

Leicester
City Council

**AGENDA MEETING OF THE OVERVIEW AND SCRUTINY
MANAGEMENT BOARD**

DATE: THURSDAY, 13 JANUARY 2011
TIME: 5:30PM
PLACE: THE OAK ROOM, GROUND FLOOR, TOWN HALL

Members of the Committee

Councillor Grant (Chair)
Councillor Bhavsar (Vice-Chair)

Councillors Aqbany, Bajaj, Clair, Joshi, Newcombe, Scuplak, Suleman
and one vacancy.

Standing Invitees (Non-Voting)

Youth Council Representatives – to be advised

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

for Director, Corporate Governance

Officer contact :Francis Connolly
Democratic Support,
Leicester City Council

Town Hall, Town Hall Square, Leicester LE1 9BG
(Tel. 0116 229 8811 Fax. 0116 229 8819)

INFORMATION FOR MEMBERS OF THE PUBLIC

ACCESS TO INFORMATION AND MEETINGS

You have the right to attend Cabinet to hear decisions being made. You can also attend Committees, as well as meetings of the full Council. Tweeting in formal Council meetings is fine as long as it does not disrupt the meeting. There are procedures for you to ask questions and make representations to Scrutiny Committees, Community Meetings and Council. Please contact Democratic Support, as detailed below for further guidance on this.

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

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

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

WHEELCHAIR ACCESS

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BRAILLE/AUDIO TAPE/TRANSLATION

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

INDUCTION LOOPS

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

General Enquiries - if you have any queries about any of the above or the business to be discussed, please contact Francis Connolly, Democratic Support on (0116) 229 8812 or email francis.connolly@leicester.gov.uk or call in at the Town Hall.

Press Enquiries - please phone the Communications Unit on 252 6081

PUBLIC SESSION

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

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

3. MINUTES OF PREVIOUS MEETING

The Minutes of the meeting held on 7 December 2010 have been previously circulated and the Board is asked to confirm them as a correct record.

4. PETITIONS

Appendix A

The Director, Corporate Governance, to report on the receipt of any petitions submitted in accordance with the Council's procedures.

Following a request at the previous meeting, the Director, Housing Services, will be present to give evidence in relation to the petition objecting to the closure of the Thurnby Lodge Housing Office. A summary of background information is attached.

5. QUESTIONS/ REPRESENTATIONS/ STATEMENTS OF CASE

The Director, Corporate Governance, reported that there were no questions, representations or statements of case.

6. TRACKING OF PETITIONS - MONITORING REPORT

Appendix B

The Director, Corporate Governance submits a report that further updates Members on the monitoring of outstanding petitions. The Board is asked to note the current outstanding petitions.

7. CORPORATE EQUALITIES STRATEGY

Appendix C

The Director of Human Resources presents a revised corporate equality strategy which sets out how the Council aims to reduce inequality within the city as well as how it will meet its public sector equality duties. The Board is asked to consider and comment upon the revised strategy.

8. CALL-IN OF CABINET DECISION - DE MONTFORT HALL BUSINESS PLAN [Appendix D](#)

The Board is asked to consider a call-in submitted by five members of the Council regarding the 'De Montfort Hall Business Plan' which was submitted to Cabinet on 13 December 2010 on the grounds of inadequate consultation with the public and users and that the report was not supported by adequate equalities evidence (ie Equalities Impact Assessment) or set in a corporate budget context.

The relevant minute extract of the Cabinet Meeting held on 13 December 2010 is attached.

9. VERBAL UPDATE ON THE CITY GALLERY

Following the withdrawal of this item from the previous agenda, The Board will receive a verbal update on issues with regard to the City Gallery from the Director, Cultural Services.

10. HOUSING REVENUE ACCOUNT - BUDGET 2011/12 [Appendix E](#)

The Divisional Director, Housing Services and the Chief Finance Officer submits a joint report that summarises the financial position of the Housing Revenue Account (HRA) for 2010/11 and 2011/12 based on the draft Subsidy Determination. Members are asked to note that if there are any changes to these figures in the Final Determination they will be reported to Members at the meeting. The Board is asked to consider the report and advise Cabinet of its views on the recommendations.

