



Leicester  
City Council

**MEETING OF THE HEALTH AND WELLBEING SCRUTINY  
COMMISSION**

**DATE: TUESDAY, 17 JANUARY 2023**  
**TIME: 5:30 pm**  
**PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles  
Street, Leicester, LE1 1FZ**

**Members of the Commission**

Councillor Pantling (Chair)  
Councillor O'Donnell (Vice-Chair)

Councillors Aldred, Khan, Nangreave and Dr Sangster

**Standing Invitee (Non-voting)**

Youth Representatives  
Representative of Healthwatch Leicester

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

For Monitoring Officer

***Officer contacts:***

***Anita James (Senior Democratic Support Officer):***

*Tel: 0116 454 6358, e-mail: Anita.James2@leicester.gov.uk*

***Francis Connolly (Scrutiny Policy Officer):***

*Tel: 0116 454 6344, e-mail: Francis.Connolly@leicester.gov.uk*  
*Leicester City Council, City Hall, 115 Charles Street, Leicester, LE1 1FZ*

## Information for members of the public

### Attending meetings and access to information

You have the right to attend formal meetings such as Full Council, committee meetings, and Scrutiny Commissions and see copies of agendas and minutes. However, on occasion, meetings may, for reasons set out in law, need to consider some items in private. Members of the public can follow a live stream of the meeting on the Council's website at this link: <http://www.leicester.public-tv/core/portal/webcasts>

Due to Covid we recognise that some members of the public may not feel comfortable viewing a meeting in person because of the infection risk. Anyone attending in person is very welcome to wear a face covering and we encourage people to follow good hand hygiene and hand sanitiser is provided for that purpose. If you are displaying any symptoms of Coronavirus: a high temperature; a new, continuous cough; or a loss or change to your sense of smell or taste, and/or have taken a recent test which has been positive we would ask that you do NOT attend the meeting in person please.

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Filming and Recording the Meeting - The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. In accordance with government regulations and the Council's policy, persons and press attending any meeting of the Council open to the public (except Licensing Sub Committees and where the public have been formally excluded) are allowed to record and/or report all or part of that meeting. Details of the Council's policy are available at [www.leicester.gov.uk](http://www.leicester.gov.uk) or from Democratic Support.

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

### Further information

If you have any queries about any of the above or the business to be discussed, please contact: [committees@leicester.gov.uk](mailto:committees@leicester.gov.uk) or call in at City Hall.

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

**USEFUL ACRONYMS RELATING TO  
HEALTH AND WELLBEING SCRUTINY COMMISSION**

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

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

## **PUBLIC SESSION**

### **AGENDA**

#### **NOTE:**

Due to COVID restrictions, public access in person is limited to ensure social distancing. We would encourage you to view the meeting online but if you wish to attend in person, you are required to contact the Democratic Support Officer in advance of the meeting regarding arrangements for public attendance.

Separate guidance on attending the meeting is available for officers. Officers attending the meeting are asked to contact the Democratic Support Officer in advance to confirm their arrangements for attendance.

**This meeting will be webcast live at the following link:-**

**<http://www.leicester.public-i.tv>**

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**<http://www.leicester.public-i.tv/core/portal/webcasts>**

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If the emergency alarm sounds, you must evacuate the building immediately by the nearest available fire exit and proceed to the area outside the Ramada Encore Hotel on Charles Street as directed by Democratic Services staff. Further instructions will then be given.

- 1. CHAIR'S ANNOUNCEMENTS - IF ANY**
- 2. APOLOGIES FOR ABSENCE**
- 3. DECLARATIONS OF INTEREST**

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

- 4. MINUTES OF PREVIOUS MEETING**

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

The Commission will be asked to confirm the minutes attached of the meeting held on 1<sup>st</sup> December are a correct record.

**5. PROGRESS AGAINST ACTIONS OF PREVIOUS MEETINGS (NOT ELSEWHERE ON THE AGENDA)**

**6. PETITIONS**

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

**7. QUESTIONS, REPRESENTATIONS, STATEMENTS OF CASE**

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

**8. PHARMACEUTICAL NEEDS ASSESSMENT REPORT Appendix B  
(Pages 7 - 12)**

The Director of Public Health submits a report providing a summary of the findings of the Pharmaceutical Needs Assessment 2022 published on behalf of the Health and Wellbeing Board.

Members will be asked to note the contents and provide any comments on areas identified for improvement.

**9. NHS WINTER URGENT AND EMERGENCY CARE PROVISION - UPDATE Appendix C  
(Pages 13 - 18)**

Members of the Commission to receive an update on winter preparedness of the NHS in relation to urgent and emergency care provision.

**10. WINTER HEALTH PRESSURES AND VACCINATIONS UPDATE Appendix D  
(Pages 19 - 38)**

Members to receive an update on the winter health pressures and vaccination programmes.

Members to note that this data may change by the time of the meeting and if that is the case a revised presentation will be displayed at the meeting.

**11. LEICESTER ALCOHOL HARM REDUCTION STRATEGY REPORT Appendix E  
(Pages 39 - 46)**

The Director of Public Health submits a report updating on the implementation of the Leicester City Alcohol Harm Reduction Strategy since its launch in September 2022.

Members of the Commission will be asked to receive the update and to support

its continued progress.

**12. DRAFT GENERAL FUND REVENUE BUDGET**

**Appendix F  
(Pages 47 - 78)**

The Director of Finance submits a draft report proposing the general fund revenue budget for 2023/24 together with a future financial outlook.

Members of the Commission will be asked to consider and provide any feedback which will be submitted to the Council Budget meeting in February 2023.

**13. WORK PROGRAMME**

**Appendix G  
(Pages 79 - 82)**

The Health and Wellbeing Scrutiny Commission's Work Programme is attached and members will be asked to comment or make suggestions for inclusion as it considers necessary.

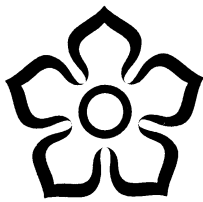
**14. ANY OTHER URGENT BUSINESS**

**15. DATE OF NEXT MEETING**

To note the next meeting scheduled to take place on Thursday 16<sup>th</sup> March 2023 at 5.30pm at City Hall.







Leicester  
City Council

Minutes of the Meeting of the  
HEALTH AND WELLBEING SCRUTINY COMMISSION

Held: THURSDAY, 1 DECEMBER 2022 at 5:30 pm

P R E S E N T :

Councillor O'Donnell (Chair)

Councillor Aldred

Councillor Khan

In Attendance:

Councillor Dempster, Assistant City Mayor - Health

Also Present:

Youth Council Representatives

\* \* \* \* \*

**29. APOLOGIES FOR ABSENCE**

Councillor O'Donnell in as the Chair led on introductions and noted that apologies had been received from Councillor Pantling.

**30. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**31. CHAIRS ANNOUNCEMENTS (IF ANY)**

The Chair took the opportunity to congratulate the Director of Public Health and his team for winning a national award.

The Chair further noted that due to technical issues with the remote link into the meeting, the Maternity Services item would be adjourned to a later date in the municipal year and shared his apologies with the UHL team that were expecting to present the item at the meeting.

The Chair further noted that item 10 on the agendas would be the first item

considered on the agenda.

A representative from the Youth Council, read a letter that had been received by Councillor Pantling by a teenage resident in the City. The letter detailed how the young person benefitted from sports activities on the park and the positive impacts it had on the individuals mental health and mentioned some of the equipment which was in disrepair which was being followed up by Officers. It was suggested that the details could be further explored when the Mental Health Strategy was being considered.

### **32. MINUTES OF PREVIOUS MEETING**

AGREED:

that the minutes of the meeting of the Health and Wellbeing Scrutiny Commission held on 11 August 2022 be confirmed as a correct record.

### **33. UPDATE ON PROGRESS AGAINST ACTIONS OF PREVIOUS MEETINGS**

There were no matters outstanding from the previous meeting. Members were asked to note that the minutes of the Joint Adult Social Care and Health and Wellbeing meeting held on 6 October will be taken to the next joint scrutiny meeting which is to take place in early 2023. The details of this would be confirmed in the near future and there are some matters arising from the meeting on 6 October which are being followed-up.

### **34. PETITIONS**

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

### **35. QUESTIONS, REPRESENTATIONS, STATEMENTS OF CASE**

The Monitoring Officer reported that no questions, representations and statements of case had been submitted in accordance with the Council's procedures.

### **36. COLOUR DYERS LTD VERBAL UPDATE**

The Chair provided the following statement:

I wish to make a short statement in relation to this matter, that has in the

past been featured at meetings of the Health and Wellbeing Scrutiny Commission.

Mr Bob Ball initially submitted a petition to our commission in November 2021 that expressed concern over fumes emitted from the factory operated by Colour Dyers Ltd. at the Riverside Dyeworks. A response report was then taken to the commission meeting in March of this year and scrutiny members had the opportunity to examine this rigorously. It was confirmed that a series of further actions were to take place.

Public questions on this matter have continued to be received and given that the strategy for dealing with textile factory pollution has since been examined in greater detail by the Neighbourhood Services Scrutiny Commission on 15 November, the further questions were taken to this meeting.

Responses to the questions were provided by Deputy City Mayor Councillor Clarke and officers in the Regulatory Services division as part of a comprehensive presentation on the pollution strategy associated with textile factories in Leicester.

I gather that assurances were given to the commission that there is no recorded health risk from this particular factory. I also understand that there were several specific recommendations agreed by the Neighbourhood Services Commission and that it will be receiving a further progress report on the pollution strategy connected with textile factories in 2023.

I am also pleased that the Deputy Mayor has been liaising with the society of dyers, and that the concerns of scrutiny are to be forwarded to the Environment Agency.

I am therefore satisfied that this matter is now being appropriately dealt with both by a relevant scrutiny commission and by the Deputy Mayor and senior council officers and therefore propose that the Health and Wellbeing Scrutiny Commission no longer leads on the scrutiny of this.

AGREED:

That the Commission agree with the statement provided and that future

matters be dealt with at the Neighbourhood Services Scrutiny Commission.

**37. TASK GROUP REPORT - "THE EXPERIENCE OF BLACK PEOPLE WORKING IN HEALTH SERVICES IN LEICESTER AND LEICESTERSHIRE"**

Councillor Kitterick the former Chair of the Health and Wellbeing Scrutiny Commission provided a statement introducing the Task Group Report and listed the proposed recommendations for Members of the Commission to endorse.

David Williams from the UHL thanked Councillor Kitterick for the extensive report and considered the report very important for future progress.

It was noted that a response report on the recommendations will be brought to the Commission at a future meeting and that the Assistant City Mayor for Health welcomed the report to the Health and Wellbeing Board.

The Chair and Members of the Commission provided responses in support of the report and its proposed recommendations.

**AGREED:**

- 1) To recommend that the commission endorses the work and recommendations of the task group review.
- 2) The Commission request that a response report to the recommendations be programmed in for a future commission meeting. And that:
- 3) The report and findings be sent to the Health and Wellbeing Board.

**38. SCHOOL NURSING PROVISION**

Representatives from the UHL delivered a presentation providing the Commission with an overview of the report submitted.

The Chair welcomed representatives from the Youth Council to participate on the item.

As part of the discussions, it was noted that:

- Representatives from the Youth Council suggested that the best way to promote School Nursing and the services provided was through face to face attendance at schools.
- Digital health contacts were being used and that people using the services were encouraged promote and drive up the uptake
- The services were not available to year 13s, this had been recognised as an issue and it was suggested that due to resourcing and staffing issues
- It was suggested that partnership arrangements allowed for change and

the ability to deliver services that match the needs and requirements of the service users

- Alternative funding means were being considered
- Operating hours of Chat Health were to be reconfigured with current hours during the school day but suggestions had been made for the hours to change for further benefits for the service user.
- UHL representatives noted that the suggestions from the young people were beneficial to improve the service.

The Director of Public Health thanked the Youth Representatives for their contributions to the discussions and noted that although there was limited funding, the funds were being used in the most effective way.

In response to Members concerns of school children receiving letters in relation to their weight, representatives from the UHL noted that they were unaware of whether letters went straight to the parents or if they went to the children. The wording of the letters had been softened to ensure that there are no negative impacts on the recipients and that work was underway of strengthening the process of parents understanding that their child may be weighed and improvements were put in place to take a step in the right direction.

As part of further discussions it was noted that Health Visitors and School Nurses were a universal service and additionally, Mental Health nurses were in schools to tackle health inequalities where these had been identified. Potential development around the lack of food and underweight children was considered as an area of concern and that all information was being collated to feed into the Winter Care Plan.

The Chair commended Health Visitors for the work they had delivered in supporting families by collecting food from food banks.

