Leicester
City Council

MEETING OF THE HEALTH AND WELLBEING SCRUTINY COMMISSION

DATE: **WEDNESDAY, 20 JANUARY 2021**

TIME: **5:30 pm**

PLACE: **Zoom Meeting**

Members of the Commission

Councillor Kitterick (Chair)
Councillor Fonseca (Vice-Chair)

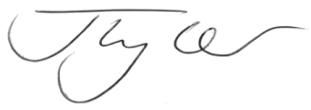
Councillors Aldred, Chamund, March, Dr Sangster and Westley

1 Unallocated Non-Group place.

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

Standing Invitee (Non-voting)

Representative of Healthwatch Leicester



For Monitoring Officer

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Information for members of the public

PLEASE NOTE *that any member of the press and public may listen in to this 'virtual' meeting on Zoom through YouTube at the following link:*

https://www.youtube.com/channel/UCddTWo00_gs0cp-301XDbXA

Members of the press and public may tweet, blog etc. during the live broadcast as they would be able to during a regular Commission meeting at City Hall.

It is important, however, that Councillors can discuss and take decisions without disruption, so the only participants in this virtual meeting will be the Councillors concerned, the officers advising the Commission and any external partners invited to do so.

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Further information

If you have any queries about any of the above or the business to be discussed, please contact: Jason Tyler**,** Democratic Support Officer on (0116) 454 6359 or email jason.tyler@leicester.gov.uk

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

USEFUL ACRONYMS RELATING TO
HEALTH AND WELLBEING SCRUTINY COMMISSION

Acronym	**Meaning**
ACO	Accountable Care Organisation
AEDB	Accident and Emergency Delivery Board
BCF	Better Care Fund
BCT	Better Care Together
CAMHS	Children and Adolescents Mental Health Service
CHD	Coronary Heart Disease
CVD	Cardiovascular Disease
CCG	Clinical Commissioning Group
LCCCG	Leicester City Clinical Commissioning Group
ELCCG	East Leicestershire Clinical Commissioning Group
WLCCG	West Leicestershire Clinical Commissioning Group
COPD	Chronic Obstructive Pulmonary Disease
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation
DAFNE	Diabetes Adjusted Food and Nutrition Education
DES	Directly Enhanced Service
DMIRS	Digital Minor Illness Referral Service
DoSA	Diabetes for South Asians
DTOC	Delayed Transfers of Care
ECS	Engaging Staffordshire Communities (who were awarded the HWLL contract)
ED	Emergency Department
EDEN	Effective Diabetes Education Now!
EHC	Emergency Hormonal Contraception
ECMO	Extra Corporeal Membrane Oxygenation
EMAS	East Midlands Ambulance Service
FBC	Full Business Case
FIT	Faecal Immunochemical Test
GPAU	General Practitioner Assessment Unit
GPFV	General Practice Forward View

HALO	Hospital Ambulance Liaison Officer
HCSW	Health Care Support Workers
HEEM	Health Education East Midlands
HWLL	Healthwatch Leicester and Leicestershire
ICS	Integrated Care System
IDT	Improved discharge pathways
ISHS	Integrated Sexual Health Service
JSNA	Joint Strategic Needs Assessment
LLR	Leicester, Leicestershire and Rutland
LTP	Long Term Plan
MECC	Making Every Contact Count
MDT	Multi-Disciplinary Team
NDPP	National Diabetes Prevention Pathway
NICE	National Institute for Health and Care Excellence
NHSE	NHS England
NQB	National Quality Board
OBC	Outline Business Case
OPEL	Operational Pressures Escalation Levels
PCN	Primary Care Network
PCT	Primary Care Trust
PICU	Paediatric Intensive Care Unit
PHOF	Public Health Outcomes Framework
QNIC	Quality Network for Inpatient CAMHS
RCR	Royal College of Radiologists
RN	Registered Nurses
RSE	Relationship and Sex Education
STI	Sexually Transmitted Infection
STP	Sustainability Transformation Plan
TasP	Treatment as Prevention
TASL	Thames Ambulance Services Ltd
UHL	University Hospitals of Leicester
UEC	Urgent and Emergency Care

PUBLIC SESSION

AGENDA

LIVE STREAM OF MEETING:

A live stream of the meeting will be available on the link below:

https://www.youtube.com/channel/UCddTWo00_gs0cp-301XDbXA

1. APOLOGIES FOR ABSENCE

2. CHAIR'S ANNOUNCEMENTS

3. DECLARATIONS OF INTEREST

Members are asked to declare any interests they may have in the business on the agenda.

4. MINUTES OF PREVIOUS MEETING **Appendix A (Pages 1 - 12)**

The Minutes of the meeting held on 16 December 2020 are attached and the Commission is asked to confirm them as a correct record.

5. PETITIONS

The Monitoring Officer to report on the receipt of any petitions submitted in accordance with the Council's procedures.

6. QUESTIONS, REPRESENTATIONS, STATEMENTS OF CASE

The Monitoring Officer to report on the receipt of any questions, representations and statements of case submitted in accordance with the Council's procedures.

7. COVID19 UPDATE

The Director of Public Health will provide a verbal update on the latest position.

8. VACCINATIONS - FLU AND COVID19

Appendix B (Pages 13 - 20)

The CCGs submit two papers, which provide an update on the uptake of the flu vaccination programme 2020/21 with a focus on Leicester City and an update on the development of the National Covid-19 vaccination programme and progress across Leicester Leicestershire and Rutland.

9. HEALTH AND SOCIAL INEQUALITIES RELATING TO THE COVID-19 PANDEMIC

Appendix C (Pages 21 - 48)

The Director of Public Health submits a report, which provides an overview of the health and social inequalities related to the Covid-19 pandemic.

10. DRAFT REVENUE BUDGET 2021-22

Appendix D (Pages 49 - 88)

The Director of Finance's report to Council, which will consider the City Mayor's proposed budget for 2021/22 and medium-term projections up to 2024 is submitted for comment on public health items related to the portfolio of this scrutiny commission.

11. ANY OTHER URGENT BUSINESS

Leicester
City Council

Minutes of the Meeting of the
HEALTH AND WELLBEING SCRUTINY COMMISSION

Held: WEDNESDAY, 16 DECEMBER 2020 at 5:30 pm

P R E S E N T :

Councillor Kitterick (Chair)
Councillor Fonseca (Vice-Chair)

Councillor Aldred Councillor Chamund
Councillor March Councillor Sangster
Councillor Westley

In Attendance:

Councillor Dempster, Assistant City Mayor - Health

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11. APOLOGIES FOR ABSENCE

There were no apologies for absence.

12. CHAIR'S ANNOUNCEMENTS

The Chair referred to the principal item of business as the reconfiguration proposals, and advised he intended to structure the item under themes. He asked that members of the public's questions would be taken out of order and submit supplementary questions relating to each theme.

Questions from Mr Ambrose Musiyiwa were received and in his absence, it was noted that written answers would be provided prior to the next meeting.

13. DECLARATIONS OF INTEREST

There were no declarations of interest.

14. MINUTES OF PREVIOUS MEETING

AGREED:

That the Minutes of the meeting of the Commission held on 6 October 2020 be confirmed as a correct record.

15. PETITIONS

The Monitoring Officer reported that no petitions had been submitted in accordance with the Council's procedures.

16. QUESTIONS, REPRESENTATIONS, STATEMENTS OF CASE

The Monitoring Officer reported that eight Questions had been received in respect of the reconfiguration consultation and in consultation with the Chair these had been listed for consideration at that item.

17. UHL RECONFIGURATION CONSULTATION

The Chair referred to his comments made at the earlier item "Chair's Announcements" where it had been explained that discussion on this item would be structured into themes.

The Chair invited Andy Williams, Chief Executive Officer of the Clinical Commissioning Groups (CCG) in Leicester, Leicestershire And Rutland to address the Commission and submit the report at "Building Better Hospitals for The Future'". The report responded to questions previously raised by the Commission on the plans to reconfigure Leicester's hospitals.

As recorded in the previous item, eight questions had been received and responses to those questions had been be provided by the University Hospitals of Leicester (UHL)/CCGs prior to the meeting. It was noted that those public questions would be considered out of order listed in the agenda, and that supplementary questions following the written responses would be allowed.

The Chair further referred to the discussion at the Joint Health Overview Scrutiny Committee (HOSC) meeting held on 14 December 2020 and commented that this reinforced the need to consider the issues in the following themes:

a) UHL reconfiguration consultation

Sally Ruane was invited to address the Commission and ask her supplementary question following the written response received.

She asked for details on how many residents had requested copies of the consultation document, how many had engaged in the process, and what affect

this had on staff time and resources, including the how much the consultation had cost.

It was suggested that a written response be forwarded by the CCG via Richard Morris, Director of Operations and Corporate Affairs, NHS Leicester City CCG.

The Vice Chair commented on the consultation process and welcomed the use of social media; however, it was considered that there remained some hard to reach sections of communities in the city that had not engaged in the consultation.

This was recognised by the CCG and it was confirmed that multi-language information had been offered and various other methods of reaching all ethnicity and geographical groups across the city's demographic had been undertaken.

It was reported that engagement with voluntary services groups to encourage responses to the consultation included: the South Asian Health Association, Age UK, the Council of Faiths, other Faith leaders across the city, the LGBT Centre, Project Polska, Sharma Womens Centre, and the Somali Development Services.

In respect of the data submitted at the recent Joint HOSC meeting, the Chair asked for clarification of the numbers of responses already received as this seemed unfeasibly high. It was agreed that details of the analysis from Google Analytics could be provided to the scrutiny commission.

b) Maternity Services

Robert Ball was invited to address the Commission and ask a supplementary question following the written response received.

He commented that there were risks to proposing that all hospital births would be in one building, given likely increased pressure and congestion on the road network. It was also noted that this issue had not been included on the risk register associated with the reconfiguration plans.

Brenda Worrall was invited to address the Commission and ask a supplementary question following the written response received.

She referred to the prospect of the loss of the provision of a standalone midwifery birth centre, commenting that guidelines suggested that four levels were required.

Jill Friedman had not been able to join the meeting. The Chair commented that her question concerned the issues raised by Robert Ball.

The UHL/CCG were asked to respond.

It was reported that the proposals to improve maternity services represented the culmination of extensive work over a number of years across many national, regional and local stakeholders.

It was considered that the issues raised concerning the buildings did not provide a risk as the situation was divided into separate components of clinical care and estates management. It was clarified that if one or other of these became dysfunctional the other would be severely affected. It was therefore considered that there was no practical risk to siring maternity services in one building.

It was also noted and accepted that although predictions on infrastructure were unclear, buildings and facilities management policies were robust to minimise impacts. It was also noted that liaison with emergency planning across many sectors continued.

In terms of the standalone unit, it was reported that it was clear from earlier conversations with regard to the reconfiguration plans that stakeholder consultation on all options were essential to the process. It was noted that the longer-term plans and the realistic and proper use of resources meant that a desire to justify the facility was required to prove cost effectiveness.

In response to questions put by members of the Commission it was clarified that in terms of bed numbers, and choices in maternity services, there was not an assumption that new mothers wanted to return home quickly. The model of care and advice was seen to be appropriate without undue pressure being applied.

The Chair commented on the debate at the Joint HOSC on Monday 14 December and referred to the issues of service provision being aligned to the testimony of people that had used them. In this regard it was suggested that the 12-month review proposed seemed restrictive, and this could affect any future decisions. A suggestion to have a longer review period beyond a year was supported.

c) <u>Buildings/Planning/Use of Land</u>

Robert Ball was invited to address the Commission and ask a supplementary question following the written response received.

In viewing the Building Research Establishment Environmental Assessment Method (BREEAM) rating for the new buildings, he expressed disappointment the proposals were designated as excellent and not outstanding. He advised that in view of predicted climate change and drought, the higher designation of outstanding should be the ambition.

Jean Burbidge was invited to address the Commission and ask a supplementary question following the written response received.

In respect of the budget costs of the business case and the risk of cost overrunning, as detailed in the risk register it was expressed that the website details were difficult to navigate. Clarification of the use of the revenue from the sale of land was requested. This was linked to the possible need to cover finance required to deal with any future pandemics.

Indira Nath was invited to address the Commission and ask a supplementary question following the written response received.

She expressed thanks to the NHS partners for reinstating the benefits of the proposals but commented on the short term and inadequate planning in terms of future bed numbers. She requested thjat further details be provided regarding the planning for extra bed wards as the current proposals did not indicate a strong need for expansion.

In terms of the BREEAM ratings, concern was expressed regarding the proposal to allow assessments to the spring of 2024, as this was considered potentially problematic requiring a longer timeline

In discussing the detail of the process and particularly the links to the Council's Planning Department, it was considered by the Commission that the strength of conditions intended to be applied to ensure that a proportion of new housing could be used for key workers required further clarification.

Comment was also made on other future housing developments and the appetite for applications being pursued for S.106 monies, where the actual funding was questioned. It was reported that finance had been received from recent large housing developments in the County and the Chair requested confirmation of the situation in due course. It was agreed that this information would be circulated to Members of the commission.

In respect of the plans for investment in modernisation it was reported that this was more than simply creating additional beds and that the proposals were concerned with correcting decades of capital underinvestment.

The UHL/CCG were asked to respond.

In terms of the building design and functionality it was noted that the BREEAM, as the recognised worldwide method to assess buildings had been utilised. The highest rating was confirmed as 'outstanding' and the proposals within the consultation were classified at one rating below at 'excellent'. The constraints in renovating and improving existing buildings was accepted, as the opportunity to develop a new site was impossible.

In respect of the use of revenues received and pandemic proofing, it was reported that this had not yet been determined and although no specific guidance in this area was currently available, information and data across the UK was being shared.

In response to questions from the Chair it was clarified that the likely revenue from the sale of land would be dependent on its proposed future use in the Local Plan. It was confirmed that the land could not be held on to one redundant as a hospital.

Concern was expressed that the substantial revenue likely to be received may not be used for a capital project which would benefit the city and be absorbed into NHS revenue expenditure.

It was therefore recommended that the sale of the General Hospital site should be decoupled from the consultation proposals.

d) Community Provision

Caroline Moles was invited to address the Commission and ask a supplementary question following the written response received.

Reference was made to the proposed shift of care from hospitals to community settings, which although had merit could only be effective if investment in those community facilities was increased. A commitment was sought that the proposals were not simply an attempt to achieve savings.

Tom Barker was invited to address the Commission and ask a supplementary question following the written response received.

He commented that he felt the written answer received in response to his questions was inadequate and therefore reiterated his concerns regarding community provision and the artistic impression of the proposed 'Leicester General Hospital Community Hub'.

The UHL/CCG were asked to respond.

It was reported that the shift to secondary care would provide focus and although savings had been outlined in the business case there would not be reduction in funding to those services. It was emphasised that funding of secondary care and community services would increase year on year.

In terms of the images of the Community Hub it was accepted that at this stage the intention was to show a very early representation of a typical building but should not be seen as including any definitive details.

The Chair referred to the issues experienced by him and other Ward Councillors concerning access to GP services and appointments. It was noted that this had led to scepticism and mistrust in the proposals concerning the future of community provision.

In conclusion and confirming the next steps it was confirmed that the consultation would close on 21 December 2020 and results of the process would be considered during February 20201 by the CCGs. An update would be provided to the Commission in due course.

It was AGREED:

1) A written response on the number of paper copies of the consultation requested and disseminated and the cost of the consultation be provided to Sally Ruane and Members of the Commission by Richard Morris.

2) Information on the contributions received via Section 106 funding be provided to Members of the Commission.

3) To note the BREEAM excellence initiative, subject to concerns regarding the planning of the project to the spring of 2024.

4) To recommend that the proposed sale of the General Hospital site be decoupled, from PCBC given that the site and future advantage would be lost and regretted in any later advanced strategic planning options.

5) To recommend that in respect of maternity services the 1-year review period be extended and the suggestion of a 3-year review be supported.

6) That there was concern at the lack of detail of the community provision as part of the proposals and this needed to be addressed.

18. COVID19 UPDATE

The Chair opened the item and asked for specific developments on priority areas of protection rates and tiers, lateral flow, and progress with the vaccination programme.

The Director of Public Health provided headline key messages. In terms of infection rates, the city had been in the highest region for some time, however rates had recently fallen, and the current rate was 255 per 100,000. It was noted that in context, some weeks ago the rate was 438. In broader context Leicester currently stood at around the 58th highest area, due to the increase in rates in the south and east coast. It was confirmed that there would be further updates in due course.

As figures were now plateauing since the first spike it was reported that currently at 8% of testes were positive, showing a fall. It was clarified that although this was initially significant regionally, the rate was below that in London but higher than the average for both the East and West Midlands.

In respect of the lateral flow and devices it was noted that the door to door testing activity was continuing, utilising tests that were well known with high

specificity and lateral flow. It was reported that some press reports stating that results would be received within an hour had caused concern and had been treated with caution. It was clarified that from the public health viewpoint, the tests were not seen as reliable as PCR tests, so could only be used to give a good indication, with encouragement for a repeat test. Details of the testing centre at Fosse were confirmed.

In relation to vaccinations, it had been emphasised that it was the responsibility of the NHS and the Council only offered its support to the track and trace and contact tracing initiatives. The system therefore had limitations and the current vaccine was fragile due to the constraints of its storage and transportation. It was noted that a further AstraZeneca option was being developed and details would be known soon.

The Chair thanked the Director for the update and then opened the debate to questions.

Councillor Sangster asked how many of the city's population had been tested and what was considered a low rate of infection.

In response it was estimated that over 130,000 people had been tested and the exact figures would be supplied separately. It was noted that the original lockdown had been called after a recording of 135 per 100,000, therefore a figure below that could be considered as low. At present the national figure was 184 per 100,000 taken as an average and the city was 255. It was confirmed that Government meetings were ongoing to look at future tiers and announcements would be made shortly.

Councillor Sangster also commented that there was some reluctance in the health service for staff to take the current vaccine. She asked what as a Council we could do in response and how could support the broader community.

The Director advised that some misinformation has been shared and emphasised that reliable information was necessary for the public to make choices. In terms of the difficult to reach areas it was reported that an approach arising from the testing initiatives to provide a point of clear information would be continued, as was used for other areas of NHS support.

AGREED:

That the update position be noted, with a request for further reports in due course.

19. SCOPING DOCUMENT FOR SCRUTINY REVIEW - BLM AND NHS WORKFORCE

The Scrutiny Review Scoping Document titled; "The experience of black people working in health services in Leicester and Leicestershire" was presented, for endorsement.

In terms of the rationale it was reported that the recent Black Lives Matter movement together with the disproportionate effect COVID19 has had on ethnic minority groups, specifically people of Black heritage, had highlighted the inequalities Black people face in their day to day lives.

Whilst nationally the NHS had set up the NHS Race and Health Observatory and has the Workforce Race Equality Standard (WRES), Commission would like to explore the picture locally. This would consider any the employment trajectories, outcomes as well as the disciplinary practices experienced by black people while working across the health sector in Leicester and Leicestershire.

The Vice Chair suggested that in respect of the gathering of evidence there was a need to include carers and pharmacists and any other relevant contributors. This suggestion was accepted by the Commission.

AGREED:

That the rationale of the Scoping Document be approved.

20. CLOSE OF MEETING

The meeting closed at 8.00 pm.

Minutes Addendum – Questions.

Further to the Minutes of the previous meeting, the CCG have provided some more detailed information on the total consultation promotion budget, the number of people who have requested/completed an offline paper response and the number of people supported to complete the survey by telephone, as detailed below:

Total cost of consultation promotion:

The Clinical Commissioning Group spend on the promotional activities for the acute and maternity reconfiguration was £227,181.60. This expenditure included

- Commissioning voluntary and community organisations to reach out to seldom heard and often overlooked communities
- Extensive advertorials across local newspapers, community magazines and newsletters, commercial and community radio stations and targeted TV advertising
- Extensive utilisation of social media, including paid for advertising to target Facebook, Instagram, Snapchat and Twitter and Google users
- Production of information materials including videos and printed information including summary document, leaflet, posters and production of information in different formats/languages
- Development of web pages on existing website
- Distribution of leaflets, summary documents, banners and posters to locations across Leicester, Leicestershire and Rutland

Number of people who have responded to the consultation by means other than the online survey, including by requesting paper copies:

The detailed evaluation and analysis are currently being undertaken which will provide a verified figure of people who responded to the consultation other than using the online survey. This includes verifying all the responses produced via by the voluntary and community sector, Healthwatch organisations and social enterprises companies through their offline work. However, a provisional and conservative figure currently stands at 565 offline responses. When the full analysis and evaluation is complete, and the final report has been received we will be able to provide verified figures for all off-line activities.

Number of people supported to complete the survey by telephone:

Through the advertised telephone number for the consultation we received 103 calls from people specifically asking for a copy of the paper survey to be posted to them or asking for a telephone interview to support them to complete the questionnaire.

Appendix B

Leicester City Clinical Commissioning Group
West Leicestershire Clinical Commissioning Group
East Leicestershire and Rutland Clinical Commissioning Group

Flu Vaccination Programme Update

Purpose

1. As mentioned in previous reports, now more than ever before it is important to maintain high vaccination coverage. However the delivery of this year's programme is more challenging because of the impact of COVID-19.

