

Leicester
City Council

**MEETING OF THE NEIGHBOURHOOD SERVICES SCRUTINY
COMMISSION**

DATE: THURSDAY, 12 JANUARY 2023

TIME: 5:30 pm

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

Members of the Committee

Councillor Thalukdar (Chair)

Councillor Solanki (Vice-Chair)

Councillors Byrne, Kitterick, Modhwadia, O'Donnell, Pickering and Rahman

One unallocated Labour group place

One unallocated non group place

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

For Monitoring Officer

Officer contacts:

Tel: 0116 454 2616, e-mail: Katie.Jordan@leicester.gov.uk
Leicester City Council, 115 Charles Street, Leicester, LE1 1FZ

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or call in at City Hall.

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PUBLIC SESSION

AGENDA

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

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

3. CHAIR'S ANNOUNCEMENTS

4. MINUTES OF THE PREVIOUS MEETING

[Appendix A](#)

The minutes of the meeting of the Neighbourhood Services Scrutiny Commission held on 15 November 2022 are attached and Members are 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 AND STATEMENTS OF CASE

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

7. DEPARTMENTAL DRAFT REVENUE BUDGET AND CAPITAL PROGRAMME

[Appendix B](#)

The Director of Finance submits a report on the Departmental Draft Revenue Budget and Capital Programme.

8. SELECTIVE PRS LICENSING SCHEME

[Appendix C](#)

The Director of Neighbourhood and Environmental Services submits a report on the start of the scheme with data up to 31st December 2022, on the Selective Licensing Scheme

9. TAXI STRATEGY

Appendix D

The Director of Neighbourhood and Environmental Services submits a report on the progress of implementing a range of moves over the last 12 months on Taxi Strategy.

10. EMPLOYMENT AND CAREERS (IN LIBRARIES) UPDATE

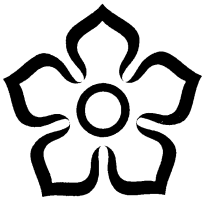
Appendix E

The Director of Neighbourhood and Environmental Services submits a report on the services available in libraries across the city of Leicester.

11. DRAFT WORK PROGRAMME

The current work programme for the Commission is attached. The Commission is asked to consider this and make comments and/or amendments as it considers necessary.

12. ANY OTHER URGENT BUSINESS



Leicester
City Council

Appendix A

Minutes of the Meeting of the
NEIGHBOURHOOD SERVICES SCRUTINY COMMISSION

Held: TUESDAY, 15 NOVEMBER 2022 at 5:30 pm

P R E S E N T :

Councillor Thalukdar (Chair)

Councillor Kitterick Councillor O'Donnell
Councillor Pickering Councillor Rahman

In Attendance:

Councillor Clair, Deputy City Mayor for Culture, Leisure, Sport, and Regulatory
Services

Councillor Clarke, Deputy City Mayor for Environment and Transportation

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39. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Solanki.

40. DECLARATIONS OF INTEREST

Members were asked to disclose any pecuniary or other interest they may have in the business on the agenda.

There were no declarations of interest.

41. CHAIR'S ANNOUNCEMENTS

The Chair announced that he would take the agenda items out of order, starting with the Textiles Presentation.

42. MINUTES OF THE PREVIOUS MEETING

AGREED:

That the Minutes of the meeting of the Neighbourhood Services Scrutiny Commission held 4 October 2022 be confirmed as a correct record.

43. PETITIONS

The Monitoring Officer reported that none had been received.

44. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE

The Chair announced that a number of questions had been received as set out in the agenda and these would be taken during the Textiles Factories – Pollution report item.

45. TEXTILES FACTORIES - POLLUTION REPORT

The Director of Neighbourhood and Environmental Services submitted a presentation to give the Commission an oversight of Textile Manufacturing and Dye Works in Leicester.

The Head of Regulatory, Neighbourhood and Environmental Services presented the item.

It was noted that:

- Currently there were five Dye Works in Leicester City, of which two were Environment Agency regulated.
- The size and scale of the activity was the deciding factor in whether the regulations were monitored by the Local Authority or Environment Agency.
- The cleaning process at the factories involved the use of heat and solvents which gave rise to odour emission. The solvents had a low odour threshold, which could give rise to complaints.
- The Local Authority is bound by the Environmental Protection Act 1990. responsible to investigate any complaints in relation to statutory nuisance and has the power to serve an abatement notice.
- The Environment Agency (EA) deals with premises under the Pollution Prevention and Control Act 1999, where the capacity is greater than ten tonnes per day. A permit is required and any complaints would be dealt with by the Environment Agency.
- Permitted Textile and Fabric finishing sites must operate to Sector Guidance Note 6/08(11). Statutory guidance for textile and fabric finishing and coating sets emission limits within the permit, which must not be exceeded by the company using them.
- The 6/08(11) guidance was due for review and revised guidance was expected in early 2023.
- The new guidance would require existing companies to reapply to the Environment Agency for a new permit.
- A general principle was that businesses must operate with the Best Available Technology (BAT).
- A case study was noted where Eurodyers Ltd was prosecuted by the EA for operating without a permit. The site was then taken over by Saffron Shades, which operated under the ten tonne threshold and no longer required a permit.

Several complaints were received and the Pollution Team investigated using Statutory Nuisance powers. Odour nuisance was witnessed in June 2022 and a site visit was made to the premises. Advice was given during the visit and Saffron Shades had continued to work to improve the factory. Complaints then reduced and no further nuisances had been witnessed.

- A compliance revisit was scheduled with Saffron Shades for later in the month.
- A second case study Colours Dyeworks was raised previously at the meeting of the Health and Wellbeing Scrutiny due to odour and noise complaints. As it was a site that was over the ten tonne limit it was the responsibility of the EA to investigate complaints about that site.
- Colour Dyeworks had an A1 permit to operate. This permit contained a number of conditions that the operators must comply with including noise, odour, water, and energy efficiency.
- The last time that stack emissions had been modified was 2006. The results showed that the impact from the stenter stack was 'insignificant' and no Environmental Quality Standard (EQS), Environmental Assessment Levels (EAL) or Statutory Emission Limit Values (ELV) were breached.
- In September 2021 there was an increase in complaints to the Noise and Pollution team regarding odour. This prompted a further investigation with the EA. In May 2022 a joint site visit was carried out which found that operating conditions at the site were good and the EA were satisfied with operating practices.
- As part of the companies odour management controls, any complaints are logged and they should be lodged directly with the EA to investigate - . Residents have been advised to contact the EA.
- During the visit to Colours Dyeworks, they advised that they were in the process of updating the abatement technology, the kit was on site and due to be installed by February 2023.
- A sister company in the City, Jersey Dyers, had recently installed the same abatement technology with very good results. Officers from the Pollution Team had inspected and noted considerable improvements in odour control. The company had also seen huge energy savings.
- The textile industry was considered low risk in terms of emissions. For this reason it was thought that the new textile industry guidance requirements were likely to be similar to the required levels in the previous 2003 sector guidance note. There was likely to be a requirement for annual stack monitoring.
- With previous knowledge of the process for site inspections and the installation of the KMA abatement kit, Its anticipated that levels of pollutants will be well within required standards.
- It could be possible that emissions monitoring could report as 'below detection limits' as the equipment had limits to which it can accurately test. This would not report a zero emission, but that the emission is below the limit of detection.
- Leicester had the second largest concentration of textile firms in the country, and was the largest for garment manufacture, employing over a fifth of the UK textiles workforce. The sector was worth over £500m to the local economy and was a priority for the local economy.
- A review of the Leicester Labour Market Partnership, that looked at ways to proactively address concerns of non-compliance in Leicester's garment sector had recently been published, this aligned with Operation Tacit – an enforcement

partnership made up of – GLAA, HSE, National Crime Agency, Leicestershire Police to tackle labour abuse and modern slavery

- Leicester City Council had taken a leading role in helping to align the work of a range of organisations engaged in supporting local businesses, community organisations and textiles workers.

In response to the questions asked by Mr Ball and Members it was noted that:

- In terms of health risk, Leicester City Council were regulating with the Environment Agency to permitted standards. Colour Dyeworks was allowed to operate within those permitted standards.
- Colour Dyeworks was a company that was improving and were installing the appropriate abatement technology that meets the recognised legal standards.
- When applying for a permit, a business was required to carry out emissions monitoring to show standards met to receive the permit however there was currently no requirement for future monitoring as part of that process.
- When asked if there had been any monitoring of benzene levels, it was noted that the Environmental Agency should be approached to provide information on what the stack emissions contained.
- The site visit that took place in May 2022 was a full inspection of the operational procedures from start to finish, including process controls, how they monitor and maintain process parameters and checking of their maintenance and record keeping.
- In the time between January 2022 and July 2022 ten complaints had been logged with the Environment Agency.
- If a new site were to apply for a permit, then the Planning and Pollution team would assess any impact on the surrounding area and look at steps that may mitigate those impacts. There would also be opportunities for parties to object.

AGREED:

1. That the contents of the report be noted and comments made by Members of the Commission taken into account as set out above.
2. That the Commission be provided with any information from the EA on benzene monitoring as part of pollution control.
3. That the Commission be provided with details of all site visit records and audit trails in relation to Colour Dyers.
4. That the Commission are updated on the new 6/08(11) guidance legislation due in 2023.
5. That the Commission receive an update report relating to Colour Dyers after February 2023 on the installation of the new abatement equipment and outcomes.
6. That the Environmental Agency be invited to a future committee meeting to explore this topic further.
7. That an updated report on Textiles Factories be scheduled to a future meeting.

46. NOISE AND POLLUTION SERVICES - DASHBOARD PERFORMANCE

The Director of Neighbourhood and Environmental Services submitted a presentation on the Noise and Pollution Teams Overview and Performance Dashboard.

The Deputy City Mayor for Culture, Leisure, Sport and Regulatory Services introduced the report informing how noise pollution was being monitored and investigated and noting that noise pollution could be detrimental to people's health.

The Head of Neighbourhoods and Environmental Services presented the item, it was noted that:

- The Noise and Pollution Control (NPC) Team investigate complaints of statutory nuisance.
- Statutory nuisance can be caused by noise, odour, smoke, dust arising from one property that materially interferes with the enjoyment of others. This could be for residential or commercial premises.
- The monitoring service runs Monday to Friday during office hours and Wednesday to Saturday nights until 02.00 hours.
- Almost 4000 noise complaints were received between 2021-22. This figure included complaints with multiple calls about ongoing issues.
- Residents could submit a complaint online at <https://my.leicester.gov.uk/>
- .
- The largest number of complaints related to loud music, which equated to over 1000 complaints in 2021-22.
- The noise team worked alongside the licensing team to tackle loud music complaints relating to bars and pubs.
- 160 complaints were received regarding bonfires in 2021-22.
- The target response time to complaint calls was 1 hour. 77% of call outs were cancelled before the team arrived on site.
- Of all the calls received in 2021-22, 91% were actioned within the hour.
- A case study completed on a venue in September 2022 resulted in 12 pieces of sound equipment being seized, a review of the premises licence and charges of £800 to get the equipment back.

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

- The increase in domestic violence was being dealt with in partnership between the noise and pollution team and CrASBU. If the circumstances showed sufficient evidence of a noise complaint in its own right it would be actioned for prosecution. If safety was involved then CrASBU would take their own action separately and use evidence provided from the noise and pollution team.

- Leicester City Council was one of the few Councils that still operated a telephone system for noise complaints and offered a one hour response. If the noise had stopped before an officer were to be present, it would be advised to notify the noise team as the officer could be diverted to the next complaint.

AGREED:

That the Commission receive a report over view of the Noise and Pollution teams work in six months' time.

47. STREET CLEANSING REPORT

The Director of Neighbourhood and Environmental Services submitted a presentation on the Neighbourhood Services Litter and Street Cleansing Strategy for Leicester.

The Deputy City Mayor for Environment and Transportation introduced the item.

The Head of Parks and Open Spaces presented the report, it was noted that:

- Leicester City Council (LCC) have a statutory duty to maintain DEFRA statutory requirements for Litter, detritus, Cleansing Services also undertake graffiti, fly posting removal, abandoned vehicles, public toilet maintenance, needle collection, out of hours cover, gum and stain removal.
- DEFRA statutory requirements were bound under section 89(7) of the Environmental Protection ACT 1990, "To ensure that their land (or land for which they are responsible) is, so far as is practicable, kept clear of litter and refuse."
- The reports for 2021-22 citywide performance showed that Leicester was operating above the national standard in all areas.
- Leicester's 21 wards are inspected on a quarterly basis, 16 random locations are inspected for Litter, Detritus, Graffiti and flyposting.
- Standards were achieved with support from the Street Cleaning teams, made up of 58 staff across 8 teams who clean 3000 streets per week.
- For the last 3 years, LCC had been in operation with BID Leicester on City Centre Gum Buster, with an average of 500 gum stains removed daily.
- Leicester has 1752 multi-purpose litter and dog waste bins, which are installed, repaired and maintained by the Cleansing Services Team.
- In 2021, 138k of capital funding was used to refurbish the public toilets at Welford Road, Humberstone Park, Western Park, Knighton Lane East, East Park Road, Abbey Park and Knighton Park.
- In 2020 self-contained graffiti removal vehicles were introduced. The data for 2021 shows that 6457 tags were removed from 1528 locations.

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

- All needle data is collected, LCC work closely with the police and all data was recorded on a database.
- The public toilets on Infirmary Square and Belgrave Road were closed down due to misuse and a hotspot for needles and drug paraphernalia.
- Ongoing monitoring in key areas within the city centre. Chewing gum was a nationwide issue, LCC were currently working on ideas such as messages being displayed on electronic billboards and the campaign was also sponsored by chewing gum manufacturers.

Members expressed thanks to the Cleansing Team for keeping Leicester clean.

AGREED:

That the Commission receive a copy of the report on Street Cleansing for 2022.

48. LEICESTER EAST SITUATION

The Director of Neighbourhood and Environmental services gave a verbal update on the recent events occurring in Leicester East

It was noted that:

- The Diwali period was successful and over 40,000 people gathered on Belgrave Road peacefully to take part in organised events.
- Belgrave Neighbourhood Centre and Library had also resumed to usual capacity and this was taken as public confidence with residents returning to those facilities.
- Leicester City Council (LCC) continued to work with Public Sector Partners, Neighbouring Authorities and Blue Light Services.
- Work was continuing to promote young people coming forward as community volunteers and leaders.
- Leicestershire Police had made 73 arrests in relation to the May and September incidents.
- Intelligence was key to supporting Leicestershire Police ongoing work, and they had requested the public to provide information directly to them.
- LCC were continuing to work with the Central Government and the Home Office to support future work and learning from what had happened in Leicester and how that would reflect on the national picture.

Councillor Clair, Deputy City Mayor, Culture Leisure and Tourism thanked the Director for the update and noted that the Abbey Park bonfire event had a record turnout of 26000 people.

In response to Members questions, it was noted that:

- LCC was continuing to work closely with schools and colleges to review the Prevent agenda.

- Police liaison officers were visiting schools and colleges daily, to try and identify any early signs of extremism.
- The co-ordinating group had been meeting every 14 days, rather than every 7 as they felt the risk was declining.
- The situation had shown signs of stabilization, although there was still some tensions in the city.
- At this stage there were no proposed timelines for the review.

AGREED:

1. That all Commission Members receive an update by email on the development of the situation.
2. That inquiries into the causes of the situation are re-established on a cross community basis, at the earliest possible opportunity.

49. DRAFT WORK PROGRAMME

The Chair noted that any suggestions for future items should be emailed to himself or the Scrutiny Policy Officer.

Members requested an update on the re-tendering of the Biffa Contract be added to the work programme.

AGREED:

That an update on Aylestone Dyeworks and the re-tendering of the Biffa Contract be added to the work programme for scheduling to a future Commission meeting.

50. ANY OTHER URGENT BUSINESS

With there being no further business, the meeting closed at 7.30pm.

Council

Date: draft for 22nd February 2023

Revenue Budget 2023/24

Lead director: Director of Finance

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City Mayor

Useful information

■ Ward(s) affected:

■ Report author: Catherine Taylor/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 present the City Mayor's proposed budget for 2023/24 and to describe the future financial outlook.

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.

2. Summary

2.1 The medium term financial outlook is the most severe we have known, in our twenty six years as a unitary authority. We are facing restricted Government funding at a time of increasing costs, which will inevitably lead to painful spending cuts.

2.2 The background to this severe outlook is:

(a) a "decade of austerity" between 2010 and 2020 in which services other than social care had to be reduced by 50% in real terms. This has substantially reduced the scope to make further cuts;

(b) the covid-19 pandemic where we set "stop gap" budgets whilst we dealt with the immediate emergency. Budgets in 2021/22 and 2022/23 were supported by reserves of £17m and £24m respectively;

(c) the recent spike in inflation, which has led to significant pressures particularly in respect of pay, energy and packages of social care;

(d) the Autumn Statement in November, which provided no new money for inflation. Whilst some additional money has been made available for social care, it is insufficient to meet our forecast cost growth. This money has in large part been recycled, from savings arising from delayed reforms limiting the costs of care to individuals;

(e) a new round of austerity (also announced in the Autumn Statement) which will lead to further cuts to local authority funding from 2025/26.

2.3 As yet, we only have national information, and have had to prepare a draft budget without the benefit of our own local funding settlement. This has required us to make assumptions based on a share of national amounts. We have also had to make more contingencies than usual reflecting uncertain costs (e.g. the direction of energy prices) and paucity of information (e.g. any residual costs arising from the deferral of adult social care reforms). At the time of writing, we do not know whether our finance settlement will cover one or two years.

- 2.4 The “fair funding” review of local government finance has been continuously delayed, meaning that most of the data on which our funding is based is now at least 10 years old (and disregards, for instance, increases in the city’s population).
- 2.5 The Council’s approach to achieving budget reductions is to make savings in a planned way, using our reserves to avoid the crisis cuts which many authorities have (and are) facing. This is our “managed reserves” strategy. Our approach leaves us in the fortunate position of starting 2023/24 with an estimated £55m of reserves which will help us plan the reductions we need.
- 2.6 The budget you are asked to approve will exceed our income in both 2023/24 and 2024/25, and will therefore be supported by reserves for a further two years. The precise sums shown in this draft report are provisional (we do not have the finance settlement) but the gap between income and expenditure will be substantial – current estimates are included in the report. The reserves required to balance the budget would exceed those required in the last two years. However, we do not have enough money – we estimate reserves will run out part way through 2024/25. Thus, the achievement of significant savings is essential to live within our means. Furthermore, without savings we will have nothing to shield us from the immediate impact of government cuts in 2025/26.
- 2.7 The budget reflects savings of £6m per year across all departments, which will already have been reported by the time Council considers the budget in February (the most recent tranche is being reported to Overview Select Committee in December). Nonetheless, delivery of savings is a continuous process, which does not start or stop at budget setting. The City Mayor will continue to approve savings during the next 12 months, which will reduce the budget gap in 2024/25 (and the level of reserves required in 2023/24, which then become available to offset the gap in 2024/25). Decisions to make savings will be taken in the normal manner and published on the Council’s website. There is no doubt that painful cuts will be required over the coming years.
- 2.8 Increases to budgets for growth pressures have been made only where absolutely essential to maintain service provision. In practice, this amounts to £27m in 2023/24, of which the largest amount is for adult social care. Provisions have also been made for key inflationary pressures such as energy costs.
- 2.9 Like social care authorities up and down the country, our costs of providing care are increasing faster than government support. Unfunded social care pressures present a severe threat to the financial sustainability of the Council and are the key risk described in this report.
- 2.10 The budget proposes a tax increase of just under 5%, which is the maximum we believe we will be allowed to set without a referendum.
- 2.11 The medium term outlook is attached as Appendix Four and shows the escalating scale of the financial pressures facing the council.