AGREED:

- 1) That the Director of Public Health be requested to involve the co-producers in the consultation process, and
- 2) That the report be noted.

### **39. MATERNITY SERVICES UPDATE**

The Chair noted that due to the technical difficulties and UHL Officers joining the meeting, that the item be deferred to the next meeting and that it is heard in the presence of Councillor Pickering who had requested the item be brought to the Commission.

AGREED:

- 1) That the item on the Maternity Services Update be deferred to the next meeting.

### **40. WORK PROGRAMME**

The Scrutiny Support Officer submitted a document that outlined the Health

and Wellbeing Scrutiny Commission's Work Programme for 2022/23.

It was noted that the next meeting is scheduled for Tuesday 17 January 2023.

**41. CLOSE OF MEETING**

The meeting closed at 7.13 pm.



# ***Pharmaceutical Needs Assessment 2022***

Decision to be taken by:  
Decision to be taken on: 17/01/2023  
Lead director: Ivan Browne

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## Useful information

- Ward(s) affected: All
- Report author: Helen Reeve, Amy Chamberlain
- Author contact details: Helen.Reeve@leicester.gov.uk,  
Amy.Chamberlain@leicester.gov.uk
- Report version number plus Code No from Report Tracking Database:

## *Suggested content*

### **1. Purpose of report**

This report and attached presentation provides a summary of the findings of the Pharmaceutical Needs Assessment 2022, published on behalf of the Health and Wellbeing Board.

### **2. Summary**

The Health and Wellbeing Board has a statutory requirement to produce a Pharmaceutical Needs Assessment (PNA) every 3 years. This PNA was published on 1<sup>st</sup> October 2022.

The purpose of the Pharmaceutical Needs Assessment is to:

- identify the pharmaceutical services currently available and assess the need for pharmaceutical services in the future
- inform the planning and commissioning of pharmacy services by identifying which services should be commissioned for local people, within available resources, and where these services should be; and
- inform decision making in response to applications made to NHS England and NHS Improvement by pharmacists and dispensing doctors to provide a new pharmacy. The organisation that will make these decisions is NHS England and NHS Improvement.

This PNA has reviewed pharmacy coverage in relation to the population health needs of the people of Leicester City. This has involved looking at the existing services, their locations, the range of services they are providing and the views of the people who are using them.

The PNA concluded there were sufficient pharmacies (85) within Leicester to serve the population of Leicester. However, pharmacies and the range of pharmacy services offered are not distributed evenly over the city, with more pharmacies located within the north central and eastern areas of the city. This means some residents will need to travel a little further to access a pharmacy or specific pharmaceutical service.



The attached presentation provides further information on the assessment, findings and recommendations.

### 3. Recommendations

- Note the conclusions and recommendations in the presentation
- Provide comment on areas identified for improvement.

Summary of recommendations from the PNA:

#### **Equity of Service**

- Keep under review locations and opening times
- Review cross-city and county-border service provision to ensure uniformity of access and quality of service
- Work with pharmacies and Local Pharmaceutical Committee to examine how to address equity issues
- Work with ICB and Primary Care Networks to tackle health inequalities and address digital literacy
- Consider additional pressure on pharmacies due to workforce shortage –work to mitigate impact
- Encourage pharmacies to offer discretionary services in relation to local need

#### **Promotion of Health and Healthcare Management**

- Ensure that the promotion of healthy lifestyles (Public Health) requirement of essential services contract is fulfilled
- Collate information on all of the services provided by Leicester pharmacies
- Assess levels of uptake of advanced and locally commissioned services and follow up low or high performers to share best practice
- Work with pharmacies to consider replacing recently decommissioned popular services

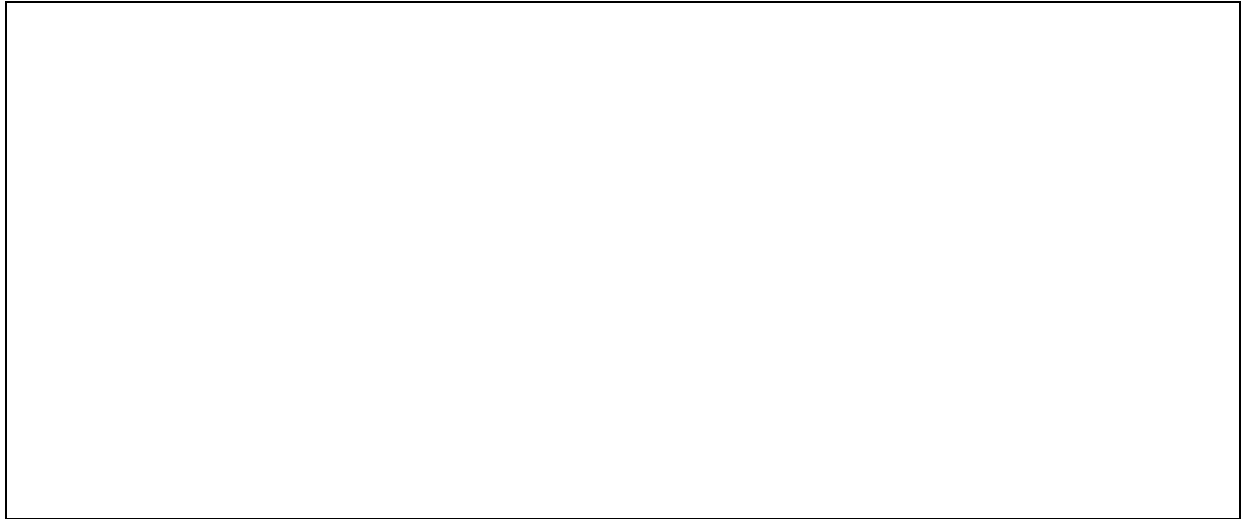
#### **Implications of Community Pharmacies Policy**

- Review evidence of impact of policy and funding changes on services annually and report and findings to the Health and Wellbeing Board with appropriate advice

### 4. Report/Supporting information including options considered:

Full report: <https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/public-health/data-reports-and-strategies/pharmaceutical-needs-assessment-pna/>

Appendi1\_PNA\_2022\_findings\_Oct2022.pdf



**5. Financial, legal and other implications**

5.1 Financial implications

There are no direct financial implications as the report is to note the conclusions and recommendations from Public Health perspective for NHS colleagues.

Yogesh Patel – Accountant (ext 4011)

5.2 Legal implications

There is a statutory responsibility to produce a pharmaceutical needs assessment (“PNA”).

The Health and Social Care Act 2012 established Health and Wellbeing Boards and transferred to them (from the NHS Act 2006) the responsibility to publish and keep up to date a statement of the needs for pharmaceutical services of the population in its area, with effect from 1 April 2013. The requirements on how to develop and update PNAs are set out in Regulations 3-9 and Schedule 1 of the National Health Service (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013 (“the 2013 regulations”).

The Regulations (as may amended) provides that in circumstances where a HWB has to publish by a date to be in statutory compliance. Failure to publish a PNA by the statutory deadline is challengeable by way of Judicial Review, as are the process followed in developing the PNA, including the consultation process and manner in which the consultation outcomes are considered and whether the PNA adheres to the minimum requirements set out in the Regulations.

*Mannah Begum, Principal Solicitor (Commercial and Contracts Legal) Ext: 1423*

### 5.3 Climate Change and Carbon Reduction implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

### 5.4 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 and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

This report provides a summary of the findings of the Pharmaceutical Needs Assessment 2022 and will impact on people from across a range of protected characteristics, as most people will access a pharmacy at some point. An Equality Impact Assessment has been carried out and outcomes have been identified on the equality of access to pharmaceutical services for all Leicester residents and recommendations are included in the PNA. The EIA actions also include reviewing the EIA prior to the 2024 PNA being published to assess whether additional survey work relating to facilities available at pharmacies for patients with protected characteristics is required. Work on equalities will be progressed during 2023/2024 and the EIA updated as appropriate.

Sukhi Biring, Equalities Officer, 454 4175

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

## **6. Background information and other papers:**

**7. Summary of appendices:**

8. Appendi1\_PNA\_2022\_findings\_Oct2022.pdf

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

No

**9. Is this a “key decision”?**

No

**10. If a key decision please explain reason**

**In determining whether it is a key decision you will need consider if it is likely:**

- to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates.
- to be significant in terms of its effects on communities living or working *in two or more wards in the City*.

Expenditure or savings will be regarded as significant if:

- (a) In the case of additional recurrent revenue expenditure, it is not included in the approved revenue budget, and would cost in excess of £0.5m p.a.;
- (b) In the case of reductions in recurrent revenue expenditure, the provision is not included in the approved revenue budget, and savings of over £0.5m p.a. would be achieved;
- (c) In the case of one off or capital expenditure, spending of over £1m is to be committed on a scheme that has not been specifically authorised by Council.

In deciding whether a decision is significant you need to take into account:

- Whether the decision may incur a significant social, economic or environmental risk.
- The likely extent of the impact of the decision both within and outside of the City.
- The extent to which the decision is likely to result in substantial public interest
- The existence of significant communities of interest that cannot be defined spatially.



Leicester, Leicestershire  
and Rutland

# LLR winter preparedness

13

January 2022

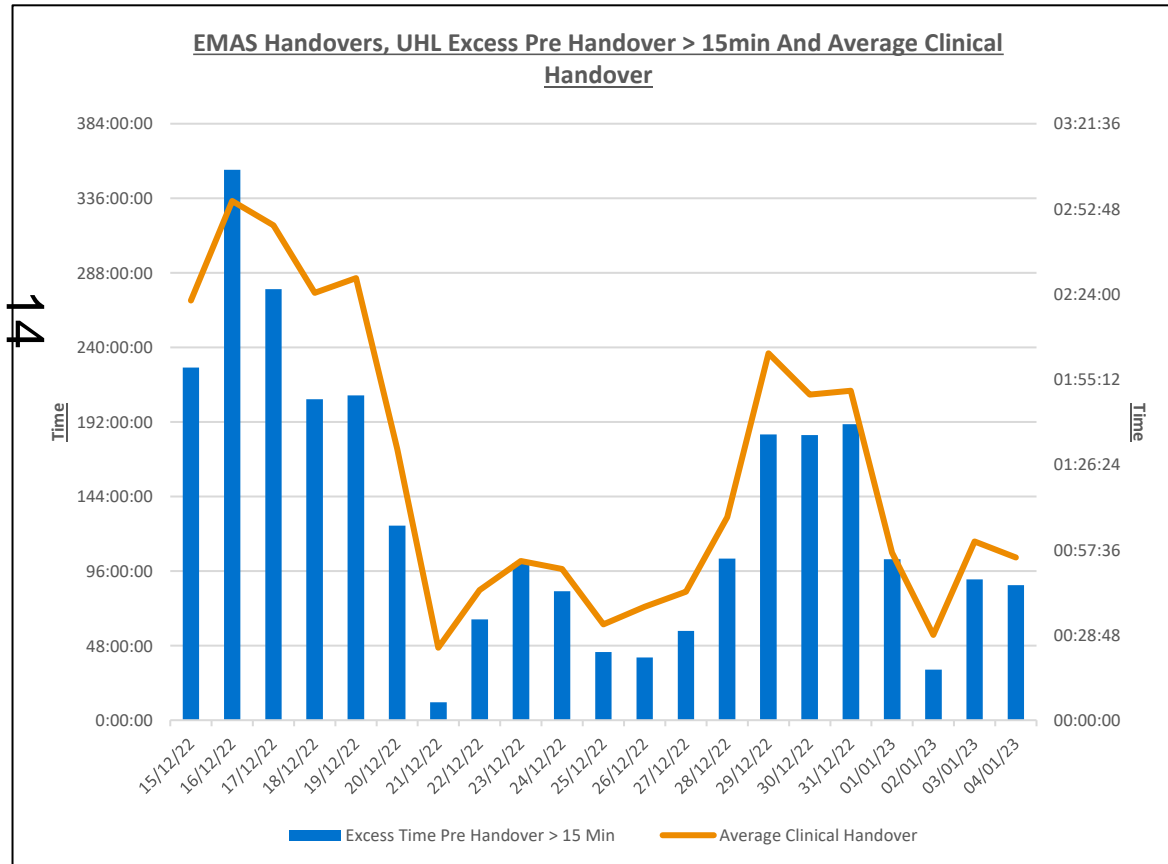


A proud partner in the:

**Leicester, Leicestershire  
and Rutland**  
Health and Wellbeing Partnership

Appendix C

# Handover to hospital trend

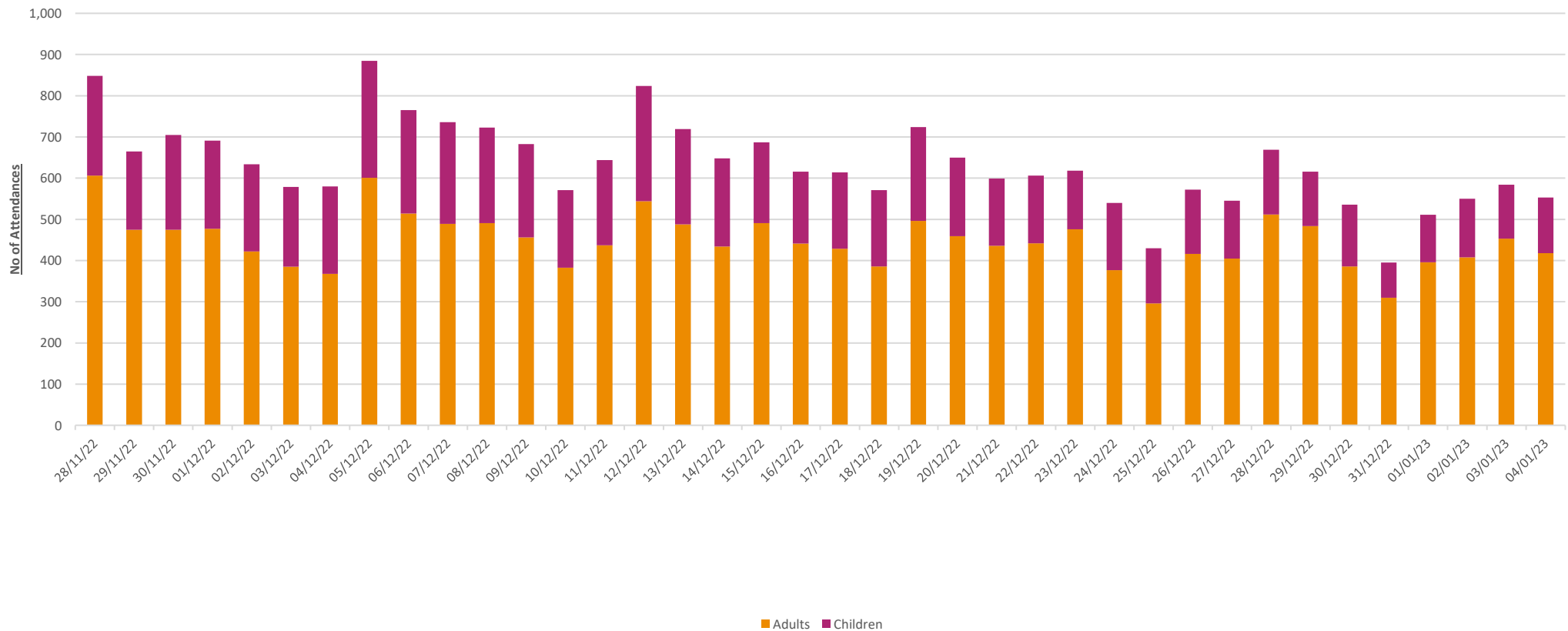


- The average ambulance handover time in October was 72 mins
- From 21<sup>st</sup> to 28<sup>th</sup> December , following new interventions put into place, this has been reduced to 44 mins
- Improvement has been sustained into January despite the pressures we are facing

# Emergency department activity

15

UHL Emergency Activity - Age Group



# Winter plan – Oct to Dec 2022

16

Implement COVID and Flu vaccs programme

Implement respiratory hubs across LLR

Redesign the GP > acute care pathway

Increase availability of urgent care centre appts

Increase LPT capacity

Maximise discharge opportunities

Implement the Unscheduled care hub

Implement 300 virtual ward beds

Increase UHL capacity

Increase handover space

Implement the 'push' model from ED

Maximise use of Same day emergency care

Increase opening hours of MIAMI

Implement actions from the 100 day discharge challenge

Implement fuel poverty plan

Increase 111/999 call handlers

Increase mental health support

Agree risk management strategy for system





# Winter Plan v2 – Jan to March 2023

17  
Standardise online,  
digital & f2f  
primary care offer

Implement step up  
pathway for key LTC  
i.e. respiratory

Maximise  
streaming from  
EMAS stack safely

Maximise  
streaming  
opportunities from  
ED front door safely

Standardise multi-  
disciplinary  
management of the  
ED bed stack

Implement plans  
for Integrated  
Discharge function

Maximise capacity  
in all providers

Implement plans to  
equalise risk across  
the system safely



# Conclusions

- It is extraordinarily difficult in every area of health and care at the moment – mix of demand, COVID/Flu, staff absence, capacity plus impact of industrial action
- The system has managed the ambulance service industrial action / critical incident called at Leicester Hospitals as a partnership but recognise that the surges in activity are causing a poorer patient experience across the pathway, with long waits across the pathway. Staff are also under increasing pressure
- We know we need to further strengthen the winter plan and we will apply learning from what we know has worked through difficult periods in December
- It will continue to be difficult as we head into ‘peak’ winter months of Jan and Feb ‘23

# Winter Health Pressures and Vaccinations

*Including COVID-19, Influenza (Flu), Scarlet Fever and Invasive group A streptococcal disease (iGAS)*

19

## SOURCES:

**University Hospitals Leicester**

**DHSC COVID-19 tracker**

**NHS Leicester, Leicestershire and Rutland**

**Last updated 06/01/23**

**Prepared by:**

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**Leicester  
City Council**

## Scarlet Fever in England

Scarlet fever is caused by bacteria called group A streptococci. Occasionally these bacteria can cause severe and life-threatening diseases. Scarlet fever is a notifiable disease in England and Wales. This means health professionals must inform local health protection teams of suspected cases.

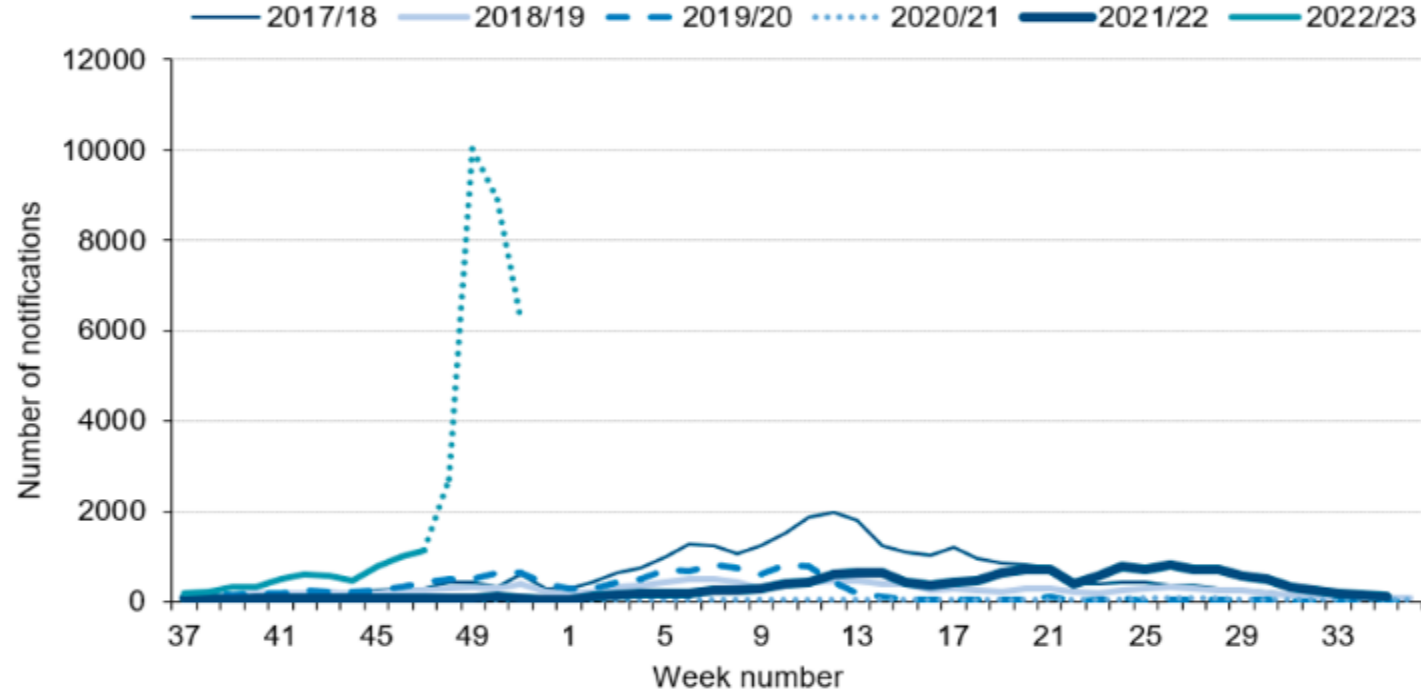
Following higher than expected scarlet fever activity during the early part of this summer in England, notifications during the early part of the current season (2022 to 2023) have increased to exceptional levels.

A total of 33,836 notifications of scarlet fever were received from weeks 37 to 51 of this season (2022 to 2023) in England, with 6,254 notifications received so far for week 51. This compares with an average of 2,670 (range 443 to 4,672) for this same period (weeks 37 to 51) in the previous 5 years.

Increased health seeking behaviour as a result of national alerts is likely to have contributed to the increased reports.

**Figure 1. Weekly scarlet fever notifications in England, by season, 2017 to 2018 onwards (weeks 37 to 51)**

Note: In this graph the 2022 to 2023 season goes up to week 51 (25 December 2022). Recent weeks in the current season may change as further notifications are received, represented by a dotted line between weeks 47 and 51.



(2022 to 2023; seasons are defined from week 37 (mid-September) to week 36 (mid-September))

**Table 1. Number and rate per 100,000 population of scarlet fever and iGAS notifications in England: week 37 to week 51 of the 2022 to 2023 season**

Note: In this table, weeks 37 to 51 cover the period 12 September 2022 to 25 December 2022.

| Region                   | Number of cases of scarlet fever | Rate of scarlet fever | Number of cases of iGAS | Rate of iGAS |
|--------------------------|----------------------------------|-----------------------|-------------------------|--------------|
| East of England          | 3,280                            | 49.0                  | 102                     | 1.5          |
| East Midlands            | 4,440                            | 91.3                  | 98                      | 2.0          |
| London                   | 4,566                            | 50.7                  | 146                     | 1.6          |
| North East               | 1,378                            | 51.4                  | 55                      | 2.1          |
| North West               | 5,628                            | 76.4                  | 144                     | 2.0          |
| South East               | 5,153                            | 57.6                  | 206                     | 2.3          |
| South West               | 3,014                            | 54.8                  | 142                     | 2.6          |
| West Midlands            | 2,640                            | 44.3                  | 95                      | 1.6          |
| Yorkshire and the Humber | 3,737                            | 67.6                  | 160                     | 2.9          |
| <b>England</b>           | <b>33,836</b>                    | <b>59.8</b>           | <b>1,148</b>            | <b>2.0</b>   |

## Scarlet Fever and Invasive group A streptococcal disease (iGAS)

*Group A streptococcal infections commonly cause sore throats, also known as strep throat. In rare cases the bacteria can also cause a severe, life-threatening infection known as invasive group A streptococcal disease (iGAS).*

Scarlet fever notifications to date this season showed considerable variation across England, ranging between 44.3 (West Midlands) and 91.3 (East Midlands) per 100,000 population (table 1); while this may represent differential disease transmission it may also relate to differential notification practices by clinicians.