2. The purpose of this paper is to provide an update on the uptake of the Leicester Leicestershire and Rutland flu vaccination programme 2020/21 with a focus on Leicester City.

3. Data is taken from the IMMFORM national database. It should be noted that practice level data from IMMFORM cannot be shared in the public domain due to licensing restrictions.

Summary Update

4. The table below shows week 52 information for week ending 27th December 2020. This indicates that for the 65 years and over cohort overall Leicester City CCG has meet the 75% ambition.

GP Practice Flu Immunisation uptake - Week 52 2020/21			Summary of Flu Vaccine Uptake %					
CCG Code	STP	CCG	65 and over	Total Combined - 6 months to under 65 years: At-risk % uptake	All Pregnant Women	All Aged 2	All Aged 3	50-64
03W	Leicester, Leicestershire and Rutland STP	NHS EAST LEICESTERSHIRE AND RUTLAND CCG	83.0%	52.7%	50.2%	66.2%	68.0%	26.5%
04C	Leicester, Leicestershire and Rutland STP	NHS LEICESTER CITY CCG	75.2%	44.5%	33.6%	43.8%	44.0%	16.6%
04V	Leicester, Leicestershire and Rutland STP	NHS WEST LEICESTERSHIRE CCG	82.8%	50.7%	48.5%	67.1%	67.6%	25.2%
	MIDLANDS	ALL	**80.7%**	**51.7%**	**42.8%**	**53.9%**	**56.1%**	**27.4%**

5. There is practice variation within this overall number (40% - 90+%). There is scope to increase further, especially in those at risk groups aged 16 to 64 year olds, where coverage is currently

at 44.5%. There is a national focus on increasing uptake with reminder letters and telephone calls to 16-64 at risk and 50 -64 year olds.

6. Support to general practice and primary care networks continues to be provided by the CCG with general and specific targeted support undertaken. An example of this is sharing and revising methods of reminders and follow up when a high proportion of non-responders were identified.

7. There have been some issues specific to a general practice such as staffing. For example in one Leicester City general practice additional training was held for new nurse vaccinators. This increased the ability to provide more appointment slots each week resulting in the practice heading towards their target (moving from 15% to 54% uptake).

8. In terms of communications a number of actions have taken place including:
    - **a.** Dialogue between the communications teams within the CCG and Leicester City Council who are supporting with getting the flu messages into their face to face and online channels – specifically in areas with lower uptake.
    - **b.** The Council of Faiths has shared the national recordings in Urdu, Hindi and Polish with their local leaders and have requested further materials in other languages, which we are working to develop in Somali, Bengali, Punjabi and Gujerati.
    - **c.** Social media messaging continues to raise general awareness.
    - **d.** Jabs for age 50 – 64 messages shared in social media, websites, media, sitrep, 5 on Friday stakeholder newsletter and citizen's panel newsletter.
    - **e.** 'It's not too late to have your flu vaccine' messaging shared with local CVS groups to share with their members and through their communications channels.
    - **f.** Reminders in staff communications channels for health and social care staff.
    - **g.** Collated national and local resources on https://www.westleicestershireccg.nhs.uk/your-health-and-services/flu-safe for local organisations to use. If you click on this link https://www.westleicestershireccg.nhs.uk/your-ccg/publications/your-health-and-services/flu you can see how many downloads each has had – the leaflets in Hindi and Urdu in particular have had several hundred downloads.

9. Challenges do continue. This includes concerns around the ingredient list and a person's personal disposition towards the vaccine either positive or negative. Some of this will be cultural belief but some will be their personal belief. There are many practices which utilise bi-lingual staff to make sure everyone understands the offer. The Council of Faiths has been extremely supportive in getting the right messages out to the public.

10. The other big challenge is COVID-19. This is around staff or family members contracting the COVID-19 virus thus reducing workforce capacity as well as the introduction of the COVID-19 vaccination and the role of PCNs in delivering this.

11. Going forward data monitoring will continue weekly and the CCGs teams will continue to support general practice on specific issues and queries and to work on solutions. Further work is being undertaken looking at the available materials regarding promoting the vaccine to those with LTC and the homeless population highlighting the importance of the flu vaccine and reminding people it's not too late.

12. We are also targeting some specific work with homeless people in the City. We see this as an important initiative that will help with Covid vaccinations going forward

Conclusion

13. GPs and Pharmacies are continuing with their flu vaccination programme and prioritising uptake in the at risk groups, including care home residents and staff.

Covid-19 Vaccination Programme Update

Purpose

The purpose of this paper is to provide an update on the development of the National Covid-19 vaccination programme and progress across Leicester Leicestershire and Rutland.

This report is high level as the vaccination programme is extremely dynamic and this report can only provide a snapshot of the current position as it stood on the date the report was produced (11/1/2021)

Current vaccination locations

Covid vaccinations in LLR commenced on 12 December with the opening of a vaccination Hospital Hub at Leicester General Hospital. The initial priorities were outpatients over 80 years of age and health care workers, consistent with the advice from the Joint Committee on Vaccinations and Immunisations (JCVI).

The following week vaccinations began in two Primary Care Networks in LLR.

By week ending 15 January all 25 Primary Care Networks in LLR will be providing a vaccination site for their patients known as Local Vaccination Sites (LVS). This means will be:

- 18 LVS covering all 133 GP Practices in LLR
- Two Hospital Hubs – Leicester General and Glenfield Hospital
- Commencement of Care home service
- Across England Seven mass vaccination centres available for the public as alternatives to the GP – led sites. On 11 January letters were sent to people over 80 years of age who had still not been booked for a vaccination through their GP practice and living within 45 minutes of one of these sites. One such site was in Birmingham. Patients retain the choice of whether to opt for this or their GP – led service through a PCN site.

Sites had to be rolled out in waves due to the limited availability of the vaccinatines and a rigorous assurance and approval process for venues.

Priority Groups

Members will be aware that the priorities are set by the JCVI. The JCVI has identified an order of priority based on those most at risk of becoming seriously ill with Covid and possibly dying. The list of cohorts, in priority order, is as follows:

1. **residents in a care home for older adults and their carers**
2. **all those 80 years of age and over and frontline health and social care workers**
3. all those 75 years of age and over
4. all those 70 years of age and over and clinically extremely vulnerable individuals[more]
5. all those 65 years of age and over
6. all individuals aged 16 years [More] to 64 years with underlying health conditions which put them at higher risk of serious disease and mortality[more]
7. all those 60 years of age and over
8. all those 55 years of age and over
9. all those 50 years of age and over

All regions are asked to deliver vaccinations to cohorts 1 and 2 as a priority; however as the Vaccine has a limited shelf live other cohorts may be vaccinated to avoid wastage. Vaccination sites are working through the priority groups as you will be aware the Prime minister has made a commitment to vaccinate all those within the first four cohorts by mid – February.

Vaccines

When the programme commenced there was just one vaccine available which, was the Pfizer/BionTec vaccine. This vaccine requires highly complex transportation and storage requirements which have limited initially the sites we could use. With only one vaccine, supply was also limited. As an example of the complexities with the Pfizer vaccine, it has to be used with 3.5 days of delivery to a vaccine site, so careful schedule of booking for patients is required.

On 30 December the Oxford/AstraZenica was approved for use in the UK and we have commenced roll out of this vaccine. This vaccine provides greater flexibility in terms of where it can be delivered for example from GP practices and pharmacies. The availability of this vaccine will support the acceleration of the vaccine programme generally and in care homes in particular.

On 8 January a third vaccine, Morderna was approved.

Vaccine delivery

One of the most challenging aspects of the programme is the vaccine delivery. This is nationally co-ordinated and given the initial limited supply has to be carefully scheduled throughout the UK.

Although there are planned deliveries of vaccine, the schedule can change at short notice. GPs will boom patients for vaccinations but may have to change this at short notice. Patients are booked in advance to minimise the time gap between the vaccine arriving and the actual vaccination itself.

This is likely to be less of a problem once the additional supply of vaccines begins

Second vaccine doses: change in policy on spacing

On 30 December the Government announced a change to the spacing of vaccine doses from 3 or 4 weeks (depending on the vaccine) to 12 weeks. For both Pfizer-BioNTech and AstraZeneca vaccines, a two-dose schedule is advised.

In the context of the epidemiology of COVID-19 in the UK in late 2020, the JCVI places a high priority on promoting rapid, high levels of vaccine uptake among vulnerable persons.

Therefore, given data indicating high efficacy from the first dose of both Pfizer-BioNTech and AstraZeneca vaccines, the JCVI advised that a first dose should be given to as many people in the priority groups as possible over delivery of a second vaccine dose. This should maximise the short-term impact of the programme. The second dose of the Pfizer-BioNTech vaccine and the AstraZeneca vaccine may be given up to 12 weeks following the first dose.

Priority groups for vaccination are as follows:

Next Steps

Sites

A larger scale vaccination centre is in progress and subject to regional and national sign off is due to go live 25th January 2021. This will be at the Peepul Centre. Other sites are being considered, including an additional Hospital Hub. All will be subject to the strict requirements on infection control requirements, security, storage and IT infrastructure.

Roving and Housebound Service

Vaccination of all care home residents and staff commenced in December 2020 and continues to gather pace.

Plans are in place to vaccinate all housebound patients, and the detained estate (prisoners and People detailed under the Mental Health Act)

Pharmacy Sites

We are waiting for confirmation of a number of Pharmacy vaccination sites.

Next Steps

As the roll out has been staggered across the patch, the CCG will be reviewing progress of vaccination of Cohorts 1 & 2 on a system wide basis. LLR has limited local control over the access to vaccines; it is contingent on national supplies. However, there is a regional commitment to support vaccination planning by 30 December ensuring vaccine supply is available to provide an equitable approach across the area

Appendix C

Health and Social Inequalities relating to the Covid-19 Pandemic

Health and Wellbeing Scrutiny Commission

Date: 20 January 2021

Lead director: Ivan Browne

Useful information

- Ward(s) All
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1. Purpose of report

The purpose of this paper is to provide members of the Leicester Health and Wellbeing Scrutiny Commission with an overview of the health and social inequalities related to the covid-19 pandemic.

2. Report Summary

2.1 Background and context

Analysis undertaken by Public Health England (PHE) in their 2020 report "Disparities in the risks and outcomes of COVID-19," [1] confirms that older people, males, people from deprived backgrounds and people from Black and Minority Ethnic (BAME) backgrounds are more likely to die with COVID-19.

The reason for this inequity is complex and involves a combination of economic and social drivers such as lifestyle and behaviour (involving work or leisure) and psychosocial factors that influence health seeking/supportive behaviour. In addition, genetic susceptibility and historical context need to be considered. The precise contribution of these elements to the risk of acquiring COVID19 and subsequent adverse outcomes is the subject of ongoing research, however early findings suggest that genetics may have a smaller contribution to overall risk than other elements.

The additional health burden of COVID-19 is of particular concern locally given the diversity and deprivation experienced by the population of Leicester.

Leicester City public health team address local health inequalities by applying theoretically informed and targeted interventions to the community served. The team provide detailed reports on local population health through the local Joint Strategic Needs Assessments (JSNA). The JSNA provides information by demographic information to allow ongoing analysis of inequalities locally.

Whilst the genetic contribution and scale of community infection of COVID-19 is still being established, public health are in a position to advise and support services to mitigate social determinants that impact the most vulnerable in society.

Due to the scale and impact of the COVID-19 pandemic on communities, it is a critical time to establish a comprehensive local approach to addressing inequalities. The last decade of fiscal policy has exacerbated health inequalities for certain groups in society. This can be seen in higher rates of obesity, cardiovascular disease, poor mental health, employment and housing.

The emergence of COVID-19 carries the potential to create larger divides in society that can further impact the overall health the population. By taking a place-based whole-system approach to tackling inequalities, public health can provide meaningful support to a range of service areas working to support the health of the local population.

2.2 Measuring Health and Social Inequalities

"Health is a state of well-being with physical, cultural, psychosocial, economic and spiritual attributes, not simply the absence of illness." [2]

As described above there are a complex range of factors that influence health, each of which affects people to differing degrees depending on their experience. When discussing 'inequalities' people tend to use domains such as age, gender, ethnic group and 'deprivation' to derive meaning. Which domain to use when describing inequalities depends upon what data is available, how complete that data is and what influence that information potentially carries.

"Health inequalities are avoidable and unfair differences in health status between groups of people or communities" [3]

In recent years evidence relating to social determinants of health is improving the way we understand factors (such as poor housing condition) and the amount they contribute to morbidity and mortality in the population. The nature of clinical treatment means the influence of physical factors on health is more well-established in the literature, although for an emerging disease such as COVID-19 much of the evidence is yet to be found.

One of the most commonly used composite measures of 'deprivation' at a small area-level is the Indices of Multiple Deprivation (IMD) which calculates an overall relative score of 7 domains[1]. Using the IMD measure, the latest healthy life expectancy data shows that people living in the most deprived areas in England live on average 19 more years in poor health than people living in the least deprived areas. Healthy life expectancy also differs by gender, ethnic group and by region. People from non-White British backgrounds are significantly more likely to live in more deprived areas and females living in the most deprived areas nationally had a significant reduction in healthy life expectancy between 2012-2017. [4] Around half of the gap in total life expectancy between people living in the most and the least deprived areas can be attributed to deaths from heart disease, cancer and stroke, the driving factors of which are predominantly lifestyle and behaviour-related (despite certain ethnic groups having a genetic predisposition to certain forms of disease). [5]

Reducing health inequalities is a fundamental part of the role of public health. [6] The COVID- 19 pandemic is exacerbating existing health inequalities which have been widening in the last decade. [4] The confounding effect of multiple (often interdependent) factors that influence health highlights the importance of taking a system-wide approach to address inequalities. [7] Public Health England (PHE) produced guidance on using place-based approaches to reduce health inequalities in recognition that each local area faces different causes of health inequalities and will have different assets available to them. [8]

2.3 The PHE Disparity Report [1]

The recent descriptive review of evidence from PHE outlines the disparities in risk and outcomes of COVID-19 patients in England. Where possible the report adjusted data analysis to account for potentially confounding factors; a summary of the factors accounted for in the analysis is included in Appendix 1. The majority of the analysis was adjusted to account for age, gender, ethnic group and deprivation of patients which presents a more informed picture of the people most affected by COVID-19. Despite the adjusted analysis, some key elements were not able to be considered (often due to a lack of data), these include occupation and the presence of comorbidities. Occupation and comorbidities will be discussed in greater depth later in this section to outline why these factors are important considerations in the management and mitigation of infectious disease.

2.3.1 Headline results

Men are just as likely as women to be diagnosed with Covid-19 but are more likely to die and be admitted to intensive care than women (if they are hospitalised with the disease). This is particularly evident for people of working age (20-64), where men are twice as likely to die than women.

The risk of dying from COVID-19 increases with age, people aged 80+ who test positive are seventy times more likely to die than people under 40.

Cases tend to cluster in urban areas where there are high levels of deprivation.

Excess deaths (not due to COVID-19) are already higher in more deprived areas, although differences (between the most and least deprived) are even greater when looking at deaths caused by COVID-19. This shows elements of 'deprivation' (such as those covered by IMD 2015) are likely to be influencing the health outcomes observed in people with COVID-19.

Survival among confirmed cases, after adjusting for sex, age group, ethnicity and region was lower in the most deprived areas, particularly among those of working age where the risk of death was almost double the least deprived areas.

People who are not from a White ethnic background are more likely to be diagnosed with and die as a result of COVID-19. The risk of death is higher in all people from non-White backgrounds, but after adjusting for sex, age group and region this is particularly true for Bangladeshi people.

Some occupational groups may be more exposed to the virus than others. The PHE report identifies the professional groups that are seeing the highest number of deaths from COVID-19 are 'Road Transport Drivers', 'Caring Personal Services' and those in 'Elementary Security Occupations'[2] (Appendix 2). These professions report the highest absolute *number* of deaths from COVID-19 and deaths from 'all causes' is also higher than previous years. These absolute numbers are not adjusted for confounding variables and should be interpreted with caution.

Detailed occupation information shows the highest number of COVID-19 deaths are seen in public-facing and support roles.

The roles that are of particular interest in managing the impact of COVID-19 are; taxi/cab drivers; security guards and nursing auxiliaries/ assistants [here, the number of COVID-19 related deaths are high but there is also a significant rise in total deaths in 2020 compared to previous years].

Table 1: Highest number of COVID-19 deaths by detailed occupation category

Detailed profession	Number of COVID-19 deaths
Care workers and home carers	169
Taxi and cab drivers and chauffeurs	122
Security guards and related occupations	100
Sales and retail assistants	86
Nurses	81
Cleaners and domestics	78
Van drivers	57
Elementary storage occupations	54
Large goods vehicle drivers	52
Nursing auxiliaries and assistants	51

Note: 369 job roles listed, 143 recorded with a COVID-19 death

The occupations experiencing the highest numbers of deaths from COVID-19 (listed in Table 1 above), tend to be roles at the lower end of the pay scale where practical and physical elements of work form part of the role. This introduces the possibility of confounding where, for example, staff earning less money could be more likely to use public transport or depend upon public services that could increase their risk of exposure to the virus. In addition, there are associations between relative deprivation and many of the other factors that may increase risk of severe COVID, for example, age, ethnicity and comorbidities. The majority of roles in Table 1 also have gendered elements to them (security and driving being male dominated, whereas females predominantly undertake caring and cleaning roles); this could be confounding some of the trends observed by gender.

PHE advise that by using a place-based approach to tackle inequalities locally, the complexity of confounding factors relating to workplace health and wellbeing can be more robustly tackled. This enables a more holistic approach that can combat inequalities in the risks associated with COVID-19 as well as well as other wider determinants of health.

Analysis of different comorbidities mentioned on COVID-19 death certificates identified a higher proportion that mentioned diabetes, hypertension, chronic kidney disease, chronic obstructive pulmonary disease and dementia than would have been expected.

The proportion of COVID-19 death certificates that also mentioned diabetes was significantly higher in the most deprived. In addition, both diabetes and hypertensive disease were more commonly mentioned on death certificates of Black and Asian groups compared with White groups.

The relationship between inequalities in chronic ill-health, deprivation and ethnicity is complex and inter-related. Further understanding is needed but optimising the control of known comorbidities in the population as a whole appears to be important.

There have also been a number of reports that have investigated the association between BMI and the risks associated with COVID-19. There is growing evidence that there is a small increase in the risk of death with COVID-19 in those with a BMI above 30, and this becomes particularly apparent with a BMI above 40.

Again, there is a complex inter-relatedness between obesity, comorbidities and ethnicity, but studies controlling for demographics and other health conditions suggest that obesity is a potential risk factor in its own right.

2.4 Inequalities in Leicester City

Leicester's population is relatively young compared with England; a third of all city households include dependent children, 20% of Leicester's population (72,600) are aged 20- 29 years old (13% in England) and 12% of the population (42,300) are aged over 65 (18% in England). The large proportion of younger people in Leicester reflects the student population attending Leicester's two universities and inward migration to the city.

Almost half of Leicester's residents classify themselves as belonging to an ethnic group that is not White. Leicester has one of the country's largest Asian communities (37% of the population), with 28% of all residents defining themselves as of Indian heritage. At 3.8%, Leicester's African community is a notably larger proportion of the population than that for England (1.8%).

In 2011, 9% of city residents were providing unpaid care (30,965). Of this group, over two-fifths (43%) were giving 20 or more hours care a week (13,462). Some of these people are young carers. The level of unpaid caregiving in the city is lower than that in the East Midlands region (11%) and England (10%). This is due, in part, to the relatively youthful age profile of Leicester, for example, 6% fewer older people households than regional and national averages. The Leicester Health and Wellbeing Survey 2018 showed that 13% of residents look after a family member, partner or friend who needs help because of their illness, frailty or disability.

At the time of the Census (2011), 58% of Leicester's population aged 16 and over was economically active, 35% economically inactive (retired, students, looking after home/family or long-term sick) and 6% unemployed. A lower proportion of Leicester's population are economically active compared with England (66%).

Over half (53.9%) of those aged 16 and over who work in Leicester also live in Leicester, and just under half (46.1%) who work in Leicester live outside of the city.

Leicester has a high level of deprivation compared to England and is ranked 32nd out of 317 local authority areas in England, on the 2019 national Index of Deprivation (where 1 is worst). In Leicester, 39 lower super output areas are in

the 10% most deprived in the country. 35% of Leicester's population live in the most deprived 20% of areas in England and a further 37% live in the 20-40% most deprived areas. Only 2% of the Leicester population live in the 20% least deprived areas. [9]

2.5 Conclusion

Inequalities in COVID-19 can be seen by age, sex, deprivation, ethnicity, occupation and comorbidities. The picture is complicated as many of these factors are interdependent and the evidence base is still growing. What is known is that these inequalities are not new and those seen in COVID-19 appear to mirror the pattern of inequalities seen in health in general. A defined programme of work is required to measure the specific impact of Covid-19 on the health and wellbeing of the population of Leicester. This programme of work will articulate the impact of the pandemic on health and social inequalities and recommend mitigations to address these inequalities. A whole system approach will be needed to address the underlying causes of social inequality and improve health equity going forward.