3. **Recommendations**

3.1 At its meeting in February, the Council will be asked to:

- (a) approve the budget strategy described in this report;
- (b) approve a formal budget resolution, which sets the council tax level for 2023/24 and the council tax premia for 2023/24 and 2024/25;
- (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 on the adequacy of reserves and the estimates used in preparing the budget;
- (f) note the equality implications arising from the proposed tax increase, as described in paragraph 11 and Appendix Three;
- (g) note the medium-term financial strategy and forecasts presented at Appendix Four, and the significant financial challenges ahead.

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4. **Budget Overview**

4.1 The table below summarises the proposed budget for 2023/24 (summary projections for a three-year period are included in the medium term strategy at Appendix Four):

	2023/24 £m
Service budget ceilings	359.9
Corporate Budgets	
Energy costs provision	9.7
Capital Financing	2.5
Miscellaneous Corporate Budgets	1.9
Contingency	4.0
Total forecast spending	378.0
Rates retention scheme:	
Business rates income	73.6
Top-up payment	55.7
Revenue Support Grant	29.9
Other resources:	
Council Tax	143.4
Collection Fund surplus	3.3
Social Care grants	30.4
Other grants	8.6
Total forecast resources	344.9
Underlying gap in resources	33.1
Proposed funding from reserves	(33.1)
Gap in resources	NIL

4.2 The draft budget forecasts are more uncertain than usual, because we have had to prepare them before getting details of funding from the government. However, it is clear that the future financial position is very serious.

5. **Construction of the Budget and Council Tax**

- 5.1 By law, the Council's role in budget setting is 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") - 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 draft budget is based on a proposed Band D tax for 2023/24 of £1,833.00, an increase of just under 5% compared to 2022/23.
- 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 2022/23). 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, 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. The Council also has schemes for mitigating hardship.
- 5.6 The Police and Crime Commissioner and Combined Fire Authority will set their precepts in February 2023. The formal resolution will set out the precepts issued for 2023/24, together with the total tax payable in the city.

6. **Departmental Budget Ceilings**

- 6.1 Budget ceilings have been prepared for each service, calculated as follows:
- (a) The starting point is last year's budget, subject to any changes made since then which are permitted by the constitution (e.g. virement);
 - (b) An allowance is made for non-pay inflation on a restricted number of budgets. Our general rule is that no allowance is made, and departments are expected to manage with the same cash sum that they had in the previous year. Given the recent surge in inflation, this is now going to prove very challenging, but due to the overall budget outlook the usual position has been maintained. In practice, we believe over £5m of inflationary pressures will need to be absorbed. Exceptions are made for the budgets for independent sector adult social care (2%) and foster care (2%) but as these areas of service are receiving growth funding, an inflation allowance is merely academic (we pay from one pot rather than another). Budgets for the waste PFI contract have been increased by RPI, in line with contract terms;
 - (c) Unavoidable growth has been built into the budget, as described in the sections below;

- (d) As discussed in the summary, action is being taken to reduce budgeted spend, and where decisions have already been taken budget ceilings have been reduced (this process will continue up to approval of the final budget).
- 6.2 The proposed budget ceilings are set out in Appendix One.
- 6.3 The local government pay award for 2022/23 has recently been finalised, averaging 6.4%. A provision is held centrally to fund this (and is shown within the “service budgets” line in the table above, as it will be transferred to the relevant budget ceilings for the final budget). The draft budget assumes a 5% pay award in 2023/24, also held centrally.
- 6.4 Additionally, and unusually, £9.7m has been set aside in a central contingency for increased energy costs, but has not yet been allocated to budget ceilings pending greater certainty over the final amounts
- 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.

Adult Social Care

- 6.6 Adult social care services nationally have been facing severe cost pressures for some years, and these are expected to continue.
- 6.7 The budget for 2022/23 reflected a level of uncertainty caused by the pandemic (which dampened demand for services without providing any indication whether future demand would remain dampened, return to normal or catch up for previous under-demand). As a consequence, the budget report for 2022/23 indicated that the figures would be reviewed in-year: after this was completed the budget was reduced by £9m. We now anticipate cost growth of £19m in 2023/24 (compared to the revised budget for 2022/23), accelerating in future years, as a consequence of rising numbers of older and younger adults requiring care, increases in the level of need of the average care recipient, and pressure on providers due to National Living Wage increases.
- 6.8 The government has generally responded to growth pressures on an ad-hoc basis, making one-off resources available year by year. This has made planning extremely difficult.
- 6.9 In the Autumn Statement, the government announced that planned reforms to the way social care is funded (chiefly limiting the amount individuals would have to contribute) will be delayed for at least two years. At the time of writing, it is not clear whether there will be any residual costs from deferral of the plans, and a provision of £5m per year is held centrally until more clarity is available.
- 6.10 The Autumn Statement announced additional funding for pressures in adult social care, in a combination of the Better Care Fund paid via the NHS, and additional social care grant paid directly to local authorities. While the distribution of this funding is not yet known, we estimate that our share could be some £12.7m in 2023/24, rising to over £19m in 2024/25. [In the draft budget, these amounts are

held as corporate resources, and are not shown in service budget lines]. The Government has funded these grants chiefly from the savings arising from deferring the reforms.

- 6.11 The proposed budget includes growth of £18.8m in 2023/24 for increased packages of support, estimated to rise to £32.4m by 2024/25 (considerably in excess of the increased support). These increases were calculated as 6% of the estimated net ASC budget in 2023/24, falling to 4% in 2024/25 (the latter being consistent with national estimates made by the Local Government Association). These increases are less than suggested by past experience, and spending within them will prove challenging. The director is taking action to change and improve support designed to reduce people's need for formal care, social work assessment, and commissioning practice to ensure we can live within these allowances, but it remains a risk. The risk is compounded by the fact that we have a backlog of reviews of clients' needs, due to difficulty in recruiting staff to carry them out.
- 6.12 The above estimates of growth are based on a national living wage of £10.42 in 2023/24, as announced on 17th November.

Education and Children's Services

- 6.13 In common with authorities across the country, increased demand for children's social care services has created substantial budget pressure for many years.
- 6.14 A forecast of placement costs in 2023/24 and 2024/25 has been made, and £3.0m added to the budget for 2023/24. The forecast builds on a budget that is already under pressure (it is expected to overspend in 2022/23). It assumes a net 10 children per year enter the care system from 2023/24 (against the backdrop of a worsening economic situation), with each new entrant costing an average £39,000 per year and leavers reducing cost by an average £50,000 per year.
- 6.15 Work is continuing to take place to reduce placement costs:
- (a) Regular review of long-term, emergency and high cost placements;
 - (b) Work with partners to agree joint funding solutions for complex, high-need children;
 - (c) Development of additional internal residential homes to mitigate against independent sector price increases;
 - (d) Development of an advanced foster carer scheme for children with more complex needs.
- 6.16 The cost of placements will continue to be monitored through routine budgetary control reports.
- 6.17 The department continues to experience cost pressures from growth in demand for education, health and care plans (EHCPs), which then also lead to increased demand for personal transport. The most significant aspect of cost is the use of taxis by some 800 to 900 children with special needs, which are costing over £10m per year (2022/23). Taxi costs have been increasing due to fuel cost increases, a limit in the number of firms which are prepared to undertake this work and their pricing. An additional £1.5m is included in the 2023/24 budget, but this will still leave a shortfall against spend on current trends. The department is seeking to

tackle this by promoting personal budgets as a default option: both to promote the independence of children and to demonstrate value for money (taxis cost on average 5 times the amount of a personal budget). The department is also seeking to review in-house fleet options.

- 6.18 In addition to the General Fund budget, Dedicated Schools Grant (High Needs Block) budgets for children and young people with special educational needs and disabilities continue to be under severe pressure. In common with most authorities, the Council has a deficit on its DSG reserve estimated to stand at £9m by the end of 2022/23 resulting from unavoidable overspends (in fact, most authorities are in a significantly worse position). The budget is prepared on the assumption that we will continue to run such a deficit by virtue of a “statutory override”, which was originally planned to end in March 2023. If this is not extended, the deficit will reduce our general fund reserves, and hence our ability to balance this and future budgets. Indications are, however, that it will be extended. We are preparing a deficit recovery plan, which all authorities with deficits are required to do but it is unclear how the situation is retrievable without further Government support, given the relentless increase in the number of children with EHCPs, a pattern seen across the country.

City Development and Neighbourhoods

- 6.19 The department’s costs are reasonably predictable, when compared to social care. The pandemic made a dent in the department’s income budgets, and there continue to be some limited shortfalls. £1.1m was set aside for further temporary shortfalls in 2023/24 when we set the budget for 2022/23, although it is hoped it will not all be required.
- 6.20 Growth of £1m has been added to the budget to meet costs of accommodation for increasing numbers of families presenting as homeless (a pressure of £0.8m in 2022/23), and for shortfalls in planning income. There is a plan to address the needs of homeless families through the Housing Revenue Account, which will provide partial relief.

Health and Wellbeing

- 6.21 The Health and Wellbeing Division has been at the centre of the authority’s response to Covid 19, and the pandemic is expected to have a lasting impact on mental and other aspects of the population’s health. The cost of living crisis is also likely to increase the need for services.
- 6.22 The division, together with a number of services provided by other departments, is paid for from the public health grant. This grant is ring-fenced for defined public health purposes wherever they are provided in the Council. General Fund monies have also been spent on public health services, both before and after 2013/14 when the function transferred from the NHS.
- 6.23 The future of public health grant is unclear. It is not known whether it will remain as a separate grant when local government funding reforms are eventually introduced; previous proposals have suggested it will be included in general funding arrangements.

- 6.24 The department is able to live within its resources in 2023/24, and no budget growth is proposed.

Corporate Resources Department

- 6.25 The department primarily provides internal support services together with leading on good corporate governance, but also some public facing services such as benefits, collection of council tax and customer contact. Since 2022/23, it has also been responsible for sports services (although given the clear links with public health, we continue to include these services with Health and Wellbeing in Appendix One). The department has made considerable savings in recent years in order to contribute to the Council's overall savings targets. It has nonetheless achieved a balanced budget each year.
- 6.26 Whilst the budget is broadly balanced, a number of factors may lead to budget pressures in the department, most notably in respect of Revenue and Customer Services (where the cost-of-living crisis is expected to generate significant increases in customer contact from people struggling financially). Sports Services is continuing to suffer reduced income in the aftermath of the pandemic: whilst membership subscriptions now exceed pre-pandemic levels, casual income has failed to recover. However, the department will manage within its budget and no growth is required in 2023/24.

7. Corporately held Budgets and Provisions

- 7.1 In addition to the services' 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, less interest received on balances held by the council. The net cost has reduced recently due to increasing interest rates leading to better returns on balances (while the majority of our borrowing is on fixed rates and is not immediately affected by interest rate variations). As we spend our reserves, however, interest received will fall.
- 7.3 A **contingency** of £4m has been included in the budget to manage significant pressures that arise during the year. These are further described in paragraph 12 below.
- 7.4 **Miscellaneous central budgets** include external audit fees, pension costs of some former staff, levy payments to the Environment Agency, bank charges, general insurance costs, money set aside to assist council tax payers suffering hardship and other sums it is not appropriate to include in service budgets. These budgets are offset by the effect of recharges from the general fund into other statutory accounts of the Council.
- 7.5 For this draft budget, central provisions are also held for the costs of pay awards, increasing energy costs, any residual costs from adult social care reforms, and for the costs of additional waste to be disposed of. These will be allocated to departmental budget lines when there is more clarity about the costs. Growth of

£1m has been added for the costs of procurement when the current waste contract ends in 2028. This is a substantial planning exercise.

8. Resources

8.1 At the time of writing, the local government finance settlement for 2023/24 has not been published, and is expected just before Christmas 2022 (as late as it has ever been). Current estimates of government funding we will receive are therefore based on information included in the government's fiscal statements, and are liable to change.

8.2 The majority of the council's core funding comes from business rates; government grant funding; and council tax. Service-specific sources of funding, such as fees & charges and specific grants, are credited to the relevant budget ceilings, and are part of departmental budgets.

Business rates and core grant funding

8.3 Local government retains 50% of business rates collected locally, with the balance being paid to central government. In recognition of the fact that different authorities' ability to raise rates do not correspond to needs, there are additional elements of the business rates retention scheme: a top-up to local business rates, paid to authorities with lower taxbases, and Revenue Support Grant (RSG).

8.4 Forecasts for business rates are particularly sensitive to assumptions about the current economic downturn. In addition, a rates revaluation will take effect from April 2023, which will redistribute funding between areas of the country. In the Autumn Statement, the Government announced new reliefs in addition to the usual transitional relief which follows a revaluation: these include a new small business scheme; and improved relief for retail, hospitality and leisure businesses.

8.5 In addition to new relief schemes, Government decisions in recent years have reduced the amount of rates collected from businesses, by limiting annual increases in the multiplier used to calculate rates. It has done so again in 2023/24 by freezing the multiplier at 2022/23 levels (in practice, at current rates of inflation, this represents a significant real terms reduction for businesses).

8.6 The government's practice is to compensate authorities for lost income due to changes to the scheme. So many changes have been made in recent years that by 2022/23 compensation made up around a third of the "rates" income received by the Council. This proportion will rise further in 2023/24: given the multiplicity of changes this year (and the fact that any one ratepayer can be affected by more than one of them), and the unknown impact of revaluation, calculating our likely income is a particularly hazardous enterprise. The estimates in this draft report are the best we can make at present. In practice, we believe that the system of business rates is becoming unsustainable in its current form.

8.7 The figures in the draft budget assume no significant growth or decline in "rates" from the current position, apart from inflationary increases. In effect, we are assuming we will get £ for £ compensation for all changes the Government is

making which affect payable rates. These figures will be revised for the final budget to be approved in February.

- 8.8 Other funding streams in 2022/23, including the £7m Services Grant, were introduced as one-off grants that are not included in funding baselines, allowing the Government more scope to reallocate the funding in future years. While we do not know the future of these funding streams, the draft budget assumes that any changes will have a neutral overall effect, apart from an expected reduction to reflect the cancellation of the recent increase in employers' National Insurance Contribution rates.

Council tax

- 8.9 Council tax income is estimated at £143.4m in 2023/24, based on an assumed tax increase of just below 5% (the maximum allowed without a referendum). The proposed tax increase includes an additional “social care levy” of 2%, designed to help social care authorities mitigate the growing costs of social care. Since our tax base is relatively low for the size of population, the levy raises just £2.7m per year.
- 8.10 The estimated council tax base has increased since last year’s budget; this is largely the result of reducing costs of the local council tax support scheme, as employment and the economy recover after the pandemic.
- 8.11 Since 2013, we have been able to charge additional council tax as a premium on some empty properties. This was introduced to provide an incentive to get empty homes back into use. The scheme has changed several times since its introduction, and further changes are planned from April 2024, subject to legislation in Parliament:
- Authorities will be able to charge the premium on properties empty for over 1 year (instead of 2 years as at present)
 - For the first time, empty homes’ premium can be charged on furnished empty properties (often referred to as second homes) as well as unfurnished properties.
- 8.12 In February, the Council will be asked to approve the premia to be charged on empty properties for the next two years. The exact wording will set out the terms of any exemptions to the general policy (we will, in particular, consider members of the armed forces who may have particular accommodation needs):

	Premium 2023/24	Premium 2024/25
Unfurnished properties empty for:		
Over 1 year	NIL	100%
Over 2 years	100%	100%
Over 5 years	200%	200%
Over 10 years	300%	300%
Furnished empty properties (second homes)	NIL	100%

Other grants

8.13 The majority of grant funding is treated as income to the relevant service departments and is not shown separately in the table at paragraph 4.1. Grants held corporately include:

- **New Homes Bonus**, which provides additional funding where new homes are built or long-term empty properties return to use. It has become less generous in recent years, and is expected to be phased out entirely. The draft budget assumes that any replacement will have a neutral effect on our budget.
- **Social Care Grant**, which has been provided each year since 2016/17 to reflect national cost and demographic pressures. In 2022/23, our share of this funding was £17.7m. In the Autumn Statement on 17th November, additional social care grant funding was announced, totalling £1.9bn nationally in 2023/24 and rising to £2.8bn in 2024/25. We do not yet know how this will be allocated to authorities; the budget assumes a share similar to previous social care funding allocations.

Collection Fund surplus / deficit

8.14 Collection fund surpluses arise when more tax is collected than assumed in previous budgets. Deficits arise when the converse is true.

8.15 The Council has an estimated **council tax collection fund surplus** of £1.3m, after allowing for shares to be paid by the police and fire authorities. This largely relates to reductions in the cost of the council tax support scheme: employment rates remain high since the pandemic.

8.16 The Council has an estimated **business rates collection fund surplus** of £4.4m. Because of changes to reliefs in recent years that were funded by government grants, the actual collection fund position is distorted and various technical accounting adjustments (that will balance out over the years) are required. For clarity, this budget presents the net underlying figure. The net balance is largely the result of lower than expected appeals against property valuations at the last revaluation in 2017.

8.17 For both council tax and business rates, there is a further adjustment relating to deficits from the pandemic period in 2020/21, when collection across the country was severely affected.

9. Managed Reserves Strategy

9.1 Since 2013, the Council has employed a managed reserves strategy, contributing money to reserves when savings are realised and drawing down reserves when needed. This policy has bought time to more fully consider how to make the recurrent cuts which have been necessary in nearly every budget year.

9.2 As at April 2022, resources available for the strategy totalled £79.2m. Of this, £24.1m is likely to be required to balance the 2022/23 budget, taking account of expected pressures since the start of the year (and described in budget monitoring

reports to Overview Select Committee). This will leave an estimated £55m for future years.

- 9.3 Unless further savings are found, the draft budget will require £33.1m of support from reserves in 2023/24, leaving just £22m to offset pressures in 2024/25. This indicates that substantial cuts will be required to balance the budget in that year:

	£m
Available to support budget as at 1/4/2022	79.2
Required in 2022/23	(24.1)
Estimated amount required for 2023/24 budget	(33.1)
Balance Remaining for 2024/25	<u>22.0</u>

10. **Earmarked Reserves**

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

- 10.2 Appendix 5 gives a summary of earmarked reserves as at 31st March 2022.

- 10.3 The planned use of earmarked reserves will be monitored through the regular revenue budget monitoring process, and reported to members throughout the 2023/24 financial year.

11. **Budget and Equalities**

- 11.1 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.

- 11.2 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.

- 11.3 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.