## Scarlet Fever and Invasive group A streptococcal disease (iGAS) in Leicester

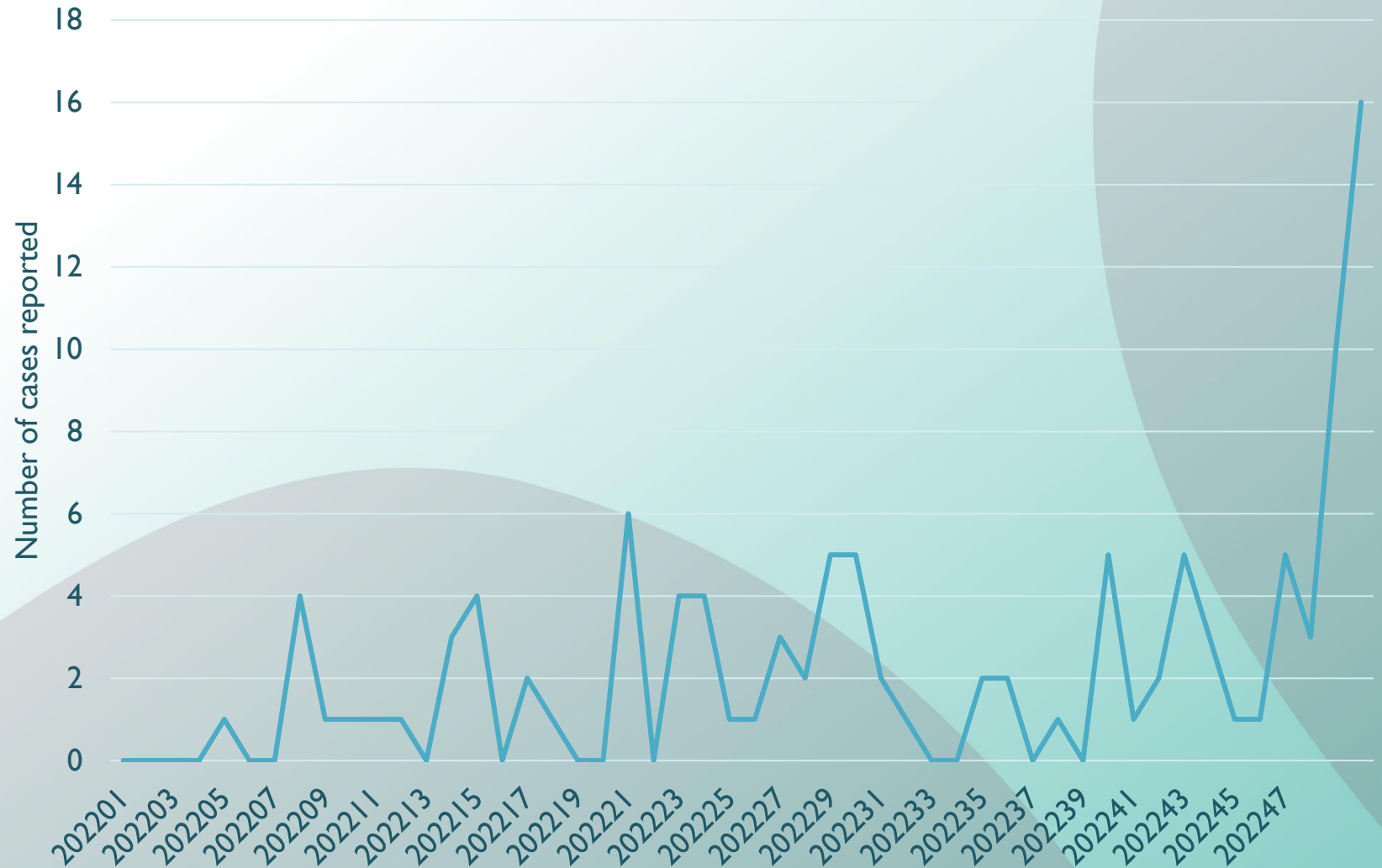
There have been 119 Scarlet fever cases reported in Leicester during 2022, and this potentially may increase with recent data being validated.

In 2021 there were a total of 18 Scarlet Fever cases notified in Leicester.

22

There has been one Invasive group A streptococcal disease case reported (iGAS/Strep A) in Leicester during 2022, there were 0 reported in 2021.

### Scarlet Fever cases notified by week in 2022 - Leicester



Local authority figures in recent weeks are subject to change after further data validation and are expected to rise

[Notifiable diseases: last 52 weeks - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

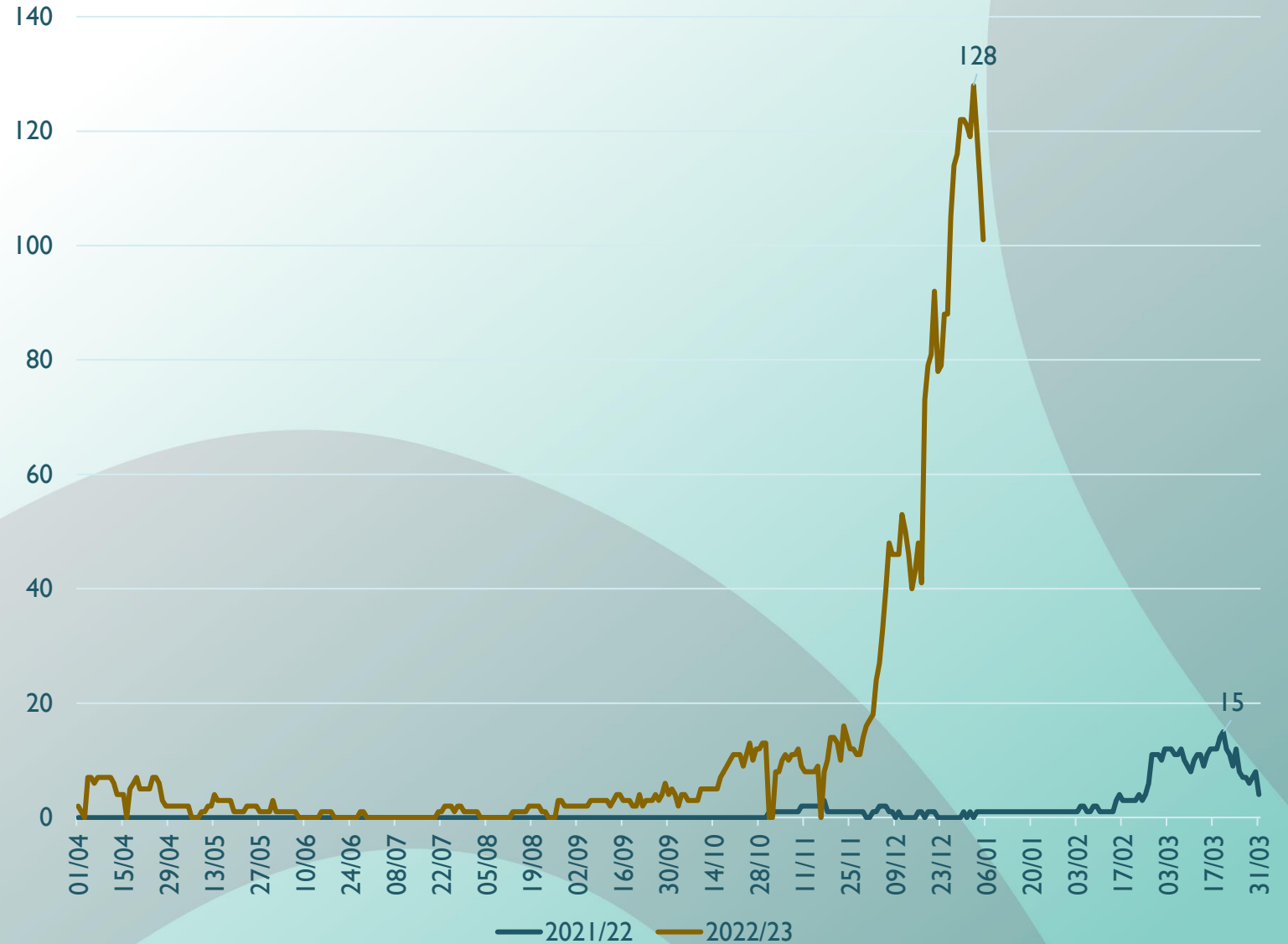
## Influenza patients at University Hospitals Leicester (General & Acute Beds)

*Influenza (flu) is a viral infection affecting the lungs and airways. It occurs most often in winter in the UK and peaks between January and March. It can seriously affect older people and those with underlying health conditions.*

In the last few weeks the number of patients with confirmed influenza has increased rapidly at UHL.

There were over 100 with flu at UHL in the new year, this is far higher than levels of flu at UHL in the previous year.

### Number of Patients with laboratory-confirmed influenza in G&A beds



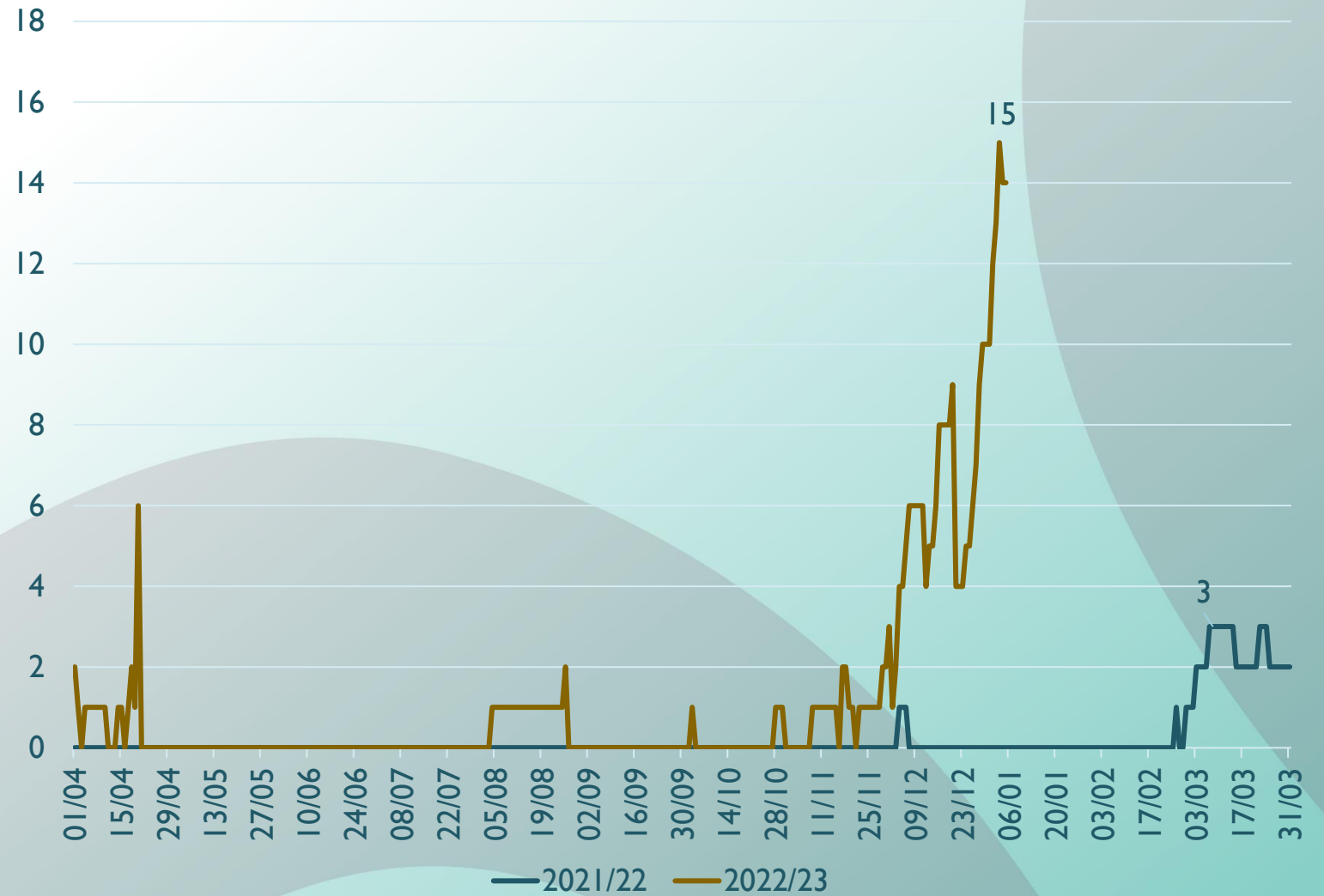
Source: UHL. Includes all patients at UHL.

# Influenza patients at University Hospitals Leicester (High Dependency and Intensive therapy units)

Numbers of patients on more intensive support has also increased in recent weeks, and is higher compared to levels in the previous year.