3. Recommendations

3.1 Scrutiny members are asked to:

- Note the content of this report
- Support the ongoing programme of work to identify and address the impact of covid-19 on health and social inequalities across Leicester
- Receive an update on the inequality impact of Covid 19 on the local population

4. Financial, Legal and other implications

Financial, Legal, Climate Change and Carbon Reduction Implications

None

Equalities implications

This report is concerned with equalities implications throughout.

5. Supporting information / appendices

5.1 References

1. Public Health England, “Disparities in the risks and outcomes of COVID-19,” Public Health England, 2020.

2. D. F. Mark, M. Murray and E. V. Estacio, Health psychology: Theory, research and practice (5th Edition), London: SAGE, 2018.

3. Public Health England, “What do PHEs latest inequality tools tell us about inequalities in England?,” PHE, 18 June 2019. [Online]. Available: https://publichealthmatters.blog.gov.uk/2019/06/18/what-do-phes-latest-inequality- tools-tell-us-about-health-inequalities-in-england/. [Accessed May 2020].

4.Institute of Health Equity, “Marmot Review 10 Years On,” 2020.

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6. Public Health England, “About Us,” 2020. [Online]. Available: https://www.gov.uk/government/organisations/public-health-england/about. [Accessed 1 June 2020].

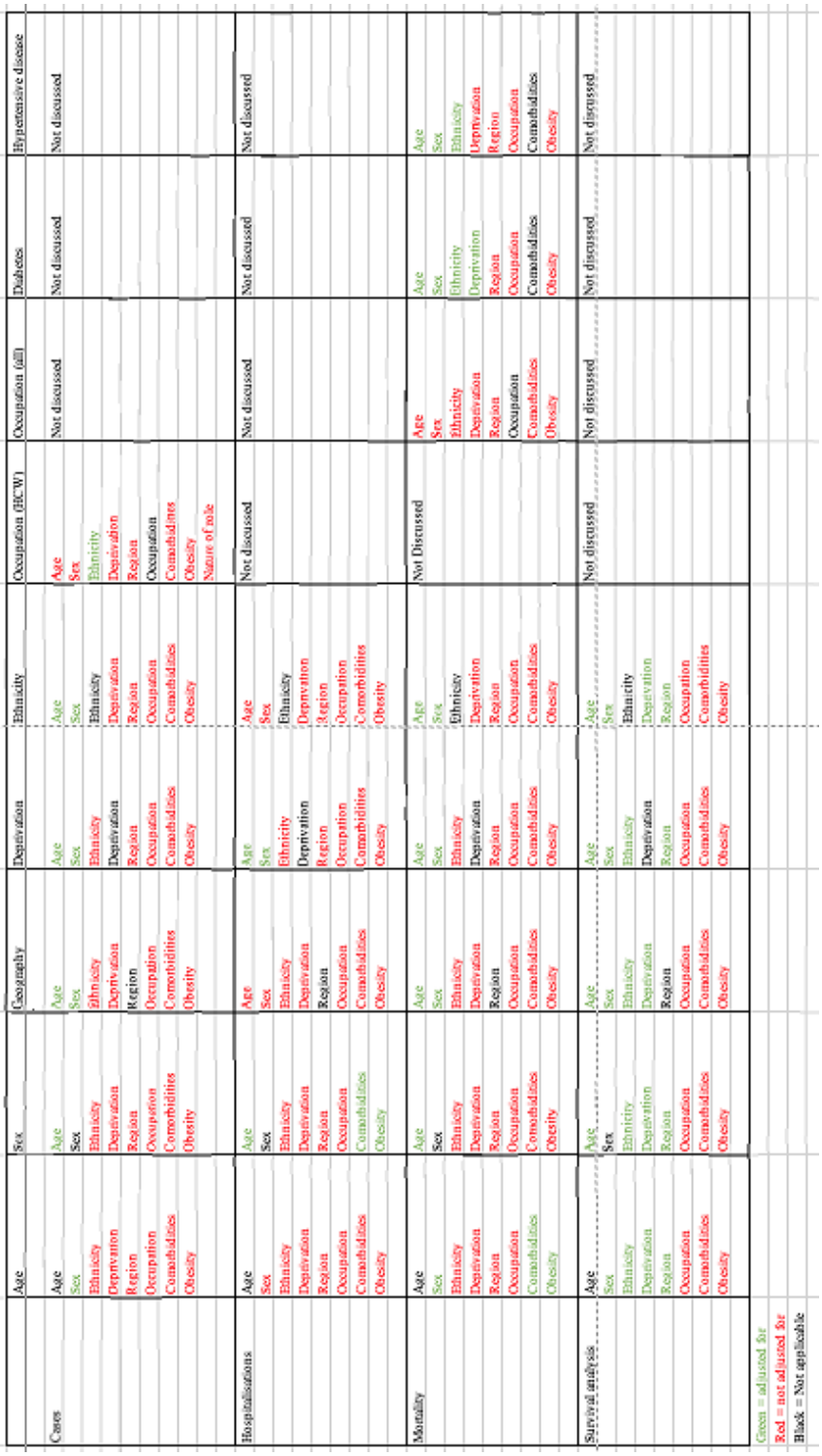
7. Public Health England, “Understanding health inequalities in England,” July 2017. [Online]. Available: https://publichealthmatters.blog.gov.uk/2017/07/13/understanding- health-inequalities-in-england/. [Accessed May 2020].

8. Public Health England, “Health inequalities: place-based approaches to reduce inequalities. Guidlines to support local action on health inequalities,” 2019.

9. Leicester City Public Health ICE Team, “Living in Leicester Adults JSNA Chapter,” Leicester City Public Health Team, 2020.

5.2 Appendix 1.

Variables considered in the analysis used in the PHE disparities report.



	Age	Sex	Geography	Deprivation	Ethnicity	Occupation (HCW)	Occupation (all)	Diabetes	Hypertensive disease
Cases	Age	Age	Age	Age	Age	Age	Not discussed	Not discussed	Not discussed
	Sex	Sex	Sex	Sex	Sex	Sex			
	Ethnicity	Ethnicity	Ethnicity	Ethnicity	Ethnicity	Ethnicity			
	Deprivation	Deprivation	Deprivation	Deprivation	Deprivation	Deprivation			
	Region	Region	Region	Region	Region	Region			
	Occupation	Occupation	Occupation	Occupation	Occupation	Occupation			
	Comorbidities	Comorbidities	Comorbidities	Comorbidities	Comorbidities	Comorbidities			
	Obesity	Obesity	Obesity	Obesity	Obesity	Obesity			
						Nature of role			
Hospitalisations	Age	Age	Age	Age	Age	Not discussed	Not discussed	Not discussed	Not discussed
	Sex	Sex	Sex	Sex	Sex				
	Ethnicity	Ethnicity	Ethnicity	Ethnicity	Ethnicity				
	Deprivation	Deprivation	Deprivation	Deprivation	Deprivation				
	Region	Region	Region	Region	Region				
	Occupation	Occupation	Occupation	Occupation	Occupation				
	Comorbidities	Comorbidities	Comorbidities	Comorbidities	Comorbidities				
	Obesity	Obesity	Obesity	Obesity	Obesity				
Mortality	Age	Age	Age	Age	Age	Not Discussed	Age	Age	Age
	Sex	Sex	Sex	Sex	Sex		Sex	Sex	Sex
	Ethnicity	Ethnicity	Ethnicity	Ethnicity	Ethnicity		Ethnicity	Ethnicity	Ethnicity
	Deprivation	Deprivation	Deprivation	Deprivation	Deprivation		Deprivation	Deprivation	Deprivation
	Region	Region	Region	Region	Region		Region	Region	Region
	Occupation	Occupation	Occupation	Occupation	Occupation		Occupation	Occupation	Occupation
	Comorbidities	Comorbidities	Comorbidities	Comorbidities	Comorbidities		Comorbidities	Comorbidities	Comorbidities
	Obesity	Obesity	Obesity	Obesity	Obesity		Obesity	Obesity	Obesity
Survival analysis	Age	Age	Age	Age	Age	Not discussed	Not discussed	Not discussed	Not discussed
	Sex	Sex	Sex	Sex	Sex				
	Ethnicity	Ethnicity	Ethnicity	Ethnicity	Ethnicity				
	Deprivation	Deprivation	Deprivation	Deprivation	Deprivation				
	Region	Region	Region	Region	Region				
	Occupation	Occupation	Occupation	Occupation	Occupation				
	Comorbidities	Comorbidities	Comorbidities	Comorbidities	Comorbidities				
	Obesity	Obesity	Obesity	Obesity	Obesity				

Green = adjusted for
Red = not adjusted for
Black = Not applicable

5.3 Appendix 2

The professional groups (according to the ONS Standard Occupational Classification 2010) that are seeing the highest number of deaths from COVID-19 are 'Road Transport Drivers', 'Caring Personal Services' and those in 'Elementary Security Occupations'. These professions report the highest absolute *number* of deaths from COVID-19 and deaths from 'all causes' is also higher than previous years. [10]

Road Transport Drivers

Large goods vehicle drivers
Van drivers
Bus and coach drivers
Taxi and cab drivers and chauffeurs
Driving instructors

Caring Personal Services

Nursing auxiliaries and assistants
Ambulance staff (excluding paramedics)
Dental nurses
Houseparents and residential wardens
Care workers and home carers
Senior care workers
Care escorts
Undertakers, mortuary and crematorium assistants

Elementary Security Occupations

Security guards and related occupations
Parking and civil enforcement occupations
School midday and crossing patrol occupations
Elementary security occupations n.e.c.

6. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

7. Is this a "key decision"?

No

A review of the impact of COVID-19 on the BAME population

Date prepared: 11/01/21

Overview

- In the first wave, an official inquiry was launched to investigate the disproportionate impact of COVID-19 on BAME communities. Data from the early stages of the pandemic revealed that BAME populations had greater incidence rates and mortality from COVID-19 than their White counterparts.
- Unfortunately, this inequity is still being observed and is thought to be largely attributed to socioeconomic factors and pre-existing co-morbidities – such as occupation, deprivation, household conditions and underlying health issues. However, urban living and access to healthcare services also present as additional risk factors. These factors either singularly or cumulatively, affect exposure and/or physiological response to the virus.
- ONS data reveals that when adjusting for these factors, health inequalities decrease but are still significant. It is likely that pre-existing health inequalities in BAME populations before the pandemic have exacerbated health inequalities from COVID-19. There is a paucity of research on this at present and this data warrants further attention.

Sources: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk); Analysis of the relationship between pre-existing health conditions, ethnicity and COVID-19 (publishing.service.gov.uk); Disparities in the risk and outcomes of COVID-19 (publishing.service.gov.uk)

Survival

- Poor survival from COVID-19 indicates a higher risk (or odds) of dying once diagnosed.
- After adjusting for age, sex, deprivation, geography, testing pillar and time since the start of the epidemic (March to Aug), the Bangladeshi ethnic group had the poorest survival with 1.88 times the odds of dying once diagnosed when compared with the White ethnic group. The Pakistani, Chinese, and Black Other ethnic groups had 1.35 to 1.45 times the odds of dying once diagnosed and the Indian group 1.16. However, this may be in part because co-morbidities were not fully accounted for or testing capacity/ access to testing resulting in late diagnosis and treatment.

Source: Analysis of the relationship between pre-existing health conditions, ethnicity and COVID-19 (publishing.service.gov.uk)

Survival following a positive test

A model to measure the odds of survival following a positive test, controlling for age group, sex, deprivation quintile, testing pillar, region and time between March- Aug, showed variations in odds of death by ethnic group:

• The Asian ethnic group had odds of death following a positive test 1.23 times the White group (95% confidence interval 1.15 to 1.30)

• The Black ethnic group had odds of death following a positive test 1.13 times the White group (95% CI 1.05 to 1.22)

• There were no significant differences between the White group and the Mixed or Other ethnic groups.

Analysis of the relationship between pre-existing health conditions, ethnicity and COVID-19 (publishing.service.gov.uk)

Excess mortality

- The excess mortality model shows the number of excess deaths by sex and ethnic group in the period 20 March to 7 May against the number of deaths that would be expected for corresponding dates in 2014 to 2018. It also quantifies how many deaths had COVID-19 mentioned on the death certificate.
- Overall, the model suggests there have been 43,941 excess deaths among the White group, 2,301 Black, 3,083 Asian, 385 Mixed and 1,038 in the Other ethnic group. Deaths in Black males were 3.9 times higher than expected in this period, compared with 2.9 times higher in Asian males and 1.7 times higher in White males. Among females, deaths were between 2.7-2.8 times higher in Black, Mixed and Other ethnic groups in this period, compared with 2.4 in Asian and 1.6 in White females. The percentage of these excess deaths for which COVID-19 is mentioned is highest in males in the Other ethnic group (94.0%) and Asian males (80.9%), and lowest in Mixed females (58.2%) and females in the Other ethnic group (62.8%) (figure 5).

Source: Disparities in the risk and outcomes of COVID-19 (publishing.service.gov.uk)

Occupational impact

- Data reveals that BAME populations typically occupy jobs which are more likely to increase exposure to COVID-19. These include: healthcare, social care, travel, security, cleaning, arts, entertainment and recreation (figure 1).
- It is also reported that BAME populations are more likely to travel on public transport to their essential work, increasing risk of exposure.

Source: Analysis of the relationship between pre-existing health conditions, ethnicity and COVID-19 (publishing.service.gov.uk); Analysis of the relationship between pre-existing health conditions, ethnicity and COVID-19 (publishing.service.gov.uk); COVID-19: understanding the impact on BAME communities - GOV.UK (www.gov.uk)

Economic impact

- Data from 2016 to 2018 showed that respondents in the Black African or Other Black ethnic groups in particular, were significantly less likely to have enough financial reserve to cover a 20% loss of employment income than those of all other ethnic groups, except for respondents from Black Caribbean and Chinese or Other Asian ethnic groups.
- The pandemic has caused greater financial insecurity and/or concern for certain BAME populations, with Pakistani or Bangladeshi and Chinese or Other Asian ethnicities more likely than those in the White British ethnic group to have negative perceptions of their future financial situation in April 2020.

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

Household living

- Multi-generational households are much more common among ethnic minority groups, particularly people of Pakistani or Bangladeshi ethnicity or people of Indian ethnicity (figure 2).
- This has made it a challenge for older generations belonging to these ethnicities to shield in line with government guidelines. This then allows the opportunistic COVID-19 to spread.
- One study on BAME communities in Leicester has reported that lockdown measures may be less effective in controlling viral transmission amongst those living in larger households, because of the increased risk of residual cross-infection after these measures are employed. This raises the important question of whether lockdown alone as an intervention is effective for a heterogeneous population as seen in Leicester.

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk); Study raises important questions about lockdown effects on BAME communities (nihr.ac.uk)

Areas of residence

- Mortality rates from March- July revealed that death from COVID-19 was greater for those residing in densely populated, urban areas.
- Census data reveals that BAME populations are more likely to reside in urban areas: 16.7% compared to 2.5% in rural areas (figure 3).

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

Deprivation

- A large proportion of urban areas are classified as deprived areas which is also a strong determinant for COVID-19 incidence and mortality (figure 4).
- Between March- July, In England and Wales, the mortality rate of coronavirus (COVID-19) was doubled in the most deprived areas compared to the least deprived areas.
- Those with Bangladeshi and Pakistani, and Black ethnic backgrounds have been the most likely to reside in deprived neighbourhoods, according to census data.

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

Outdoor space

- A survey by Natural England found people of Black ethnicity were nearly four times as likely as White people to have no outdoor space at home (no private or shared garden, a patio or balcony).
- Those of Black ethnicity were 2.4 times less likely than those of White ethnicity to have a private garden even after adjusting for age, social class, area of residence or whether they had children.

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

Mental health

- Due to the impact of COVID-19, over a third (36%) of those from the Indian ethnic group reported increased or persistent loss of sleep over worry, compared with less than a quarter (23%) of White British respondents and 18% of those in the Other White ethnic groups. Around a third of those from the Black, African, Caribbean or Black British ethnic group (35%) also reported this.

Source: Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

Source (for figures 1-4): Why have Black and South Asian people been hit hardest by COVID-19? - Office for National Statistics (ons.gov.uk)

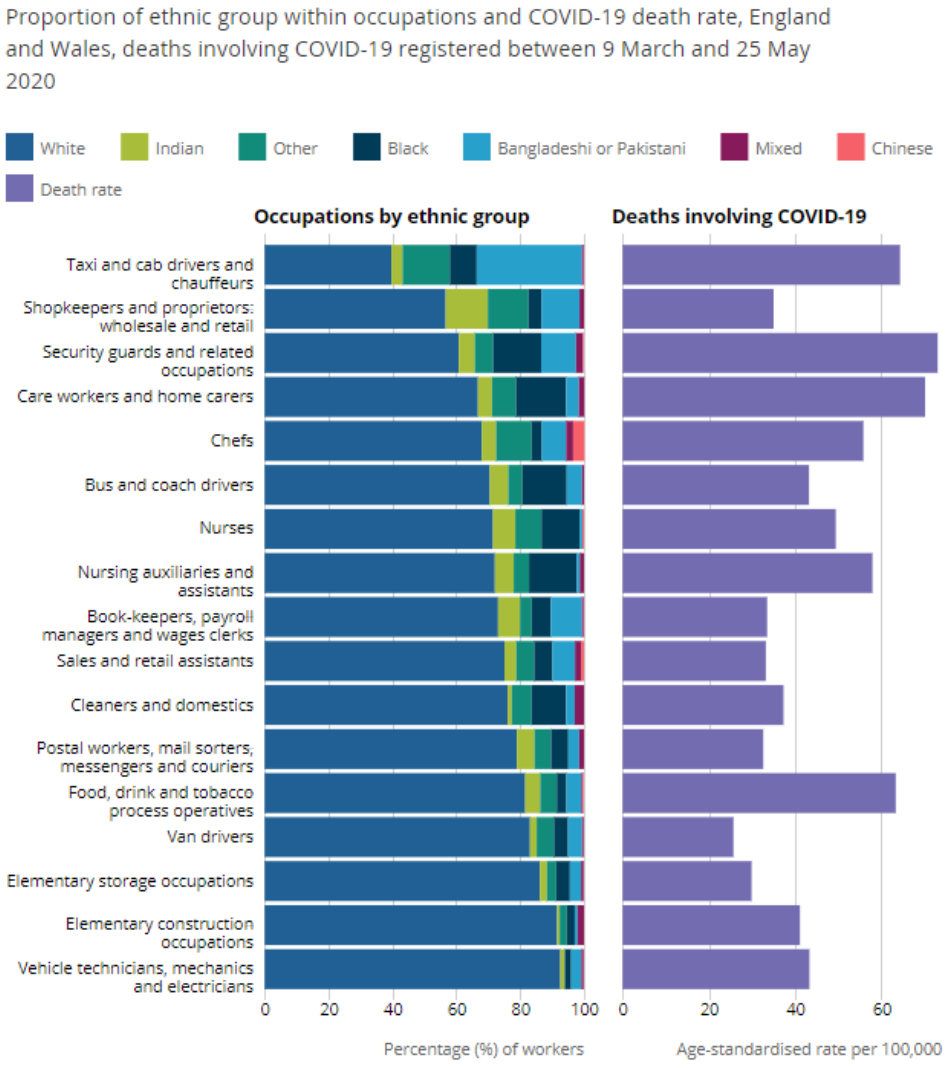


Figure 1: Proportion of ethnic group within occupations and COVID-19 death rate, England and Wales, deaths involving COVID-19 registered between 9 March and 25 May, 2020.