11. HOUSING CAPITAL PROGRAMME 2010/11 AND 2011/12 [Appendix F](#)

The Divisional Director, Housing Services and the Chief Finance Officer submits a joint report that advises Members on the position at period 7 on this years capital programme, revises the forecast for the 2010/11 out-turn and proposes a one year housing capital programme for 2011/12, because of the uncertainty around housing finance at the present time. The Board is asked to consider the report and advise Cabinet of its views on the recommendations.

12. CARE QUALITY COMMISSION ANNUAL PERFORMANCE ASSESSMENT REPORT FOR ADULT SOCIAL CARE SERVICES [Appendix G](#)

The Strategic Director, Adults and Communities submits a report that advises Members of the Council of the Care Quality Commission's (CQC) Assessment of Adult Social Care Services rating for 2010. The Board is recommended to note the overall CQC Grade awarded to Leicester in 2009/10 and advise

Cabinet of its views on the recommendations.

The appendix to the report are attached for Members of the Board only. Further copies are available on the Council's Web Site at: <http://www.cabinet.Leicester.gov.uk> or by phoning Committee Services on 0116 229 8818.

13. CLIMATE CHANGE SUPPLEMENTARY PLANNING DOCUMENT **Appendix H**

The Director, Regeneration, Highways and Transportation submits a report that reports on the outcome of the public consultation for the draft Climate Change Supplementary Planning Document (SPD). The Board is asked to review the document and advise Cabinet of its views on the recommendations.

14. REPORT ON JOINT LEICESTER AND LEICESTERSHIRE WASTE DEVELOPMENT FRAMEWORK SITE ALLOCATIONS DEVELOPMENT PLAN DOCUMENT **Appendix I**

The Strategic Director, Development, Culture and Regeneration, submits a report that provides an update on progress on the preparation of the Council's Joint Waste Development Framework Site Allocations Development Plan Document (DPD). The Board is asked to review the document and advise Cabinet of its views on the recommendations.

15. ANY OTHER URGENT BUSINESS

Appendix A

Re : Petition – Temporary closure Thurnby Lodge Housing Office

04.01.2011 – Chrissie Field – Area Manager Rowlatts Hill & Humberstone Area Housing Offices

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- Due to reducing budgets, officers were requested to relinquish all agency staff by 4.10.2010.
- The LCC recruitment freeze meant that no replacements could be secured to offer cover for frontline services suffering from the above.
- A decision to close the least busy city Housing Office for part of the week on a temporary basis had to be taken until new frontline budgets could be confirmed.
- The least busy Housing Office was confirmed at the time as Thurnby Lodge Housing Office.
- Appropriate measures to agree closure of this office on it's least busy days (Tues, Weds & Thurs each week) was discussed at Senior Officer level.
- Local Ward Councillors were informed of the situation at the earliest opportunity by the Area Manager, Chrissie Field, and asked for their comments.
- Before appropriate publicity had been agreed, a public demonstration occurred.

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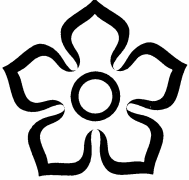
- A petition against the closure of the above office containing over 700 signatures was presented at Full Council on 25.11.2010 by Cllr Caroline Scuplak.
- The Lead Officer dealing with this petition, Chrissie Field, received a copy of the petition and petitioners signatures on 30.11.2010 and has since worked on a full resolution.
- All petitioners who could be identified (approx 550) were written to by the Lead Officer between 08.12.2010 and 15.12.2010 outlining the above. To date there has been no response back to the Lead Officer.

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- At the present time, budget constraints do not allow for any alternative arrangement with regard to the temporary closure of Thurnby Lodge Housing Office. The long-term situation will be resolved as part of the Council's normal budget setting process in January and February 2011.

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Leicester
City Council

WARDS AFFECTED
All Wards - Corporate Issue

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
Overview and Scrutiny Management Board

13 JANUARY 2011

Tracking of Petitions - Monitoring Report

Report of the Director of Corporate Governance

1. Purpose of Report

To further update Members on the monitoring of outstanding petitions.

2. Report

Since its meeting on 13 March 2008, the Overview and Scrutiny Management Board have been receiving information on petitions received within the Council to enable the Board to monitor their progress and outcomes.

An Exception Report, showing those petitions currently outstanding or for consideration at the current OSMB meeting, is attached.