24

## Number of Patients with laboratory-confirmed influenza in HDU and ITU beds

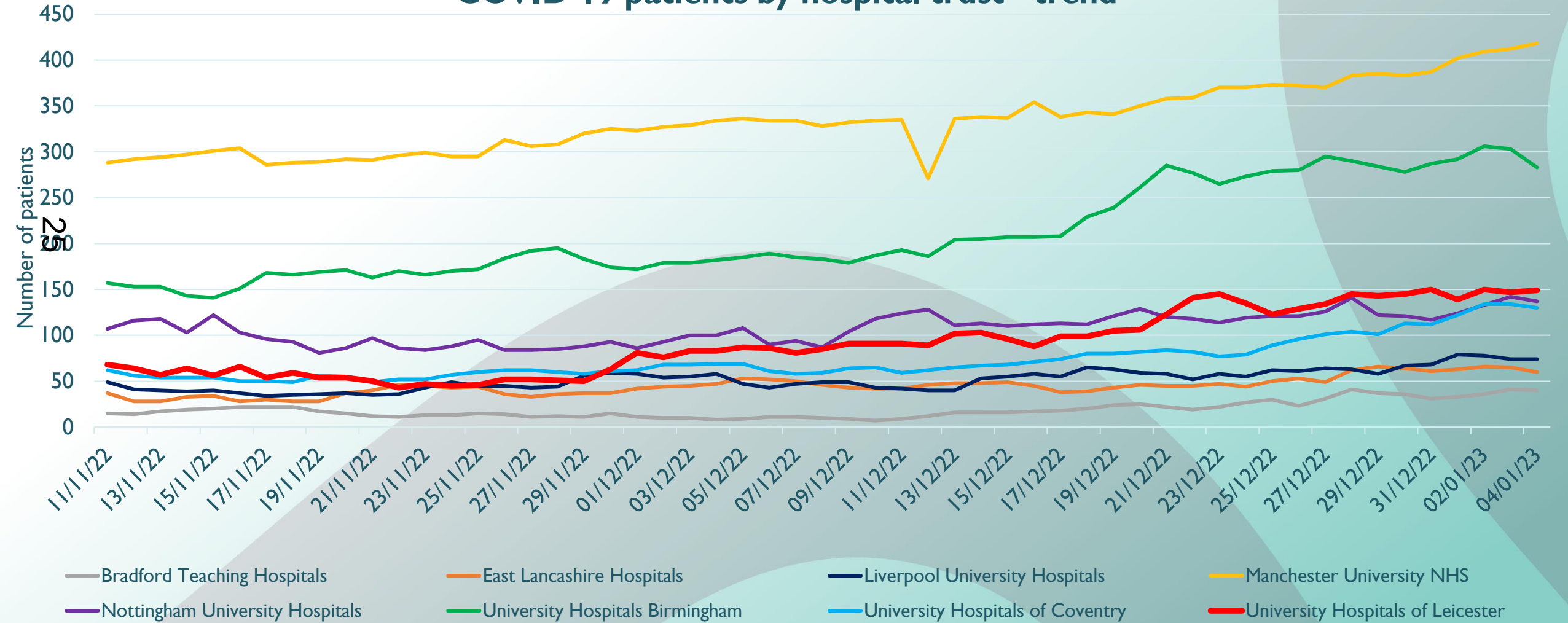


Source: UHL. Includes all patients at UHL.



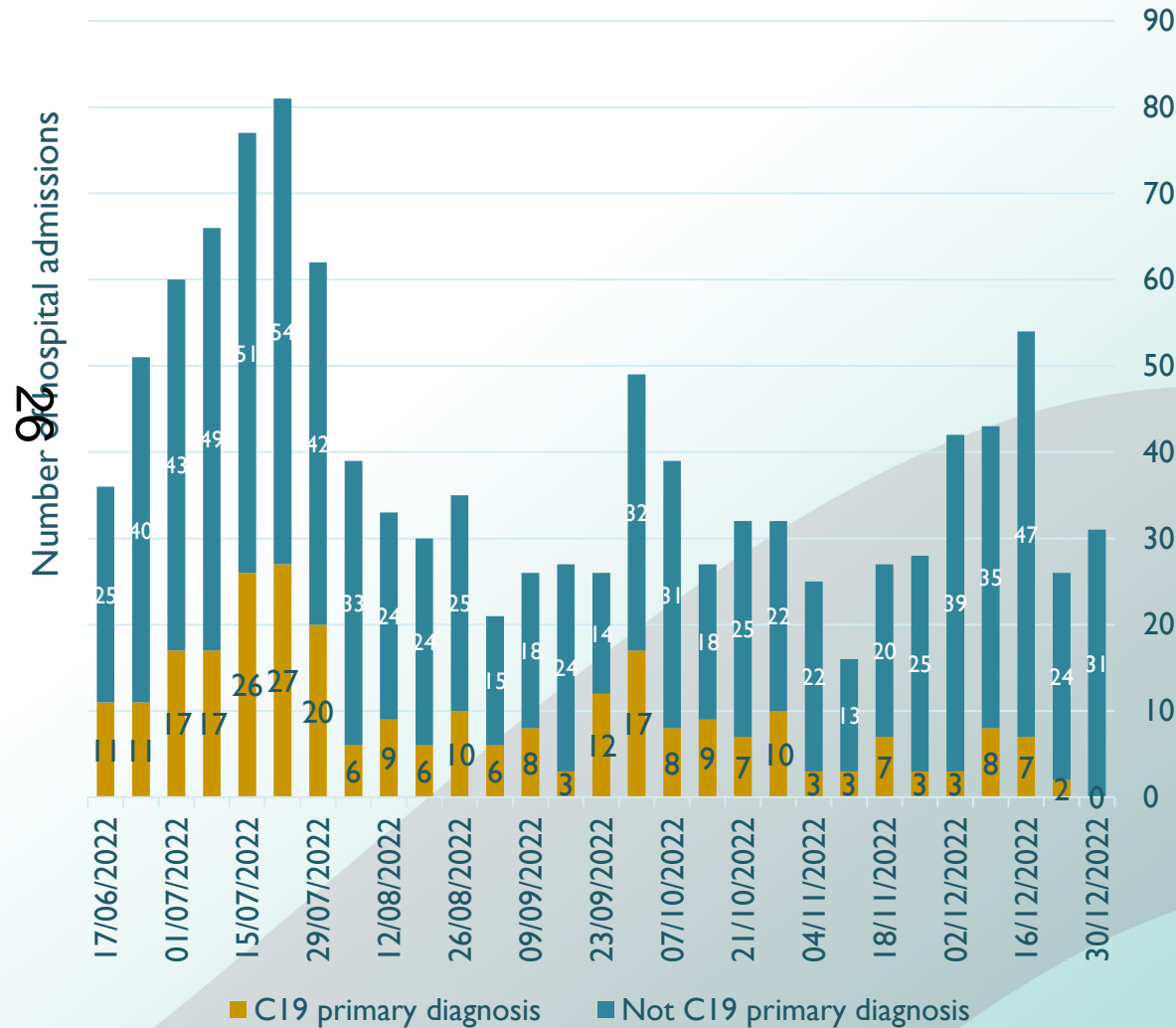
**COVID-19 hospital cases by trust:** The number of current COVID-19 hospital cases by trust can be seen below.  
**Please note:** A population rate cannot be calculated because population estimates are not available by trust. The trusts listed below include our neighbours and comparators. The population sizes and demographics that each trust serves differs considerably.

## COVID-19 patients by hospital trust - trend



Leicester resident admissions: COVID-19 admissions and the number of COVID -19 patients at UHL can be seen in the charts below.

### COVID-19 hospital admissions in Leicester by week



### Leicester resident COVID-19 patients at UHL





**Leicester, Leicestershire  
and Rutland**

# Leicester City HOSC

## Vaccination Programme Update

27

**Kay Darby**  
**Deputy Director LLR Vaccination Programme**

**17 January 2023**

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and Rutland**  
Health and Wellbeing Partnership

# Flu 2022-23 uptake: LLR

28

| Flu vaccination uptake at 3 January | Eligible population | Received a vaccine dose % | Doses administered to eligible population | % Increase on previous week | Remaining eligible population |
|-------------------------------------|---------------------|---------------------------|---|-----------------------------|-------------------------------|
| <b>City</b>                         | 245,803             | 38.81%                    | 95,385                                    | 0.43%                       | 150,418                       |
| <b>County</b>                       | 461,164             | 55.36%                    | 255,301                                   | 0.41%                       | 205,863                       |
| <b>Rutland</b>                      | 29,231              | 62.30%                    | 18,211                                    | 1.33%                       | 11,020                        |
| <b>Total LLR</b>                    | <b>736,229</b>      | <b>50.11%</b>             | <b>368,902</b>                            | <b>0.45%</b>                | <b>367,327</b>                |

## Eligible cohorts

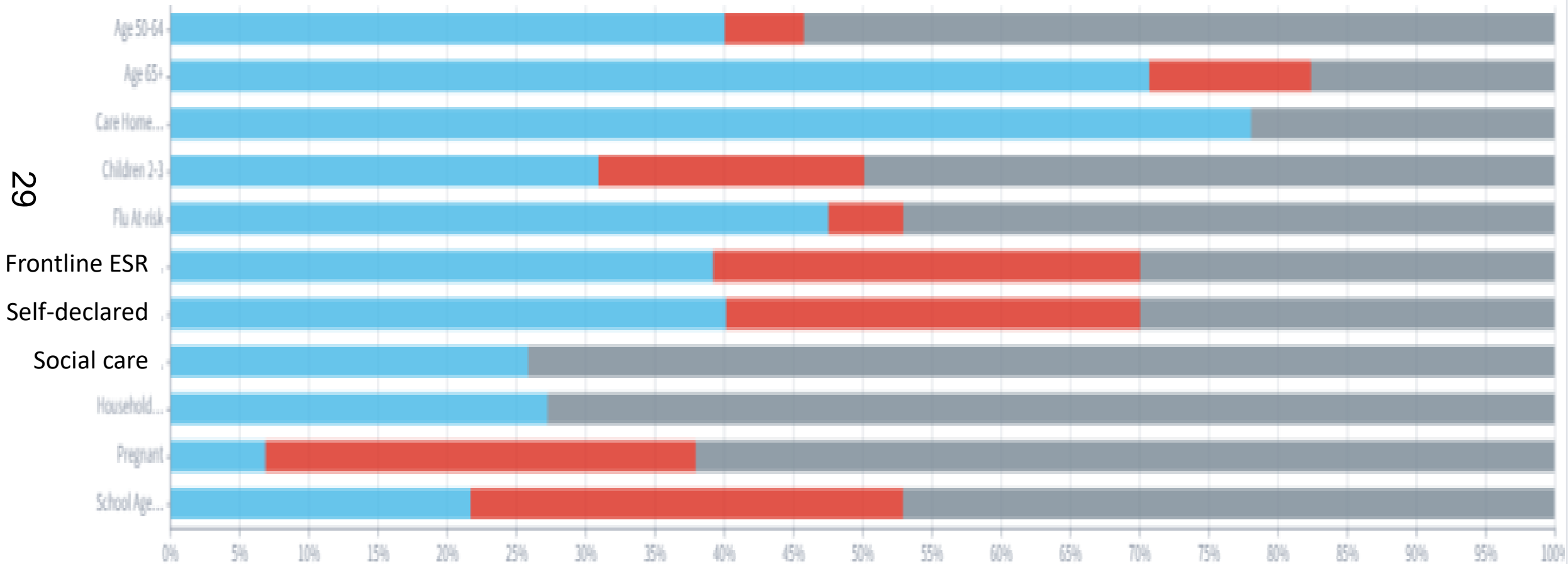
- Adults aged 50 & over
- Children: 2 & 3 & school-age
- Care home residents
- Flu at risk ie LD
- Frontline healthcare workers
- Frontline social care workers
- Household contacts of immunosuppressed
- Pregnant women

# FLU 2022-23 uptake: City

(Percentage)

Remaining Eligible Remaining Target 2020 Baseline Vaccinated

29



245,802

Eligible Population

38.82%

Received a vaccine dose

↑0.44% on previous week

95,426

Doses administered to Eligible Population

(Source: Foundry 04/0/2023)