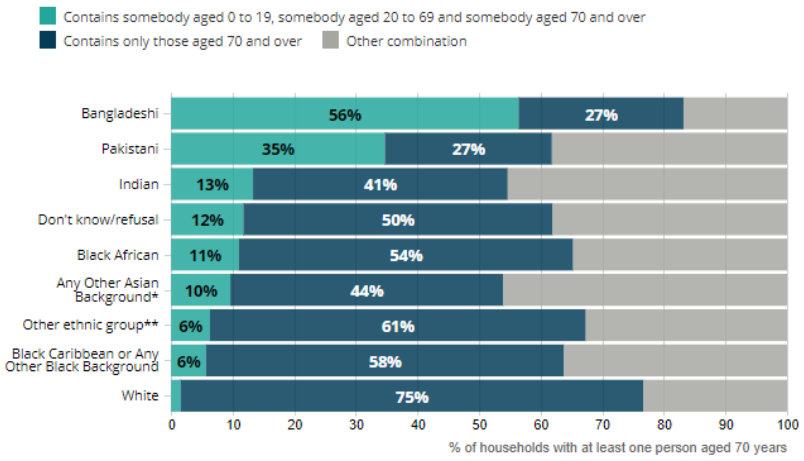


Figure 2: Proportion of households with at least one person aged 70 years or older by ethnic group of that person, by mix of ages in the household, UK, 2018

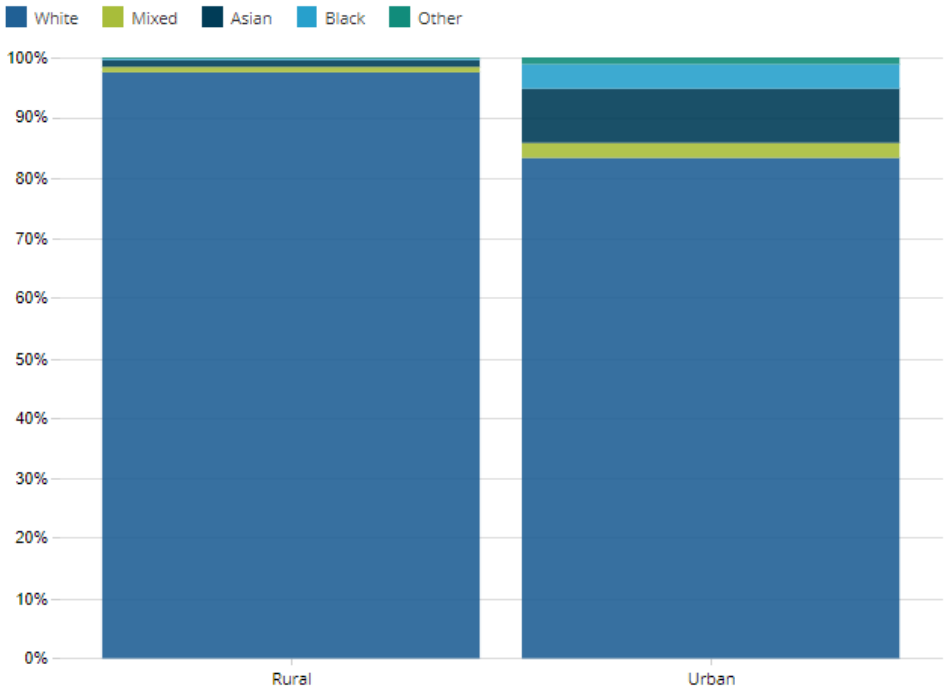


Figure 3: Percentages (%) of urban and rural populations by ethnic group

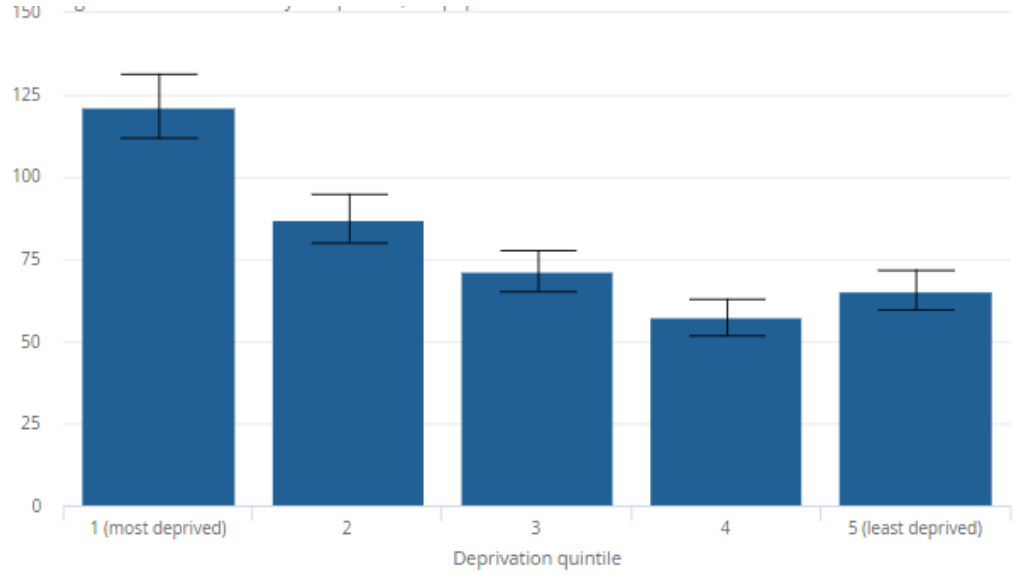


Figure 4: Age-standardised mortality rates, all deaths and deaths involving COVID-19, Index of Multiple Deprivation, England, deaths occurring between 1 March and 31 July, 2020

Coronavirus (COVID-19)

COVID-19 and the impact on BAME communities

SOURCES:
Leicester COVID-19 positive test data
University Hospitals Leicester COVID-19 Admissions

NOTE: Last updated 11/01/21

Prepared by:
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Division of Public Health, Leicester City Council

Leicester City Council

COVID-19 and ethnicity data

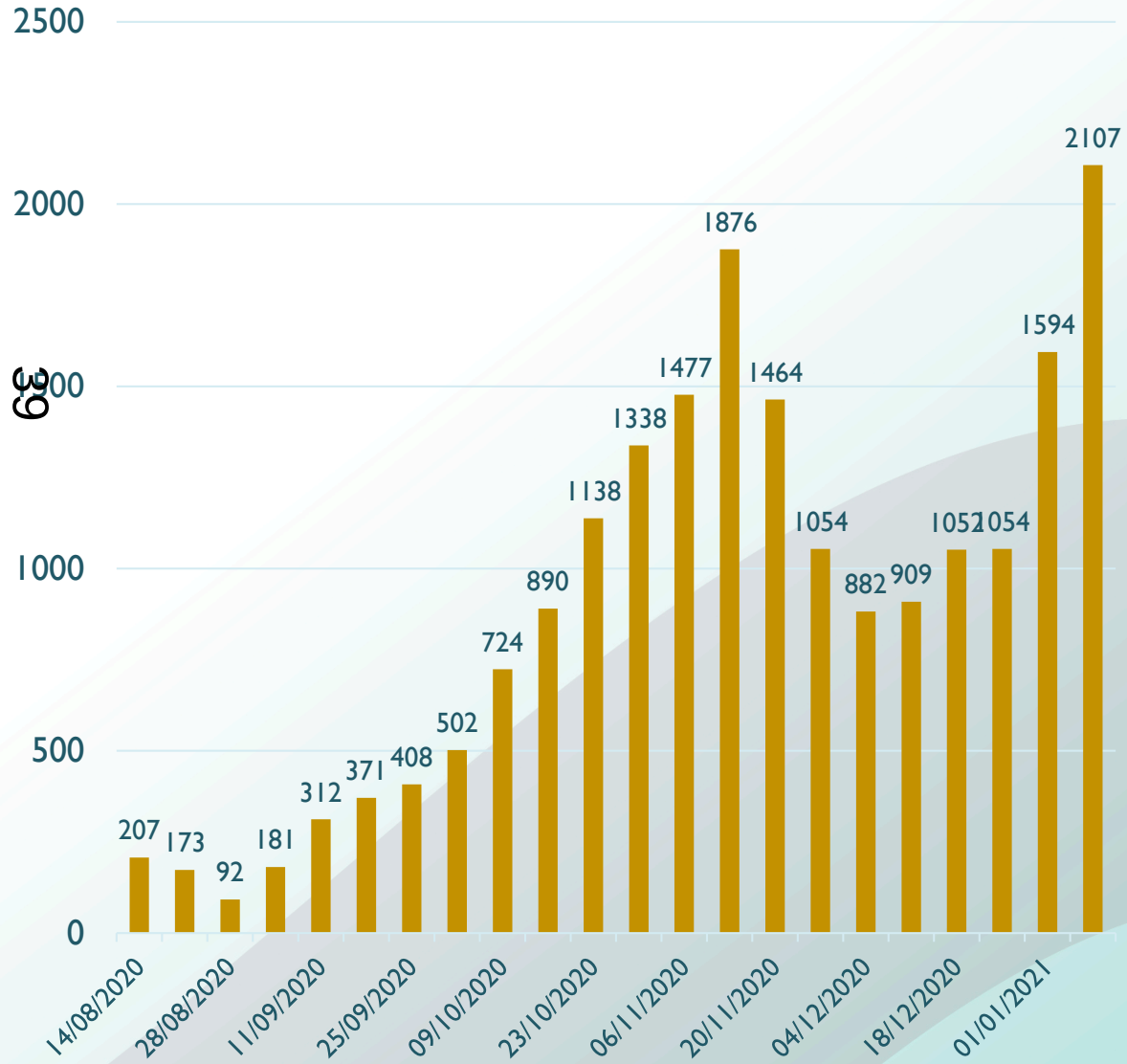
- Ethnicity information is now available for COVID-19 positive tests, however in 14% of cases ethnic group is unknown.
- Ethnicity information is also available for COVID-19 hospital admissions and this is more complete.
- Ethnic information is not available for mortality locally because ethnic group is not recorded on the death certificate.

- The following slides display the recent number of COVID-19 positive tests, COVID-19 positive tests by ethnicity, COVID-19 hospital admissions by ethnicity. It also includes images from the Leicester City Council COVID-19 dashboard to further explore the largest ethnic groups.

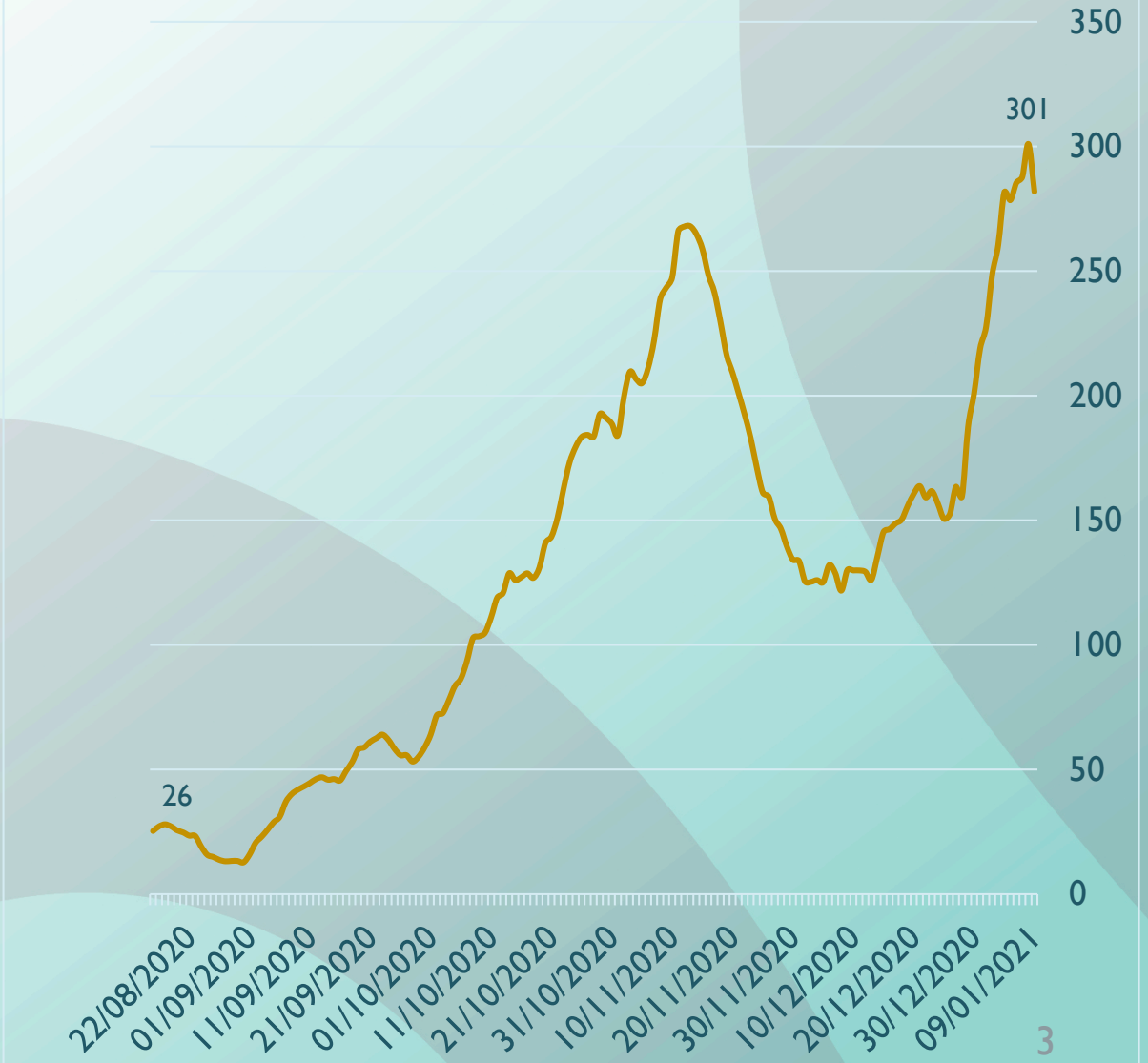
Note: Calculated rates use the latest available population estimates by ethnicity the Census 2011.

Leicester recorded the highest weekly figure of positive tests in the week up to the 8th January 2021. Leicester is currently recording about 300 positive tests a day.

COVID-19 positive results in Leicester by week

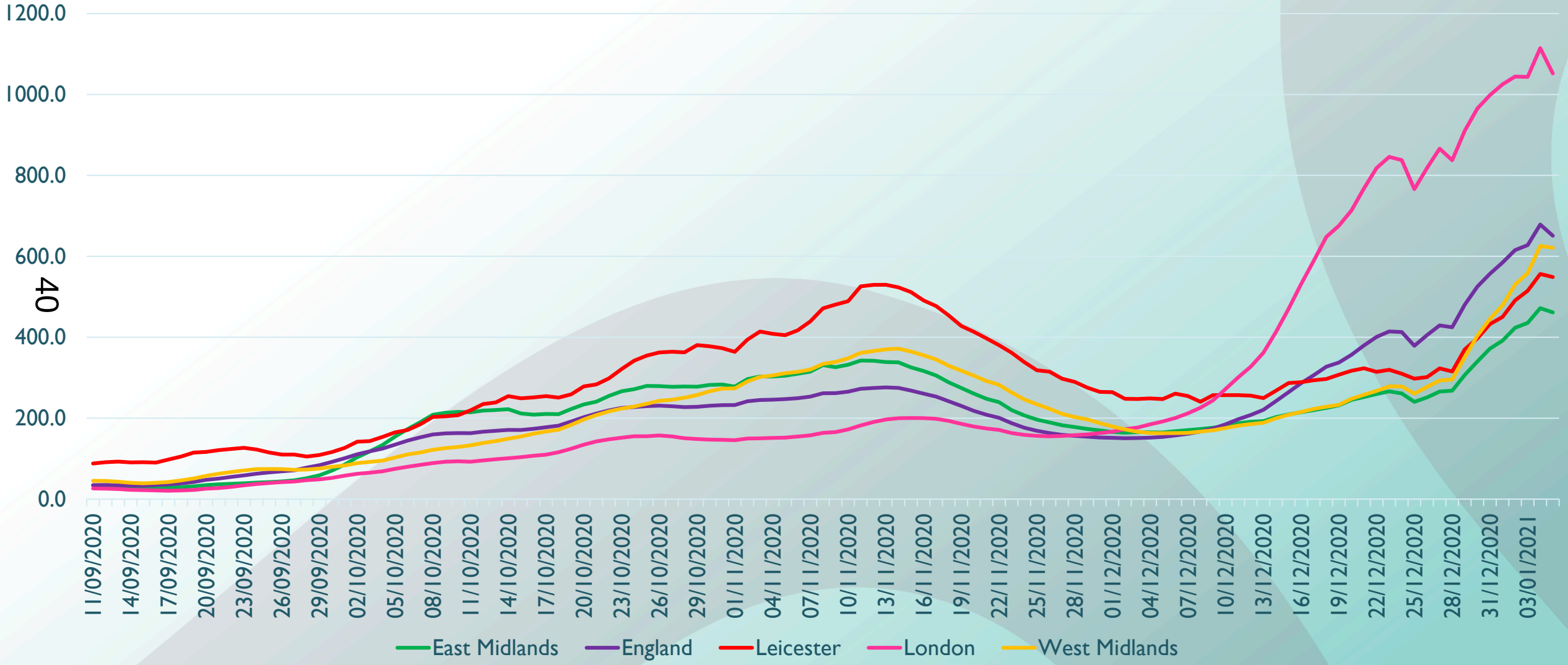


COVID-19 positive test (7 day moving average)



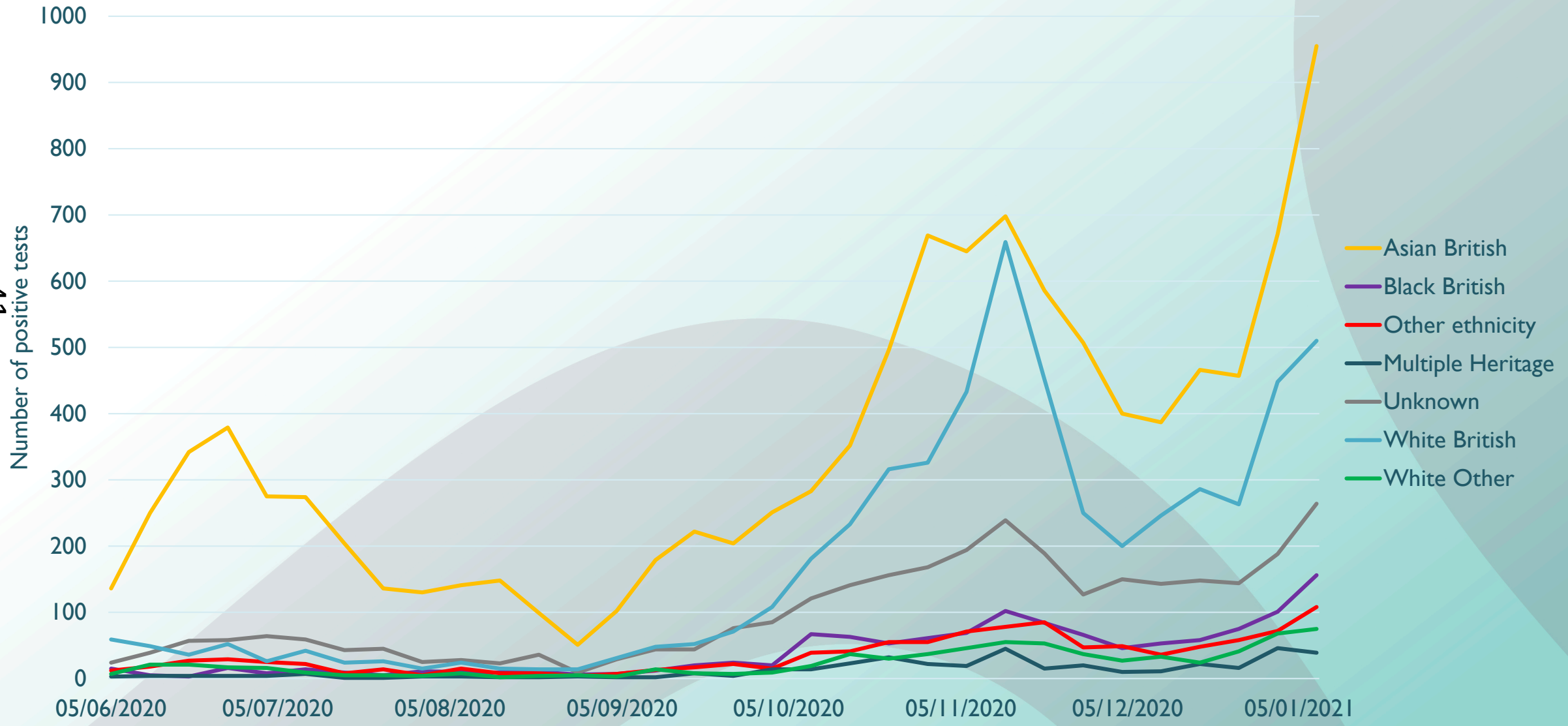
The COVID-19 rate per 100,000 population is increasing. Leicester's rate is below the national rate and falls well below the rate in the London region.