- 11.4 When making decisions, the Council (or decision maker, such as the City Mayor) must be clear about any equalities implications of the course of action proposed. In doing so, it must consider the likely impact on those likely to be affected by the recommendation; their protected characteristics; and (where negative impacts are anticipated) mitigating actions that can be taken to reduce or remove that negative impact.
- 11.5 The budget does not propose any service changes which will have an impact on residents. Where appropriate, an individual Equalities Impact Assessment for any service changes will be undertaken when these decisions are developed.
- 11.6 The budget does recommend a proposed council tax increase for the city's residents. The City Council's proposed tax for 2023/24 is £1,833.00, an increase of just below 5% compared to 2022/23. As the recommended increase could have an impact on those required to pay it, an assessment has been carried out to inform decision makers of the potential equalities implications. This includes the potential impact of alternative options.
- 11.7 A number of risks to the budget are addressed within this report (section 12 below). If these risks are not mitigated effectively, there could be a disproportionate impact on people with particular protected characteristics and therefore ongoing consideration of the risks and any potential disproportionate equalities impacts, as well as mitigations to address disproportionate impacts for those with particular protected characteristics, is required.

12. **Risk Assessment and Estimates**

- 12.1 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.
- 12.2 In the current climate it is inevitable that the budget carries significant risk. In my view, although very difficult, the budget for 2023/24 is achievable subject to the risks and issues described below.
- 12.3 The most significant risks in the 2023/24 budget include:
- (a) Inflation, which has risen sharply and at the time of writing is over 10% per year, and has put extreme pressure on pay and other costs. In addition, inflationary pressures on household budgets are likely to increase demand for a range of services across the Council. Economic forecasts expect inflation to reduce during 2023, although it is likely to remain higher than in recent years. If inflation remains higher than forecast, it will further increase costs in 2023/24 and in subsequent years;
 - (b) Energy costs are a particular inflationary pressure - they have increased sharply recently and remain difficult to predict;
 - (c) Adult Social Care spending pressures, specifically the risk of further growth in the cost of care packages. Growth provided in the budget is less than previous practice suggests is needed, and management action will be required to prevent overspending;

- (d) The costs of looked after children, which have seen growth nationally;
 - (e) The costs of special needs transport, where the forecasts also require management action to avoid overspending.
- 12.4 The budget seeks to manage these risks as follows:
- (a) A minimum balance of £15m of reserves will be maintained;
 - (b) Provisions have been made in the budget for likely pressures on pay and energy costs, and will be kept under review during the year. Provisions of £5m per year have also been made for any residual costs from the deferral of adult social care reform;
 - (c) A contingency of £4m has been included in the budget for 2023/24;
 - (d) As a last resort, managed reserves could be used, but this increases pressure in 2024/25.
- 12.5 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 2023/24, more exceptions than usual have been made, and it is believed that services will be able to manage without an allocation).

13. **Financial, Legal and Other Implications**

13.1 **Financial Implications**

This report is exclusively concerned with financial issues.

13.2 **Legal Implications**

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

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

13.2.3 As well as detailing the recommended council tax increase for 2023/24, 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.

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

13.2.5 The discharge of the ‘function’ of setting a budget triggers the duty in s.149 of the Equality Act, 2010, for the Council to have “due regard” to its public sector equality duties. These are set out in paragraph 11. 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.

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

Provided by: Kamal Adatia, City Barrister

Catherine Taylor / Mark Noble
13th December 2022

Budget Ceilings (provisional)

	Latest budget restated	Savings agreed	Growth planned in budget	National Insurance adjustments	Non pay inflation	Budget ceiling 23/24
<u>1. City Development & Neighbourhoods</u>						
<u>1.1 Neighbourhood & Environmental Services</u>						
Divisional Management	239.3			(0.6)		238.7
Regulatory Services	2,033.7			(14.4)		2,019.3
Waste Management	18,148.5	(30.0)		(1.8)	3,317.5	21,434.2
Parks & Open Spaces	4,218.7	(65.0)		(35.9)		4,117.8
Neighbourhood Services	5,508.4	(26.0)		(11.6)		5,470.8
Standards & Development	1,680.1	(59.0)		(9.4)		1,611.7
<i>Divisional sub-total</i>	31,828.7	(180.0)	0.0	(73.7)	3,317.5	34,892.5
<u>1.2 Tourism, Culture & Inward Investment</u>						
Arts & Museums	4,242.3	(182.2)		(7.2)		4,052.9
De Montfort Hall	433.0	(40.0)		(6.3)		386.7
City Centre	171.1			(0.7)		170.4
Place Marketing Organisation	369.3			(1.0)		368.3
Economic Development	14.7	(56.0)		(3.8)		(45.1)
Markets	(216.4)	(20.0)		(1.7)		(238.1)
Adult Skills	(870.4)					(870.4)
Divisional Management	184.7			(1.0)		183.7
<i>Divisional sub-total</i>	4,328.3	(298.2)	0.0	(21.7)	0.0	4,008.4
<u>1.3 Planning, Transportation & Economic Development</u>						
Transport Strategy	9,778.3	(45.0)		(14.3)		9,719.0
Highways	2,809.6	(305.0)		(28.5)		2,476.1
Planning	985.6			(10.5)		975.1
Divisional Management	138.2			(0.8)		137.4
<i>Divisional sub-total</i>	13,711.7	(350.0)	0.0	(54.1)	0.0	13,307.6
<u>1.4 Estates & Building Services</u>						
	5,419.2	(1,046.2)		(29.3)		4,343.7
<u>1.5 Housing Services</u>						
	3,308.9	(174.0)	1,000.0	(25.8)		4,109.1
<u>1.6 Departmental Overheads</u>						
	827.6	(256.0)		(2.0)		569.6
DEPARTMENTAL TOTAL	59,424.4	(2,304.4)	1,000.0	(206.6)	3,317.5	61,230.9

Budget Ceilings (provisional)

	Latest budget restituted	Savings agreed	Growth planned in budget	National Insurance adjustments	Non pay inflation	Budget ceiling 23/24
<u>2.Adults</u>						
<u>2.1 Adult Social Care & Safeguarding</u>						
Other Management & support	744.8			(2.6)		742.2
Safeguarding	228.6			(0.9)		227.7
Preventative Services	6,910.0			(16.6)		6,893.4
Independent Sector Care Package Costs	130,634.6		18,743.0		2,723.1	152,100.7
Care Management (Localities)	7,874.0			(24.7)		7,849.3
<i>Divisional sub-total</i>	146,392.0	0.0	18,743.0	(44.8)	2,723.1	167,813.3
<u>2.2 Adult Social Care & Commissioning</u>						
Enablement & Day Care	3,091.6			(13.3)		3,078.3
Care Management (LD & AMH)	5,252.1			(20.3)		5,231.8
Preventative Services	1,024.1			(0.3)		1,023.8
Contracts, Commissioning & Other Support	6,298.3			(18.4)		6,279.9
Departmental	(33,696.3)	(339.0)		(2.8)		(34,038.1)
<i>Divisional sub-total</i>	(18,030.2)	(339.0)		(55.1)		(18,424.3)
DEPARTMENT TOTAL	128,361.8	(339.0)	18,743.0	(99.9)	2,723.1	149,389.0
<u>3. Education & Children's Services</u>						
<u>3.1 Strategic Commissioning & Business Support</u>						
	2,315.6	(114.0)		(10.5)		2,191.1
<u>3.2 Learning Quality & Performance</u>						
Raising Achievement	373.0			(3.1)		369.9
Learning & Inclusion	1,285.4	(29.1)		(6.0)		1,250.3
Special Education Needs and Disabilities	16,009.6		1,500.0	(29.1)		17,480.5
<i>Divisional sub-total</i>	17,668.0	(29.1)	1,500.0	(38.2)	0.0	19,100.7
<u>3.3 Children, Young People and Families</u>						
Children In Need	14,363.6	(456.4)		(34.9)		13,872.3
Looked After Children	40,569.0	(15.0)	3,000.0	(29.3)	210.3	43,735.0
Safeguarding & QA	2,513.8	(26.7)		(7.7)		2,479.4
Community Safety	877.6			(2.2)		875.4
Early Help Targeted Services	5,723.7	(1.5)		(17.4)		5,704.8
Early Help Specialist Services	3,192.8	(8.9)		(13.6)		3,170.3
<i>Divisional sub-total</i>	67,240.5	(508.5)	3,000.0	(105.1)	210.3	69,837.2
<u>3.4 Departmental Resources</u>	1,455.1	(61.0)		(2.4)		1,391.7
DEPARTMENTAL TOTAL	88,679.2	(712.6)	4,500.0	(156.2)	210.3	92,520.7

Budget Ceilings (provisional)

	Latest budget restated	Savings agreed	Growth planned in budget	National Insurance adjustments	Non pay inflation	Budget ceiling 23/24
<u>4. Health and Wellbeing</u>						
Adults' Services	8,985.7					8,985.7
Children's 0-19 Services	8,819.3					8,819.3
Lifestyle Services	1,216.5	(140.0)		(3.3)		1,073.2
Staffing & Infrastructure & Other	2,508.5	(100.0)		(10.0)		2,398.5
Sports Services	1,915.0			(15.5)		1,899.5
DEPARTMENT TOTAL	23,445.0	(240.0)		(28.8)		23,176.2
<u>5. Corporate Resources Department</u>						
<u>5.1 Delivery, Communications & Political Gover</u>						
	5,557.2	(133.5)		(19.2)		5,404.5
<u>5.2 Financial Services</u>						
Financial Support	4,843.7			(23.5)		4,820.2
Revenues & Benefits	6,640.5	(172.0)		(29.1)		6,439.4
Divisional sub-total	11,484.2	(172.0)	0.0	(52.6)	0.0	11,259.6
<u>5.3 Human Resources</u>						
	3,794.3			(15.4)		3,778.9
<u>5.4 Information Services</u>						
	10,522.1	13.0		(29.2)		10,505.9
<u>5.5 Legal Services</u>						
	3,456.7			(21.5)		3,435.2
DEPARTMENTAL TOTAL	34,814.5	(292.5)		(137.9)		34,384.1
TOTAL -Service Budget Ceilings	334,724.9	(3,888.5)	24,243.0	(629.4)	6,250.9	360,700.9
Public Health grant						(28,384.2)
Provision for waste costs						2,000.0
Provision for residual care reform costs						5,000.0
Provision for pay awards						20,600.0
Total forecast service spending						359,916.7

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 provisions for pay awards, additional waste and energy cost pressures;
 - (c) The City Mayor may determine how the contingency can be applied and the provision for residual ASC reforms.

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) year-end budget underspends, subject to the approval of the City Mayor.
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.

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Equality Impact Assessment

1. Purpose

- 1.1 This appendix presents the equalities impact of a proposed 4.99% council tax increase. This includes a precept of 2% for Adult Social Care, as permitted by the Government without requiring a referendum.
- 1.2 The alternative option for comparison is a freeze on council tax at 2022/23 levels. It would of course be possible to set a council tax increase between these two levels, or indeed to *reduce* the Band D tax.

2. Who is affected by the proposal?

- 2.1 As at October 2022, there were 133,370 properties liable for Council Tax in the city¹ (excluding those registered as exempt, such as student households).
- 2.2 All non-exempt working age households in Leicester are required to contribute towards their council tax bill. Our current council tax support scheme (CTSS) requires working age households to pay at least 20% of their council tax bill and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience.
- 2.3 Council tax support for pensioner households follows different rules. Low-income pensioners are eligible for up to 100% relief through the CTSS scheme.

3. How are they affected?

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

Band	No. of Properties	Weekly increase	Minimum Weekly Increase under CTSS
A-	305	£0.93	£0.19
A	78,707	£1.12	£0.22
B	26,640	£1.31	£0.26
C	15,547	£1.49	£0.45
D	6,636	£1.68	£0.63
E	3,377	£2.05	£1.01
F	1,522	£2.42	£1.38
G	600	£2.80	£1.75
H	36	£3.36	£2.31
Total	133,370		

¹ This number is expected to reduce in the final budget for 2023/24 as more student exemptions will be registered

- 3.2 In most cases, the change in council tax (around £1.31 per week for a band B property with no discounts; and just 26p per week if eligible for the full 80% reduction under the CTSS) is a small proportion of disposable income, and a small contributor to any squeeze on household budgets. A council tax increase would be applicable to all properties - the increase would not target any one protected group, rather it would be an increase that is applied across the board. However, it is recognised that this may have a more significant impact among households with a low disposable income.
- 3.3 Households at all levels of income have seen their real-terms income decline due to cost of living increases, and wages that have failed to keep up with inflation. These pressures are not limited to any protected group; however, there is evidence that low-income families spend a greater proportion of their income on food and fuel (where price rises have been highest), and are therefore more affected by current price increases.
- 3.4 The government has confirmed that pensions and most benefit rates will increase by inflation in April. However, this does not apply to Local Housing Allowance (LHA) rates for those renting in the private sector. This will put further pressure on lower-income renters if their rents increase. [NB council and housing association tenants are not affected by this as their rent support is calculated differently and their full rent can be compensated from benefits].

4. **Alternative options**

- 4.1 The realistic alternative to a 5% council tax increase would be a lower (or no) increase. It should be noted that the proposed increase is significantly below inflation, and therefore represents a real-terms cut in council tax payable and therefore our income. 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 therefore require a greater use of reserves and/or more cuts to services in 2024/25.
- 4.2 The budget situation is already extremely difficult, and it seems inevitable that further cuts will have severe effects on front-line services. It is not possible to say precisely where these future cuts would fall; however, certain protected groups (e.g. older people; families with children; and people with disabilities) could face disproportionate impacts from reductions to services.

5. **Mitigating actions**

- 5.1 The Council has a range of mitigating actions for residents. These include: funding through Discretionary Housing Payments, Council Tax Discretionary Relief and Community Support Grant awards; the council's work with voluntary and community sector organisations to provide food to local people where it is required – through the network of food banks in the city; 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 "BetterOff Leicester" online tool includes a calculator to help residents ensure they are receiving all relevant benefits.

5.2 The Household Support Fund has been extended to March 2024 and will continue to provide food vouchers, water and energy bill support and white goods to vulnerable 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.

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Analysis of impact based on protected characteristic

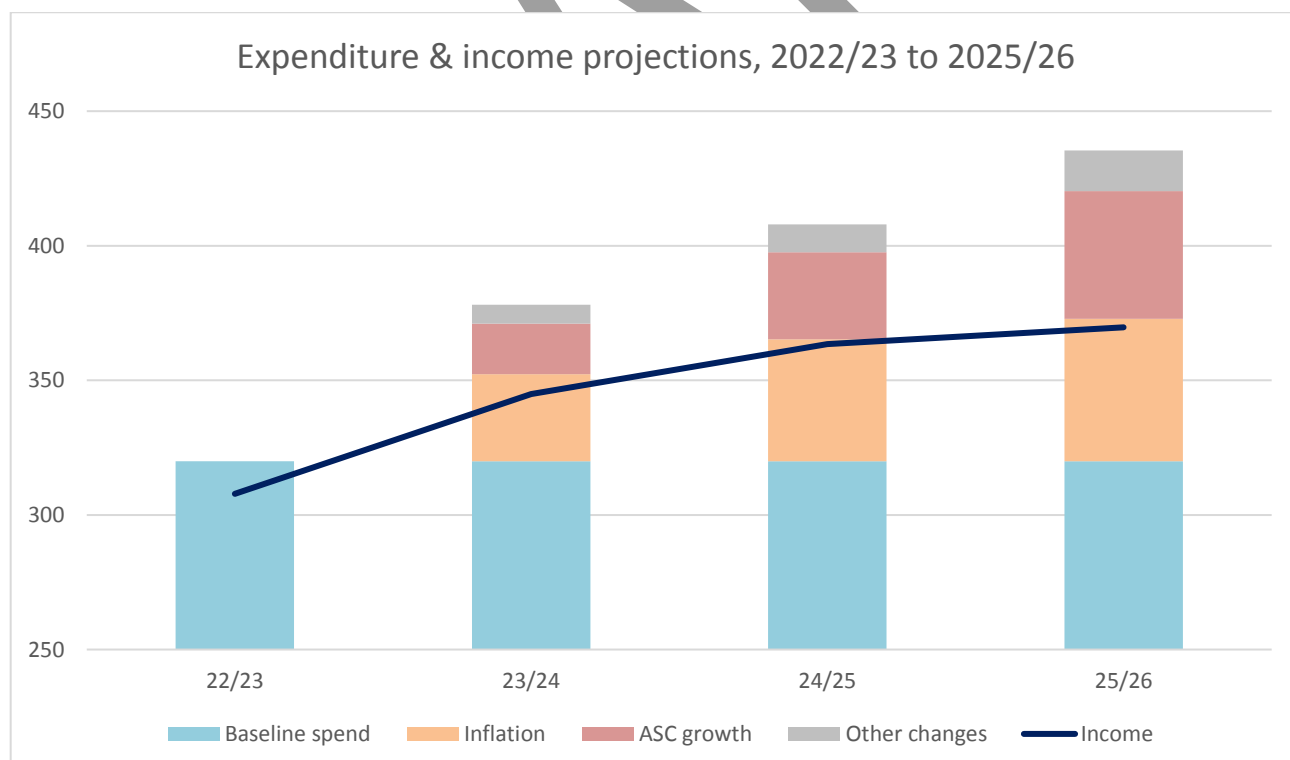
Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
Age	<p>Older people (pension age and older) are least affected by a potential increase in council tax and can access more generous (up to 100%) council tax relief. However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as older people are the primary service users of Adult Social Care.</p> <p>While employment rates remain high, earnings have not kept up with inflation in recent months so working families are likely to already be facing pressures on household budgets. Younger people, and particularly children, were more likely to be in poverty before the current cost-of-living crisis and this is likely to have continued.</p>	Working age households and families with children – incomes squeezed through reducing real-terms wages.	Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on managing household budgets.
Disability	<p>Disabled people are more likely to be in poverty. In addition, many disabled people are disproportionately affected by household fuel costs and may have limited opportunities to reduce usage.</p> <p>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.</p>	Further erode quality of life being experienced by disabled people.	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.
Gender Reassignment	No disproportionate impact is attributable specifically to this characteristic.		
Pregnancy & Maternity	No disproportionate impact is attributable specifically to this characteristic (although see below for childcare costs; and the impacts on lone parents).		

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
Race	Those with white backgrounds are disproportionately on low incomes (indices of multiple deprivation) and in receipt of social security benefits. Some ethnic minority people are also low income and on benefits.	Household income being further squeezed through low wages and reducing levels of benefit income.	Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on managing household budgets. Where required, interpretation and translation will be provided to remove barriers in accessing support.
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, who are more likely to experience poverty.	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	Gay men and Lesbian women are more likely to be in poverty than heterosexual people and Trans people even more likely to be in poverty and unemployed. This would mean they are more likely to be on benefits and there could be a disproportionate impact.	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. Local support organisations such as the LGBT Centre can signpost individuals to advice and support services.

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Medium Term Financial Outlook 2023/24 – 2025/26

1. The purpose of this medium term financial outlook is to provide members with details of the forecast financial position of the Council for the next 3 years, and to set the context within which the budget process will need to work to achieve a balanced position. The figures are indicative and volatile, and depend heavily on government decisions about future funding of services.
2. Our central forecasts for the period up to 2025/26 are set out in the table at paragraph 5, and show that:
 - **Expenditure pressures are increasing at a faster rate than income.** Over the period we expect expenditure to increase by over 35% (in cash terms) while income projections rise by only 20% assuming there is no change in Government policy.
 - **In recent years, the biggest factor in these increases has been the rising cost of adult social care, as illustrated in the chart below.** These increases have been seen nationally for several years, and now present a substantial challenge to the authority's future sustainability. These pressures arise from factors largely outside the authority's control (e.g. increases in the minimum wage, demographic pressures and pressures on fee levels). The rate of growth is likely to accelerate.