Both the substantive list of petitions, with outcomes, along with the Exception Report, are lodged on the Council's Internet Site (Democracy Section), alongside associated current information which is also posted concerning guidance on the petition process.

Members will also note, that the schedule also contains a written representation of the current progress on each of the petitions. In summary, 'Green' denotes that the petition has been considered and responded to, 'Amber' denotes that the petition was being given consideration and work being undertaken on it before a final response and 'Red' denotes that the petition had not yet been given any detailed consideration.

In addition, following a systemic issue identified at the meeting of OSMB on 7 May 2009, all Divisional Directors have been asked to ensure that details of **all** petitions received direct into the Council (not just those formally accepted via a Council Meeting or similar) are passed to the Director of Corporate Governance for logging and inclusion on this monitoring schedule.

3. Recommendations

The Board is asked to note the current outstanding petitions.

4. Financial, Legal and Other Implications

There are no legal, financial or other implications arising from this report.

5. Background Papers – Local Government Act 1972

None

6. Consultations

Staff in all teams who are progressing outstanding petitions.

7. Report Author

Francis Connolly
Democratic Services Officer
Extn. 398812

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD
TRACKING OF PETITIONS –**

Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Cttee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
09/08/139	Councillor Gordon	Request for improved maintenance and facilities at Playground on Clarendon Park Road	(C)	112	Castle	3 September (C)	Adrian Russell	<p>Options for new play equipment on this site had been drawn up so that the pupils at Avenue Primary School could choose their favourites. The consultation with pupils took place in the Summer term.</p> <p>Members of OSMB indicated at their meeting on 13 May that they would ensure that this petition was strongly monitored to completion.</p> <p>A plaque in memory of Councillor Gordon and for the work he gave towards his local area had been prepared and will be displayed when the improved facilities open. Adrian Russell, Director Envornment, attended OSMB on 4th November 2010 and stated that some new items of equipment had been delivered. The schedule opening date is to be confirmed.</p>	At it's meeting on 13 May 2010, OSMB agreed to act as the lead for this petition.		AMBER

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Ctee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
09/11/159	Mr Joe Carroll	First Bus – Services in New Parks, Braunstone Frith and Kirby Frith	(P)	270	New Parks	25th November (C)	Jeff Miller	<p>A report was produced and provided to the Task Group Leader, a copy was sent to the Lead Petitioner. The report noted that the view of the bus company was that sufficient services were provided for the passenger numbers, but they would keep the matter under review. The Council had no powers to affect the number of services provided by the bus companies.</p> <p>Ward Councillors have raised concerns about the number of services provided in the area, the times at which they are provided and the routes that they took. Officers raised issues with First Bus at a meeting on 6 July. Discussions are continuing with First regarding these services and the concerns expressed by the petitioners.</p>	Councillor Hall undertook to discuss the response at a residents meeting.		AMBER

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Ctee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
10/05/001	Scott Kennedy-Lount	Petition requesting car parking facilities on Kelso Green, Eyres Monsell	(P)	28	Eyres Monsell	June (C)	Jeff Miller	<p>Officers held a site visit with Cllr. Cleaver on 2nd June to look into the issues of over-riding on the verge and bare ground problems at Kelso Green.</p> <p>A meeting took place which instigated consultation process with residents in the area. The majority of residents that responded would like to be able to park their cars in their front gardens.</p> <p>Detailed plans have been received from highways providing options and costs for improvements to Kelso Green. The residents concerned will be written to so that they are informed of the work that will be undertaken. Work is due to start early 2011, with a date for commencement to be confirmed, and be completed by March 2010.</p>			AMBER

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

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10/05/002	Scott Kennedy-Lount	Petition requesting security measures for communal area in Hesketh Avenue and Runcorn Close	(P)	10	Eyres Monsell	June (C)	Dave Pate	<p>Site visit took place in June to look at higher security gates. Officers in discussions with residents about improving security lighting for bungalows on the streets.</p> <p>Consultation is going ahead regarding the replacement of low level fences and gates with high level fences and gates, and security lighting.</p> <p>Around 50% of residents have completed a survey in relation to the issue and the majority would prefer to see high gates and security lighting installed. A quote is awaited for the new style plastic fencing, a response for which has been chased. Once this is received, officers will be seeking to gain funds for the project to be carried out.</p>			AMBER