7-day COVID-19 cases per 100,000 in Leicester, Regions and England

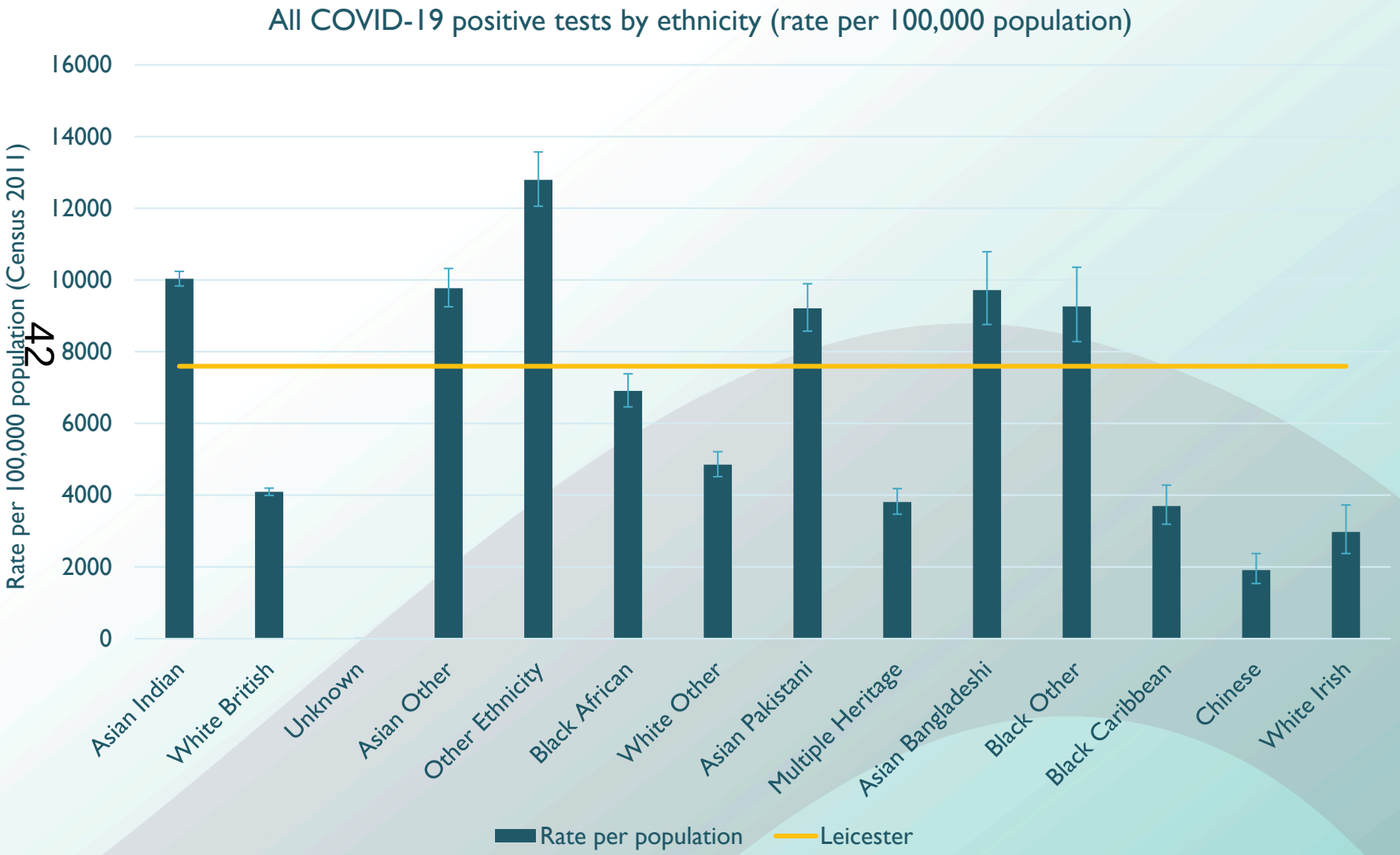


Throughout the pandemic Leicester Asian communities have reported the highest number of COVID-19 positive tests, followed by White British communities. Many people have not shared their ethnic information.

COVID-19 Positive tests by broad ethnic group



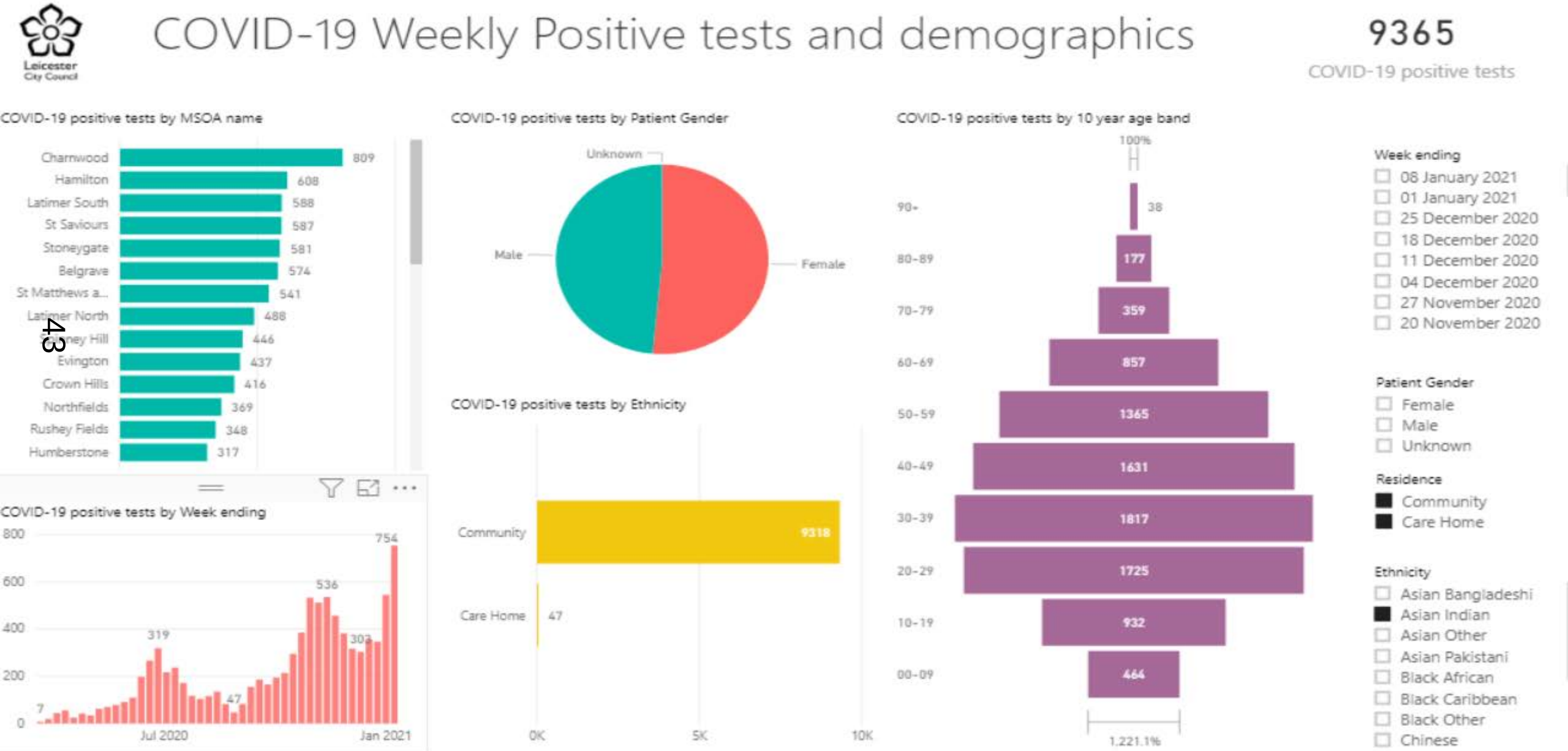
Leicester's Asian communities and those from an Other and Black Other Ethnicity report significantly higher rates than the Leicester overall. *Note: This uses the latest available ethnicity counts from the 2011 Census.*



Ethnicity	Number of COVID-19 positive tests
Asian Indian	9365
White British	6084
Unknown	3426
Asian Other	1288
Other Ethnicity	1096
Black African	862
White Other	751
Asian Pakistani	743
Multiple Heritage	441
Asian Bangladeshi	354
Black Other	307
Black Caribbean	177
Chinese	81
White Irish	75
Grand Total	25050

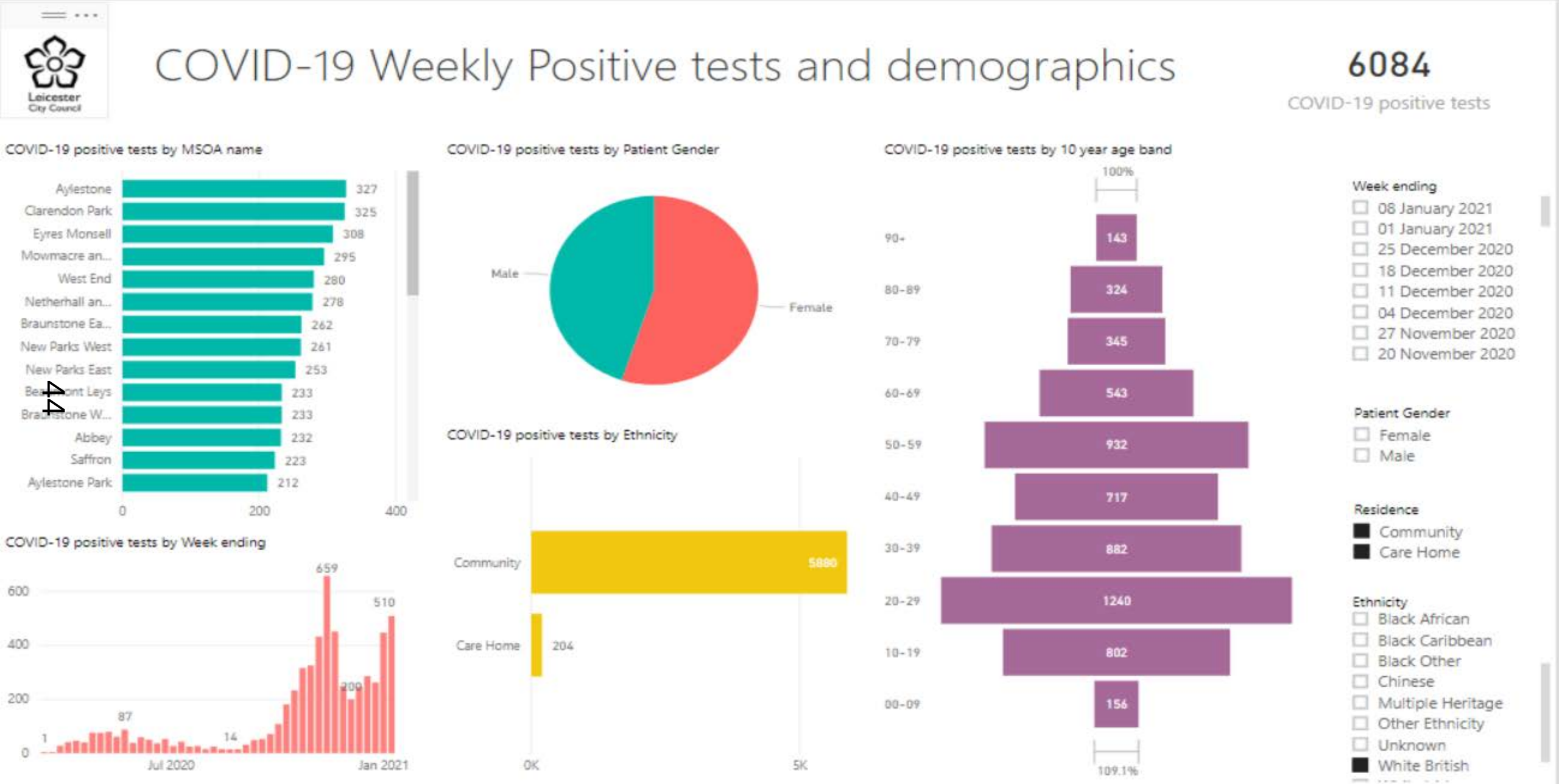
The number of COVID-19 positive tests is highest amongst Asian Indian residents.

Demographic details of the 9365 Asian Indian positive tests can be viewed in the dashboard image below.



NOTE: This includes all positive tests, care home and community tests can be filtered. Care home positives have been identified from May onwards. **Source:** *Public Health England Linelist*

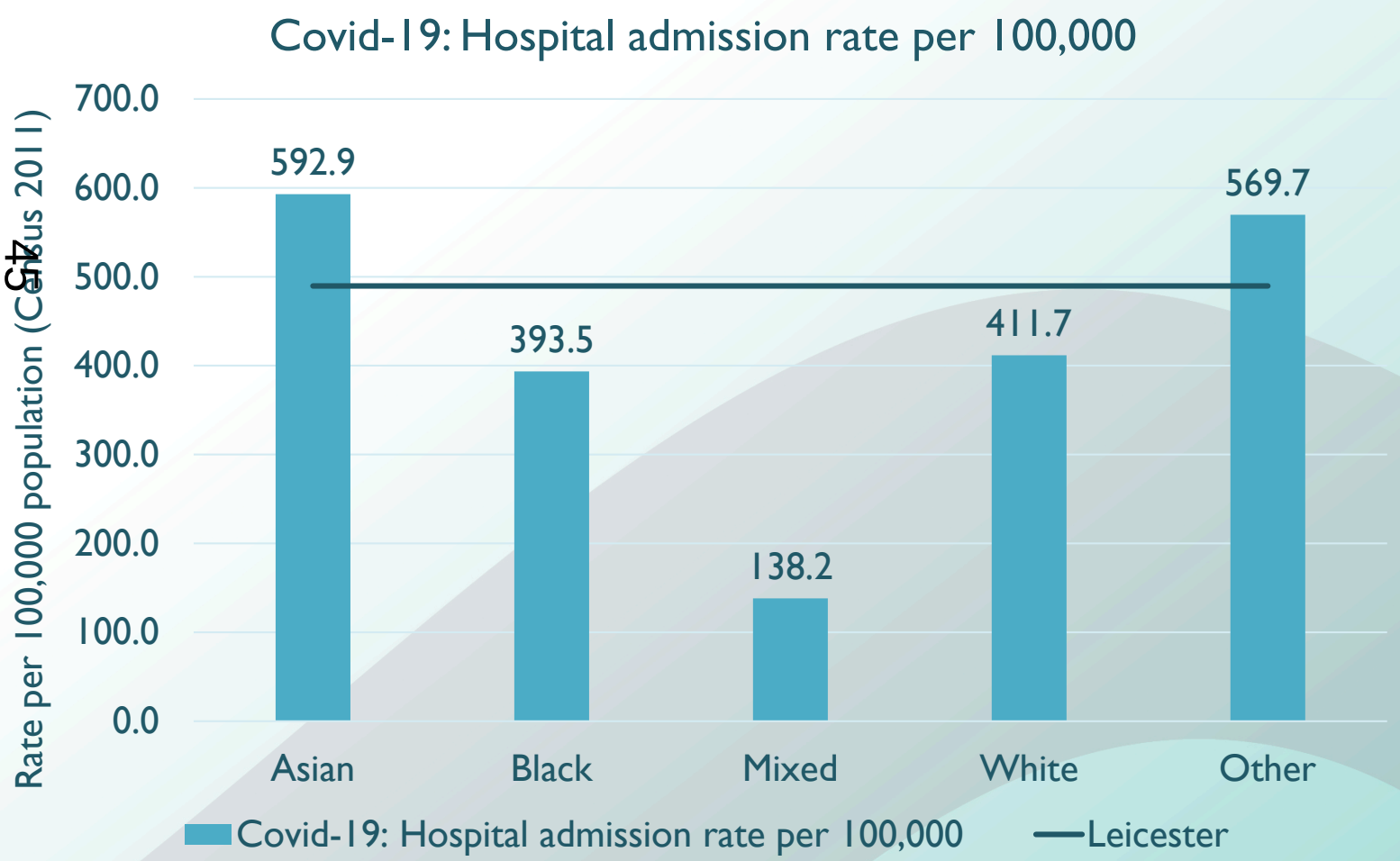
Demographic details of the 6084 White British positive tests can be viewed in the dashboard image below.



NOTE: This includes all positive tests, care home and community tests can be filtered. Care home positives have been identified from May onwards. Source: Public Health England Linelist

Leicester's Asian communities and those from an Other Ethnicity report significantly higher rates of COVID-19 hospital admission than the Leicester overall. The following slides show that Asian admissions have a younger age profile compared to White admissions.

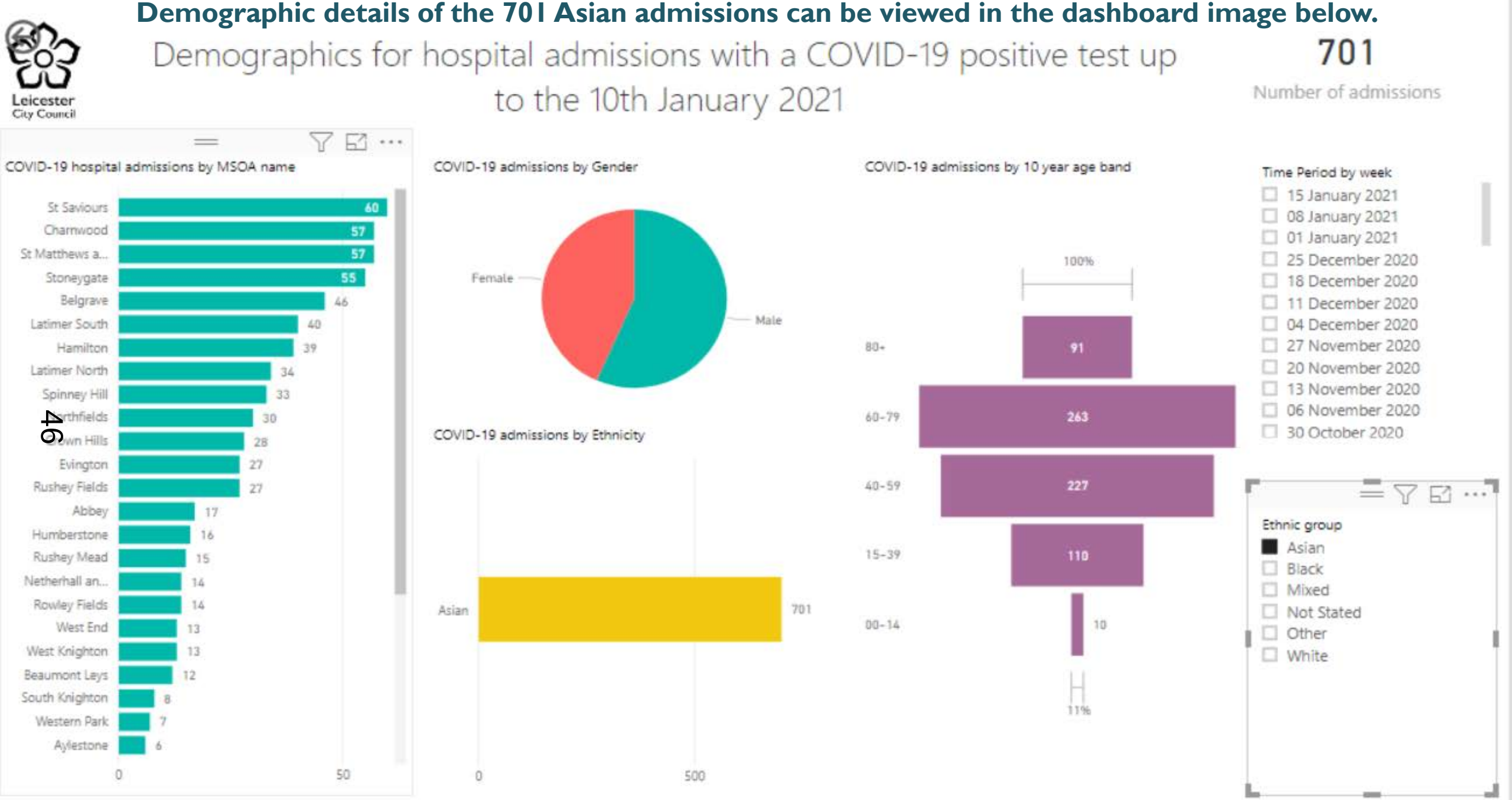
Note: This uses the latest available ethnicity population data from the 2011 Census.