NB scale does not start at zero

- **We have already invested significant amounts in social care.** Since 2016 we have seen the cost of adults' social care packages increase by over £50m, or 70%, due to a combination of increasing need and higher

wage costs. Over the same period we have invested over £20m in children’s social care.

- **Since the 2022/23 budget was set, sharp increases in inflation have added over £25m to our costs.** In particular, energy costs and pay awards have been far higher than predicted.
 - **Other budget areas have already seen significant cuts in the last decade.** Expenditure on services other than adults’ and children’s social care fell from £192m in 2010 to £106m in 2020.
3. The 2022/23 budget was balanced by using £24m of reserves. On current projections, sufficient reserves remain to balance the 2023/24 budget and provide partial support to the 2024/25 budget. Ongoing savings will need to be found to ensure the longer-term financial stability of the Council.
 4. Departments are working on achieving savings where possible. This is a continuous process and identified savings will be made throughout the course of the year.
 5. A summary of the central budget projections for the next three years is set out below:

	2023/24 £m	2024/25 £m	2025/26 £m
Net service budget (including inflation)	369.6	394.9	417.6
Corporate and other centrally held budgets	4.4	5.0	5.8
Contingency	4.0		
Planning provision		8.0	12.0
Expenditure total	378.0	407.9	435.4
Business rates income	73.6	76.4	77.6
Top-up payment	55.7	57.9	58.9
Revenue Support Grant	29.9	29.9	29.9
Council Tax	143.4	153.5	157.5
Collection Fund surplus	3.3		
Social Care grants	30.4	37.1	37.1
Other grants	8.6	8.6	8.6
Income Total	344.9	363.4	369.6
Indicative Budget gap	33.1	44.5	65.8

6. The largest area of uncertainty in the forecasts surrounds the amount of government funding that will be available in 2025/26 which falls into a new government planning period. We have been warned to expect a new period of austerity.

7. The planned review of local government funding allocations (the “Fair Funding Review”) is now likely to be delayed until 2025. We do not know what the outcome of any review will be, but the delay means that authorities are still funded on a formula

that is at least a decade out of date; and lower income areas (including Leicester) are still disproportionately affected by the way funding cuts were implemented from 2013 to 2016. In particular, no recognition is given to the city’s increase in population and this is to some extent still driven by the **2001** census figures. The independent Institute for Fiscal Studies has commented that “Indeed, the issues with police, local government and public health funding allocations are so significant that the amounts allocated to different places are essentially arbitrary.”

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

	Assumptions – central scenario	Risks & alternative options modelled
Expenditure		
Pay costs	We assume a pay award averaging 5% in 2023/24, 3% in 2024/25 and 2.5% in 2025/26, as general inflation is expected to reduce.	Inflation has been rising in recent months, reaching 11.1% (CPI) in October 2022. Forecasts suggest it is likely to begin to reduce later in 2023; if it remains high, there will be additional pressures on pay awards and non-pay inflation, partially offset by an increase in interest on investments.
Energy costs	Assumed that gas prices we pay will increase by 300% in April 2023, whilst electricity prices will rise by 40% in October 2023. Costs for 2024/25 are highly uncertain. An indicative increase of 30% has been included.	
Non-pay inflation	In line with the policy in past years, departments are expected to absorb the costs of non-pay inflation in most cases. The exceptions are independent sector care package costs, fostering allowances, energy and the waste management contract; an allowance is built in for these increases. An allowance has also been made from 2023/24 for SEN transport.	
Adult social care costs	Demographic pressures and increasing need lead to cost pressures of 6% of the ASC budget in 2023/24 and 4% in 2024/25. This will require action in the Department to remain within these spending totals Increases in the National Living Wage will also add to costs. Forecasts for 2025/26 are particularly volatile; an indicative £15m additional budget has been included for the year.	
Other service cost pressures	Departments are expected to find savings to manage cost pressures within their own areas. From 2024/25 onwards, an £8m planning provision has been included (twice the normal amount) to meet unavoidable costs that cannot be managed within departments. This subsequently increases by £4m in 2025/26.	Costs relating to children who are looked after have been increasing nationally, and are a particular risk for future years. Home-to-school transport costs are also an area of significant pressure, and will require action to remain within budgets.

Income		
Council Tax	<p>Band D Council Tax will increase by 4.99% per year (3% base increase plus 2% for the Adult Social Care precept), for 2023/24 and 2024/25; and then revert to 2.99% for 2025/26.</p> <p>Council tax baseline increases by 500 Band D properties per year.</p>	<p>Further economic downturn leading to increased costs of council tax support to residents on a low income.</p>
Business rates	<p>The multiplier freeze for 2023/24, and new reliefs announced in November 2022, are fully funded.</p> <p>Authorities are fully compensated for the effect of the 2023 rates revaluation.</p> <p>No significant movements in the underlying baseline for business rates.</p>	<p>Business rates are particularly sensitive to economic conditions.</p> <p>We believe that the national business rates system in its current form is becoming unsustainable. The local government business rates retention system is being “patched up” considerably as a result. Long term stability seems unlikely.</p>
Government grant	<p>Government funding for 2023/24 and 2024/25 follows the plans set out in the CSR as adjusted by the Autumn Statement in November 2017, with no significant distributional changes.</p> <p>We assume (in line with government statements) that existing RSG and top-up payments continue; but the Services Grant and New Homes Bonus may be redistributed. We have assumed our share of this based on previous funding allocations; this implicitly assumes a broadly neutral effect of any funding changes.</p> <p>We have assumed that new social care grant funding is allocated on the same basis as in Government social care formulae.</p> <p>For 2025/26, we assume a cash flat settlement for centrally-funded elements including social care funding and RSG (with no allowance for inflation). The Autumn Statement implied real terms cuts of 0.7% for unprotected departments, which would include local government.</p>	<p>We do not yet have the details of local government funding for 2023/24 and 2024/25.</p> <p>Local government may be treated less favourably than other unprotected departments. The 2025/26 settlement may lead to grant cuts in cash terms.</p>

Earmarked Reserves

	Balance at 31st March 2022
	£000
Ring-fenced Reserves	
DSG not delegated to schools	-
School Balances	30,095
School Capital Fund	2,491
Education & Skills Funding Agency Learning Programme	971
Arts Council National Portfolio Organisation Funding	319
NHS Joint Working Projects	25,013
Schools Buy Back	1,915
Covid-19 Collection Fund Compensation Grants*	13,397
Total Ring-fenced Reserves	74,201
Corporate Reserves	
Capital Programme Reserve	98,834
Managed Reserves Strategy	83,270
BSF Financing	9,034
Insurance Fund	11,495
Severance Fund	4,827
Service Transformation Fund	5,195
Welfare Reserve	2,551
Anti- Poverty Reserve	3,000
Total Corporate Reserves	218,206
Earmarked Reserves Departmental	
Financial Services Reserve	5,119
ICT Development Fund	10,480
Delivery, Communications & Political Governance	2,440
Housing	2,802
City Development (Excl Housing)	12,672
Social Care Reserve	9,998
Health & Wellbeing Division	5,631
Other Departmental Reserves	464
Total Other Reserves	49,606
Total Earmarked Reserves	342,013

Draft Capital Programme 2023/24

Decision to be taken by: Council

Date of meeting: 22 February 2023

Lead director: Amy Oliver, Director of Finance

Useful information

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

1. Summary

- 1.1 The purpose of this report is to ask the Council to approve a capital programme for 2023/24.
- 1.2 Capital expenditure is incurred on works of lasting benefit and is principally paid for by grant, tenants' rents, and the proceeds of asset sales (capital receipts). Money can also be borrowed for capital purposes, but the scope for this is limited as borrowing affects the revenue budget.
- 1.3 For the past three years the Council has set a one year capital programme, due to uncertainty over future resources. This uncertainty remains, and currently includes:
 - The revenue budget outlook, which requires significant savings
 - Volatility and inflationary pressures in the construction industry
 - The Council's technical capacity to support a large programme

We are therefore presenting another one year programme, of limited scale. This will enable capacity to be focussed on key schemes and allow time to see the long-term impact of inflation.

Schemes already approved and in the current programme will continue.

- 1.4 The report seeks approval to the "General Fund" element of the capital programme, at a cost of £46m. In addition to this, the HRA capital programme (which is elsewhere on your agenda) includes works estimated at £29m, £15m of which relates to the affordable homes programme.

- 1.5 The table below summarises the proposed spending for capital schemes starting in 2023/24, as described in this report:-

	<u>£m</u>
<u>Proposed Programme</u>	
<u>Schemes – Summarised by Theme</u>	
Grant Funded Schemes	23.7
Highways & Infrastructure	5.3
Libraries	1.0
Own buildings	4.7
Parks & Play Areas	2.6
Routine Works	5.7
Feasibility and Contingencies	3.0
Total New Schemes	<u>46.0</u>
 <u>Funding</u>	
Monies ringfenced to Schemes	44.1
Unringfenced Resources	2.1
Total Resources	<u>46.2</u>

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

	<u>£m</u>
General Fund	46.0
Housing Revenue Account	29.0
Total	<u>75.0</u>

- 1.7 The Council's total capital expenditure now forecast for 2023/24 and beyond is expected to be around £400m, including the HRA and schemes approved prior to 2023/24.

- 1.8 The capital programme is split into two parts:-

- (a) Schemes which are “**immediate starts**”, being schemes which directors have authority to commence once the council has approved the programme. These are fully described in this report;
- (b) Schemes which are “**policy provisions**”, where the purpose of the funding is described but money will not be released

until specific spending proposals have been approved by the Executive.

1.9 Immediate starts have been split into three categories:-

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

2. Recommendations

2.1 The Council is asked to:-

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

reallocate resources to meet operational requirements.

- (e) As in previous years, delegate to the City Mayor:
- Authority to increase any scheme in the programme, or add a new scheme to the programme, subject to a maximum of £10m corporate resources in each instance;
 - Authority to reduce or delete any capital scheme, subject to a maximum reduction of 20% of scheme value for “immediate starts”; and
 - Authority to transfer any “policy provision” to the “immediate starts” category.
- (f) In respect of Government investment programmes for which the Council receives grant as the accountable body to the Leicester and Leicestershire Enterprise Partnership (LLEP):-
- Delegate to the City Mayor approval to accept Government offers of funding, and to add this to the capital programme;
 - Delegate to the Strategic Director, City Development and Neighbourhoods, in consultation with the Director of Finance, authority to allocate the funding to individual schemes (in effect, implementing decisions of the LLEP);
 - Agree that City Council schemes funded by the programme can only commence after the City Mayor has given approval;
 - Delegate to the Director of Finance authority to reallocate programme funding between schemes, if permissible, to ensure the programme as a whole can be delivered; and
 - Note that City Council contributions to schemes will follow the normal rules described above (i.e. nothing in this paragraph permits the City Mayor to supplement the programme with City Council resources outside of normal rules).
- (g) Delegate to directors, in consultation with the relevant deputy/assistant mayor, authority to incur expenditure up to a maximum of £250k per scheme in respect of policy provisions on design and other professional fees and preparatory studies, but not any other type of expenditure;
- (h) Approve the capital strategy at Appendix 6.

3. Proposed Programme

Key Policy Issues

- 3.1 The key focus of the 2023/24 capital programme is to deliver strategic objectives as far as possible. It is a limited one year programme, but nonetheless complements the existing programme and aims to support the City Mayor's delivery plan.
- 3.2 The programme is based on key themes, shown at paragraph 1.5 above.
- 3.3 The programme supports the Council's commitment to tackling the climate emergency, most obviously but not exclusively within the Transport Improvement Works, Operational Estate and Children's capital maintenance programmes.
- 3.4 Similarly, our commitment to invest in the whole city cuts right across our capital programme. Capital investment will benefit the entire city from our outer estates to the city centre.

Resources

- 3.5 Resources available to the programme consist primarily of Government grant and capital receipts (the HRA programme is also supported by tenants' rent monies). Most grant is unringfenced, and the Council can spend it on any purpose it sees fit.
- 3.6 Appendix One presents the resources available to fund the proposed programme, which total some £46.2m. The key unringfenced funding sources are detailed below.
 - (a) £2.1m of general capital receipts and £0.7m of Right to Buy Receipts;
 - (b) £21.7m of unringfenced grant funding. Some of these figures are estimated in the absence of actual allocations from the Government (the figure for 2024/25 represents a first call on that year to enable school schemes to be planned);
 - (c) £19.6m of resources brought forward, consisting of money set aside in previous years for covid recovery schemes which has been reprioritised, money for schemes which have now been funded from section 106 contributions, savings from completed programmes and previous years' underspends.
- 3.7 The Council has a policy of not committing capital receipts until they are received. This increases the resilience of the capital programme at a time when revenue budgets are under severe pressure. £2.1m of general capital receipts are available for 2023/24 based on receipts received or

due at the time of writing. Subsequent receipts will be available to fund the 2024/25 programme.

- 3.8 The exception to not committing receipts in advance is the expected receipts from the sale of council housing. Where tenants exercise their “Right to Buy” the RTB receipts are layered, with different layers being available for different purposes. A sum of £0.7m will be available for general purposes: this is predictable. Further tranches are available to us but must be used for new affordable housing or returned to the government.
- 3.9 For some schemes the amount of unringfenced resources required is less than the gross cost of the scheme. This is because resources are ringfenced directly to individual schemes. Ringfenced resources are shown throughout Appendix Two and include the following:
- (a) Government grant and contributions made to support the delivery of specific schemes;
 - (b) Borrowing. Because borrowing has an impact on the revenue budget, it is only used for reasons detailed in capital strategy at Appendix 6 of this report;
 - (c) Earmarked reserves, such as the Transformation Fund
- 3.10 Finance Procedure Rules enable directors to make limited changes to the programme after it has been approved. For these purposes, the Council has split resources into corporate and service resources. These are similar to, but not quite the same as, ringfenced and unringfenced resources. Whilst all unringfenced resources are corporate, not all ringfenced monies are service resources. Borrowing, for instance, is treated as a corporate resource requiring a higher level of approval.
- 3.11 Directors have authority to add schemes to the programme, provided they are funded by service resources, up to an amount of £250,000. This provides flexibility for small schemes to be added to the programme without a report to the Executive.

Proposed Programme

3.12 The whole programme is summarised at Appendix 2. Responsibility for the majority of projects rests with the Strategic Director of City Development and Neighbourhoods.

3.13 £23.7m is provided for grant funded schemes. These schemes are funded either from unringfenced grant (where we have discretion) and ringfenced resources.

(a) £15.9m has been provided to continue with the **Schools Capital Improvements Programme**. The programme will include routine maintenance and spending is prioritised to reflect asset condition and risk. This will be a 2 year programme to allow for better forward planning. The proposed programme is shown at Appendix 5: detailed schemes will be developed following consultation with schools.

(b) £3.3m is provided as part of the continued **Highway Capital Maintenance Programme**. This is a rolling annual programme and spending is prioritised to reflect asset condition, risk and local neighbourhood priorities. The proposed programme is shown at Appendix 4.

(c) £2.6m is provided in 2023/24 to continue the rolling programme of works constituting the **Transport Improvement Programme**.

Some of the priority areas include:

- Delivering cross cutting cycling, walking and public transport benefits.
- Local safety schemes
- 20mph schemes in Neighbourhoods
- Delivery of the Local Transport Plan

(d) £1.9m has been provided for **Disabled Facilities Grants** to private sector householders. This is an annual programme which has existed for many years. These grants provide funding to eligible disabled people for adaption work to their homes, and help them maintain their independence

(e) £150,000 is provided for **Grounds Maintenance Equipment** to replace ageing machinery with up to date, energy efficient models. The replacement of this equipment is met from borrowing, and a revenue budget exists for this purpose.

3.14 £5.3m is provided for Highways & Infrastructure.

(a) £3m has been set aside for **St Margaret's Gateway**. The Council was successful in bidding for levelling up funds in 2021, and further money has now been made available to improve this gateway into the city.

- (a) £1.8m is provided for additional **Highways Transport and Infrastructure** works. This money will enhance the city centre and local centres through improvements to public realm, and improve accessibility by modes other than use of private cars.
- (b) £460,000 has been provided to replace the existing **St Nicholas Wall** due to its current condition. The works will be undertaken following engagement and agreement with Historic England.

3.15 £1m is provided for Libraries.

- (a) £1m is provided for **Library Investment**, to transform local libraries into facilities capable of delivering multiple customer facing services.

3.16 £4.7m is provided for the Council's own buildings.

- (a) £4m has been provided to support the annual **Operational Estate Capital Maintenance Programme** of works to properties that the Council occupies for its own use. This is a rolling annual programme and spending is prioritised to reflect asset condition and risk. The proposed programme is shown at Appendix 3, but may vary to meet emerging operational requirements.
- (b) £400,000 has been provided for **Decarbonisation of Malcolm Arcade**. Carbon reduction measures such as improvements to natural ventilation, solar panels and natural light improvements will be undertaken.
- (c) £195,000 is provided to complete the final phase of the district heating programme, **connecting Aikman Avenue** to the existing district heating network.
- (d) £100,000 has been provided for additional car parking spaces at **Phoenix Arts** following the expansion of the cinema and arts centre.

3.17 £2.6m is provided for Parks & Play Areas.

- (a) £2.5m has been provided to support the improvement of the Councils **Multi Use Games Areas (MUGA's)**. This will help increase physical activity and participation in recreational sport across the city.
- (b) £150,000 has been provided for **Spinney Hill Park Play Area Refurbishment**. The works will include resurfacing and the replacement of play equipment.

3.18 £5.7m is provided for Routine Works.

- (a) £3.8m has been made available for the annual **Fleet Replacement Programme**. Wherever possible, ultra low emission vehicles (ULEVs) will be sought to support the Council's climate emergency response. In previous years, this programme has been funded by borrowing, but in 2023/24 it will be funded from corporate resources to reduce revenue budget pressures.
- (b) £400,000 has been provided for **Local Environmental Works** in wards. This scheme will focus on local neighbourhood issues including residential parking, local safety concerns, pedestrian routes, cycle ways and community lighting to be delivered after consultation with ward members.
- (c) £400,000 has been provided for the compulsory purchase and statutory works at **St Paul's Church**, as part of the Council's obligation to prevent irreparable damage to listed buildings. Whilst these works will initially need to be funded by the Council, on completion the Council will be able to sell the building to recoup these costs.
- (d) £300,000 is provided to continue the **Flood Risk Prevention** scheme into 2023/24. The programme supports the local flood risk management strategy and action plan, and the delivery of our statutory role to manage and reduce flood risk in collaboration with the Environment Agency & Severn Trent Water.
- (e) £200,000 has been provided for the **Front Walls Enveloping Scheme** and is a continuation of previous schemes. It involves the enclosure of small spaces in front of housing. Enveloping schemes can make a significant improvement to local neighbourhoods and enable occupiers to tend house fronts more effectively.
- (f) £200,000 is provided in 2023/24 to continue the programme of **Repayable Home Repair Loans**. These grants aid vulnerable, low income home owners to carry out repairs or improvements to their homes, to bring properties up to decent home standards. Any loan will remain in place until a change of ownership or sale of the property, after which repayment of the loan is required.
- (g) Following the success of the current scheme, £185,000 has been put aside for the extension of the **Heritage Interpretation Panels Programme**. This scheme uses digital technology to interpret heritage stories in new ways, e.g. via mobile devices.