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10/06/001	Councillor Cleaver	Petition request for a school crossing patrol on Hillsborough Road to get to Rolleston School.	(C)	181	Eyres Monsell	24th June 2010	Trevor Pringle	<p>Two previous attempts to recruit a new patroller at this site have proved unsuccessful.</p> <p>Further local recruitment advertising will take place after the half term holiday.</p> <p>An existing patroller who lived close to the school was offered the position but declined. A new recruitment campaign commenced on 2 November 2010.</p> <p>As a result of the local campaign, an application has been received from a local resident. The applicant has been interviewed and the appointment is progressing through the pre-employment checks (references, medical clearance, enhanced CRB check).</p>	An interim response was sent to the Lead Petitioner - 5 July 2010		AMBER
10/08/001	Councillor Shah	Petition objecting to removal of fence - Albermarle Close.			Humberstone and Hamilton	Council - 16 September 2010	Andrew Smith	<p>A letter has been sent to the lead petitioner by a planning officer which explains that the temporary fence will be retained until the development of the adjoining allotments takes place and that the removal of the fence would provide a safe link between Albermarle Close and the children's play area. Presently, the fence is planned to be removed. There is no set date for the removal of the fence as it would be once the development on the allotment site is completed.</p> <p>The response pro-forma has been completed and will be sent to the Task Group Leader.</p>			AMBER

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Ctee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
10/08/002	Vijyalaxmi Dattani	Petition - requesting repair or replacement of lift - Purcell Road, St Marks.			Latimer		Lynn Cave	<p>The problem is known to officers and the problems have been caused by vandalism rather than lift-condition. A residents meeting on the matter took place on 19 August 2010, and a technical examination has highlighted an issue with the 'safety gear' which needs to be addressed before the lift is placed back into service. As a result of vandalism, all lift doors and the operating drive are in the process of being changed for a heavier duty arrangement. The lift returned to service on 30 November 2010 and to date no new problems have arisen with the lift.</p> <p>The CCTV camera has been ordered and is expected to be installed during December. Building works and general electrical works to improve access into the lift motor room to provide improved lighting and additional safety features were completed on 15 October.</p>			AMBER
10/08/004	Miss Charles	Petition requesting cleaning improvements			City Wide		Adrian Russell	This petition was sent directly to the Divisional Director who produced a response report, recommending that officers from the street cleansing service and the City Wardens would jointly inspect each issue and feed them into relevant Community Meeting Ward Action Plans.	Response Report sent to Councillor Joshi in July 2010		AMBER
10/09/001	Councillor Dr Chowdhury	Petition requesting a residents parking scheme in the Guthlaxton Street Area	(C)	69	Spinney Hills	Council - 16 September 2010	Jeff Miller	Officers have compiled a response pro forma in consultation with the Ward Councillors. Officers have recommended to add the Guthlaxton Street area to the list of requests for residents parking schemes.	Cllr Newcombe agreed with the recommendations in the response report on 9th December 2010.	The Lead Petitioner and fellow Ward Councillors were consulted prior to completion of response pro forma	GREEN

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Ctee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
10/09/002	Councillor Aqbany	Petition around problems experienced by Foundation Housing and Astra Housing Association residents	(C)	9	Spinney Hills			Response pro forma has been prepared which recommends that the petition be passed to the relevant housing associations and the police.	The relevant Task Group Leader is Cllr Aqbany. As he is also the Lead Petitioner, the response pro forma to be brought to OSMB Agenda Meeting on 20 January 2011.		AMBER
10/10/001	Mr Crawford	Petition requesting installation of speed limit and Vehicle Activated Signs on Marfitt Street.	(P)	72	Belgrave	Received from Belgrave & Latimer Community Meeting 23/9/2010	Jeff Miller	A general policy for the assessment of vehicle activated signs is currently being compiled. The outcome of this report will effect this particular request, so a response pro forma will be prepared once the initial report is completed around Christmas. Officers have completed 5 surveys and have another 10 to complete, but these are weather dependent. It is proposed that these continue in January, with the report compiled a couple of weeks following completion of the surveys.			AMBER
10/10/002	A.C Wilcox	Petition requesting to alter the green on Pen Close into parking for residents.	(p)	11	Eyres Monsell		Dave Pate	Funding to proceed with such a request is unlikely to be gained at present. Officers have met and held discussions with the lead petitioner. Due to the location of where the wanted additional parker and lack of funds, the lead petitioner was advised that it was not likely to be possible to undertake this work. Alternatives have been discussed, including marking the existing bays, putting up signs for "Resident Parking Only" and planting shrubs on the Green to discourage youths playing football. Consultation on these proposals is currently being conducted with residents.			AMBER

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.