# Evergreen offer uptake

30

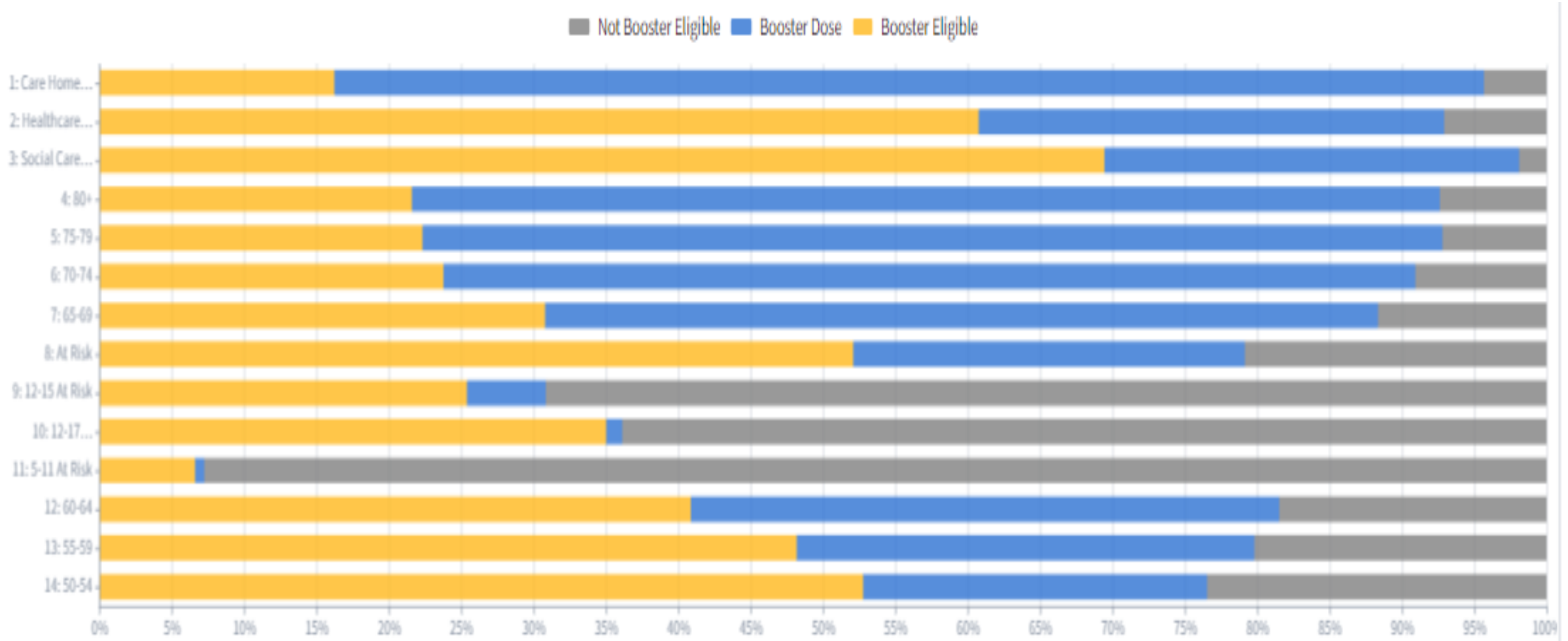
| Covid-19 vaccination evergreen uptake at 20 December | Evergreen eligible population | First dose     | Second dose    | Third dose (immuno-suppressed only) | Received a vaccine dose of eligible population | Received a second dose of eligible population |
|--|-------------------------------|----------------|----------------|-------------------------------------|--|---|
| <b>City</b>  | 428,770                       | 285,568        | 265,636        | 2,701                               | 66.6%  | 62.0%   |
| <b>County</b>  | 674,874                       | 543,313        | 522,989        | 7,987                               | 80.5%  | 77.5%   |
| <b>Rutland</b>                                       | 40,622                        | 34,916         | 33,645         | 592                                 | 86.0%  | 82.8%   |
| <b>Total LLR</b>                                     | <b>1,144,383</b>              | <b>863,853</b> | <b>822,313</b> | <b>11,281</b>                       | <b>75.5%</b>                                   | <b>71.9%</b>                                  |

# Covid-19 seasonal booster uptake 50+ & at risk

| Covid-19 vaccination uptake at 3 January | Booster eligible population | Received a booster vaccine dose % | Booster doses administered to eligible population | % Increase on previous week | Remaining eligible population to receive booster dose |
|--|-----------------------------|-----------------------------------|---|-----------------------------|---|
| City                                     | 153,314                     | 46.9%                             | 71,949  | 0.7%                        | 81,335  |
| County                                   | 342,925                     | 66.7%                             | 228,676   | 0.4%                        | 114,249   |
| Rutland                                  | 22,831                      | 76.5%                             | 17,460  | 1.8%                        | 5,371   |
| <b>Total LLR</b>                         | <b>519,070</b>              | <b>61.3%</b>                      | <b>328,730</b>                                    | <b>0.6%</b>                 | <b>200,985</b>  |

# Covid-19 seasonal booster uptake 50+ & at risk (percentage): **City**

32



186,282

Total Population

153,330

Booster Eligible Population

71,782

Booster Doses

71,782

Booster Doses (of eligible population)

46.8%

Received a Booster Dose (of eligible population)

↑0.6% on previous week

(Source: Foundry 04/01/2023)





# City booster & flu uptake: Older adult care homes

## COVID-19 Booster

- Eligible population: 1,209
- Booster doses given: 1,004 (83.0%)

## Flu Vaccination

- Eligible population: 1,267
- Booster doses given: 988 (77.98%)

33

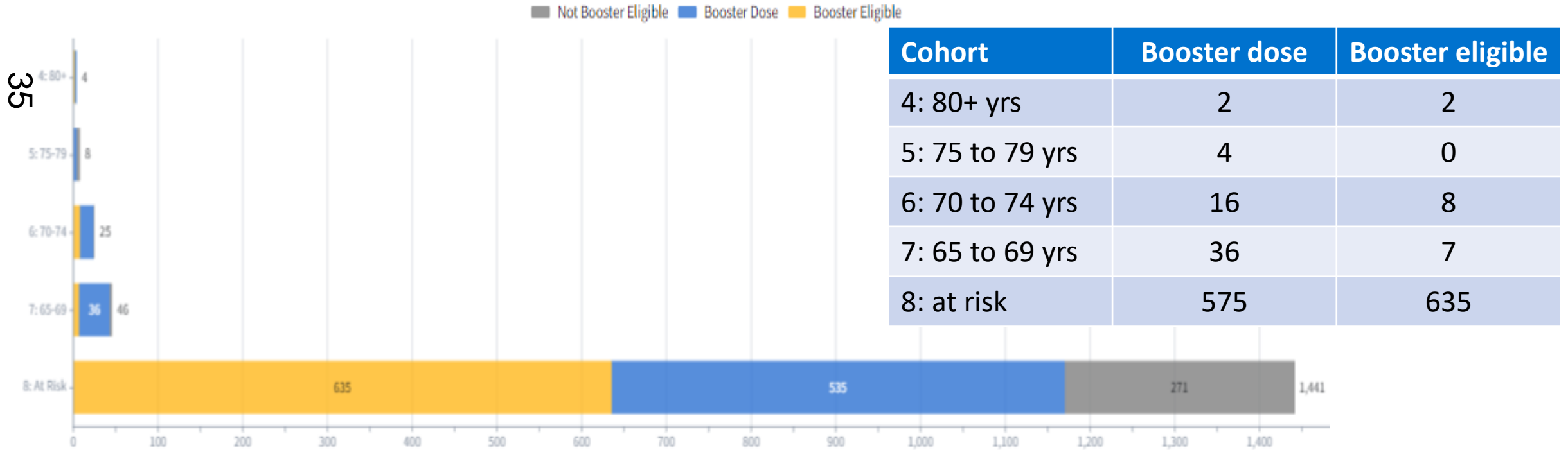
# Housebound performance

- 7,077 (92%) of the cohort have received their booster vaccination.
- An increase of 17 doses on the previous week

| Region  | Population | Total administered | Total remaining | % Administered | % Remaining |
|---------|------------|--------------------|-----------------|----------------|-------------|
| City    | 2,409      | 2,011              | 398             | 83%            | 17%         |
| County  | 4,916      | 4,685              | 231             | 95%            | 5%          |
| Rutland | 378        | 381                | -3              | 101%           | -1%         |
| Total   | 7,703      | 7,077              | 626             | 92%            | 8%          |

# Learning disability uptake performance: **City**

- City LD clinic held at Highcross retail centre held on 14 December & 17 LD patients vaccinated.
- Further clinics to be held on 17<sup>th</sup> January, 17<sup>th</sup> February & 17<sup>th</sup> March at Loughborough Hospital & at Jalaram Community Centre on 7<sup>th</sup> February.



1,524

Total Population

1,245

Booster Eligible Population

593

Booster Doses

593

Booster Doses (of eligible population)

47.6%

Received a Booster Dose (of eligible population)

↑0.5% on previous week

(Source: Foundry 04/01/2023)

## MVU & hyperlocal vaccination performance

| Sites / location | Costco (MVU1)                            | Belvoir shopping centre (MVU2)          | Drive-through County Hall               | Highcross retail centre                 | Asylum seeker / refugee                 | Specialist LD clinic Loughboro' Hospital |
|------------------|--|---|---|---|---|--|
| Date             | 19 <sup>th</sup> to 21 <sup>st</sup> Dec | 23 <sup>rd</sup> & 24 <sup>th</sup> Dec | 22 <sup>nd</sup> & 23 <sup>rd</sup> Dec | 30 <sup>th</sup> & 31 <sup>st</sup> Dec | 28 <sup>th</sup> & 29 <sup>th</sup> Dec | 14 <sup>th</sup> Dec                     |
| COVID            | 30                                       | 31                                      | 71                                      | 170                                     | 15                                      | 17                                       |
| Flu              | 6  | --                                      | 32                                      | 39                                      | --                                      | --                                       |

## Mobile vaccination vehicle CITY locations

\*New location

| Event / location                            | MSOA area   | Operational dates                           | Operational times     |
|---|-------------|---|-----------------------|
| Christ the King Church food bank            | LE4         | 9 <sup>th</sup> January                     | 10am to 5pm           |
| Inclusion Health (homeless / asylum cohort) | City centre | 10 <sup>th</sup> January                    | Times to be confirmed |
| Highfields Library                          | LE2         | 16 <sup>th</sup> January                    | 10am to 5pm           |
| Salvation Army, Narborough Rd               | LE3         | 17 <sup>th</sup> January                    | 10am to 5pm           |
| Sainsburys, Melton Rd                       | LE4         | 23 <sup>rd</sup> & 24 <sup>th</sup> January | 10am to 5pm           |
| *Welbourne Hall, Highfields                 | LE2         | 31 <sup>st</sup> January                    | Times to be confirmed |
| *London Rd Eye Hospital                     | LE2         | 30 <sup>th</sup> January                    | Times to be confirmed |
| LD clinic: Jalaram Community Centre         | LE3         | 7 <sup>th</sup> February                    | Times to be confirmed |



## Inequalities initiatives

- Super vaccinators: to provide 'cradle to grave' vaccinations, operating from city GP practices
- SEN CYP: home visits vaccination offer
- LD clinics: dedicated clinics operating from city locations providing personal LD health checks & vaccination
- Chronic conditions: vaccination team operating in UHL outpatient clinics
- COPD: progressing pilot activity with 4 GP practices with historical low uptake on flu & Covid vaccinations & with high numbers of COPD patients resident in deprived communities
- Implementing consistent MECC approach across all vaccination clinics aligned to local PH health & screening campaigns ie UHL cancer awareness team operating out of Highcross retail centre clinic
- Dedicated homeless/rough sleeper & asylum seeker/refugee clinics planned for 11<sup>th</sup> January
- Continuous liaison with asylum/refugee accommodation providers to maintain vaccination offer for all new arrivals
- Mobile vaccination units use data, insight & local intelligence, in conjunction with discussions with local public health teams, to select areas of low vaccine take-up to target with hyper-local offers.



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# Leicester Alcohol Harm Reduction Strategy Implementation

For consideration by: Health and Wellbeing Scrutiny  
Commission

Date: 17<sup>th</sup> January 2023

Lead director: Ivan Browne

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## Useful information

- Ward(s) All
- Report author: Dr Robyn D'Cruz
- Author contact details: [robyn.dacruz@leicester.gov.uk](mailto:robyn.dacruz@leicester.gov.uk)

## 1. Purpose of report

This paper provides an update on the implementation of the Leicester City Alcohol Harm Reduction Strategy since its launch in September 2022. This includes the development of an Alcohol Strategy Implementation Group and its planned way of working.

## 2. Report Summary

### 2.1 Alcohol harm

In the UK, alcohol misuse is the biggest risk factor for death, ill-health and disability among 15–49-year-olds and the fifth biggest risk factor across all ages. Alcohol use has health and social consequences for individuals, their families, and the wider community<sup>1</sup>.

Changes in drinking patterns in England were observed during the Covid-19 pandemic. There was an increase in the number of higher risk drinkers, and the heaviest drinkers increased their consumption by the greatest amount. These changes in alcohol consumption have continued beyond the national lockdowns in 2020/21.

A modelling study considered the impact of changes in alcohol consumption on future alcohol-related harm. The study concluded even if the changes seen to alcohol consumption were short-lived, this would still result in a significantly increased health and economic burden in England. If drinking patterns do not revert to pre-pandemic patterns, the disease burden will be far higher<sup>2</sup>.

Regarding the local picture, a Health Needs Assessment is currently underway to look at substance misuse including alcohol within Leicester.

### 2.2 The Leicester City Alcohol Harm Reduction strategy

The aim of the strategy is 'To reduce alcohol harm in Leicester in all its forms'. We will do this through a partnership approach. It is recognised that reducing alcohol harm is not the responsibility of any single agency and cannot be achieved through siloed efforts. It can only be achieved through strong partnership working as alcohol harm has many facets and is influenced by various factors.