- (h) £130,000 will pay for specialist equipment to fell trees affected by **Ash Die Back** that pose a risk to the public.
- ⓪ £50,000 has been provided for a **Historic Building Grant Programme**. This will provide match funding to city residents and organisations to support the repair of historic buildings and the reinstatement of lost original historic features.
- ⓪ £50,000 continues to be made available for **Acquisition of Long Term Empty Homes**. The Empty Homes Team gives advice and assistance to owners, helping them bring homes back into occupation. As a last resort, when all avenues have been exhausted, we have to use compulsory purchase. £50,000 covers the incidental costs associated with acquisition where CPO or negotiated purchase is required, where such costs cannot be recouped from the sale proceeds.

3.19 £3m is provided for feasibility and contingencies:.

- (a) £1.5m is provided for **Feasibility Studies**. This will enable studies to be done, typically for potential developments not included elsewhere in the programme or which might attract grant support, without requiring further decisions.
- (b) A **Programme Contingency** of £1.5m has been set aside for cost pressures arising from construction inflation, or (if not needed for this purpose) for any emerging capital needs such as match funding for new government programmes.

Proposed Programme – Policy Provisions

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

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

3.22 Some of the schemes described above will be treated as policy provisions. These are denoted as such in Appendix Two.

Capital Strategy

3.23 Local authorities are required to prepare a capital strategy each year, which sets out our approach for capital expenditure and financing at high level.

3.24 The proposed capital strategy is set out at Appendix 6.

Consultation

3.25 To be added later following consultation.

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

4.1 Financial implications

- 4.1.1 This report is exclusively concerned with financial matters.
- 4.1.2 There is proposed prudential borrowing in the programme for replacement grounds maintenance machinery for £150k. The anticipated revenue costs arising will be £13k per year, for which revenue budget exists. This borrowing is affordable, sustainable and prudent (this is further described in the Treasury Strategy on your agenda).

4.2 Legal implications

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

Kamal Adatia, City Barrister & Head of Standards

4.3 Equalities implications

- 4.3.1 Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.
- 4.3.2 Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- 4.3.3 People from across all protected characteristics will benefit from the improved public realm arising from the proposed capital programme. However, as the proposals are developed and implemented, consideration should continue to be given to the equality impacts of the schemes in question, and how they can help the Council to meet the three aims of the Public Sector Equality Duty.
- 4.3.4 The capital programme includes schemes which improve the city's infrastructure and contribute to overall improvement of quality of life for

people across all protected characteristics. By doing so, the capital programme promotes the PSED aim of fostering good relations between different groups of people by ensuring that no area is disadvantaged compared to other areas as many services rely on such infrastructure to continue to operate.

- 4.3.5 Some of the schemes focus on meeting specific areas of need for a protected characteristic: Disabled Facilities Grants (disability), home repair grants which are most likely to be accessed by elderly, disabled people (age and disability), and the Children's Capital Improvement Programme (age).
- 4.3.6 Other schemes target much larger groups of people who have a range of protected characteristics reflective of the diverse population within the city. Some schemes are place specific and address environmental issues that also benefit diverse groups of people. The delivery of the capital programme contributes to the Council fulfilling our Public Sector Equality Duty (PSED). For example, schemes which support people in being able to stay in their homes, to continue to lead independent lives, and to participate in community life help promote equality of opportunity, another one of the aims of the PSED.
- 4.3.7 Where there are any improvement works to buildings or public spaces, considerations around accessibility (across a range of protected characteristics) must influence design and decision making. This will ensure that people are not excluded (directly or indirectly) from accessing a building, public space, or service, based on a protected characteristic. All schemes should consider the PSED and conducting Equality Impact Assessments where relevant to inform the process.

Kalvaran Sandhu, Equalities Manager

4.4 Climate Emergency implications

- 4.4.1 The city council declared a climate emergency in February 2019 and is delivering it's Climate Emergency Strategy & Action Plan, which sets an ambition for the council and city to achieve net zero carbon emissions. The council is one of the largest employers and landowners in the city, with a carbon footprint of 16,852 tCO₂e from its own operations. The council therefore has a vital role to play in reducing emissions from its operations, working with its partners and leading by example on tackling the climate emergency in Leicester. The report notes the importance of tackling the climate emergency through the capital programme, with a number of the projects outlined directly playing a positive role in reducing carbon emissions in the city.
- 4.4.2 There is not sufficient information within this report to provide specific details of climate change implications for individual projects, which may have significant implications and opportunities. Detailed implications should therefore be produced for individual projects as and when plans

are finalised. At a high level, there are some general principles that should be followed during the planning, design and implementation of capital projects, as detailed below. A toolkit is also being developed to support the achievement of reduced carbon emissions in council capital construction and renovation projects.

- 4.4.3 New buildings should be constructed to a high standard of energy efficiency, and incorporate renewable energy sources where possible, with projects aiming to achieve carbon neutral development or as close as possible to this. Maintenance and refurbishment works, including replacement of systems or equipment, should also seek to improve energy efficiency wherever possible. This will reduce energy use and therefore bills, delivering further benefits. Major projects will also need to meet Climate Change policy CS2 in the Leicester City Core Strategy planning document, which requires best practice in terms of minimising energy demand for heating, ventilation and lighting, achieving a high level of fabric efficiency, and the use of low carbon or renewable sources of energy
- 4.4.4 Projects involving procurement, including for construction works, should follow the Council's sustainable procurement guidelines. This includes the use of low carbon and sustainable materials, low carbon equipment and vehicles and reducing waste in procurement processes. Transport projects should seek to enable a greater share of journeys to be safely and conveniently undertaken by walking, cycling or public transport wherever possible, and many of the planned works will directly contribute to this. Flood risk and environmental works are also a key part of increasing resilience to a changing climate in the city.

Aidan Davis, Sustainability Officer

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

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

5. Background information and other papers:

6. Summary of appendices:

Appendix 1 – Corporate & Unringfenced Capital Resources.

Appendix 2a - A City to Enjoy

Appendix 2b – A Fair City

Appendix 2c – Health and Care

Appendix 2d – Lifelong Learning

Appendix 2e – Sustainable Leicester

Appendix 2f – Operational Estate

Appendix 2g – Routine Works

Appendix 2h – Other

Appendix 3 – Operational Estate Maintenance Capital Programme

Appendix 4 – Highways Maintenance Capital Programme

Appendix 5 – Children's Capital Improvement Programme

Appendix 6 – Capital Strategy 2023/24

7. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No

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

Report Author: Ben Matthews

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Appendix One

Capital Resources

	23/24 <i>{£000}</i>	24/25 <i>{£000}</i>	Total <i>{£000}</i>
<u>Resources Brought Forward</u>			
Previous years' savings	19,630	-	19,630
Total One Off Resources	19,630	-	19,630
<u>Capital Receipts</u>			
General Capital Receipts	2,082	-	2,082
Council Housing - Right to Buy Receipts	700	-	700
Total Receipts	2,782	-	2,782
<u>Unringfenced Capital Grant</u>			
Education maintenance	9,855	6,000	15,855
Integrated Transport	2,576	-	2,576
Transport maintenance	3,262	-	3,262
Total Unringfenced Grant	15,693	6,000	21,693
TOTAL UNRINGFENCED RESOURCES	38,105	6,000	44,105
Ringfenced resources	2,131	-	2,131
TOTAL CAPITAL RESOURCES	40,236	6,000	46,236

Grant Funded Schemes

	Division	Scheme Type	Corporate Programme Funding	Ringfenced Funding	Total Approval
			{£000}	{£000}	{£000}
<u>Grant Funded Schemes</u>					
Children's Capital Maintenance Programme	CDN (EBS)	WP	15,857	-	15,857
Highway Capital Maintenance	CDN (PDT)	WP	3,262	-	3,262
Transport Improvement Works	CDN (PDT)	WP	2,576	-	2,576
Disabled Facilities Grants	CDN (HGF)	WP	-	1,861	1,861
Grounds Maintenance Equipment	CDN (NES)	WP	-	150	150
TOTAL			21,695	2,011	23,706

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

Summary of Ringfenced Funding

	{£000}
Disabled Facilities Grant	1,861
Prudential Borrowing	150
TOTAL RINGENCED FUNDING	2,011

Highways, Transport & Infrastructure

	Division	Scheme Type	Corporate Programme Funding	Ringfenced Funding	Total Approval
			{£000}	{£000}	{£000}
<u>Highways, Transport & Infrastructure</u>					
St Margaret's Gateway	CDN (PDT)	PP	3,000	-	3,000
Highways, Transport & Infrastructure	CDN (PDT)	PP	1,800	-	1,800
St Nicholas Wall	CDN (EBS)	PJ	460	-	460
TOTAL			5,260	-	5,260

Key to Scheme Types : PJ = Project ; PP = Policy Provision

Libraries

	Division	Scheme Type	Corporate Programme Funding	Ringfenced Funding	Total Approval
			{£000}	{£000}	{£000}
<u>Libraries</u>					
Library Investment	CDN (NES)	PP	1,000	-	1,000
TOTAL			1,000	-	1,000

Key to Scheme Types : PP = Policy Provision ; WP = Work Programme

Own Buildings

	Division	Scheme Type	Corporate Programme Funding	Ringfenced Funding	Total Approval
			{£000}	{£000}	{£000}
<u>Own Buildings</u>					
Operational Estate Maintenance	CDN (EBS)	WP	4,000	-	4,000
Malcolm Arcade - Decarbonisation	CDN (EBS)	PJ	400	-	400
Aikman Avenue District Heating	CDN (EBS)	PJ	195	-	195
Phoenix Arts Car Park	CDN (EBS)	PJ	100	-	100
TOTAL			4,695	-	4,695

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

Parks & Play Areas

	Division	Scheme Type	Corporate Programme Funding {£000}	Ringfenced Funding {£000}	Total Approval {£000}
<u>Parks & Play Areas</u>					
Multi Use Games Areas (MUGAs)	CDN (NES)	PJ	2,500	-	2,500
Spinney Hill Park Play Area Refurbishment	CDN (NES)	PJ	150	-	150
TOTAL			2,650	-	2,650

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

Routine Works

	Division	Scheme Type	Corporate Programme Funding	Ringfenced Funding	Total Approval
			{£000}	{£000}	{£000}
<u>Routine Works</u>					
Fleet Replacement Programme	CDN (HGF)	WP	3,795	-	3,795
Local Environmental Works	CDN (PDT)	WP	400	-	400
St Paul's Church	CDN (EBS)	PJ	400	-	400
Flood Risk Prevention	CDN (PDT)	WP	300	-	300
Front Walls Enveloping	CDN (PDT)	WP	200	-	200
Repayable Home Repair Loans	CDN (HGF)	WP	200	-	200
Heritage Panels	CDN (TCI)	WP	185	-	185
Ash Die Back Equipment	CDN (NES)	PJ	130	-	130
Historic Building Grant Fund	CDN (PDT)	WP	50	-	50
Empty Homes Acquisition Programme	CDN (HGF)	PV	50	-	50
TOTAL			5,710	-	5,710

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

Feasibilities and Contingencies

	Division	Scheme Type	Corporate Programme Funding {£000}	Ringfenced Funding {£000}	Total Approval {£000}
<u>Feasibilities and Contingencies</u>					
Programme Contingency	All Divisions	PP	1,500	-	1,500
Feasibility Studies	CDN (Various)	WP	1,345	120	1,465
TOTAL			2,845	120	2,965

Key to Scheme Types : PP = Policy Provision ; WP = Work Programme

Summary of Ringfenced Funding

	{£000}
Transformation Fund (Earmarked Reserves)	120
TOTAL RINGENCED FUNDING	120

GRAND TOTAL – ALL SCHEMES

43,855 2,131 45,986

Operational Estate Maintenance Capital Programme

Description	Amount £000's
Accessibility Works - To review the accessibility of complex sites in line with the Equalities Act.	55
Building Works - Essential maintenance at the Council's operational and investment buildings. Key works include a roof replacement and lifecycle replacements in line with lease agreements.	818
Compliance Works - Generally consisting of surveys to gain condition data across the estate and works arising from the various risk assessments that are undertaken.	440
Electrical Works - Replacement fuse boards, fire alarms, mains distribution panels and lighting works.	345
Mechanical Works - Ventilation and plumbing works required at the Council's neighbourhood centres and open spaces.	99
Sustainability Works - to carry out works to aid the decarbonisation of the Council's estate. Including works to support the energy efficiency technology programme that is in the current capital programme.	1,969
Emergency Provision – Provision for emergency reactive works that could be required across the Council's estate	274
TOTAL	4,000

Proposed Highways Maintenance Capital Programme

Description	Amount £000's
Major Public Realm & Transport Improvement Schemes - Public realm and transport maintenance works associated with transforming cities and active travel fund	100
Principal Roads – Broad Avenue (The Langhill to Gwendolen Road), Victoria Road East (Gipsy Lane to Hastings Road)	500
Classified Non-Principal Roads – Saffron Lane continuation (Burnaston Road to Pork Pie Island), University Road (Welford Road to Regent Road)	365
Unclassified Neighbourhood Roads – Regent Road (Welford Road to Waterloo Way)	135
LEAN Carriageway & Pothole Repairs – Target large carriageway pothole repairs to provide longer term repairs in readiness for surface dressing.	410
Footway Relays and Reconstructions – Focus on local neighbourhood priorities; Narborough Road continuation, Melton Road footway improvements, Outer estate footway improvement schemes and cycleway resurfacing schemes.	627
Strategic Bridge Deck Maintenance & Replacement Works Friday Street bridge and Burleys Way feasibility study.	185
Bridge Improvement & Maintenance Works – Parapet replacements, structural maintenance works and technical assessment review project.	200
Traffic Signal Installations Renewals and Lighting Column Replacements – Signalling Upgrades, Lamp Column Replacements, Illuminated Bollards and Sign Replacements.	240
DfT / Whole Government Accounting Lifecycle Asset Management Development Project – Strategic asset management development, data analysis, lifecycle planning and reporting in support of DfT Challenge Funding bidding linked to asset management performance.	500
TOTAL	3,262

Children's Capital Improvement Programme

Description	Amount £000's
Building Works - Typical works include roof replacements, sports hall floor replacements, playground resurfacing and window replacements.	5,060
Compliance Works - This work stream will mainly be used to ensure the playing fields and pavilions used by schools are fully compliant with current regulations and to conduct health and safety works.	2,165
Mechanical Works - schemes being undertaken within the programme typically consist of re-piping heating systems and end of life ventilation replacements	1,185
Safeguarding Works - building works to ensure sites are secure.	400
Sustainability Works - to carry out works to aid the decarbonisation of the Council's estate. Including works to support the energy efficiency technology programme that is in the current capital programme.	6,407
Individual Access Needs Works - This is a provision to allow works to be carried out to enable children with additional needs to access mainstream school.	195
Emergency Provision - This is provision within the programme to allow for emergency unforeseen works to be carried out.	445
TOTAL	15,857

Capital Strategy 2023/24

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

- 2.4 Monitoring of capital expenditure is carried out by the Executive and the Overview Select Committee. Reports are presented on 3 occasions during the years, and at outturn. For this purpose, immediate starts have been split into three categories:-
- (a) **Projects** – these are discrete, individual schemes such as a road scheme or a new building. These schemes are monitored with reference to physical delivery rather than an annual profile of spending. (We will, of course, still want to make sure that the overall budget is not going to be exceeded);
 - (b) **Work Programmes** – these will consist of minor works or similar schemes where is an allocation of money to be spent in a particular year.
 - (c) **Provisions** – these are sums of monies set aside in case they are needed, but where low spend is a favourable outcome rather than indicative of a problem.
- 2.5 When, during the year, proposals to spend policy provisions are approved, a decision on classification is taken at that time (i.e. a sum will be added to projects, work programmes or provisions as the case may be).
- 2.6 The authority does not capitalise expenditure, except where it can do so in compliance with proper practices: it has never applied for directions to capitalise revenue expenditure.
- 2.7 The table below forecasts the past and forecast capital expenditure for the current year and 2023/24. It therefore, includes latest estimates of expenditure from the 2022/23 programme that will be rolled forward.

Department / Division	2022/23 Estimate £m	2023/24 & Beyond Estimate £m
All Departments	-	7.7
Corporate Resources	0.2	3.0
Planning, Development & Transportation	59.2	106.1
Tourism, Culture & Inward Investment	12.7	39.0
Neighbourhood & Environmental Services	1.8	3.9
Estates & Building Services	20.8	24.6
Adult Social Care	0.6	6.4
Children's Services	15.8	29.0
Public Health	2.1	2.5
Housing General Fund	5.5	13.2
Total General Fund	118.7	235.4
Housing Revenue Account	34.3	172.4
Total	153.0	407.8

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

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

3. Financing Capital Expenditure

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

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

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

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

	2022/23 Estimate £m	2023/24	2024/25	2025/26
HRA	265	301	316	336
General Fund	266	262	259	254

(The table above excludes PFI schemes).

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

4. **Debt Repayment**

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

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

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

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

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

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

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

	2022/23 %	2023/24 %	2024/25 %
General Fund	1.1	0.5	0.5
HRA	11.4	13.6	14.9

5. **Commercial Activity**

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

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

Selective Licensing Scheme

Neighbourhoods Scrutiny 12 Jan 2023

Tony Cawthorne – Team Manager Selective Licensing

Dave Howard – Head of Regulatory Services

Scheme Headlines

- The scheme went live at 8:00am on the 10 October 2022.
- The selective team has been recruited and trained:
 - Team manager
 - 1 Admin Manager
 - 2 Senior Regulatory Officer
 - 17 Housing Inspectors
 - 3 Admin support officers
- We currently have had 339 licence applications
- The team have carried out 179 inspections and have issued 19 draft and 24 full Licences.
- The new computer system is fully operational and the central database for the team
- Developing a digital inspection process
- Resourcing is within budget – Fees are meeting resource needs

Application process

- Landlords are directed to the SL webpage on the main LCC site
- The webpage has lots of advice and supporting information
- Landlords can check if a property is within the selective licensing areas
- 77 • Applications must be made through the Councils website www.leicester.gov.uk/selectivelicensing
- The team operate a telephone line for support
- Applications are checked to ensure they are complete with all documentation and the correct fees has been paid
- Once a duly made application has been made the application is passed to the inspectors.

Inspection Process

- Officers contact the landlord to organise an inspection
- A draft licence will be issued following the inspection.
- There is a statutory consultation from the draft licence of 14 days for errors to be rectified or observations.
- The 7 week target to process an application to draft licence issue is being met. Current Average is 32 Days
- The team aim to undertake three inspections of all properties within 5 yrs to ensure standards are maintained

Hazards

- Housing Health and Safety Rating System
- 29 Hazards include damp and mould; excess cold; fire; falls; and electrical hazards.
- Category 1 – Serious and immediate risk
- If the issues raised are a category 1 hazard the licence cannot be issued until rectified
- Category 2 – less serious hazards
- Minor issues of concern can be added to the licence and will be required to be attended to within 3 months. A subsequent inspection will be undertaken
- 46% of inspections are finding hazards.
- Approximately 40% Cat 1 and 60% Cat 2.