Broad ethnic group	Number of COVID-19 admissions to date
Asian	701
White	686
Black	81
Other	73
Not Stated	58
Mixed Heritage	16
Grand Total	1615

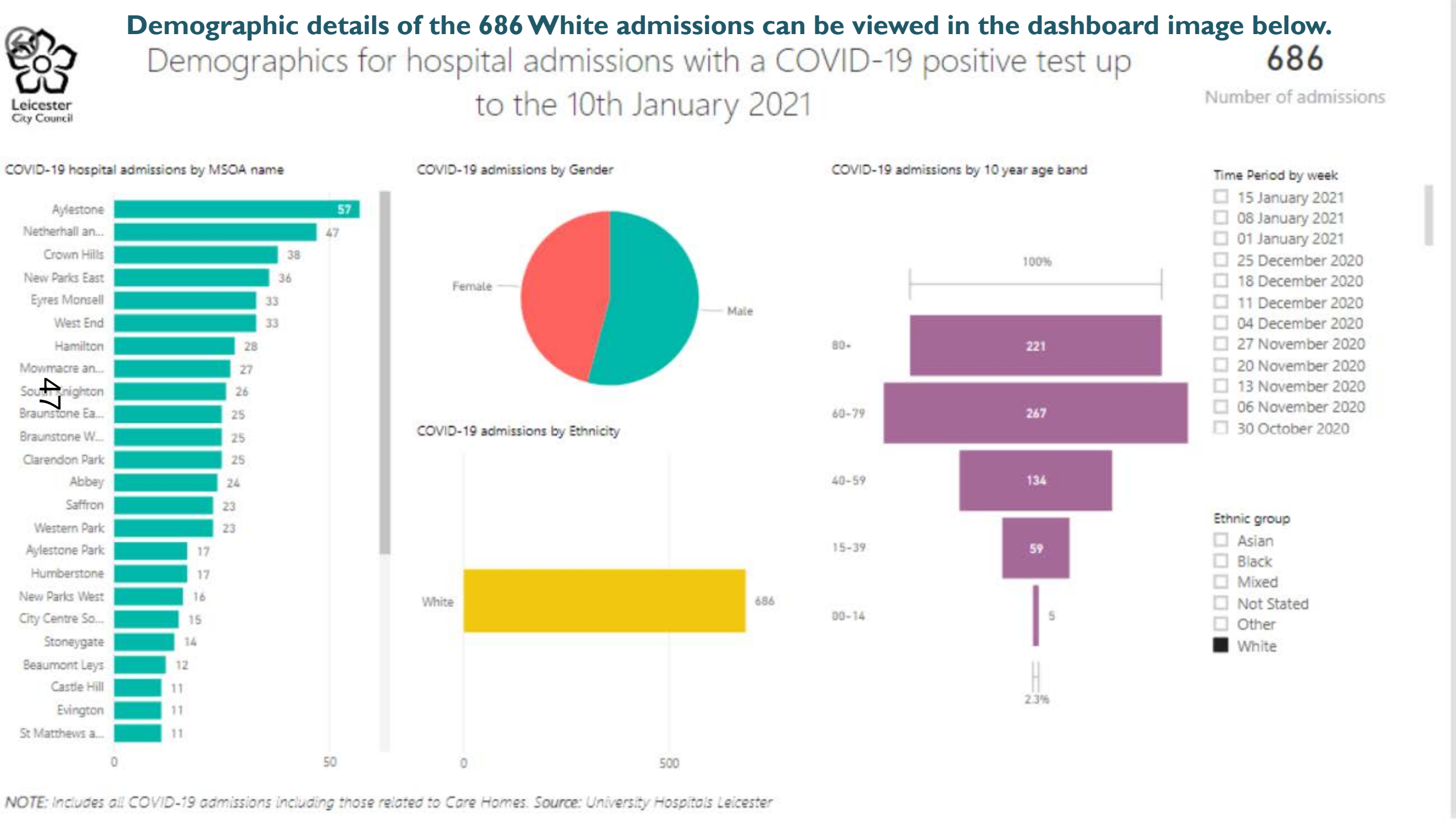
The number of White and Asian COVID-19 admissions is similar

Demographic details of the 701 Asian admissions can be viewed in the dashboard image below.



NOTE: Includes all COVID-19 admissions including those related to Care Homes. Source: University Hospitals Leicester

Demographic details of the 686 White admissions can be viewed in the dashboard image below.



NOTE: Includes all COVID-19 admissions including those related to Care Homes. Source: University Hospitals Leicester

Leicester City Council COVID-19 reporting

- Latest data on COVID cases in the city can be found on the interactive page below

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- https://www.leicester.gov.uk/your-council/coronavirus/coronavirus-in-leicester-latest-news/coronavirus-data-for-leicester/

Appendix D

Draft General Fund Budget 2021/22

Decision to be taken by: Council

Decision to be taken on/Date of meeting: 17th February 2021

Lead director/officer: Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Catherine Taylor and Mark Noble
- Author contact details: Catherine.taylor@leicester.gov.uk mark.noble@leicester.gov.uk
- Report version number: 1

1. Purpose

1.1 The purpose of this report is to ask the Council to consider the City Mayor's proposed budget for 2021/22 and to present medium-term projections up to 2024.

1.2 The proposed budget is described in this report, subject to any amendments the City Mayor may wish to recommend when he makes a firm proposal to the Council.

1.3 This report is written in advance of the Government's local government finance settlement, and will therefore change to reflect actual figures when received.

2. Summary

2.1 The Council is currently facing an unprecedented and difficult financial situation. Following on from the severe spending cuts the Government has imposed in the last 10 years, the coronavirus pandemic has put huge pressure on service spending and on income streams. There are also unavoidable, and continuing, underlying cost pressures, particularly in demand-led social care services.

2.2 Added to this, the budget is made more difficult because we do not know the level of funding available beyond the current financial year, nor the extent to which spending pressures from the Covid-19 pandemic and / or consequent economic downturn will continue. Nor do we know how services may need to be reshaped to meet new expectations in a post-Covid future.

2.3 The Council's previous approach to achieving the budget reductions required by the Government has been based on the following approach:-

(a) An in-depth review of discrete service areas (the "Spending Review Programme");

(b) Building up reserves, in order to "buy time" to avoid crisis cuts and to manage the Spending Review Programme effectively. We have termed this the "managed reserves strategy".

2.4 The Spending Review approach has served us well: savings of nearly £50m have been made since 2014, and left the Council with a relatively healthy level of reserves at the start of 2020/21 (compared to other authorities). However, the achievement of Spending Review savings has stalled in 2020/21 due to the Covid pandemic. The

pandemic may, additionally, have significant implications for the way we deliver services in future and we are not yet in a position to know what we can afford. The future shape of the Council's services will be strongly influenced by the long term consequences of the pandemic, and review will be needed to ensure we are fit to meet new challenges. This will range from new ways of providing services, to best use of IT, and the optimum configuration of our existing office portfolio if home working becomes a permanent feature of our future working arrangements. Furthermore, a significant amount of the Council's reserves may be required to meet pandemic costs.

2.5 As a consequence, the following approach has been adopted:-

(a) The budget for 2021/22 has been balanced using reserves, and can be adopted as the Council's budget for that year. This is effectively a "standstill" budget representing the underlying position before any further cuts;

(b) We have "drawn a line" under the spending review programme, but have included in this budget assumptions about savings which can be achieved without detriment to service provision;

(c) A comprehensive financial review of the Council's position will be undertaken before setting the budget for 2022/23, to ensure ongoing financial sustainability. This work needs to commence as soon as possible, given the way this budget will use up reserves.

2.6 **What this means is that, in substance, the budget proposed is a one year budget, pending a fuller (post-pandemic) review.**

2.7 It should also be noted that there are some significant risks in the budget. These are described in paragraph 13.

2.8 The draft budget provides for a council tax increase of 5% in 2021/22, which is the maximum available to us without a referendum. 3% of this 5% is for the "social care precept" – the Government has permitted social care authorities to increase tax by more than the 2% available to other authorities, in order to help meet social care pressures (unlike a grant, of course, we have to pay for this ourselves).

2.9 In the exercise of its functions, the City Council (or City Mayor) must have due regard to the Council's duty to eliminate discrimination, to advance equality of opportunity for protected groups and to foster good relations between protected groups and others. There are no proposals for decisions on specific courses of action that could have an impact on different groups of people – such decisions as may be needed will be taken subsequently. Therefore, there are no proposals to carry out an equality impact assessment on the budget itself, apart from the proposed council tax increase (this is further explained in paragraph 12 and the legal implications at paragraph 16). Where required, the City Mayor has considered the

equalities implications of decisions when they have been taken and will continue to do so for future decisions.

2.10 Best practice now expects me to present a medium term financial strategy for approval, and this is attached (see Appendix Five). It contains projections of the position up to 2024, although in the context of the pandemic longer range projections must be seen as unreliable. High and low forecasts have not been prepared, because it is not possible to ask members to take decisions based on them – this will follow from the review described above.

3. Recommendations

3.1 Subject to any amendments recommended by the City Mayor, the Council will be asked to:-

(a) approve the budget strategy described in this report, and the formal budget resolution for 2021/22 which will be circulated separately;

(b) note comments received on the draft budget from scrutiny committees, trade unions and other partners *(to be added for final budget report)*;

(c) approve the budget ceilings for each service, as shown at Appendix One to this report;

(d) approve the scheme of virement described in Appendix Two to this report;

(e) note my view that reserves will continue to be adequate during 2021/22, and that estimates used to prepare the budget are robust;

(f) note the equality implications arising from the proposed tax increase, as described in paragraph 12 and Appendix Three;

(g) note the medium-term financial strategy and forecasts presented at Appendix Five, and the significant financial challenges ahead.

4. **Budget Overview**

4.1 The table below summarises the proposed budget for 2021/22. Due to the level of uncertainty in future budgets, only one year is presented here (summary projections for a three-year period are included in the medium term strategy at Appendix Five):

	2021/22 £m
Service budget ceilings	293.5
Corporate Budgets	
Capital Financing	6.5
Miscellaneous Corporate Budgets	1.6
Contingency	2.0
Total forecast spending	**303.5**

Rates retention scheme:	
Business rates income	62.2
Top-up payment	48.0
Revenue Support Grant	29.0
Other resources:	
Council Tax	127.8
Collection Fund deficit	(2.4)
Govt funding towards Collection Fund	1.8
Social Care grants	12.0
New Homes Bonus	4.9
Total forecast resources	**283.3**

Underlying gap in resources	**20.2**
Proposed funding from reserves	(20.2)
Gap in resources	**NIL**

4.2 The proposed budget for 2021/22 has an underlying budget gap of just over £20m, which represents a £15m deterioration from the most optimistic forecast presented in February 2020. This includes adjustments to the budget to better reflect the true underlying position and unavoidable pressures, as explained in section 6 below. £20m has been added to service budgets: to the extent that this is required for adult social care, only part of the cost has been met by new funding (and most of the new

funding provided is permission to increase council tax rather than Government grant). The budget gap also reflects decreased forecasts for locally-raised tax income, due to the economic downturn caused by the pandemic.

5. Construction of the Budget and Council Tax

5.1 By law, the role of budget setting is for the Council to determine:

(a) The level of council tax;

(b) The limits on the amount the City Mayor is entitled to spend on any service ("budget ceilings"; the proposed budget ceilings are shown at Appendix One)

5.2 In line with Finance Procedure Rules, Council must also approve the scheme of virement that controls subsequent changes to these ceilings. The proposed scheme is shown at Appendix Two.

5.3 The City Council's proposed Band D tax for 2021/22 is £1,694.92, an increase of just under 5% compared to 2020/21.

5.4 The tax levied by the City Council constitutes only part of the tax Leicester citizens have to pay (albeit the major part – 84% in 2020/21). Separate taxes are raised by the Police and Crime Commissioner and the Combined Fire Authority. These are added to the Council's tax, to constitute the total tax charged.

5.5 The actual amounts people will be paying in 2021/22, however, depend upon the valuation band their property is in and their entitlement to any discounts, exemptions or benefit. Almost 80% of properties in the city are in band A or band B, so the tax will be lower than the Band D figure quoted above.

5.6 The Police and Crime Commissioner and Combined Fire Authority will set their precepts in February 2021. The formal resolution will set out the precepts issued for 2021/22, together with the total tax payable in the city.

6. Departmental Budget Ceilings

6.1 As stated in the summary at paragraph 2.5, a different approach has been taken to preparing departmental budgets this year. A thorough review is required before we can set meaningful post-Covid budgets. It would be premature to carry out such a review now, and (as described above) a one year budget is proposed to get us through this current period of pandemic and uncertainty. The approach will use our "managed reserves" to enable a smooth transition year.

6.2 The approach is therefore to maintain existing budgets wherever practical, but:-

(a) Build in unavoidable growth, which would normally be compensated by departmental savings;

(b) Anticipate savings to be made from a number of residual spending reviews which have minimal impact on front line services. Where necessary, equality assessments will be carried out prior to implementation of these proposals.

6.3 Budget ceilings for each service have been calculated as follows:

(a) The starting point is last year's budget, subject to any changes made since then which are permitted by the constitution (e.g. virement), and excluding one-off additions identified in the 2020/21 budget.

(b) An allowance for non-pay inflation has been added to the budgets for independent sector adult care (2%), foster care (2%) and the waste PFI contract (RPI, in line with contract terms). Apart from these areas, no allowance has been made for non-pay inflation;

(c) Decisions previously taken by the Executive in respect of spending reviews, where the savings take effect in 2021/22, have been deducted from the ceilings;

(d) Changes have been made for growth and savings as described below.

6.4 The budget ceilings shown at Appendix One do *not* include any allowance for pay inflation. At the time of writing, the local government pay scales for 2021/22 had not been determined, and therefore a provision is being held centrally to meet the cost. This is based on the Government's expectations for public sector pay set out in November, which include pay awards only for lower-paid staff. The provision will be distributed to departmental budget ceilings when the details of the pay award are known.

6.5 The role of the Council is to determine the financial envelopes within which the City Mayor has authority to act. Notwithstanding the way the budget has been constructed, the law does not enable the Council to determine how the City Mayor provides services within these envelopes: this is within his discretion. Paragraphs below describe how the City Mayor currently expects to achieve savings to enable him to spend within budget ceilings. The scheme of virement provides scope for alternative ways to live within budgets if any proposal cannot be delivered (e.g. if equality assessments reveal impacts that require a different approach).

City Development & Neighbourhoods

6.6 The department provides a wide range of statutory and non-statutory services which contribute to the wellbeing and civic life of the city.

6.7 The department's costs are not subject to the same levels of volatility as social care services, and pressures tend to be easier to predict in advance.

6.8 The following pressures have been reflected in the proposed budget:-

	2021/22	2022/23
	£000	***£000***
Tourism, Culture & Inward Investment		
Markets income	250	250
Festivals and Events	50	50
Records Office	45	45
Estates & Building Services		
Property maintenance and income	1,500	1,500
Housing		
Fleet	750	750
Total Growth	**2,595**	**2,595**

6.9 The growth is described below:-

(a) The income expectations at the retail market (£1.3m) have become increasingly unrealistic, and the additional £250,000 p.a. will rectify the position;

(b) Additional resource is required for festivals and events to offset rising costs of infrastructure and to support some other events that could generate significant economic benefit for the city;

(c) The Council needs to pay an increased contribution to the Records Office, following a review of the budget (and percentage shares) by the County Council;

(d) Property maintenance costs have increased due largely to a higher than expected need for routine repairs and statutory compliance following the introduction of the corporate landlord model. Additionally, an on-going reduction in the amount of capital construction activity supported by the Division, particularly as school expansions are now largely nearing completion, is reducing the income from capital fees.

(e) In recent years, vehicles in the Council's fleet have been used for a longer period following a review of useful lives: this has meant far fewer vehicles have been purchased than usual, as less vehicles reached the end of their service. Vehicles are acquired by means of borrowing, for which the department makes revenue provision – in part, the proposed growth represents a step up in vehicle acquisition after this lull. Budgets are also under pressure because, although we are working towards electrification of the corporate fleet, we are not yet seeing savings through reduced maintenance and acquisition of parts (repair costs have in fact increased due to the fleet becoming older). A delay in rectification work after the fire at Leycroft Road depot has also delayed work to introduce an MOT offer.

6.10 The following savings have been reflected in the proposed budget:

	2021/22	**2022/23**
	£000	***£000***
Planning, Development & Transport		
Car parking	500	500
Bus lane enforcement – back office	50	100
Planning efficiencies	25	25
Neighbourhoods & Environmental Services		
Rationalisation of bring banks	25	25
Procurement savings on running costs	60	60
Total Savings	**660**	**710**

6.11 The savings are described below:-

(a) Current parking charges are in multiples of £1, which are convenient for the public but constrain our ability to review charges. Work has been taking place for some time converting parking meters to cashless payment, which will facilitate a review once the pandemic is over. An adjustment is proposed to the department's budget, but it is recognised that review will be dependent on coming out of Covid restrictions. To the extent that the proposed saving cannot be achieved until later in the year, this will be compensated from one-off resources (see paragraph 9).

(b) Efficiency savings are anticipated from rationalising back office functions for collecting bus lane infringement penalties;

(c) A saving of £25,000 will be made following a review of the conservation team establishment and consolidation of ecology duties;

(d) Savings are forecast from the rationalisation of bring banks, particularly those most susceptible to anti-social behaviour. Whilst the number of sites will be reduced, approximately 20 sites where new bins would be installed have been selected taking into account feedback from the public consultation, access issues, existing levels of fly tipping (where applicable), space available and existing levels of usage;

(e) Procurement savings on running costs have already been achieved.

6.12 The department continues to face (and expects to manage) pressures associated with waste, due chiefly to increased amounts of waste to be disposed of.

Adult Social Care

6.13 Adult Social Care services nationally are facing severe cost pressures. This is recognised by the Government, although long-term solutions have been continually deferred (and now further deferred as a consequence of the pandemic). The Government has now stated that it expects to carry out a review "next year."

6.14 Consequently, the Government has been providing additional resources on a year by year basis, at inadequate levels, with no guarantee that these will be increased (or indeed maintained) in future years.

6.15 The Adult Social Care Department has managed its budget well in recent years. This is a consequence of additional funding which has been provided in council budgets, and measures to contain costs (including staffing reductions of 20% and tight controls ensuring the service can only be accessed by people with a statutory entitlement).

6.16 In 2021/22 and beyond, the department continues to face significant demand led pressures:-

(a) The growth in need of people already using services, resulting in additional support being added to their existing package of care;

(b) Growth in numbers of people using services (both older people and working age adults with mental health conditions and learning disabilities);

(c) The cost of meeting need, which is rising by more than inflation, due to the impact of continuing increases in the National Living Wage (NLW) which drives care costs. The NLW will increase by 2.2% in 2021/22 (less than previously anticipated); the Government intends it to reach two-thirds of median wages by 2025, which implies higher increases in future years.

6.17 The combination of the above pressures means the aggregate cost of social care packages is expected to increase by 12% in 2021/22. It is proposed to increase the budget for Adult Social Care by £10.2m in 2021/22 rising to £30.2m by 2022/23. Government support will meet some, but not all of these costs: although exact

allocations are not yet confirmed, we expect to receive around £2m in additional grant support. This is obviously considerably short of what the Council needs (permission to increase council tax by 5% will raise an additional £3.6m).

6.18 The following savings will be deducted from the budget (all of which have already been achieved):

	2021/22	**2022/23**
	£000	***£000***
Admin savings	140	140
Pension costs for TUPE'd staff	154	154
Total Savings	**294**	**294**

6.19 Work is taking place to reduce the burden of growing costs. This includes:

(a) A deep dive analysis to understand trends in care;

(b) Investment in technology enabled care (TEC) which experience elsewhere suggests has scope for significant savings;

(c) Further strengthening of prevention.

Education and Children's Services

6.20 In common with authorities across the country, increasing demand for social care services has been putting considerable pressure on the budget of the department (and the Council).

6.21 The pandemic has however made no appreciable difference to demand for social care, although new demand may surface once restrictions are completely lifted.

6.22 £14m was added to the budget of the department in 2020/21, £3m of which was described as temporary in anticipation of savings. Consideration of these savings has been derailed by the pandemic, and the budget therefore proposes to make this growth permanent. That aside, the department currently believes that no new monies will be required to meet growth in demand.

6.23 The budget does, however, propose the following growth:-

	2021/22	**2022/23**
	£000	***£000***
SEN home to school transport	2,382	2,382
Special Education Service – additional resource	425	425
Connexions review not proceeding	241	241
Total Growth	**3,048**	**3,048**

6.24 The growth is described below:-

(a) The budget for SEN transport has been under pressure for some time reflecting cost increases for both the in-house fleet service and taxis. This has been exacerbated by growth in user numbers arising from Education, Health and Care Plans (EHCPs). The amount of additional money required has been offset by savings expected from the use of individual Passenger Transport Budgets (PTBs) (£0.5m p.a.) and from a new taxi framework contract (£0.8m p.a.);

(b) Additional funding has been provided for more staff in the Special Education Service to ensure timely preparation of EHCPs. We have seen a growth of 62% in the number of EHCPs since 2016 and there has been no permanent increase in staffing to deal with this;

(c) The budget for 2020/21 assumed savings would arise from a review of the Connexions Service. Whilst review has taken place, reductions to the service have not been made due to the impact the savings would have on the service, particularly given the economic impact the pandemic is likely to have.

6.25 Work is taking place to reduce pressure in social care costs:-

(a) Developing internal residential placements to reduce expensive external costs;

(b) Developing a wider range of semi-independent placements;

(c) Enhancing and promoting our foster care offer;

(d) Developing an advanced foster carer scheme.

6.26 The recent introduction of therapy teams has secured a reduction in the number of care placements which would otherwise have been required, and is operating at full capacity.

6.27 In addition to the general fund, DSG budgets for higher needs pupils continue to be under severe pressure.

<u>Health & Wellbeing</u>

6.28 The Health and Wellbeing Division consists of core public health services, together with sports and leisure provision. It is partly funded from Public Health Grant and partly from the general fund. Public Health Grant has been falling in recent years, but was maintained at current levels in 2020/21 (after inflation).

6.29 The future of Public Health Grant beyond 2021/22 is unclear – it is anticipated that it will eventually be consolidated into the new 75% business rates retention scheme

(assuming this is implemented). This, however, remains uncertain as it is subject to agreement between the Ministry of Housing, Communities and Local Government; and the Department of Health and Social Care – the latter may wish to impose requirements on how former Public Health Grant is spent in the future.

6.30 The proposed budget includes the following growth:.

	2021/22	2022/23
	£000	***£000***
Business Manager	55	55
Statutory advice to CCGs	75	75
Total Growth	**130**	**130**

6.31 This growth is described below:-

(a) The business manager post is essential to supplement existing capacity in the wake of the pandemic and recruitment is underway. If growth is not approved, compensating savings will need to be found;

(b) A part time consultant is proposed to deliver public health care to fulfil our statutory duty to support CCGs, and to have senior public health influence and leadership of the Integrated Care System. This will ensure that the health economy prioritises tackling inequalities in the city and places much greater emphasis on primary and secondary prevention.