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<sup>1</sup> Local Alcohol Profiles for England, Fingertips. Available from: <https://fingertips.phe.org.uk/profile/local-alcohol-profiles>

<sup>2</sup> The COVID hangover: Addressing long-term health impacts of changes in alcohol consumption during the pandemic, Institute of Alcohol Studies & Health Lumen



After reviewing the alcohol needs in Leicester six priority areas were developed to help achieve the overall aim of the strategy with action plans sitting under each of the following priority areas:

- Promoting a culture of responsible drinking
- Protection of children, young people, and families from harm
- Improved health and wellbeing through early identification and recovery focussed treatment
- Promoting responsible selling of alcohol
- Reducing alcohol related crime, disorder, and anti-social behaviour
- Emerging issues

### 2.3 The Launch Event

The Alcohol Harm Reduction Strategy Launch event was held on the morning of the 30<sup>th</sup> September at City Hall. 70 attendees were present at the launch.

The programme included a keynote address from Jonathan Ashworth MP as well as talks on a wide range of topics ranging from the need for the alcohol strategy to the outcomes of the fibro scan pilot. There were also 12 stalls at the event hosted by a range of stakeholders including the Last Order project, Drinkaware and Dear Albert.

Feedback forms were sent out following the launch event with 11 responses received.

The following feedback was obtained:

- Regarding the organisation of event – 100% of responses were satisfied or very satisfied.
- Regarding the venue for the launch event – 100% of responses were very satisfied
- Regarding the format of event – 100% of responses were satisfied or very satisfied.
- Regarding the presentation of information at the event – On a scale of 1 (Very informative) to 5 (Not informative), 64% of responses rated the event 1 or 2
- Regarding the exhibition stalls at the event – On a scale of 1 (Very informative) to 5 (Not informative), 55% of responses rated the event 1 or 2
- When asked about the most useful part of the event, networking was the most common answer. The stalls, consistent messaging and signposting to different areas of Leicester City Council were also mentioned.
- The feedback regarding areas for improvement included a desire to have time for questions at the event, opportunities to view the strategy prior to the event and opportunities to formally meet stakeholders in a workshop environment.

## 2.4 Strategy Implementation

A public health specialty registrar has taken on the role of leading the implementation of the alcohol strategy following the launch event. The registrar has begun work to re-establish and refine the multi-agency board which was involved in the development of the strategy. This work is overseen by a Consultant in Public Health.

## 2.5 Initial workshop

An initial workshop was organised to bring stakeholders together and to establish how to move into the implementation phase of this work. The workshop was held on the 17<sup>th</sup> November 2022 at City Hall. The workshop was attended by 24 individuals from a range of organisations including the Police, Treatment and Recovery services, Licencing and many others. The workshop attendees included those who were involved in the writing of the strategy, those who attended the launch and other relevant partners.

Given the large number of stakeholders involved, the model of working was discussed at the workshop. It was agreed there would be 3 task and finish groups feeding into an overarching strategy implementation group (See appendix 1). The task and finish groups are aligned with the strategy priority areas and they will each work towards the actions which sit underneath these priority areas within the strategy.

At the workshop membership of the task and finish and oversight groups was also discussed and time was allocated for the groups to have initial conversations around the next steps for the groups including selecting a chair of the group, initial priorities, additional members and arranging the first meeting.

## 2.6 Task and finish groups

### *1. Responsible drinking, selling and reducing disorder task and finish group*

#### Priority areas:

- Promoting a culture of responsible drinking
- Promoting responsible selling of alcohol
- Reducing alcohol related crime, disorder, and anti-social behaviour
- Emerging issues

This group is to be chaired by the City Centre Director. This group has diverse membership including Licencing, the Police, and Communications team colleagues. The group had their first meeting on the 28<sup>th</sup> November 2022. The initial meeting was predominantly discussion based and centred on the existing work of group members and initial priorities which include the Best Bar None and Purple Flag accreditation initiatives. The next steps for this group include mapping the work of the group against the actions in the strategy.

## *2. Children and families harm reduction task and finish group*

### Priority areas:

- Protection of children, young people, and families from harm
- Emerging issues

At the initial workshop there was limited attendance from members of this group and a chair has yet to be determined. Therefore, further conversations are required with relevant stakeholders to establish the group. An initial meeting will take place in the new year to establish the initial priorities for the group. Learning from the other task and finish groups will be utilised in the formation of this group.

## *3. Improved health and wellbeing task and finish group*

### Priority areas:

- Improved health and wellbeing through early identification and recovery focussed treatment
- Emerging issues

This group is to be chaired by the Substance Misuse Lead Commissioner. The group membership includes Treatment and Recovery services, Integrated Care and Mental Health colleagues. The initial meeting will take place on the 15<sup>th</sup> December 2022.

## 2.7 Alcohol Strategy Implementation Group

The initial meeting of the Alcohol Strategy Implementation group took place on the 8<sup>th</sup> December 2022. At the meeting updates from the task and finish groups were presented and discussed with shared learning occurring between groups. Communications team colleagues presented their initial ideas for Dry January which group members were able to input into. Going forwards this group will act as a coordinating group and will review task and finish group progress and priorities. The next meeting is planned for mid-January 2023.

## 2.8 Governance arrangements

The Task and finish groups will meet monthly initially whilst they become established. The chairs of the task and finish groups will report into the Strategy Implementation group (SIG) which meets every 6 weeks. The chair of the SIG will report the to the Health and Wellbeing board on an annual basis.

## 2.9 Next steps

- The findings of the Substance Misuse HNA will be presented at the next Alcohol Strategy Implementation Group in January with the information then shared with the task and finish groups.
- To continue to develop the two task and finish groups which have currently been created. This will include members selecting priority actions and feeding back on progress on these.
- Further conversations will be required with stakeholders to establish a Children and families harm reduction task and finish group. An initial meeting will be held once sufficient group members have been identified.

## **3. Recommendations**

- 3.1 Scrutiny members are asked to receive the update regarding the implementation of the Leicester City Alcohol Harm Reduction strategy and to support its continued progress.

## **4. Financial, Legal and other implications**

### Financial implications

There are no direct financial implications resulting from the report, as its just an update on the implementation of the Alcohol Harm Reduction strategy.

Yogesh Patel – Accountant (ext 4011)

### Legal implications

The report is an update and therefore there are no direct implications arising.

*Mannah Begum, Principal Solicitor (Commercial and Contracts Legal) Ext: 1423*

### Climate Change and Carbon Reduction implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

### Equalities implications

The report is an update and therefore there are no direct equality implications arising from it. However, going forward need to ensure that equality considerations are

taken into account and equality impact assessments carried out as appropriate as the Leicester Alcohol Harm Reduction Strategy is implemented.

Sukhi Biring, Equalities Officer, 454 4175

## 5. Supporting information / appendices



Proposed model of  
working November 2:

5.1 Appendix 1: Model of working

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

No

**7. Is this a “key decision”?**

No



# Council

Date: draft for 22<sup>nd</sup> February 2023

## Revenue Budget 2023/24

Lead director: Director of Finance

DRAFT



City Mayor

## Useful information

■ Ward(s) affected:

■ Report author: Catherine Taylor/Mark Noble

■ Author contact details: [catherine.taylor@leicester.gov.uk](mailto:catherine.taylor@leicester.gov.uk)  
[mark.noble@leicester.gov.uk](mailto:mark.noble@leicester.gov.uk)

■ Report version number: 1

### 1. Purpose

1.1 The purpose of this report is to 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):

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

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 17<sup>th</sup> 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 (taxi 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 17<sup>th</sup> 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:

|  | <b>£m</b>          |
|--|--------------------|
| 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)             |
| <b>Balance Remaining for 2024/25</b>         | <b><u>22.0</u></b> |

## 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 31<sup>st</sup> 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**  
**13<sup>th</sup> December 2022**

**Budget Ceilings (provisional)**

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



**Budget Ceilings (provisional)**

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

**Budget Ceilings (provisional)**

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

**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.

DRAFT

**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 city<sup>1</sup> (excluding those registered as exempt, such as student households).
- 2.2 All non-exempt working age households in Leicester are required to contribute towards their council tax bill. Our current council tax support scheme (CTSS) requires working age households to pay at least 20% of their council tax bill and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience.
- 2.3 Council tax support for pensioner households follows different rules. Low-income pensioners are eligible for up to 100% relief through the CTSS scheme.

**3. How are they affected?**

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

| <b>Band</b>  | <b>No. of Properties</b> | <b>Weekly increase</b> | <b>Minimum Weekly Increase under CTSS</b> |
|--------------|--------------------------|------------------------|---|
| A-           | 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                                     |
| <b>Total</b> | <b>133,370</b>           |                        |   |

<sup>1</sup> 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**

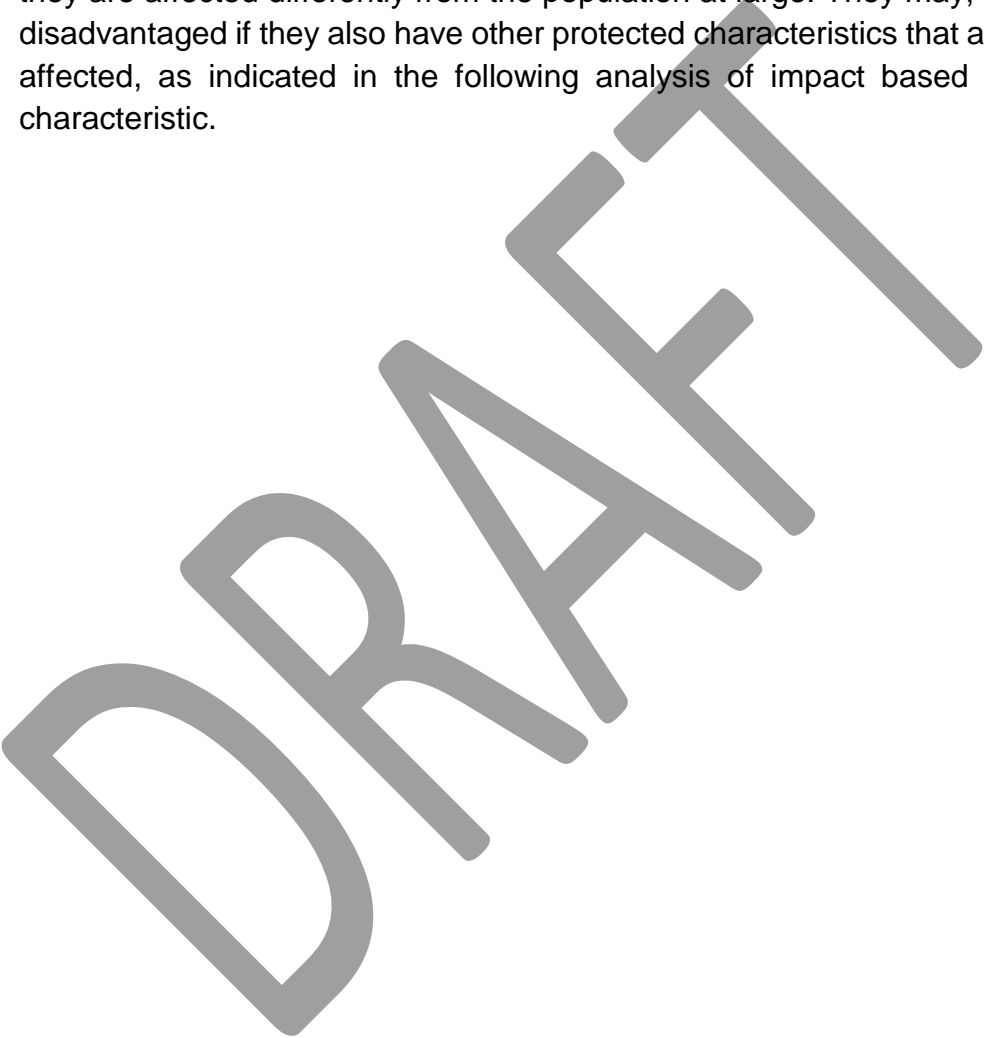
- 5.1 The Council has a range of mitigating actions for residents. These include: funding through Discretionary Housing Payments, Council Tax Discretionary Relief and Community Support Grant awards; the council's work with voluntary and community sector organisations to provide food to local people where 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.