Examples of Cat 1 Hazards Identified

80



Hazard - Falls between levels
– No restrictor on window

Hazard – damaged electric pull cord to Shower





Category - falls on stairs - No Handrail

Category - Structural Collapse
and falling elements

Self-seeding Buddlea causing
wall to fall





Category - falls on stairs

The stairs have been adapted and the bottom three steps which wound in to the room have been removed and this new staircase made. These stairs have been condemned by Building control and action is being taken by the Team



Resolution hazard

Window low threshold fully openable window



Remedial action taken to add restrictor



Link to City Wardens

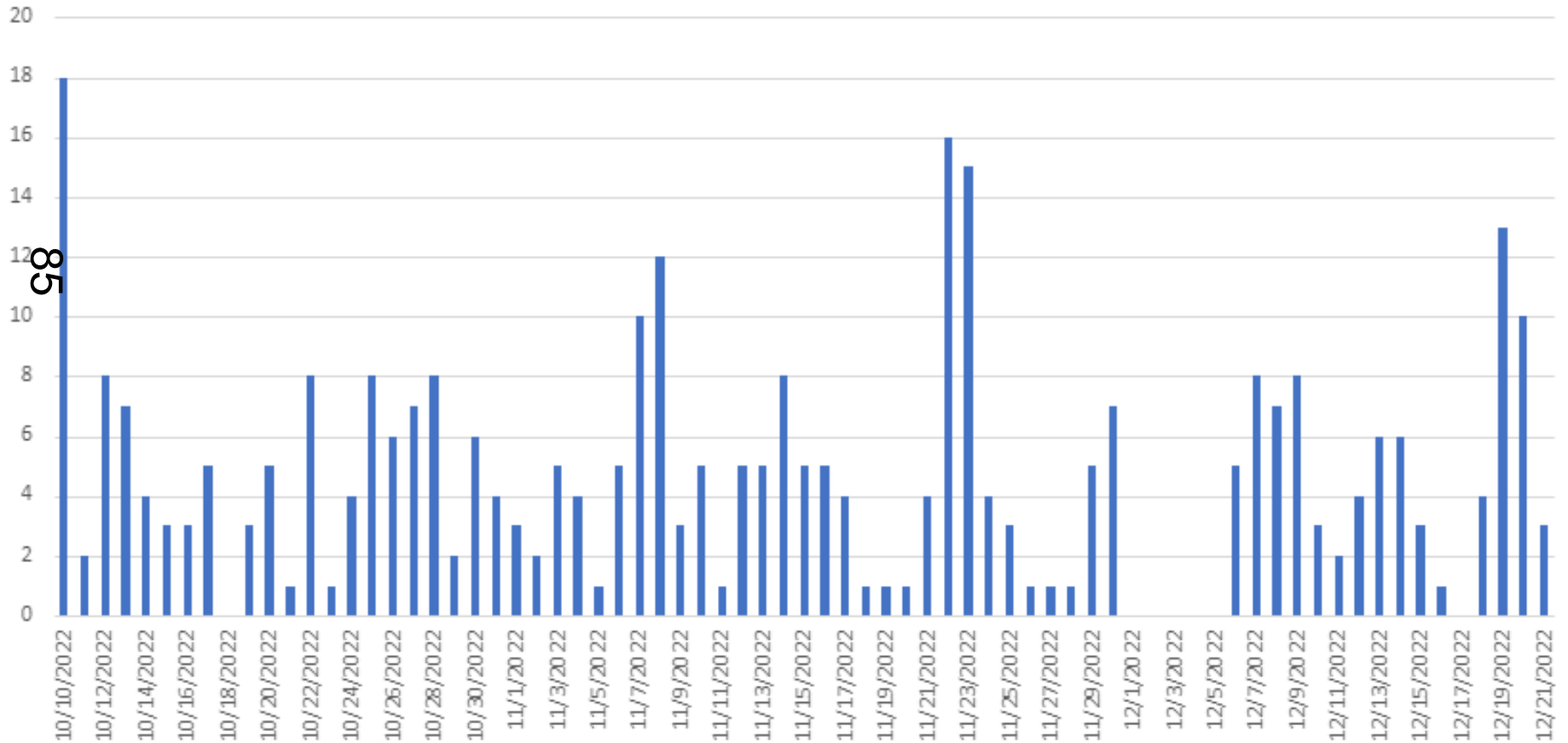
84



Untidy garden in adjacent property to licenced property – referred to City Warden Team and CPN served to remedy

Application received per day

Total Applications Submitted



Selective Licensing Dashboard

86

Total Applications Submitted (Week starting on)	
10.10.2022	45
17.10.2022	23
24.10.2022	41
31.10.2022	24
7.11.2022	41
14.11.2022	25
21.11.2022	44
28.11.2022	13
5.12.2022	33
12.12.2022	24
19.12.2022	26
Total	339
Total Applications Submitted	
October 2022	113
Novmeber 2022	143
December 2022	83
Total	339
% of case required sending info 1	77.88%
% of case required sending further info 2	32.95%
Drafted licence issued pending finalized	19
Full licence issued	24

Cases passed to inspection team	257
Inspection Conducted	179
Inspection up-coming	26
Total	205
Average time (days) taken from duly made to draft licence	32.23

Communication – planned

Comms plan –

- Quarterly newsletter to landlords from January 2023
- Further website development – case studies, information, updates and newsletter
- 87 • Selective Licensing register accessible on LCC website and updated every Friday
- 5 Months press release “have you made your application removal of early bird discount”
- Landlord support ‘Drop in’ sessions planned in Libraries across whole district.

Taxi Strategy – progress update

Neighbourhood Services Scrutiny Commission

Decision to be taken by: n/a

Meeting on: 12 January 2023

Lead director/officer: Sean Atterbury

Useful information

- Ward(s) affected: All
- Report author: Rachel Hall, Chief Licensing Officer
- Author contact details: rachel.hall@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1 The Taxi Strategy was confirmed on 29 April 2022 but has not yet been published on the council's website. The strategy describes the council's vision for the taxi trade in the city. It sets the overall tone for taxi licensing in the coming years and will steer policy development.
- 1.2 Some aspects of taxi licensing require further consultation before they are taken forward, such as the possible introduction of CCTV in licensed vehicles.
- 1.3 As the strategy is not currently published on the website there is the opportunity to further review the new work undertaken between April and October 2022 focussed on both the hackney and private hire industries.
- 1.4 Vehicle licensing impacts on air quality and therefore policies on vehicle age and emissions will be tied to Climate Change proposals.

2. Recommended actions/decision

- 2.1 Scrutiny is asked to:
 - a) note that a new action has been added to the action plan to reflect our commitment to annually review the hackney fares structure to ensure that charges reflect the cost of operation, and
 - b) note the report.

3. Scrutiny / stakeholder engagement

- 3.1 The taxi strategy was prepared in consultation with Cllr Clair, DCM for Culture, Leisure, Sport and Regulatory Services and following separate consultation with the public and with stakeholders on various proposals for taxi drivers, vehicles and private hire operators flowing from the overarching strategy.
- 3.3 Cllr Clarke, DCM for Environment and Transportation was also consulted on the strategy.

4. Background and options with supporting evidence

- 4.1 The Taxi Strategy was confirmed on 29 April 2022 but has not yet been published on the council's website. The strategy describes the council's vision for the taxi trade in the city. It sets the overall tone for taxi licensing in the coming years and will steer policy development.
- 4.2 Some aspects of taxi licensing require further consultation before they are taken forward, such as the possible introduction of CCTV in licensed vehicles.
- 4.3 As the strategy is not currently published on the website there is the opportunity to further review the new work undertaken between April and October 2022 focussed on both the hackney and private hire industries.
- 4.4 Vehicle licensing impacts on air quality and therefore policies on vehicle age and emissions will be tied to Climate Change proposals.

5. Detailed report

- 5.1 The Taxi Strategy document is attached at **Appendix A**.

5.2 The vision in the Taxi Strategy is: “... for the hackney and private hire sectors to provide a safe and superb customer service within an integrated sustainable transport system, whilst contributing to the economy with minimal environmental impact.”

5.3 The strategy sets out the role of the licensing authority and states that the council will apply its taxi policies with a clear focus on ensuring a safe and suitable taxi service within the city.

5.4 Progress on the actions is shown in the table below:

	Action	Target date	Notes	Reviewed Target
1	Clear comprehensive standards for drivers and operators	July 2022	<p>In progress Work has begun to develop initial proposals for comprehensive driver standards. Information has been collated to inform standards. There is a significant amount of work to bring all aspects to fruition.</p> <p>Next steps</p> <ul style="list-style-type: none"> • DBS update service • Consider medical provider • Update pre-licensing training • Update policy on convictions • Knowledge test to be combined with practical driving assessment • DBS for PH Operator staff • Provision of post-licensing information 	July 2023
2	Updated vehicle conditions of fitness that are environmentally and economically sustainable	July 2022	<p>In progress A new draft of the vehicle conditions of fitness is being developed.</p>	March 2023
3	Elected taxi driver and operator representatives on a Consultation forum administered by Leicester City Council	July 2022	Completed July 2022	
4	Open and easy access to our driver and vehicle records for police and licensing authorities	July 2022	<p>Completed July 2022 LCC is now signed up to the National Register of Refusals and Revocations</p>	
5	Commitment to joined up operations	July 2022	<p>Ongoing commitment We are working with the City of Wolverhampton Council and licensing authorities in the county and will continue to work with colleagues in the East</p>	Ongoing

			Midlands through the life of the strategy.	
6	Cashless payment option in all Leicester City Council licensed hackney carriages and private hire vehicles	Aug 2022	In progress The cost of card machines has been factored into hackney fares and now that these have been implemented (Nov 2022) this will be progressed.	March 2023
7	Arrangements for the sharing of statutory powers to regulate 'out of town' drivers	Oct 2022	In progress This work is ongoing. Closer relationships with Wolverhampton have been developed at both strategic and officer levels. Joint compliance operations are ongoing. Colleagues in Leicestershire are interested in being involved too and an officer meeting is pending.	March 2023
8	Explore opportunities for shared services in taxi licensing and regulation	Oct 2022	In progress This piece of work will commence from October 2023 following the establishment of firm partnerships / close working arrangements with other East Midlands authorities.	March 2025
9	Enhanced arrangements for training and development of officers in Leicester and Leicestershire	Oct 2022	Delayed Planned to commence from March 2023	October 2023
10	Online application/renewal/booking and payment arrangements, and communication [as the norm]	Mar 2023	In progress The main application types are online and bookings for vehicle inspections are online. Other application types are on hold pending implementation of new software.	June 2023
11	Highway use benefits for hackney cab vehicles licensed by Leicester City Council	Aug 2023	This action to allow wheelchair accessible vehicles to use bus lanes is planned for commencement in 2023.	Aug 2023
12	An exercisable choice between booking an ultra-low emission vehicle or diesel vehicle	Mar 2025	In progress Work on this action is ongoing in liaison with colleagues in Transport Strategy. This is in connection with the introduction of ultra-low / zero emission vehicles in the city and is linked to the Climate Emergency action plan.	Mar 2025

13	A choice between wheelchair accessible hackney and private hire vehicles	Mar 2025	Long term action	Mar 2025
14	All licensed vehicles have GPS and CCTV	Mar 2025	Long term action	Mar 2025
15	Taxi strategy fully implemented	Mar 2025	Long term action	Mar 2025
16	Hackney carriage fares		Initial review of hackney carriage fares and a commitment to annual reviews to represent the real cost of the industry.	October 2022

- 5.5 There have been resourcing challenges that have added some pressure on meeting the strategy targets. However, most objectives have been completed or are underway and due for completion within the target set.
- 5.6 Some targets are linked to other key LCC workstreams and the ability to achieve the desired outcome within the target is influenced by new developments and policy. For example, the links to air quality/climate challenge and emission standards, the developing links with the City of Wolverhampton Council and the potential for shared services within the county.
- 5.7 The targets have been reviewed to ensure that progress is measured against realistic timescales but within the overall implementation target for the strategy.
- 5.8 It is proposed that the revised targets replace the original targets when the document is published.

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

6.1 Financial implications

There are no direct financial implications of the strategy for the Council. Detailed aspects of the strategy may result in additional costs in carrying out licensing activities, and this would need to be reflected in the licensing charges in due course. Any additional requirements placed on drivers and/or operators could increase the cost of providing a taxi service, and, consequently, taxi fares.

Stuart McAvoy – Acting Head of Finance, Ext. 4004

6.2 Legal implications

The purpose of the taxi strategy is to protect the public. That is Leicester City Council’s overriding duty when carrying out its functions in relation to taxi licensing. On taking account of all relevant considerations, it is for the Council to reach its own decisions on overall policies and strategies.

John Moss, Legal Services 373010

6.3 Equalities implications

When making decisions, the Council must comply with the Public Sector Equality Duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a ‘protected characteristic’ and those who do not.

In doing so, the council must consider the possible impact on those who are likely to be affected by the recommendation and their protected characteristics.

Protected groups under the Equality Act 2010 are age, disability, gender re-assignment, pregnancy/maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

Whilst the Taxi strategy is a strategic overarching document setting out the role of the licensing authority and how the council will apply its taxi policies. The actions listed for progressing the various strands of the strategy will be used to monitor delivery and track progress, and equality considerations should be embedded throughout these. It is recommended that Equality Impact Assessments (EIAs) are carried out as appropriate on identified areas, for example where aspects of taxi licensing will require further consultation before they are taken forward, such as the possible introduction of CCTV in licensed vehicles, etc, to ensure any impacts are identified and addressed, and mitigating actions put in place.

The equality impact assessment is an iterative process that should be revisited throughout the decision-making process and updated to reflect any feedback/changes due to consultation/engagement as appropriate.

Sukhi Biring, Equalities Officer, 454 4175

6.4 Climate Emergency implications

Transport is responsible for around 25% of carbon emissions in Leicester. Following the city council's declaration of a Climate Emergency in 2019, and it's aim to achieve carbon neutrality, addressing transport-related emissions is a vital part of the council's work. This is particularly important in those areas where the council has influence, including through its licensing activities.

This is reflected within the Taxi Strategy, which sets out the ambitions for Leicester to have an efficient and sustainable taxi trade, and features low emission services as one of the five strategic objectives. This includes two of the actions, around enabling a choice of an ultra-low emissions vehicle and updating vehicle conditions of fitness to be environmentally sustainable. Further opportunities to support these aims should be considered as appropriate, for example through engagement activities to provide or refer drivers to grants and guidance on the purchase of low emission vehicles.

Aidan Davis, Sustainability Officer, Ext 37 2284

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

7. Background information and other papers:

8. Summary of appendices:

Appendix A – Taxi Strategy

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

No

10. Is this a “key decision”? If so, why?

No

Leicester City Council

Taxi strategy 2022-2025

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FOREWORD

Leicester has an ambition for an effective, efficient and viable taxi trade and we have developed a taxi strategy to help realise this goal. The trade should provide an excellent service to the travelling public, with a competent, trusted and welcoming workforce that is regulated by a fair licensing authority that applies its policies and procedures in a consistent and appropriate way.

The draft Leicester Transport Plan 2021-2036 focusses on a sustainable transport vision supporting a high quality of life and travel experience for people and a vibrant local economy. We encourage people to use more active travel such as cycling and walking as well as to make public transport their first choice for longer journeys. The taxi sector supports the city's public transport provision by providing a flexible and accessible door to door service and playing an essential role in the night-time economy when other forms of transport are not available.

The council is the licensing authority for Leicester with a duty to protect the public. In order to meet this obligation, we have several policies and procedures in place to ensure the suitability of both the people and the vehicles working in the taxi trade. This strategy document sets out how we will operate in the coming years to improve and enhance the service provided, working in tandem with relevant strategies to improve air quality and sustainability.

Cllr Piara Singh Clair
Deputy City Mayor
Culture, Leisure, Sport and Regulatory Services

THE VISION

Leicester City Council's vision is for the hackney and private hire sectors to provide a safe and superb customer service within an integrated sustainable transport system, whilst contributing to the economy with minimal environmental impact.

Hackney carriages and private hire vehicles are an important part of the city's public transport system. Leicester's taxi drivers provide a demand responsive, 24 hour a day, 7 days a week, year-round service catering to a wide range of individuals' needs. It is one of the most flexible elements of the transport system and operates on a completely commercial basis.

In Leicester, hackney carriages and private hire vehicles are integral in their support to the local economy by transporting people to their places of work and customers to places of business. The services are a primary mode of passenger transport for people for whom mainstream public transport is not an option and help support many disabled and vulnerable people to live more independent lives. Taxis play an important part in the city's night-time economy by providing people with a safe and secure mode of transport. Taxi services are also commissioned by the council to transport children, young people and vulnerable adults, for example to and from school, day centres and hospital appointments.

A thriving, efficient and affordable taxi sector contributes to the local economy and benefits local residents, businesses, and visitors to Leicester.

The City Mayor and Leicester City Council are committed to maintaining and enhancing the quality and reliability of Leicester's transport network through the integration of buses, taxis, cycling and walking to deliver economic benefits whilst contributing to a sustainable and healthy low carbon economy.

THE ROLE OF THE LICENSING AUTHORITY

Leicester City Council is a unitary authority and therefore the licensing authority for the city. As such the council must regulate the quality of service and safety standards of hackney carriages (taxis) and private hire vehicles. The council issues a combined driver’s licence so that all licensed drivers may driver either a hackney carriage or a private hire vehicle. The distinction between hackney carriages and private hire vehicles is that hackney carriages ply for work from a rank, can be hailed in the street and can undertake pre-booked work. Private hire vehicles can only be pre-booked via a licensed private hire operator. The driver, vehicle, and operator must all be licensed by the same licensing authority.



The council is also the highway authority and so has a responsibility to implement taxi ranks on the public highway, reasonably close to where people want to travel from, including key interchange points with bus and rail networks. The number of hackney carriage licences can be limited by the council, but the number of driver or private hire licences cannot be restricted.

The council is responsible for ensuring certain children, young people and vulnerable adults are safely transported on pre-arranged journeys. This service is commissioned by the Social Care and Education department via a Dynamic Purchasing System. The scheme is independent of the taxi strategy.

“When formulating a taxi and private hire vehicle policy, the primary and overriding objective must be to protect the public. The importance of ensuring that the licensing regime protects the vulnerable cannot be overestimated.”

Department for Transport - Statutory Taxi and Private Hire Vehicle Standards

“The overriding aim of any Licensing Authority when carrying out its functions relating to the licensing of Hackney or Private Hire Drivers, Vehicle Proprietors and Operators, must be the protection of the public and others who use (or can be affected by) Hackney Carriage and Private Hire services.”

Institute of Licensing – Guidance on determining the suitability of applicants and licensees in the hackney and private hire trades

“It is for individual licensing authorities to reach their own decisions both on overall policies and on individual licensing matters, in the light of their own views of the relevant considerations.”

Department for Transport – Taxi and Private Hire Vehicle Licensing: Best Practice Guidance

“The aim of local authority licensing of the taxi and PHV trades is to protect the public. Local licensing authorities will also be aware that the public should have reasonable access to taxi and PHV services, because of the part they play in local transport provision. Licensing requirements which are unduly stringent will tend unreasonably to restrict the supply of taxi and PHV services, by putting up the cost of operation or otherwise restricting entry to the trade. Local licensing authorities should recognise that too restrictive an approach can work against the public interest – and can, indeed, have safety implications.”

Department for Transport – Taxi and Private Hire Vehicle Licensing: Best Practice Guidance

POLICY STATEMENT

The purpose of the taxi strategy is to protect the public. This is the overriding duty of the licensing authority in carrying out its functions relating to taxi licensing.

The licensing authority is responsible for determining that hackney and private hire drivers, vehicles, vehicle proprietors, and private hire operators are safe and suitable. To do so, the authority will apply appropriate policies to ensure that decision making is consistent, transparent and proportionate.