6.32 The sports service is expected to suffer continued loss of income in 2021/22, as users are hesitant to return following the pandemic. Additionally, the pandemic will delay achievement of the savings expected from the recent Spending Review (£0.6m). These costs will be met from one-off resources (see paragraph 9).

6.33 To provide funding for the above, the following savings are proposed:-

	2021/22	2022/23
	£000	***£000***
Contraception Services	100	100
Services for Children aged 0 to 19	0	200
Lifestyle Services	35	35
Total Savings	**135**	**335**

6.34 These savings are described below:-

(a) Reduced levels of expenditure by GPs providing contraception services;

(b) Savings are anticipated from the Children's 0-19 contract with Leicestershire Partnership Trust, when it is renewed prior to 2022/23;

(c) Miscellaneous Lifestyle Services savings can be achieved through more efficient targeting of the promotion of healthy food and physical exercise within schools.

Corporate Resources & Support

6.35 The department primarily provides back office support services, but also some public facing services such as benefits and collection of council tax. It has made considerable savings in recent years in order to contribute to the Council's savings targets. It has nonetheless achieved a balanced budget each year.

6.36 The following growth is proposed:-

	2021/22	2022/23
	£000	***£000***
Making Temporary Teams Permanent		
Digital Transformation Team	660	660
Service Analysis Team	235	235
Smart Cities	250	250
Entrepreneurial Councils	125	125
Finance Projects Team	260	260
Other Growth		
Revenues & Benefits	250	250
Childcare & contract lawyers	469	469
Total	**2,249**	**2,249**

6.37 This growth is described below:-

(a) A number of teams delivering new ways of working and modern services have been funded from annual savings achieved from other budgets, or departmental reserves. In line with our overall approach to 2021/22 (a transition year) it is proposed to build these costs into the main budget. These services are seen as enabling new approaches which will be critical as we plan for 2022/23;

(b) Costs of the Revenue and Benefits Service are increasing due to difficulties in recruiting and retaining staff as the Government moves claimants onto Universal Credit, and continuing Government grant reductions;

(c) Childcare and contract legal work has been underfunded compared to the growing volumes of work in these areas, and has previously been funded on a year by year basis.

6.38 The following savings are proposed:-

	2021/22	2022/23
	£000	***£000***
Finance Division Review	400	400
IT – efficiency savings	36	36
VCS infrastructure	50	100
Total Savings	**486**	**536**

6.39 These savings are described below:-

(a) An organisational review of the Finance Division is taking place, to make further efficiency savings;

(b) Efficiency savings can be achieved by IT Services, consequential to Spending Review 4 savings;

(c) The VCS infrastructure contract will be re-procured with a view to achieving savings and to focusing the contract specifically on supporting the sustainability of the sector. This is in line with a VCS strategy which is in development, and in light of other activity which has been developed in recent years to support the VCS (such as crowdfunding). It will also build on the benefits of the volunteering, relationships and engagement approach which has been part of the Covid pandemic response.

7. Corporately Held Budgets and Provisions

7.1 In addition to the service budget ceilings, some budgets are held corporately. These are described below.

7.2 The budget for **capital financing** represents the cost of interest and debt repayment on past years' capital spending. This budget is not controlled to a cash ceiling, and is managed by the Director of Finance. Costs which fall to be met by this budget are driven by the Council's treasury management strategy, which will also be approved by Council in February, and are affected by decisions made by the Director of Finance in implementation of this policy.

7.3 A **contingency** of £2m has been included in the budget, to manage significant pressures that arise during the year. This is particularly appropriate due to the level of uncertainty in the budget this year.

7.4 **Miscellaneous central budgets** include external audit fees, pensions costs of some former staff, levy payments to the Environment Agency, bank charges, general insurance costs, monies set aside to assist council taxpayers suffering hardship and other sums it is not appropriate to include in service budgets. These budgets are offset by the effect of recharges from the general fund to other statutory accounts of the Council (which are reducing over time). A provision is also held (as in previous years) for the implications of Government reform to the High Needs Block of DSG, although this will have the practical effect of reducing recharges.

8. Resources

8.1 This draft budget has been prepared before we have the local government finance settlement for 2021/22, and without knowing our precise grant allocations. We have therefore made estimates based on the national Spending Review published on 25th November. Given the level of uncertainty about the public finances in the future, the government has again produced a one-year Spending Review for 2021/22, and deferred a multi-year plan until the following year. We are expecting that the financial settlement for 2021/22 will largely roll forward existing funding allocations, with little reallocation between authorities.

Business Rates Retention Scheme

8.2 Since 2013, local government has retained 50% of the business rates collected locally, with the other 50% being paid to central government. In Leicester, 1% is paid to the fire authority, and 49% has been retained by the Council. This is known as the "Business Rate Retention Scheme".

8.3 In recognition of the fact that different authorities' ability to raise rates do not correspond to needs, there are additional elements of the business rates retention scheme:

(a) a **top-up to local business rates**, paid to authorities with lower taxbases relative to needs (such as Leicester) and funded by authorities with greater numbers of higher-rated businesses.

(b) **Revenue Support Grant** (RSG), which has declined sharply in recent years as it is the main route for the government to deliver cuts in local government funding (and the methodology for doing this has disproportionately disadvantaged deprived authorities).

8.4 The planned reform to the funding system has now been delayed, so this draft budget is based on the 2020/21 settlement being rolled forward with an addition for inflation.

8.5 Forecasts of business rates income are particularly sensitive to assumptions about the length and severity of the economic downturn caused by the pandemic. The figures in this draft budget are based on the rates base as it stood at autumn (6

months into the pandemic), and assume a further reduction in yield of 2% (resulting in a reduction in income of £3m compared to the 2020/21 budget).

8.6 The government has recently announced that the rates multiplier will be frozen for 2021/22, which means that less income will be collected from ratepayers (compared to our original assumptions). However, we will be reimbursed by government grant, so there should be no net effect on our budget.

Council Tax

8.7 Council tax income is estimated at £127.8m in 2021/22, based on a tax increase of just below 5% (the maximum allowed without a referendum). The proposed tax increase includes the additional "social care levy" allowed since 2016/17, and designed to help social care authorities mitigate the growing costs of social care; the Government will expect us to demonstrate that the money is being used for this purpose.

8.8 The assumed taxbase for 2021/22 has reduced slightly since last year's budget. This is largely the result of an increased provision for bad debt, as the ongoing economic effects of the pandemic will lead to more residents having difficulty in paying. There has also been an increase in the cost of the council tax support scheme during the pandemic (this had been consistently decreasing in previous years), and the increase will not be eradicated immediately the pandemic is over.

Other grants

8.9 The Government also controls a range of other grants. The majority of these are not shown in the table at paragraph 4.1, as they are treated as income to departments (departmental budgets are consequently lower than they would have been). Those held corporately are described below:

a) **New Homes Bonus (NHB)**. This is a grant which roughly matches the council tax payable on new homes, and homes which have ceased to be empty on a long term basis. The future of NHB is in doubt.

b) Additional funding to support **Social Care** has been made available each year since 2017/18, although this has been as a series of one-off allocations rather than a stable funding stream. For 2021/22, the total funding nationally will be £1.8 billion (a £300 million increase from 2020/21). Our estimated share of this is around £12 million.

Collection Fund surplus / deficit

8.10 Collection fund surpluses arise when more tax is collected than assumed in previous budgets. Deficits arise when the converse is true. This year, in common with authorities nationally, tax collection has significantly reduced during the Covid restrictions.

8.11 In 2020/21, as part of the response to the pandemic, the Government granted a raft of new rates reliefs to businesses: we have been compensated by Government grant. In itself, this has no net cost to the Council (in fact it is helpful because we do not have to recover monies from individual ratepayers). Due to accounting rules, the effect of this in our accounts will look peculiar. For clarity, the figures in this report show the true underlying position.

8.12 Collection fund deficits are particularly difficult to predict this year, due to the uncertainty over the path of the pandemic. The initial estimates included in this draft budget will be reviewed in the light of more up-to-date information, before the final budget is presented to Council in February.

8.13 Under temporary rules introduced to deal with these income losses, the collection fund deficit arising in 2020/21 will be spread over the following three years. In addition, the government is proposing a scheme whereby local authorities will be funded for 75% of their irrecoverable losses on council tax and business rates.

8.14 The Council has an estimated **council tax collection fund deficit** of £4.9m, after allowing for shares paid to the police and fire authorities. This will be recovered between 2021/22 and 2023/24. The majority of this relates to reduced collection rates arising from the pandemic and lockdown, and assumptions made about how much will eventually be collected. If eventual collection rates are better than these assumptions, the additional amount will be brought back into the budget in future years. It also includes the estimated amount of additional council tax support which will be paid in 20/21.

8.15 The Council has an estimated **business rates collection fund deficit** of £1.8m (again, this will be recovered over 3 years). This is largely the result of an increased bad debt provision, as collection has declined during the pandemic and lockdown. Some however arises from additional exemptions for properties which have become vacant.

9. Managed Reserves Strategy

9.1 The pandemic and the change in our approach to the budget strategy has had a significant impact on our requirement for reserves. The amounts previously set aside to manage future budgets will largely be required to balance 2021/22 and to deal with pandemic pressures.

9.2 The Council has agreed to maintain a minimum balance of £15m of reserves. The new strategy does not propose to change this.

9.3 The Council also has a number of earmarked reserves, which are further discussed in section 10 below. Key amongst these was the managed reserves strategy which is dealt with below.

9.4 Since 2013, the Council has used a managed reserves strategy, contributing money to reserves in the early years of the strategy, and drawing down reserves in later years. This policy has bought time to more fully consider how to make the substantial cuts which have been necessary. The pandemic has, in effect, made significant inroads into these reserves:

(a) we are expecting that up to £20m will be required in 2020/21 to meet costs over and above Government grant we have received for the pandemic;

(b) similarly, a sum of £10m has been set aside for one-off costs associated with the pandemic in 2021/22. This is likely to include income losses which are expected to persist, particularly car parking, sports and De Montfort Hall. The Government will make some grant funding available to local authorities for costs in 2021/22, but at this stage we have no way of knowing whether this will be sufficient.

9.5 Conversely, a review of earmarked reserves has resulted in £4.8m becoming surplus to requirements and has been added back to managed reserves.

9.6 The estimated reserves at the end of 2022/23 are shown below, and emphasise the need for a fundamental budget review as soon as possible:

	£m
Brought forward 1st April 2020	66.8
Add transfers from earmarked reserves	4.6
Minus use planned in 2020/21 budget	(2.4)
Additional unfunded Covid costs	(20.0)
Forecast carry forward 1st April 2021	**49.0**
Required in 2021/22	(20.2)
Provision for Covid costs in 21/22	(10.0)
Uncommitted balance for 22/23	**18.8**

10. Earmarked Reserves

10.1 In addition to the general reserves, the Council also holds earmarked reserves which are set aside for specific purposes. These include ring-fenced funds which are held by the Council but for which we have obligations to other partners or organisations; departmental reserves, which are held for specific services; and corporate reserves, which are held for purposes applicable to the organisation as a whole.

10.2 Earmarked reserves are kept under review, and amounts which are no longer needed for their original purpose can be released for other uses, including the managed reserves strategy.

10.3 Earmarked reserves are shown at Appendix Four.

11. Medium Term Strategy

11.1 Planning for the budget beyond 2021/22 is extremely difficult, as the government's spending plans for this period will not be announced until the middle of 2021 at the earliest. Nevertheless, we need to ensure the Council's finances are sustainable in the longer term. Best practice now requires us to include a medium term strategy, which is exceptionally difficult in the middle of a pandemic. A medium-term financial forecast is attached at Appendix Five to this report.

12. Budget and Equalities

12.1 The Council is committed to promoting equality of opportunity for its residents; both through its policies aimed at reducing inequality of outcomes, and through its practices aimed at ensuring fair treatment for all and the provision of appropriate and culturally sensitive services that meet local people's needs.

12.2 In accordance with section 149 of the Equality Act 2010, the Council must "have due regard", when making decisions, to the need to meet the following aims of our Public Sector Equality Duty :-

(a) eliminate unlawful discrimination;
(b) advance equality of opportunity between those who share a protected characteristic and those who do not;
(c) foster good relations between those who share a protected characteristic and those who do not.

12.3 Protected groups under the public sector equality duty are characterised by age, disability, gender reassignment, pregnancy/maternity, race, religion or belief, sex and sexual orientation.

12.4 When making decisions, the Council (or decision maker, in this case the City Mayor) must be clear about any equalities implications of the course of action proposed. In doing so, it must consider the likely impact on those likely to be affected by the recommendation; their protected characteristics; and (where negative impacts are anticipated) mitigating actions that can be taken to reduce or remove that negative impact.

12.5 This report seeks approval to the proposed budget strategy. The report sets out financial ceilings for each service which act as maxima above which the City Mayor cannot spend (subject to his power of virement). However, decisions on services to be provided within the budget ceilings are taken by managers or the City Mayor separately from the decision regarding the budget strategy. Where appropriate, an individual Equalities Impact Assessment for any service changes will be undertaken when these decisions are developed.

12.6 While this report does not seek approval to any specific service proposals, it does recommend a proposed council tax increase for the city's residents. The City

Council's proposed tax for 2021/22 is £1,694.92, an increase of just below 5% compared to 2020/21. As the recommended increase could have an impact on those required to pay it, an assessment has been carried out to inform decision makers of the potential equalities implications. This analysis is provided at Appendix Three.

12.7 Whilst there has been some support specifically arising from the impact of Covid-19 it is unclear what support will be in place in 2021/22. Council officers should continue to ensure that if any additional or on-going support that is put in place in the future, efforts are made to ensure that all sections of the community are able to access the support that they are entitled to. This may involve ensuring that there are accessible and possibly targeted communications where there may be barriers to access.

12.8 A number of risks to the budget are addressed within this report, such as the impact of Covid-19, economic downturn, adult social care pressures, costs of looked after children, the impact of Brexit and the uncertainty of not knowing plans for local government funding for next year. If these risks are not mitigated effectively, there could be a disproportionate impact on people from particular protected characteristics backgrounds and therefore ongoing consideration of the risks and any potential disproportionate equalities impacts, as well as mitigations to address disproportionate impacts for those with a particular protected characteristics, is required.

13. Risk Assessment and Adequacy of Estimates

13.1 Best practice requires me to identify any risks associated with the budget, and section 25 of the Local Government Act 2003 requires me to report on the adequacy of reserves and the robustness of estimates.

13.2 In the current climate, it is inevitable that the budget carries significant risk, even more than in previous years. In my view, although very difficult, the budget for 2021/22 is achievable subject to the risks and issues described below.

13.3 The most significant risks in the 2021/22 budget include (but are not limited to) the ongoing effects of the coronavirus pandemic, which are affecting almost all areas of the Council's operations. However, there are also pre-existing pressures which continue to pose a risk to the financial position:

(a) Adults social care spending pressures, specifically the risk of further growth in the cost of care packages;

(b) The costs of looked after children, which have seen growth nationally. These have not been significantly impacted by the pandemic, but we may see pressure build again when restrictions end;

(c) Continued shortfalls in service income, particularly in areas where service operation and demand have been affected by the pandemic. This includes sports and leisure facilities, De Montfort Hall and parking income;

(d) If the economic downturn is longer or more severe than predicted, this could result in new cuts to grant; falling business rate income; and increased cost of council tax reductions for taxpayers on low incomes. It could also lead to a growing need for council services and an increase in bad debts;

(e) This draft budget has been prepared before we know the full details of funding for 2021/22, or the Government's plans for local authority funding for 2022/23;

(f) The impact of Brexit, after the transition period ends on 31st December 2020, is yet to be seen.

13.4 The budget seeks to manage these risks as follows:-

(a) A minimum balance of £15m reserves will be maintained;
(b) A further £10m of reserves has been identified to support short-term losses from the Covid pandemic in 2021/22;
(c) A contingency of £2m has been included in the budget for 2021/22;
(d) A prudent estimate of reserves required in 2020/21 has been made.

13.5 Subject to the above comments, I believe the Council's general and earmarked reserves to be adequate. I also believe estimates made in preparing the budget are robust. (Whilst no inflation is provided for the generality of running costs in 2021/22, some exceptions are made, and it is believed that services will be able to manage without an allocation).

14. Consultation on the Draft Budget

14.1 Comments on the draft budget will be sought from:-

(a) The Council's scrutiny function;
(b) Key partners and other representatives of communities of interest;
(c) Business community representatives (a statutory consultee);
(d) The Council's trade unions.

14.2 Comments will be incorporated into the final version of this report.

15. Financial Implications

15.1 This report is exclusively concerned with financial issues.

15.2 Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any member with arrears of council tax which have been outstanding for two months or more to attend any meeting at which a decision affecting the budget is to be made unless the member concerned declares the arrears at the outset of the meeting and that as a result s/he will not be voting. The member can, however, still speak. The rules are more circumscribed for the City Mayor and Executive. Any executive member who has arrears outstanding for 2 months or more cannot take part at all.

16. **Legal Implications (Kamal Adatia, City Barrister)**

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

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

16.3 As well as detailing the recommended council tax increase for 2021/22, the report also complies with the following statutory requirements:-

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

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

16.5 The discharge of the 'function' of setting a budget triggers the duty in s.149 of the Equality Act, 2010, for the Council to have "due regard" to its public sector equality duties. These are set out in paragraph 12. There are considered to be no specific proposals within this year's budget that could result in new changes of provision that could affect different groups of people sharing protected characteristics. Where savings are anticipated, equality assessments will be prepared as necessary. Directors and the City Mayor have freedom to vary or abort proposals under the scheme of virement where there are unacceptable equality consequences. As a consequence, there are no service-specific 'impact assessments' that accompany the budget. There is no requirement in law to undertake equality impact assessments as the only means to discharge the s.149 duty to have "due regard". The discharge of the duty is not achieved by pointing to one document looking at a snapshot in time, and the report evidences that the Council treats the duty as a live and enduring one. Indeed case law is clear that undertaking an EIA on an 'envelope-setting' budget is of limited value, and that it is at the point in time when policies are developed which reconfigure services to live within the budgetary constraint when impact is best assessed. However, an analysis of equality impacts has been

prepared in respect of the proposed increase in council tax, and this is set out in Appendix Three.