## Analysis of impact based on protected characteristic

| Protected characteristic         | Impact of proposal:  | Risk of negative impact:  | Mitigating actions:  |
|----------------------------------|--|---|--|
| <b>Age</b>                       | <p>Older people (pension age and older) are least affected by a potential increase in council tax and can access more generous (up to 100%) council tax relief. However, in the current financial climate, a lower council tax increase would require even greater cuts to services in due course. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as older people are the primary service users of Adult Social Care.</p> <p>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.   |
| <b>Disability</b>                | <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. |
| <b>Gender Reassignment</b>       | No disproportionate impact is attributable specifically to this characteristic.  |   |  |
| <b>Pregnancy &amp; Maternity</b> | No disproportionate impact is attributable specifically to this characteristic (although see below for childcare costs; and the impacts on lone parents).  |   |  |

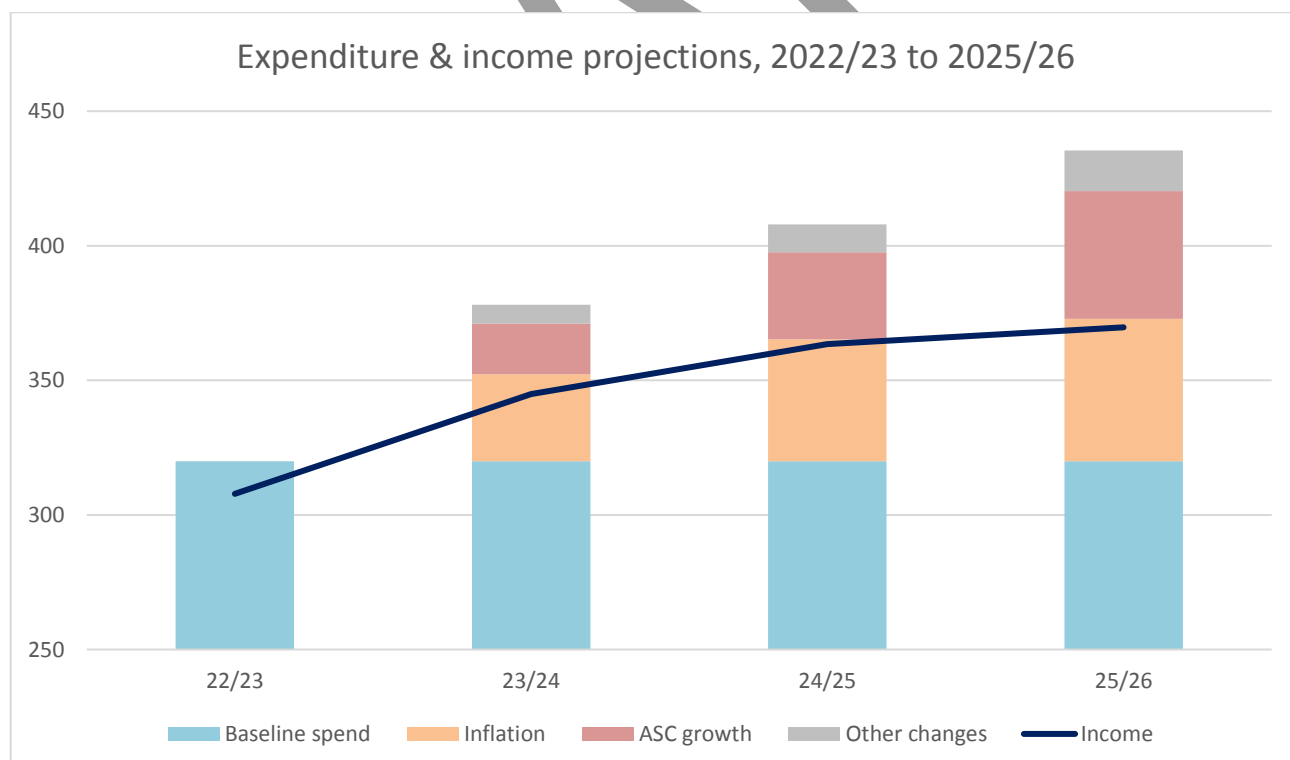


| Protected characteristic  | Impact of proposal:   | Risk of negative impact:   | Mitigating actions:  |
|---------------------------|---|--|--|
| <b>Race</b>               | Those with white backgrounds are disproportionately on low incomes (indices of multiple deprivation) and in receipt of social 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.                       |
| <b>Religion or Belief</b> | No disproportionate impact is attributable specifically to this characteristic.   |  |  |
| <b>Sex</b>                | Disproportionate impact on women who tend to manage household budgets and are responsible for childcare costs. Women are disproportionately lone parents, 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.<br><br>Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on managing household budgets. |
| <b>Sexual Orientation</b> | 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:

|  | <b>2023/24</b><br>£m | <b>2024/25</b><br>£m | <b>2025/26</b><br>£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                 |
| <b>Expenditure total</b>                   | <b>378.0</b>         | <b>407.9</b>         | <b>435.4</b>         |
| 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                  |
| <b>Income Total</b>                        | <b>344.9</b>         | <b>363.4</b>         | <b>369.6</b>         |
| <b>Indicative Budget gap</b>               | <b>33.1</b>          | <b>44.5</b>          | <b>65.8</b>          |

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:

|                              | <b>Assumptions – central scenario</b>   | <b>Risks &amp; alternative options modelled</b>  |
|------------------------------|---|--|
| <b>Expenditure</b>           |   |  |
| 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 <b>300%</b> in April 2023, whilst electricity prices will rise by <b>40%</b> in October 2023.<br><br>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.<br><br>This will require action in the Department to remain within these spending totals<br><br>Increases in the National Living Wage will also add to costs.<br><br>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.<br><br>Home-to-school transport costs are also an area of significant pressure, and will require action to remain within budgets.   |

| <b>Income</b>    |   |  |
|------------------|---|--|
| 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<br>March 2022 |
|--|-------------------------------|
|  | £000                          |
| <b>Ring-fenced Reserves</b>                          |                               |
| 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                        |
| <b>Total Ring-fenced Reserves</b>                    | <b>74,201</b>                 |
| <b>Corporate Reserves</b>                            |                               |
| 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                         |
| <b>Total Corporate Reserves</b>                      | <b>218,206</b>                |
| <b>Earmarked Reserves Departmental</b>               |                               |
| 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                           |
| <b>Total Other Reserves</b>                          | <b>49,606</b>                 |
| <b>Total Earmarked Reserves</b>                      | <b>342,013</b>                |

## Health and Wellbeing Scrutiny Commission

### Work Programme 2022-23

| Date       | Topic   | Notes  |
|------------|---|--|
| 21 Jun 22  | <ol style="list-style-type: none"> <li>1. COVID19 Vaccination Progress &amp; Vaccination Champions Update</li> <li>2. Emerging Trends &amp; Ongoing Health Issues</li> <li>3. Rough Sleepers Drug and Alcohol treatment Programme</li> </ol>  | <p>Note: the UHL accounts will be taken as a verbal update at Joint Health on 27 June 2022</p> <ol style="list-style-type: none"> <li>1. Information on current infection rates and the £485k Vaccinations Champions funding was requested by the Commission.</li> <li>2. Suggested item to cover updates on health-related issues</li> <li>3. Request for Members of Housing Scrutiny to be invited for this item.</li> </ol> |
| 11 Aug 22  | <ol style="list-style-type: none"> <li>1. Update on COVID19/Vaccination Programme &amp; Emerging Health Issues</li> <li>2. CQC Report: Urgent/Emergency Care across LLR (UHL)</li> <li>3. Leicester Health, Care and Wellbeing Strategy 2022-2027 (ICS Place Led Plan)</li> <li>4. Update on Sexual Health Services / Contraception and PrEP (Pre-exposure to HIV) service</li> <li>5. 0-19 Commissioning Update</li> </ol> | <ol style="list-style-type: none"> <li>3. Following the approval from the HWB Board.</li> <li>4. Update report expected on an annual basis.</li> <li>5. Item deferred from the previous year due to COVID.</li> </ol>  |
| 21 Sept 22 | Joint meeting with CYPE and ASC on the Local Plan   |  |

| Date      | Topic   | Notes  |
|-----------|---|--|
| 6 Oct 22  | 1. Update on the ICS structure<br>2. Autumn/Winter Vaccination Update (including vaccinations in care homes)<br>3. Winter Planning<br>4. Results of 'How are you, Leicester?'<br>5. Safeguarding Adults Annual Report<br>6. Cost of Living Impact<br><br>(Joint Meeting with ASC) | 1. Updated structure for both Commissions<br>2. Joint working on this item between ICS and the Council<br>3. As above<br>4. Survey was conducted by the Council over the summer, with the consultation ending in June.<br>5. Partnership report: for information<br>6. Additional item of interest that was agreed   |
| 1 Dec 22  | 1. Colour Dyers Ltd – Update<br>2. School Nursing Provision<br>3. Task Group Report – BLM and NHS Workforce   | 1. This matter was predominantly dealt with by the Neighbourhood Services commission on 15 November. A verbal position statement will be provided by the Chair.<br>2. Scheduled update following last year – (joint item with CYPE)<br>3. Findings and recommendations of the Health Scrutiny's Task Group to be presented before going to OSC for endorsement.<br>4. Requested by the Chair in October as a result of national news coverage and previous interest by the commission. |
| 17 Jan 23 | 1. Access to Community Pharmacy Services Update<br>2. Winter Urgent/Emergency Care provision – update<br>3. Winter Flu update<br>4. Alcohol Strategy Update<br>5. Draft General Fund Revenue Budget 2023-24   | 1. This item will be the predominant focus of the meeting, given the interest shown by the Commission in June 2022.<br>2. Short report and verbal update outlining the latest position<br>3. To be presented by the ICB – with input from Public Health<br>4. Report requested previously<br>5. Standard item to be taken to all commissions as part of the budget-setting process.  |



| Date      | Topic   | Notes  |
|-----------|---|--|
| 16 Mar 23 | <ol style="list-style-type: none"> <li>1. Access to GP Surgeries Update</li> <li>2. Tobacco Control (Public Health)</li> <li>3. The work of No.5</li> <li>4. Maternity Services Update</li> <li>5. 0-19 Healthy Child Programme Consultation</li> </ol> | <ol style="list-style-type: none"> <li>1. Agreed to be taken separate to the Access to Community Pharmacies item in January.</li> <li>2. Scheduled update following last year – may be subject to change</li> <li>3. Item requested by Chair following the No 5 visit in September 2022.</li> <li>4. Deferred from meeting on 1 December</li> <li>5. To be presented as part of the consultation process.</li> </ol> |

### Forward Plan Items

| Topic  | Detail  | Proposed Date                                |
|--|---|--|
| Health & Care section of Forward Plan - <b>No decisions</b> due to be taken under this heading for the current period (on or after 1 May 2022) |   |  |
| The operation of Patient Participation Groups  | Requested at joint ASC/HWB scrutiny meeting on 6 October  | TBC  |
| Health Inequalities Update – impact of the cost-of-living crisis   | Likely to be a public health/NHS joint item.  | Part of 2023/24 work programme.              |
| Self-neglect   | Arising from the joint scrutiny discussion on the Safeguarding Adults Panel, a report on this was requested – possibly for the next Joint Scrutiny meeting. | TBC  |
| Oral Health Services   | A further report to be brought to the commission in 2023/24   | Part of 2023/24 work programme.              |
| Virtual Wards  | An update on this work to be brought in 2023  | Part of 2023/24 work programme.              |
| Winter Planning  | Update requested at Joint ASC/HWB meeting on 6 October – likely to go to the next joint ASC and HWB meeting - TBC   | At the next joint ASC/HWB commission meeting |

| Topic   | Detail   | Proposed Date   |
|---|--|---|
| Review Report – BLM and NHS Workforce: response to recommendations                            | A response report to the task group recommendations to be provided by health partners.   | TBC   |
| Mental Health Strategy Update   | Likely to be part of the next ASC/HWB joint scrutiny meeting   | BC  |
| Updates on Obesity (whole systems approach)   | Completed in Dec 2021, an update requested in the next cycle of meetings.  | TBC   |
| Consultation Response to UHL Reconfiguration; now <b>Updates on Reconfiguration Proposals</b> | Consultation response covered at both HWB and JHOSC in July 2021. Updates expected on; birthing unit, budget changes for the reconfiguration, backlog of repairs, primary urgent care locations. An update to be taken to JHOSC on 6 February. | Covered in July 2021, with progress updates expected at future meetings |
| Integrated Care Services (ICS)  | In January 2022, the Commission requested a diagram explaining the structure of the ICS and sharing the draft constitution, once ready. An update to be taken to JHOSC on 6 February.  | June 2022, with further updates expected later.                         |
| Air Quality Pollution   | Joint item with EDTCE  | TBC 2022/23   |
| Health and Wellbeing Strategy   | Progress update since it was launched in 2019  | Part of the 2023/24 work programme                                      |