Leicester City Council will apply its taxi policies with a clear focus on ensuring a safe and suitable taxi service within the city.

THE STRATEGIC OBJECTIVES

Our strategy has five strategic objectives to ensure that our licensed taxi sectors are:

- **Trusted:** The public rate them consistently high for customer service and safety
- **Safe:** Provide services in a safe manner to passengers, other road users, the public generally and the drivers themselves
- **Low Emission (Environmentally Sustainable):** Providing a service with ultra-low emissions

- **Viable:** Operators and drivers can operate on a viable commercial basis and have confidence to invest in their service
- **Supported and well regulated:** Leicester City Council’s engagement with the taxi sectors enjoys a high degree of public confidence; that support and regulatory interventions are targeted, proportionate, consistent; and the council is transparent in, and accountable, for its plans and commitments

Leicester City Council will actively lead and shape the services provided in Leicester by taxis and work with taxi and private hire operators and other key stakeholders.

We will work with neighbouring authorities to deliver a level and competitive playing field and will take action – including legal action – to ensure fair trading and public safety.

LICENSING POLICIES AND PROCEDURES

We have reviewed our policies and procedures against the strategic objectives to ensure that they are fit for purpose. The existing policies cover matters such as:

- Driver licensing
 - Application process
 - Pre-licensing requirements including criminal record checks, medicals, knowledge test, English assessment, training
 - Code of conduct
 - Display of licence
 - Licence conditions
- Vehicle licensing
 - Application process
 - Pre-licensing requirements including conditions of fitness, vehicle age and emissions
 - Vehicle inspections
 - Display of licence, including door signs and external plate
 - Advertising
 - Licence conditions
- Operator licensing
 - Application process
 - Record keeping
 - Licence conditions

The updated policies and procedures aim to improve standards and clarity, and take account of the Statutory Taxi and Private Hire Vehicles Standards produced by the government. They will also will help us to achieve a number of key deliverables under the taxi strategy.

THE DELIVERABLE OUTCOMES

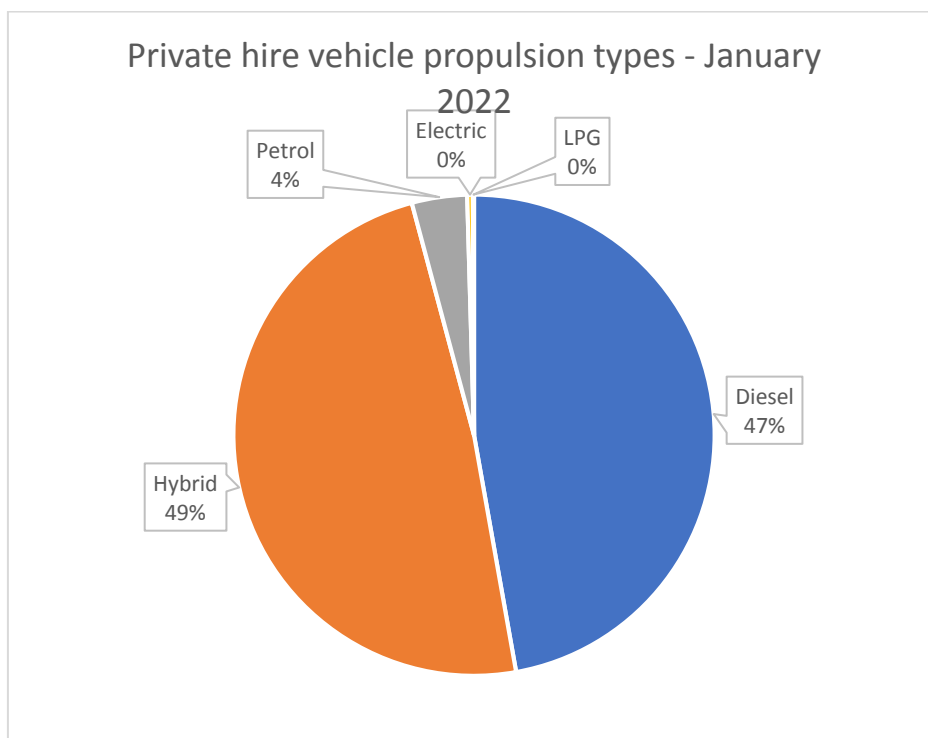
By 2025 we will have achieved the following:

For the public using taxi services in Leicester:

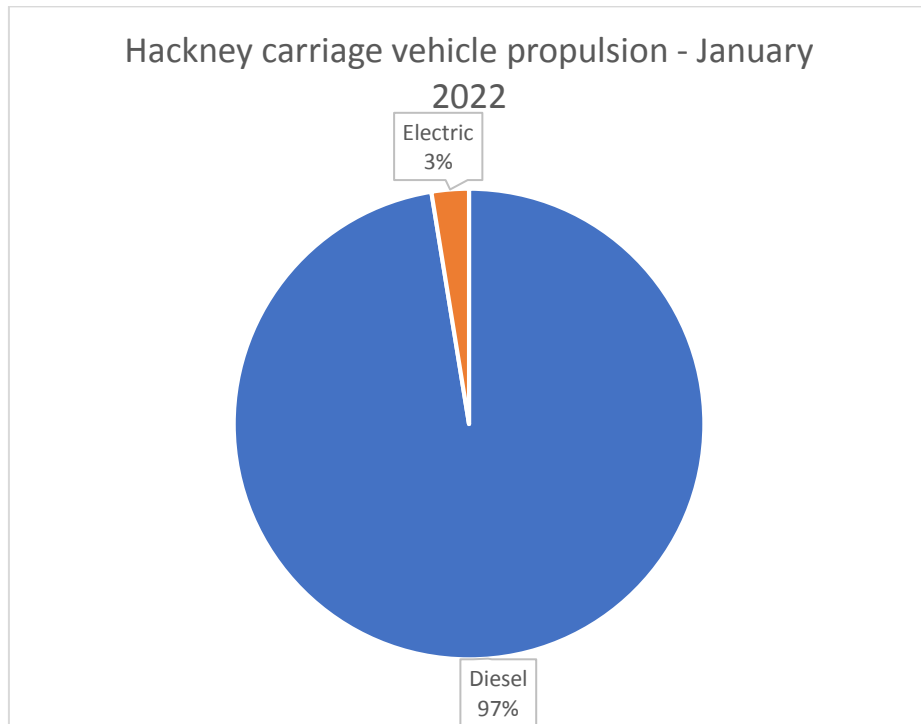
- 1 A choice between booking an ultra-low emission vehicle or diesel vehicle**

Passengers should be given the option of choosing a vehicle type at the time of booking or hiring. The vehicles will need to be identifiable as **ultra-low emission vehicles**. This could be done through markings on vehicles and through vehicle type being an option at the time of advance bookings.

There has already been a shift in the private hire trade towards lower emission vehicles. On 13 February 2019 there were 456 licensed private hire vehicles that were classed as electric, hybrid or alternative fuel vehicles. This equated to 31% of all licensed private hire vehicles. By 28 January 2022 there were 648 licensed private hire vehicles in the same categories, equating to 49% of all licensed private hire vehicles.



Work is ongoing in relation to ultra-low emission hackney carriages. A temporary relaxation of the 11-year age policy was put in place in 2018/19 to bridge the gap between the replacement of old vehicles and the availability of approved ultra-low emission vehicle hackney carriages. A grant scheme was also in operation to assist with the purchase price. However, as of 28 January 2022 there were only six licensed ultra-low emission vehicle hackney carriages and the grant scheme had ended.

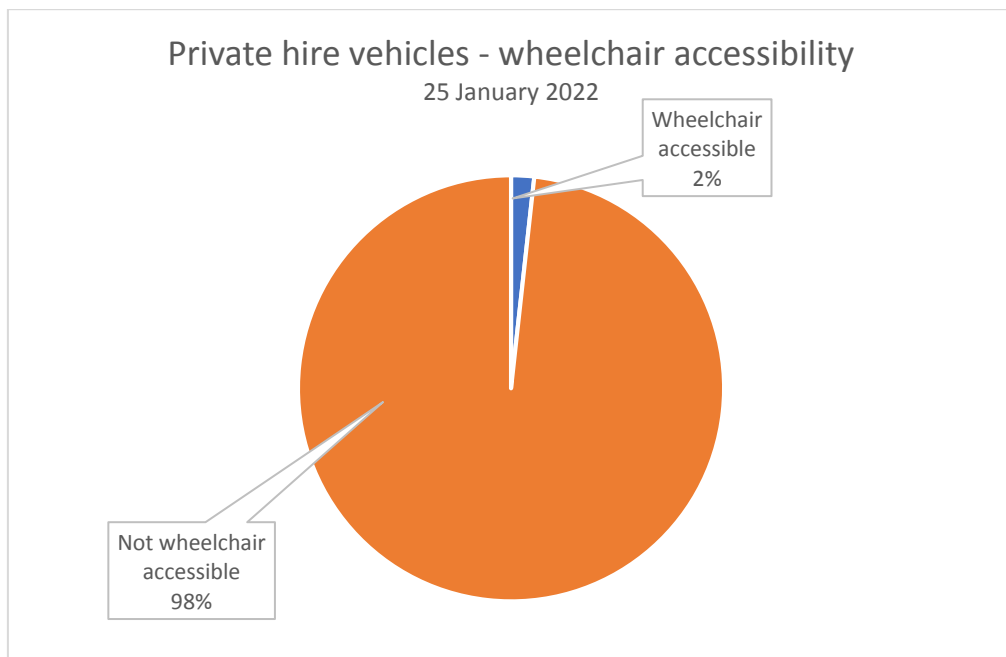


The council is working on plans in response to the Climate Emergency declaration and the policy on vehicle licensing will be developed in conjunction with this work. This is likely to involve changes to the current policies on vehicle age and vehicle emissions. The taxi strategy and supporting policies will be subject to the council’s ambitions on air quality and climate change.

2 A choice between wheelchair accessible hackney and private hire vehicle.

All hackney carriages in Leicester are wheelchair accessible.

In January 2022 only a handful of private hire vehicles (23) were wheelchair accessible and this can create problems for wheelchair users.



The hackney booking apps enable wheelchair users to make advance bookings of vehicles that they know are wheelchair accessible. However, there may be active measures that can be taken to bring

more wheelchair accessible private hire vehicles into the private hire trade. Measures for investigation include positive incentives such as a charter mark/accreditation for the driver and/or operator, discounted fees, or conditions for operators such as a percentage of their fleet being wheelchair accessible.

3 Considered requiring CCTV and GPS in all licensed vehicles

The Statutory Taxi and Private Hire Vehicle Standards give a cautious endorsement to mandatory CCTV in licensed vehicles. However, there are significant responsibilities associated with CCTV and if the council decides to require it in every licensed vehicle then the council will be a Data Controller, alongside the vehicle owner/operator. A separate piece of work is necessary to scope whether CCTV should be made mandatory. This will involve further consultation with the trade, consideration of the data protection implications, and detailed consideration of what the requirements should be. A data protection impact assessment will also be completed. As an alternative, CCTV would not be mandated but the council would set out minimum standards for any CCTV system that a vehicle owner chooses to install.

A number of CCTV providers have already made contact in relation to being approved for use in licensed vehicles. The council could either procure a preferred supplier(s) or to set out minimum standards for CCTV systems in licensed vehicles, which would allow the vehicle owner to choose which system to install.

Some CCTV systems are linked to GPS, as are existing and proposed booking apps. GPS tracking could be investigated further alongside the CCTV work. Officers will carry out a feasibility study and submit a report at a later date.

4 Cashless payment option in all licensed hackney carriages and private hire vehicles

Many booking apps are linked to payments systems and therefore this would allow a joined-up approach. The benefits to drivers and passengers are significant and the cost is relatively low. This payment method could be achieved through a condition as part of the vehicle licence.

The coronavirus pandemic has impacted the taxi trade enormously and contactless payment became more important. The council will work with the trade to further encourage the take up of contactless payment systems.

For taxi operators and drivers operating in Leicester:

1 Online application/renewal/booking and payment arrangements, and communication [as the norm]

This is part of the digital transformation programme currently being implemented at Leicester City Council. Online applications are already available for new and renewal driver applications, new and renewal vehicle applications, and new and renewal private hire operator applications. Other application types are in development (e.g. change of vehicle, transfer of ownership). An online booking system for the Vehicle Testing Station has been developed and went live in January 2022.

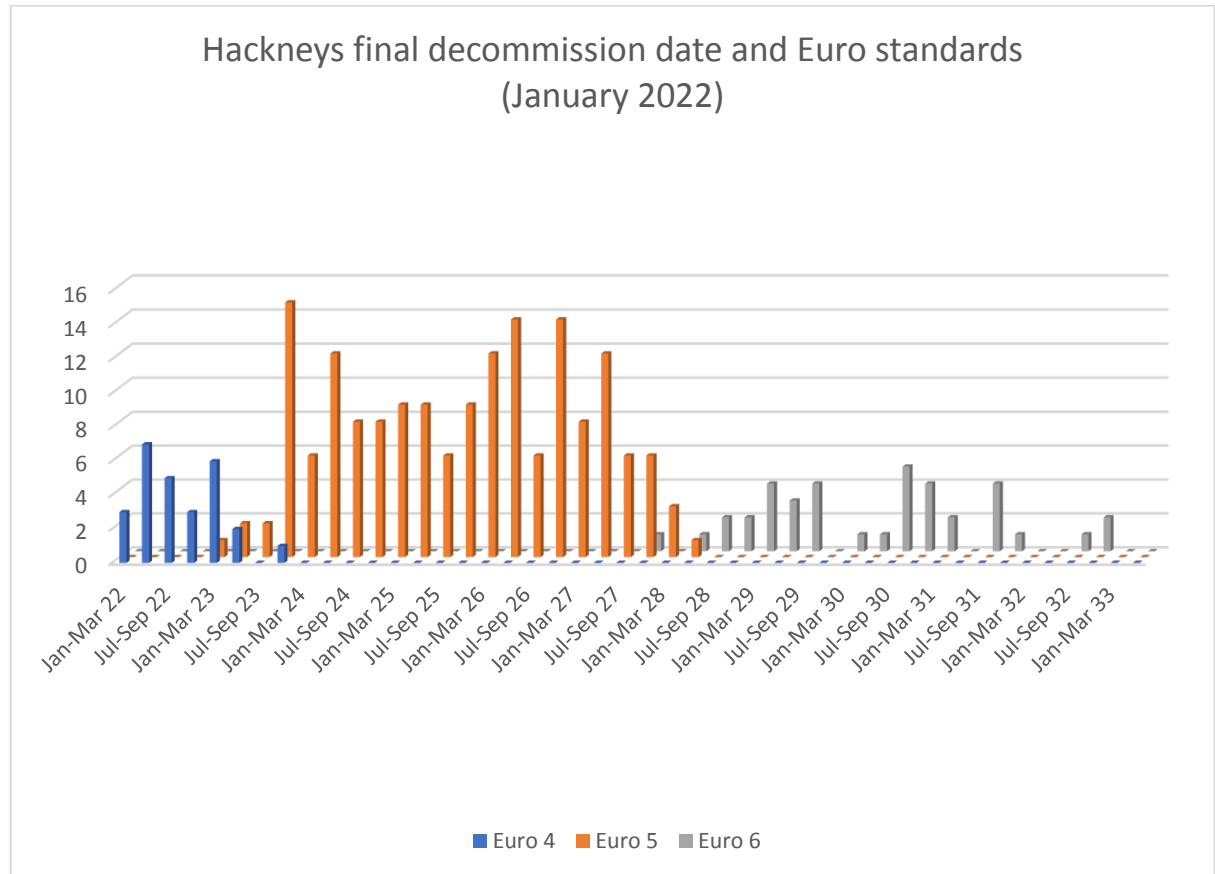
2 Clear comprehensive standards for drivers and operators

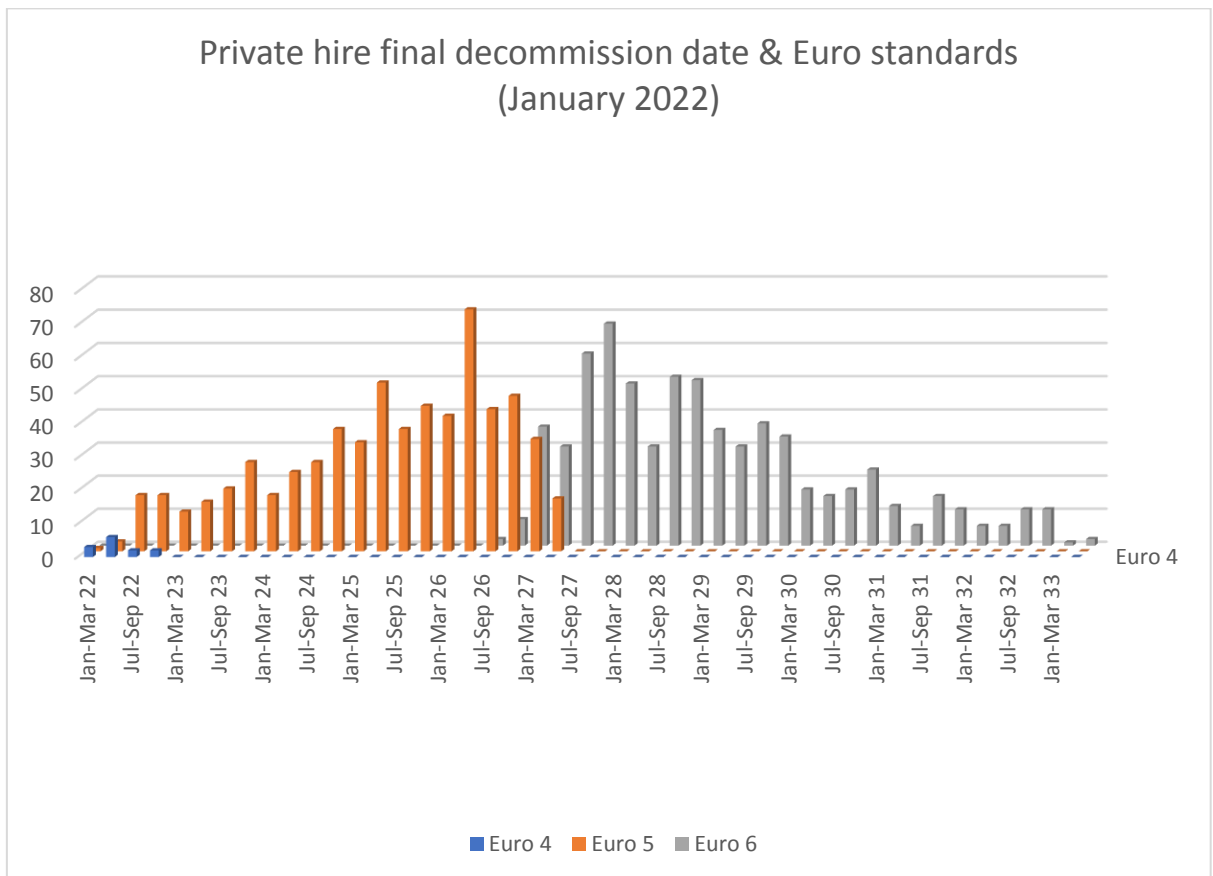
Many of our existing policies and procedures had not been formally reviewed for some time. There were some grey areas and other areas that needed bringing up to date following developments in law and practice. This essential piece of work directly related to customer and driver safety.