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

17. Report Authors

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Appendix One

Budget ceilings

	2020/21 budget (revised)	Non-pay inflation	Spending Reviews already approved	Growth from budget reviews	Savings from budget reviews	2021/22 budget ceiling
1. City Development & Neighbourhoods						
1.1 Neighbourhood & Environmental Services						
Divisional Management	271.4					**271.4**
Regulatory Services	3,005.1					**3,005.1**
Waste Management	17,534.1				(25.0)	**17,509.1**
Parks & Open Spaces	3,891.3					**3,891.3**
Neighbourhood Services	5,761.3		(255.0)		(60.0)	**5,446.3**
Standards & Development	1,632.3					**1,632.3**
Divisional sub-total	**32,095.5**	**0.0**	**(255.0)**	**0.0**	**(85.0)**	**31,755.5**
1.2 Tourism, Culture & Inward Investment						
Arts & Museums	4,064.9			95.0		**4,159.9**
De Montfort Hall	550.4					**550.4**
City Centre	178.6					**178.6**
Place Marketing Organisation	377.8					**377.8**
Economic Development	26.4		(80.0)			**(53.6)**
Markets	(391.1)			250.0		**(141.1)**
Adult Skills	(870.4)					**(870.4)**
Divisional Management	181.0					**181.0**
Divisional sub-total	**4,117.6**	**0.0**	**(80.0)**	**345.0**	**0.0**	**4,382.6**
1.3 Planning, Transportation & Economic Development						
Transport Strategy	9,897.2		(50.0)		(550.0)	**9,297.2**
Highways	3,466.4					**3,466.4**
Planning	1,000.8				(25.0)	**975.8**
Divisional Management	134.4					**134.4**
Divisional sub-total	**14,498.8**	**0.0**	**(50.0)**	**0.0**	**(575.0)**	**13,873.8**
1.4 Estates & Building Services	**4,667.1**		(75.0)	1,500.0		**6,092.1**
1.5 Housing Services	**2,591.8**			750.0		**3,341.8**
1.6 Departmental Overheads						
School Organisation & Admissions	452.7					**452.7**
Overheads	568.3					**568.3**
Divisional sub-total	**1,021.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1,021.0**
DEPARTMENTAL TOTAL	**58,991.8**	**0.0**	**(460.0)**	**2,595.0**	**(660.0)**	**60,466.8**

Appendix One

Budget ceilings

	2020/21 budget (revised)	Non-pay inflation	Spending Reviews already approved	Growth from budget reviews	Savings from budget reviews	2021/22 budget ceiling
2.Adults						
2.1 Adult Social Care & Safeguarding						
Other Management & support	728.2					**728.2**
Safeguarding	146.1					**146.1**
Preventative Services	6,547.8					**6,547.8**
Independent Sector Care Package Costs	109,171.0	2,285.5	(70.0)	10,200.0		**121,586.5**
Care Management (Localities)	6,890.1					**6,890.1**
Divisional sub-total	**123,483.2**	**2,285.5**	**(70.0)**	**10,200.0**	**0.0**	**135,898.7**
2.2 Adult Social Care & Commissioning						
Enablement & Day Care	3,012.9					**3,012.9**
Care Management (LD & AMH)	5,011.3					**5,011.3**
Preventative Services	1,382.7				(90.0)	**1,292.7**
Contracts, Commissioning & Other Support	5,515.9				(50.0)	**5,465.9**
Departmental	(31,130.1)				(154.0)	**(31,284.1)**
Divisional sub-total	**(16,207.3)**	**0.0**	**0.0**	**0.0**	**(294.0)**	**(16,501.3)**
DEPARTMENT TOTAL	**107,275.9**	**2,285.5**	**(70.0)**	**10,200.0**	**(294.0)**	**119,397.4**
3. Education & Children's Services						
3.1 Strategic Commissioning & Business Support	**1,296.0**					**1,296.0**
3.2 Learning Quality & Performance						
Raising Achievement	494.8					**494.8**
Learning & Inclusion	1,055.7			241.0		**1,296.7**
Special Education Needs and Disabilities	9,499.8			2,807.0		**12,306.8**
Divisional sub-total	**11,050.3**	**0.0**	**0.0**	**3,048.0**	**0.0**	**14,098.3**
3.3 Children, Young People and Families						
Children In Need	11,235.0					**11,235.0**
Looked After Children	43,270.3	202.1				**43,472.4**
Safeguarding & QA	2,375.3					**2,375.3**
Early Help Targeted Services	5,355.3					**5,355.3**
Early Help Specialist Services	3,174.3					**3,174.3**
Divisional sub-total	**65,410.2**	**202.1**	**0.0**	**0.0**	**0.0**	**65,612.3**
3.4 Departmental Resources	**(1,957.4)**			3,000.0		**1,042.6**
DEPARTMENTAL TOTAL	**75,799.1**	**202.1**	**0.0**	**6,048.0**	**0.0**	**82,049.2**

Appendix One

Budget ceilings

	2020/21 budget (revised)	Non-pay inflation	Spending Reviews already approved	Growth from budget reviews	Savings from budget reviews	2021/22 budget ceiling
4. Health and Wellbeing						
Adults' Services	8,984.7				(100.0)	**8,884.7**
Children's 0-19 Services	8,544.5					**8,544.5**
Lifestyle Services	1,222.2				(35.0)	**1,187.2**
Staffing & Infrastructure& Other	2,134.4			130.0		**2,264.4**
Sports Services	2,493.7		(650.0)			**1,843.7**
DEPARTMENT TOTAL	**23,379.5**	**0.0**	**(650.0)**	**130.0**	**(135.0)**	**22,724.5**
5. Corporate Resources Department						
5.1 Delivery, Communications & Political Governance	**5,960.1**			1,035.0	(50.0)	**6,945.1**
5.2 Financial Services						
Financial Support	4,735.5			495.0	(400.0)	**4,830.5**
Revenues & Benefits	6,412.4			250.0		**6,662.4**
Divisional sub-total	**11,147.9**	**0.0**	**0.0**	**745.0**	**(400.0)**	**11,492.9**
5.3 Human Resources	**3,952.3**					**3,952.3**
5.4 Information Services	**9,190.3**		(17.0)		(36.0)	**9,137.3**
5.5 Legal Services	**2,745.2**			469.0		**3,214.2**
DEPARTMENTAL TOTAL	**32,995.8**	**0.0**	**(17.0)**	**2,249.0**	**(486.0)**	**34,741.8**
TOTAL -Service Budget Ceilings	**298,442.1**	**2,487.6**	**(1,197.0)**	**21,222.0**	**(1,575.0)**	**319,379.7**
***less* public health grant**	(26,599.0)					**(26,599.0)**
***add* provision for pay award**						**700.0**
NET TOTAL	**271,843.1**	**2,487.6**	**(1,197.0)**	**21,222.0**	**(1,575.0)**	**293,480.7**

Appendix Two

Scheme of Virement

1. This appendix explains the scheme of virement which will apply to the budget, if it is approved by the Council.

Budget Ceilings

2. Directors are authorised to vire sums within budget ceilings without limit, providing such virement does not give rise to a change of Council policy.

3. Directors are authorised to vire money between any two budget ceilings within their departmental budgets, provided such virement does not give rise to a change of Council policy. The maximum amount by which any budget ceiling can be increased or reduced during the course of a year is £500,000. This money can be vired on a one-off or permanent basis.

4. Directors are responsible, in consultation with the appropriate Assistant Mayor if necessary, for determining whether a proposed virement would give rise to a change of Council policy.

5. Movement of money between budget ceilings is not virement to the extent that it reflects changes in management responsibility for the delivery of services.

6. The City Mayor is authorised to increase or reduce any budget ceiling. The maximum amount by which any budget ceiling can be increased during the course of a year is £5m. Increases or reductions can be carried out on a one-off or permanent basis.

7. The Director of Finance may vire money between budget ceilings where such movements represent changes in accounting policy, or other changes which do not affect the amounts available for service provision.

8. Nothing above requires the City Mayor or any director to spend up to the budget ceiling for any service.

Corporate Budgets

9. The following authorities are granted in respect of corporate budgets:

   (a) the Director of Finance may incur costs for which there is provision in miscellaneous corporate budgets, except that any policy decision requires the approval of the City Mayor;

   (b) the Director of Finance may allocate the provision for the 2021/22 pay award;

   (c) The City Mayor may determine how the contingency can be applied.

Earmarked Reserves

10. Earmarked reserves may be created or dissolved by the City Mayor. In creating a reserve, the purpose of the reserve must be clear.

11. Directors may add sums to an earmarked reserve, from:

(a) a budget ceiling, if the purposes of the reserve are within the scope of the service budget;

(b) a carry forward reserve, subject to the usual requirement for a business case.

12. Directors may spend earmarked reserves on the purpose for which they have been created.

13. When an earmarked reserve is dissolved, the City Mayor shall determine the use of any remaining balance.

Appendix Three

Equality Impact Assessment

1. **Purpose**

1.1 This appendix presents the equalities impact of a proposed 4.99% council tax increase.

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

2.1 As at October 2020, there are 129,850 properties liable for Council Tax in the city (excluding those registered as exempt, such as student households).

2.2 All working age households in Leicester are required to contribute towards their council tax bill. Our current council tax support scheme (CTSS) requires working age households to pay at least 20% of their council tax bill and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience. For 2021/22, some additional relief is also expected to be given, which the Government will fund as part of its response to the Covid pandemic. Details are not yet known.

2.3 Council tax support for pensioner households follows different rules. Low-income pensioners are eligible for up to 100% relief through the CTSS scheme.

3. **How are they affected?**

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

Band	No. of Properties	Weekly increase	Minimum Weekly Increase under CTSS
A-	267	£0.86	£0.17
A	77,269	£1.03	£0.21
B	25,803	£1.20	£0.24
C	14,833	£1.38	£0.41
D	6,181	£1.55	£0.58
E	3,351	£1.89	£0.93
F	1,518	£2.24	£1.27
G	591	£2.58	£1.62
H	37	£3.10	£2.13
Total	**129,850**		

Notes: "A-" properties refer to band A properties receiving an extra reduction for Disabled Relief. Households may be entitled to other discounts on their council tax bill, which are not shown in the table above.

3.2 For band B properties (almost 80% of the city's properties are in bands A or B), the proposed annual increase in council tax is £62.76; the minimum annual increase for households eligible under the CTSS would be £12.55 (for a working-age household, and excluding the impact of any other discounts).

3.3 In most cases, the change in council tax (around £1.20 per week for a band B property with no discounts; and less than 25p per week if eligible for the full 80% reduction under the CTSS) is a small proportion of disposable income, and a small contributor to any squeeze on household budgets. A council tax increase would be applicable to all properties - the increase would not target any one protected group, rather it would be an increase that is applied across the board. However, it is recognised that this may have a more significant impact among households with a low disposable income.

3.4 Many households at all levels of income have seen significant income shocks due to the coronavirus pandemic and the economic downturn. However, to date, these have been partly cushioned by national policies including furlough and self-employment support schemes, the £20/week increase to universal credit, and mortgage payment holidays. As these policies draw to an end, some households' disposable income is likely to fall further.

3.5 It is difficult at this stage to know where these pressures will fall in future, but it is likely that some protected groups will see greater impacts. Up to September, there were higher rates of job losses among younger people; Black, Asian and minority ethnic groups; and lower-paid workers[1].

3.6 Ongoing welfare system reforms will also have a disproportionate effect on some lower-income groups, in particular the rollout of Universal Credit. Research before the pandemic by the Joseph Rowntree Foundation (JRF) has identified certain groups who are particularly likely to be on a low income[2] and may therefore see a disproportionate effect from a small (in absolute terms) increase in council tax. These include lone parents, single-earner couples and larger families (with 3 or more children).

4. **Alternative options**

4.1 Whilst the current budget does not propose significant reductions to services, this is very much a holding position due to the pandemic. Cuts in future years are believed to be inevitable. Without a council tax increase, or with a lower council tax increase, over time there would have to be greater cuts to services. A reduced tax increase would represent a permanent diminution of our income unless we hold a council tax referendum in a future year. In my view, such a referendum is unlikely to support a higher tax rise. It would also require a greater use of reserves (which are then unavailable to spend on services) or cuts to services in 2020/21. Whilst there is a Government suggestion that the ASC precept may be capable of being phased over more than one year, we do not have the details or understand the implications.

4.2 It is not possible to say where these cuts would fall; however, certain protected groups (e.g. older people; families with children; and people with disabilities) could face disproportionate impacts from reductions to services. Over half of the increase

[1] *Jobs, Jobs, Jobs: Evaluating the effect of the current economic crisis on the UK labour market,* Resolution Foundation, October 2020

[2] *A Minimum Income Standard for the United Kingdom in 2019,* JRF, July 2019; updated July 2020.

(3% of the proposed 5%) is for the Social Care precept, which is specifically to support the increasing cost pressures in these areas.

5. Mitigating actions

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

5.2 In the November Spending Review, the government announced additional funding in 2021/22 to support households that are least able to afford council tax. Details of this had not been made available at the time of writing; but it is hoped that this will allow us to further reduce the impact on low-income households.

6. What protected characteristics are affected?

6.1 The table below describes how each protected characteristic is likely to be affected by the proposed council tax increase. The table sets out anticipated impacts, along with mitigating actions available to reduce negative impacts.

6.2 Some protected characteristics are not, as far as we can tell, disproportionately affected (as will be seen from the table) because there is no evidence to suggest they are affected differently from the population at large. They may, of course, be disadvantaged if they also have other protected characteristics that are likely to be affected, as indicated in the following analysis of impact based on protected characteristic.

Analysis of impact based on protected characteristic

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
Age	Older people are least affected by a potential increase in council tax. Older people (pension age & older) have been relatively protected from the impacts of the recession & welfare cuts, as they receive protection from inflation in the uprating of state pensions. Low-income pensioners also have more generous (up to 100%) council tax relief. However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as older people are the primary service users of Adult Social Care. Working age people bear the brunt of the impacts of welfare reform reductions – particularly those with children. Whilst an increasing proportion of working age residents are in work, national research indicates that those on low wages are failing to get the anticipated uplift of the National Living Wage. There is some evidence that low-paid workers, and younger people, have been more likely to lose their jobs in the pandemic.	Working age households and families with children – incomes squeezed through low wages and reducing levels of benefit income. Younger people more likely to have faced job losses in the pandemic.	Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on managing household budgets.
Disability	Disability benefits have been reduced over time as thresholds for support have increased. The tax increase could have an impact on such household incomes. However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as disabled people are more likely to be service users of Adult Social Care.	Further erode quality of life being experienced by disabled people as their household incomes are squeezed further as a result of reduced benefits.	Disability benefits are disregarded in the assessment of need for CTSS purposes. Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on better managing budgets.

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

Appendix Four

Earmarked Reserves

1. The table below shows the current position on our Earmarked Reserves, these balances will be different at the end of the year. These figures take account of the release of £4.6m from departmental reserves to support the managed reserves strategy:

	Current Balance *£000*
Ring-fenced Reserves	
School Balances	14,740
DSG not delegated to schools	5,577
School Capital Fund	2,750
Schools Buy Back	2,486
Education & Skills Funding Agency Learning Programmes	863
Arts Council National Portfolio Organisation Funding	822
Subtotal Ring-fenced Reserves	**27,238**
Departmental Earmarked Reserves	
Children's Services Pressures	8,820
Social Care Reserve	8,322
ICT Development Fund	6,265
City Development & Neighbourhoods	5,161
Delivery, Communications & Political Governance	2,971
Health & Wellbeing Division	2,888
Financial Services Reserve	2,849
NHS Joint Working Projects	2,483
Housing	2,118
Other Departmental Reserves	464
Subtotal Departmental Reserves	**42,341**
Corporate Reserves	
Managed Reserves Strategy	69,055
Capital Programme Reserve	57,666
Covid 19 Grants	10,849
Insurance Fund	8,519
BSF Financing	7,493
Welfare Reserve	5,505
Severance Fund	4,821
Service Transformation Fund	3,730
Other Corporate Reserves	4,537
Subtotal Corporate Reserves	**172,175**
Total Earmarked Reserves	**241,754**

2. Earmarked reserves can be divided into ring-fenced reserves, which are funds held by the Council but for which we have obligations to other partners or organisations; departmental reserves, which are held for specific services; and corporate reserves, which are held for purposes applicable to the organisation as a whole.

3. Ring-fenced reserves include:-

- Reserves for schools:
    - School Capital Fund
    - Schools Buyback
    - Dedicated Schools Grant
    - Schools balances

- Two smaller reserves held because grant funding has been received to fund specific schemes.

4. Departmental reserves include amounts held by service departments to fund specific projects or identified service pressures. Significant amounts include:-

- **Children's Services:** to balance the 2020/21 and future years' budgets.
- **Social Care Reserve:** to assist in the management of budget pressures in adults' and children's social care.
- **ICT Development Fund** this reserve funds a rolling programme for network and server upgrades and replacement of PC stock. It also includes funding put aside at the 2019/20 outturn to fund initiatives to make our ICT more resilient and improve the remote working offer.
- **City Development and Neighbourhoods:** to meet known additional pressures, including one off costs associated with highways functions and the cost of defending planning decisions.
- **Health & Wellbeing:** to support service pressures, channel shift and transitional costs. As part of the review of departmental reserves, £1.2m has been released to the Managed Reserves Strategy.
- **Delivery, Communications & Political Governance:** This reserve was principally setup for the funding of the Digital Transformation Team and other temporary staffing costs. As part of this report, the cost of these teams is being included in the base budget, thus releasing £1.6m to the Managed Reserves Strategy. The remaining balance relates to elections and other projects within the department.
- **Financial Services:** for expenditure on improving the Council's finance systems; spikes in benefit processing and overpayment recovery; and to mitigate budget pressures including reducing grant income to the Revenues & Benefits service. The balance is net of £1.2m which has been released from this reserve, which was

previously funding specific teams that have now been included as permanent growth to the budget as part of this report.

- **NHS joint working projects:** for joint projects with the NHS.
- **Housing:** predominantly held to meet spikes in bed & breakfast costs and government funding to support recent arrivals to the city.
- **Other** this includes a number of smaller departmental reserves. £0.3m has been transferred to the Managed Reserves Strategy as posts in Legal Services have now been included in the budget. In addition, a number of smaller reserves have been reviewed releasing £0.3m to the Managed Reserves Strategy.

5. Corporate reserves include:-

- **Managed Reserves Strategy:** a key element to delivering this budget strategy, as set out in paragraph 9 of the main report;
- **Capital Programme Reserve:** to support approved spending on the Council's capital programme;
- **Covid 19 Grants** are grants received from the Government to meet the costs of the pandemic. This is not the full amount of the grants – just the ones received in March which we are required to treat as earmarked reserves;
- **Insurance Fund:** to meet the cost of claims which are self-insured;
- **BSF Financing:** to manage costs over the remaining life of the BSF scheme and lifecycle maintenance costs of the redeveloped schools;
- **Welfare Reserve:** set aside to support welfare claimants who face crisis, following the withdrawal of government funding; together with providing welfare support more generally, which includes any long term implications of the Covid-19 pandemic;
- **Severance Fund:** to facilitate ongoing savings by meeting the redundancy and other costs arising from budget cuts;
- **Service Transformation Fund:** to fund projects which redesign services enabling them to function more effectively at reduced cost;
- **Other reserves:** includes monies for "spend to save" schemes that reduce energy consumption, the combined heat and power reserve, and the surplus property reserve which is used to prepare assets for disposal.

Appendix Five

Medium Term Financial Outlook 2022/23 – 2023/24

1. A one-year budget has been presented for 2021/22. After March 2022, we have (at the time of writing) very little certainty about funding arrangements or the future economic outlook. As a result, medium-term planning is a somewhat precarious exercise.

2. Our central forecasts for the period up to 2023/24 are set out in the table below. The key assumptions (and the associated risks and uncertainties) are further explained below.

	2021/22 £m	**2022/23 £m**	**2023/24 £m**
Net service budget (including inflation)	293.5	320.2	347.3
Corporate and other centrally held budgets	8.0	8.5	8.9
Contingency	2.0		
Planning provision		3.0	6.0
Expenditure total	**303.5**	**331.7**	**362.2**
Business rates income	62.2	63.7	64.3
Top-up payment	48.0	48.9	49.8
Revenue Support Grant	29.0	29.6	30.1
Less assumed future cuts		(5.0)	(10.0)
Council Tax	127.8	131.1	135.0
Collection Fund Deficit 2020/21 (phased)	(2.4)	(2.2)	(2.2)
Govt support toward deficit	1.8	1.7	1.7
Social care support	12.0	21.0	30.0
New Homes Bonus	4.9	3.9	2.9
Income Total	**283.3**	**292.7**	**301.6**
Budget gap	**20.2**	**39.0**	**60.6**

Expenditure

3. The expenditure budgets above include the unavoidable cost pressures, and achievable savings, set out in section 6 of the main budget report. No further savings are assumed, so any additional savings will help close the gap. The estimated cost of pay awards is included, as is non-pay inflation on unavoidable costs in social care and the waste management contract. A planning provision of £3m per year in each of 2022/23 and 2023/24 has been included towards any future unavoidable cost pressures.

4. There are several areas where expenditure pressures may exceed these forecasts. These include:

- The costs of care packages in Adult Social Care, if demand increases above our forecasts or there are unavoidable cost pressures such as unexpected further increases to the National Minimum Wage;
- Further growth in demand-led Children's Social Care costs;
- Potential shortfalls in service income, if demand does not return to pre-pandemic levels by the end of 2022/23;
- A prolonged economic downturn is likely to increase demand across a range of services.

Income

5. We assume that council tax increases will continue to be restricted by the referendum rules, although we do not yet know the rules after 2021/22. For planning purposes, the table above assumes council tax increases of 2% per year; and that council tax collection rates return to previous levels by 2023. If the economic downturn is longer, or more severe, than our projections this will have a further effect on income.

6. The rates forecasts presented above assume no substantial changes to the funding we receive. The government has proposed significant reforms to the funding system, although these have now been delayed several times. These include increasing the proportion of rates retained locally to 75%. In itself, the change should be financially neutral, as other funding elements will be reduced to offset the additional retained rates. There may also be reforms to the system to cushion the impact of appeals.

7. There is likely to be a more substantial effect on the Council's finances from the "fair funding review" planned for the same date, which will redistribute resources between councils. At the time of writing, it is unclear what the impact will be on individual authorities. We should benefit from the new formula fully reflecting the differences in council taxbase between different areas of the country; however, there are other pressures on the funding available, including intensive lobbying from some authorities over perceived extra costs in rural areas.

8. For planning purposes, the budget figures for 2022/23 and 2023/24 assume additional real-terms cuts of £5 million per year each year. This represents a significantly slower rate of cuts than we have seen in the period from 2013 to 2020. If the fair funding review and overall funding position are less favourable, these cuts could be significantly higher.

9. A longer or more severe economic downturn will also pose a risk to income projections. This could result in new cuts to grant; falling business rate

income; and increased cost of council tax reductions for taxpayers on low incomes.

10. The assumed additional funding for social care (increasing by £9m per year from 2022/23) is also very uncertain. While the government has long acknowledged the need for further support to the social care sector, no detailed proposals have been published. (In practice, further support may come via a combination of direct grant, the ability to raise council tax further, and other mechanisms, but is shown here as grant for clarity).

Summary of medium-term projections

11. The projections above show a significant – and increasing – funding gap over the next three years. There are substantial risks to these projections, which are based on an assumption of a relatively quick economic recovery and limited additional cuts imposed by government. Even on the more optimistic projections, available reserves will no longer be able to meet this gap beyond 2021/22, and additional deep cuts will be required.

12. This emphasises the need to make a prompt start on the financial review required prior to 2022/23.