Control Actions (if necessary / or appropriate)
1	Overspending on a scheme	M	L	Robust financial management of the outturn of schemes. Review and stop, if possible, any non-essential works on schemes.
2	Slippage	H	L	Robust profiling of expenditure on schemes where possible. Monthly progress meetings and regular reports to Members through the Capital Monitoring reports.
3	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.

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