Consultation took place in 2019 and 2020 but the outcomes were delayed until 2021 due to the coronavirus pandemic. This work has now been completed and some new policies and procedures are being introduced alongside this strategy document, whilst others will be introduced once the preliminary steps have been put into place. One of the measures is to produce post-licensing guidance for drivers to ensure they are fully aware of their duties and responsibilities.

3 Updated vehicle conditions of fitness that are environmentally and economically sustainable

The vehicle conditions of fitness also required review. Licensed vehicles must be fit for purpose – safe, comfortable, practical, environmentally sound, and economical to operate. The conditions of fitness have been brought up to date. The intention to review the vehicle age and emissions policies has been deferred to become part of a wider strategy to improve air quality in Leicester (see above). The following charts illustrate the current make-up of the hackney and private hire fleets and when the older, more polluting vehicles are due to be replaced.





4 Highway use benefits for hackney carriage vehicles licensed by Leicester City Council

Discussions with the highways department are in progress and when resources permit highways will work with the licensing authority to move this forward. Initial considerations include a change of use to the bus lanes in the city so that instead of permitting all hackney carriages (taxis) only wheelchair accessible hackney carriages will be permitted. This will mean all Leicester hackneys will remain exempt but not the saloon vehicles licensed as hackneys by other licensing authorities.

Highways will also be considering whether other measures can be introduced to aid traffic flow and reduce pollution, whilst benefitting taxis licensed by Leicester City Council.

5 Elected taxi driver and operator representatives on a consultation forum administered by Leicester City Council

A previous survey of the hackney trade asked who they wanted to represent them in discussions with the council. 85 of 328 vehicle licence holders replied (26%). 72 respondents (90.6%) said they wanted Leicester Black Cab Association to represent them, six respondents (7.1%) identified the National Union of Rail, Maritime and Transport Workers (RMT), one (1.2%) said nobody and one (1.2%) said they wanted to represent themselves.

A similar survey of the private hire trade indicated no preference for any representative.

The hackney trade has traditionally been represented by the RMT so the above survey suggests a significant change in attitudes. Most private hire drivers have had no representation other than via private hire operators.

We will carry out annual surveys of licensed drivers to find out which organisations they want us to consult with on their behalf.

With our Partner Public Authorities

1 Open and easy access to our driver and vehicle records for police and licensing authorities

As a licensing authority it is right that we share information that will assist our partners in the police and other licensing authorities, subject to the requirements of data protection and GDPR. It is proposed that our current processes and procedures are reviewed to ensure they are correct and operations can be done easily. This could be by developing an online request form to ensure the correct information is captured, and/or by allowing restricted access to our records for specific partners.

A national database of driver refusals and revocations became live in 2018 following a delay due to GDPR. There is a significant amount of preparatory work to be done before signing up to add our own records and to view details provided by other authorities. The use of this database will enhance driver licensing because it will allow checks to be made on individual applicants, who may not be truthful about previous refusals or revocations.

2 Commitment to joined up operations

Given the cross-border nature of the taxi trade it is inevitable that vehicles and drivers licensed elsewhere will be in Leicester, and vice versa. Participating in joint operations in a regular and planned way will allow us, and partner authorities, to make best use of resources and to deal with vehicles and drivers that are not up to standard even if they are not licensed in Leicester. The reverse is also true, as council enforcement staff would participate in operations outside Leicester (e.g. at East Midlands airport or at motorway checkpoints) to deal with our licence holders.

Initial discussions with authorities in Leicestershire indicate that this suggestion would be welcomed.

3 Arrangements for the sharing of statutory powers to regulate 'out of town' drivers

Reports are received regularly that 'out of town' drivers are flouting the law safe in the knowledge that the authorities are unable to do anything about it, and that as a result the regulatory system is not a level playing field. Sharing statutory powers would be an extension of joint operations, where council enforcement staff are given delegated authority by other licensing authorities to deal with drivers and vehicles that they have licensed. This would allow us to stop and check vehicles and drivers licensed in, for example, Oadby & Wigston and Wolverhampton and to refer any breaches back to the relevant authority. The reverse would also be true, so that other authorities could deal with our licence holders in their area and report any issues for us to deal with.

Initial discussions with authorities in Leicestershire indicate a willingness to engage with us on this suggestion.

4 Explore opportunities for shared services in taxi licensing and regulation

Shared services would be another step further from joint operations and shared powers, which would involve the merging of taxi licensing and regulation with one or more neighbouring authorities. This has been considered in the past and there was a limited appetite for change. Nonetheless at this time it is appropriate to revisit this as an option.

5 Enhanced arrangements for training and development of officers in Leicester and Leicestershire

Training is an important element of the licensing function to ensure that staff are up to date and confident in their roles. The cost of providing suitable training is often prohibitive. With planning and co-ordination, it would be possible to organise a training schedule for the city and county to share and reduce costs and improve joint working. We will look to establish this in partnership with other Leicestershire authorities, subject to budget.

TIMESCALES

The timescales for introducing various strands of the strategy are:

	Action	Target date	Strategic objective(s)
1	Clear comprehensive standards for drivers and operators	May 2022	Trusted; Safe; Supported and well regulated
2	Updated vehicle conditions of fitness that are environmentally and economically sustainable	May 2022	Trusted; Safe; Low Emission (Environmentally Sustainable); Viable; Supported and well regulated
3	Elected taxi driver and operator representatives on a Consultation forum administered by Leicester City Council	May 2022	Trusted; Supported and well regulated
4	Open and easy access to our driver and vehicle records for police and licensing authorities	May 2022	Trusted; Safe; Supported and well regulated
5	Commitment to joined up operations	May 2022	Supported and well regulated
6	Cashless payment option in all Leicester City Council licensed hackney carriages and private hire vehicles	Jun 2022	Trusted Safe
7	Arrangements for the sharing of statutory powers to regulate 'out of town' drivers	Aug 2022	Supported and well regulated
8	Explore opportunities for shared services in taxi licensing and regulation	Aug 2022	Supported and well regulated
9	Enhanced arrangements for training and development of officers in Leicester and Leicestershire	Aug 2022	Supported and well regulated
10	Online application/renewal/booking and payment arrangements, and communication [as the norm]	Jan 2023	Trusted; Safe; Supported and well regulated
11	Highway use benefits for hackney cab vehicles licensed by Leicester City Council	Jun 2023	Supported and well regulated
12	An exercisable choice between booking an ultra-low emission vehicle or diesel vehicle	Jan 2025	Low Emission (Environmentally Sustainable)
13	A choice between wheelchair accessible hackney and private hire vehicle	Jan 2025	Trusted; Viable
14	All licensed vehicles have GPS and CCTV	Jan 2025	Trusted; Safe
15	Taxi strategy fully implemented	Jan 2025	Trusted; Safe;

			Low Emission (Environmentally Sustainable); Viable; Supported and well regulated
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Neighbourhood Services Scrutiny Committee



Library services provision – Support for employment
and careers update
12 January 2023

Neighbourhood Services Overview

The Council's Neighbourhood Services section delivers community and library services to people who live and work in Leicester City.

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- A network of 27 facilities, including 9 Multi-Service centres:
- 16 library service points
- 15 community centres offering room hire
- Ward & Community Engagement Team



Library Employment Support: national and local strategic context

Neighbourhood Services are committed to the Universal Offers developed by Libraries Connected and supported by Arts Council England:

- **Information & Digital** – Goal: “To ensure local communities have access to quality information and digital services, to learn new skills and to feel safe online”

Other Universal Offers are linked:

- **Health & Wellbeing**
- **Culture & Creativity**
- **Reading**

The National Context: DCMS Libraries Deliver:

“libraries help individuals into work. They run job clubs, back to work programmes and facilitated sessions with partner agencies such as Adult Learning and Skills, Jobcentre Plus and local organisations. They also provide training and support for digital skills and lifelong learning to prepare people for successful and productive careers...”

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Increasingly knowledge is becoming a driver of productivity and economic growth. Library information and knowledge management professionals help people understand and become part of the knowledge economy, to boost business competitiveness locally and nationally.”

Long term health issues

Books and information
Meeting spaces for groups

DCMS Libraries Deliver, 2018

Disability support

Access to equipment and facilities
Accessible spaces
Information resources



Health

Mental and wider health issues

Reading Well: Books on Prescription
Autism and dementia-friendly libraries
Safe and inclusive spaces

Libraries deliver
targeted services
for specific life
situations

Arriving in a new place

Local community information
Citizenship test support
English language classes

Looking for work or starting a business

Job clubs and CV support
Start-up business support
Shared work spaces



Services



Skills

Urgent needs

Access to legal services
Signpost to food banks
Emergency information

Lacking digital skills and access

Digital skills training
Free WiFi and computers
E-resources

Arts Council England Report, June 2022

“Helping Job Seekers Help Themselves”, June 2022

- Nationally 39% of library users are job seekers (7% more than within the population as a whole)

¹¹⁴**Recommendation 1**

- ✓ Actively coordinate the support provided to jobseekers by library services with other forms of jobseeker support through a formal partnership between Jobcentres and library services as critical social infrastructure

Arts Council England Report, June 2022

Recommendation 2

- ✓ Invest in quality and consistency. Individual library services should consider how they can increase the benefit to jobseekers by making the resources and activities identified by this research much more widely available and actively promote this support.

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Recommendation 3

- ✓ Reinststate human help for jobseekers which has been paused due to the pandemic. Individual services should use the evidence in this report to inform decisions about how to reinststate provision – in particular CV-writing, careers advice, and training courses – which are most likely to have been paused.

Advice and support sessions in Leicester libraries

Work Coach Sessions

- Partnership with DWP developed during pandemic
- Work coach sessions trialled in 3 libraries Autumn 2020
- Service rolled out to 3 more libraries in Summer 2021
- Final rollout to BRITE Centre and Belgrave Library spring 2022 – 8 libraries across city
- Weekly sessions
- Call or visit the local library to book



Work Coach Sessions – support available

EMPLOYABILITY

- CV writing
- Supported job search
- Interview skills and tips
- Individual action plans
- Virtual jobs fair
- Redundancy support
- Direct link to vacancies

QUALIFICATIONS

Sector specific training, including:

- Health and social care
- SIA (Security Industry Authority)
- CSCS (Construction Skills Certification Scheme)
- In-work retraining support
- Direct links to adult education, training providers
- and support for young people

MONEY ADVICE SERVICE

- Benefit support
- Better-off calculations
- Charitable applications
- Debt advice

SPECIALIST SUPPORT

- Health issues/disabilities
- Childcare responsibilities
- Language barriers
- Ex-offenders
- Translation services available where required

Work coach sessions available at:

- Beaumont Leys Library (0116) 299 5460
- Belgrave Library (0116) 299 5500
- BRITE Centre Library (0116) 299 5476
- Highfields Library (0116) 299 5494
- New Parks Library (0116) 229 8200
- Pork Pie Library (0116) 299 5480
- St Barnabas Library (0116) 299 5450
- St Matthews Library (0116) 222 1045

Case Study #1

New Parks Library, Djeneba's story

"As a frequent user of New Parks Library I first met with Jay, my work coach, in early February '22 having seen the poster about Work Coach support. As a Universal Credit customer since January '21, and a lone parent of three children I was keen to move forward. I felt my IT skills and my confidence in job searches needed improving.

Jay initially addressed my IT issues, giving guidance on emails and navigation of jobsites.

She supported me with job search and advocated on my behalf to employers, one of which was a care sector position. Jay explained how the hours on offer could work around childcare however I was concerned about pre/after school arrangements and costs.

Jay completed a "Better Off Leicester" in-work benefit calculation advising me not only of in-work benefit entitlement but also costs towards breakfast and after school clubs. I submitted the application and on interview was offered the position.

My joy however was short lived as the employer stated my right to work checks had failed. Jay intervened by utilising Direct Gov and on speaking with the employer overcame another barrier, securing the role for me!

My new role has proved life changing for me, giving positivity to both myself and children. I would absolutely recommend this support to other city residents."

Case Study #1



Djeneba with
work coach Jay
and a staff
member at
New Parks
Library

Case Study #2

Pork Pie Library: Parvin's story

Single parent Parvin made an appointment with work coach Nipa Naik at the Pork Pie Library and is now £71 a week better off as a result.

Parvin was determined to work and be a role model for her children, but she was worried about how she could manage parenthood and a job.

¹₂ Nipa was able to show Parvin the financial difference part-time working would make. She showed Parvin how to use a benefits calculator so she can keep track of what's she is entitled to if her circumstances change.

Nipa then helped her with a digital job search and reassured Parvin that they would find something to suit her. Nipa spoke to an employer and arranged an interview for Parvin on the basis that she would work only in school hours, if successful.

Impressed by Parvin's interview, the employer offered her a role immediately and she is now in work, which has helped her to gain confidence as well as improving hers and her children's lives.

Case Study #3

Highfields Library: Shamima's story

“I am a lone parent with a wonderful 4 year old child. At the time I was on Universal Credit and whilst I had previous work experience as a teaching assistant, I was struggling to get paid work in this field.

The work coach at the Library helped me to update of my CV however I lacked confidence in selling myself in job interviews.

123 Jay supported me with interview preparation and mock scenarios resulting in an offer of a job interview for a Teaching Assistant position. She helped me prepare for interview with potential questions. She gave me confidence, recognising a passion in me that employers would value.

Whilst I was pleased with my interview the resulting job offer was just fantastic. Jay's support and preparation were important and my increased awareness of in-work support with childcare costs makes things so much easier.'

I would like to thank the work coach and Leicester City Council library staff for their support. It's been life changing for me to gain this role.”

Case Study #3

Shamima with
Work Coach Jay
at Highfields
Library



Support for Skills Development and access to Information

Access to Computers & the Internet

- Trained staff to support general IT use
- Provision of 166 public access computers in 16 libraries (bookable, free of charge) – renewed 2020
- Public access Wi-Fi in all 16 libraries (free)
- High quality printing – rising demand
- Wi-Fi printing from your device – new service
- “Leicester Connected” device loaning scheme
- Adult Learning IT training suites at 5 neighbourhood centres



Learning: Beginners IT sessions

- Library sessions recommenced spring 2022
- “Learn my Way” sessions running for over 10 years
- Resources from Good Things Foundation
- For complete beginners
- Learn at your own pace
- 127 Self-led courses with staff to support for confidence
- Topics covered include:
 - Mouse/keyboard
 - Internet safety
 - Filling forms
 - Universal Credit
 - Health online
- Offered at Central Library Mon – Fri, and at high demand community libraries

Are you taking part in
Get Online Week?
We are.



brought to you by
Good Things
Foundation



Computer Skills for Beginners

- Are you a complete beginner with computers?
- Are you worried about using them?
- Have you heard scary things about the internet?

Don't worry we are here to help!

We have sessions at libraries across Leicester
so there is one near you.

- Beaumont Leys Library
- Belgrave Library
- Leicester Central Library
- New Parks Library
- Highfields Library
- Rushey Mead Library

Session days and times vary, please contact
the individual library for further information.

www.leicester.gov.uk/libraries
Tel: 0116 454 3540



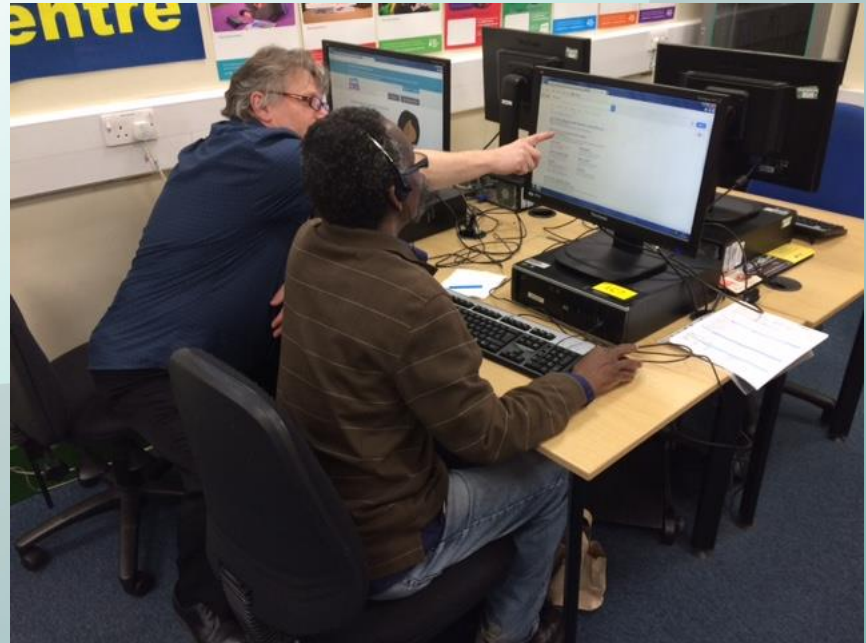
Leicester
City Council

Learning: support from library staff

Library staff routinely provide basic signposting and support to computer users

Most common customer support request areas*:

1. Printing
2. Scanning documents
3. **Job search**
4. **Online forms**
5. Email (including set up)
6. Search engines
7. Browsing the Internet
8. Microsoft Word
9. Accessibility
10. Privacy settings



*Source: "Capture IT" survey in Leicester City 2019/20

Adult Learning in Neighbourhoods

- IT suites developed at 5 neighbourhood centres to support the LASALS programme at accessible community venues
- Classrooms available in Libraries and Community Centres
- Sessions include ESOL, basic IT and maths skills

Adult Learning enrolments in neighbourhoods	Aug – Nov 2022	Number of courses planned
African Caribbean Centre	244	26
Belgrave Neighbourhood Centre	422	44
Beaumont Leys Library	8	4
Brite Centre	153	44
Central Library	39	7
Fosse Centre	0	3
Highfields Library	92	11
New Parks Library	68	16
Pork Pie Library	117	21
St Barnabas Library	207	18
St Mathews NC	130	25
Tudor Centre	7	3
Total	1,487	222

Customer Survey Results

- Undertaken February 2021
- Across all Neighbourhood Services facilities
- Lockdown restrictions still in place
- “How has your visit helped you?”
- % of all visitors on the day who responded:
 - 6% Directly job related
 - 19% Getting online
 - 21% Answering a query
 - 35% Study / learning

Workforce Development in Neighbourhood Services

Kickstart roles

- Neighbourhood Services provided Government funded “Kickstart” roles in libraries and community centres during 2022
- The scheme was open to 18-25 year olds
- Offering an opportunity to develop skills in community settings
- 2 customer facing roles, in different areas of the city
- Both Kickstarts have now successfully applied for positions within the service

T-Level Placements

- T-Levels offer students aged 16 – 18yrs a practical approach to further education
- Courses have a mandatory placement
- Neighbourhood Services are working directly with colleges to offer 3 placement opportunities for admin & business students
- 45 days over 1 year – can be a block project or 1 day / week
- Introduces students to benefits of working for the Council
- A divisional priority, to support young people in their career development and positive for the Council's future recruitment programme

Apprenticeships

- Apprenticeships are funded through the Apprenticeship Levy (paid by all larger employers)
- Supports career development and a “grow your own” approach
- Neighbourhood Services are offering up to 4 apprenticeships in “Library & Information Skills” for front line staff.
- A crucial route for developing in house library & information skills
- Benefits of investment and staff development include greater staff retention and growing next generation of library workers

Any Questions?