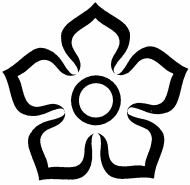
Ref. No.	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Ctee)	Lead Divisional Director	Summary of Outcome	Task Group Leader Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Level of Progress
10/11/001	Mrs Pragna Papat	Petition requesting a safe crossing on Maidenwell Avenue, outside Kestrels' Field Primary School, Hamilton	(p)	125	Humberstone and Hamilton	Council - 25 November 2010	Jeff Miller	A meeting was held with the Lead Petitioner on 10 December 2010. Speed readings will be undertaken on Maidenwell Avenue at school time. This will be done in January 2011 when the new term starts. The exact timing will be weather dependant in order to obtain accurate measurements, from which a report will be completed.			AMBER
10/11/002	Cllr Scuplak	Petition objecting to the closure of the Thurnby Lodge Housing Office	(c)	791	Thurncourt	Council - 25 November 2010	Dave Pate	As the petition received over 750 signatures, it will be considered by the Overview and Scrutiny Management Board on 13 January 2011, and an office will be in attendance to present evidence in relation to the petition.			RED
10/11/003	Mr Peter Fisher	Petition asking the Council to take more action to reduce CO2 emissions	(p)	132	City Wide	Council - 25 November 2010	Jeff Miller	Passed to Divisional Director			RED
10/12/001	Mr Clinton Ingrams	Petition asking the Council to alter the times of parking restrictions on the following roads - Brookdale Road, Cathkin Close, Chevin Avenue, Elsham Close, Woodhill Close	(p)	144	New Parks		Jeff Miller	Passed to Divisional Director			RED

Progress key:

Red - petition not yet been considered.

Amber - petition being considered before a response.

Green - petition had been considered and responded to.



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
CABINET
COUNCIL

22 November 2010
25 November 2010

Corporate Equality Strategy

Report of the Director of Human Resources

1. PURPOSE OF REPORT

- 1.1 The report presents a revised corporate equality strategy which sets out how the Council aims to reduce inequality within the city as well as how it will meet its public sector equality duties.

2. RECOMMENDATIONS

- 2.1 Cabinet is asked to agree to the revised equality strategy. A separate action plan for its implementation will be brought before Cabinet for approval.

3. REPORT

3.1 The proposed Equality Strategy

- 3.1.1 The attached equality strategy is in two parts:

Part 1	How we propose to reduce inequality within the city
Part 2	How we will meet our public sector equality duties

- 3.1.2 The aim of the strategy is to present an integrated approach that demonstrates our approach to reducing inequality within the city and meeting our public sector equality duties.

- 3.1.3 The proposed approach to reducing inequality within the city is outcome based. The main building blocks described in the attached strategy are:

- Understanding inequality within the city
- Reducing inequality

- Fair and transparent access to services
 - Having a representative workforce
 - Young people as equality champions.
- 3.1.4 Our public sector equality duties, as specified in the Equality Act 2010, are to:
- Eliminate unlawful discrimination, harassment and victimisation
 - Advance equality of opportunity between different groups
 - Foster good relations between different groups

3.1.5 The chart below sets out how the proposed actions to reduce inequality enable us to meet our public sector equality duties.

	Eliminating discrimination	Advancing equality of opportunity	Promoting good relations
Understanding inequality within the city	X		
Reducing inequality	X	X	X
Fair and transparent access to services	X	X	X
A representative workforce		X	X
Young people as equality champions			X

4.2 The development of the Equality Strategy

4.2.1 Corporate Equality Strategy Group held an away day in November 2009 to consider how best to take forward the Council's equality agenda. The away day involved divisional directors, equality officers, and representatives from the Council's various employee equality groups. Participants identified the priority equality objectives that underpin this strategy.

4.2.2 The previous Government introduced the contents of its proposed Equality Bill during 2009, and the Equality Act was agreed by Parliament in April 2010. Although the Government is currently consulting on the implementation of the public sector duty which will come into force in April 2011, no major changes are anticipated that will alter our approach to meeting these duties.

4.2.3 In addition to consolidating the diverse elements of existing legislation, the Bill and subsequent Act introduced a new socio-economic duty for local authorities, focused on expanding equality impact assessment to socio-economic considerations of proposed services and policies. It is unlikely that the Coalition Government will enact this part of the legislation. However, given the socio-economic profile of the city, the need for considering socio-economic considerations in addition to the protected groups covered

by the legislation (disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation) is built into the equality strategy. This element enables the Council to begin to address the implications of the significant budget cuts being proposed by the Coalition Government and their impact on the city's residents.

4.2.4 The Coalition Government's proposed changes to the health service will broaden the Council's responsibility for addressing health inequalities. The Council is working closely with NHS Leicester City to plan and prepare for this transition. The equality strategy and its action plan will be amended to incorporate and reflect these changes as they arise.

4.2.5 The Council is preparing to be validated for the Excellent level of the Equality Framework for Local Government, which will take place in March 2011. As part of the preparations, much work has taken place on specifying our expectations for standard equality practices across all services (an equality scorecard) and working with main project groups to embed equalities within their emerging programmes/practices. The equality strategy incorporates this work.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

There are no financial implications arising directly from the report.

Alison Greenhill, Interim Chief Accountant

5.2 Legal Implications

Any action taken in respect of equalities should be permissible conduct under the Equality Act 2010. Legal advice should be taken where appropriate.

Paul Atreides, Team Leader, Legal Services

5.3 Climate Change Implications

This report does not contain any significant climate change implications and therefore should not have a detrimental effect on the Council's climate change targets.

Helen Lansdown, Senior Environmental Consultant - Sustainable Procurement

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	Yes	The report as a whole
Policy	No	
Sustainable and Environmental	No	

Crime and Disorder	No	
Human Rights Act	Yes	Indirectly, through the report as a whole
Elderly/People on Low Income	Yes	Part 1, Section 3 of the attached equality strategy
Corporate Parenting	No	
Health Inequalities Impact	No	

7. CONSULTATIONS

Corporate Equality Strategy Group
Strategic Management Board

8. REPORT AUTHOR

Irene Kszyk
Head of Equalities
Irene.Kszyk@leicester.gov.uk
Ext: 391624

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

Corporate Equality Strategy 2010 - 2013

Leicester City Council

Part 1: Reducing inequality

1. **How well are we doing in ‘driving out inequality’?**
 - 1.1 ‘Driving out inequality’ is one of the values underpinning One Leicester, the city’s sustainable community strategy.
 - 1.2 Leicester is ranked as the 20th most deprived city in the country according to the Government’s indices of multiple deprivation. Its level of deprivation has worsened over time. In the Centre for Cities Outlook for 2010 report, Leicester was ranked 58th out of 63 cities in terms of the level of inequality within cities, as measured by differences between claimant count rates for different areas of the city.
 - 1.3 This measure of inequality focuses on differential economic outcomes: those who are dependent on the state for benefits and those who are not. Unequal economic outcomes are only one area of inequality. The Equality and Human Rights Commission in their 2007 Equality Review also listed these ‘equality gaps’: unequal educational attainment, unequal health outcomes, unequal housing conditions, and unequal experiences of the criminal justice system. These equality gaps are reflected in the issues addressed through the delivery plans of the Strategic Theme Groups within the One Leicester strategy and expected customer outcomes measured through a series of National Indicators (these are listed in Appendix 1).
 - 1.4 The key aim of this strategy is to assist the Council in assessing whether or not it is being successful in ‘driving out inequality’. It sets out what needs to be monitored and measured in order to determine whether the differential outcomes arising from the equality gaps identified above are being reduced as a result of the strategic service delivery plans of the Council.
2. **Adopting an equalities perspective in measuring inequality**
 - 2.1 Our statutory equality duty is to: eliminate discrimination, promote equal opportunities, and promote good relations between different groups of people. At present these duties are limited to race, disability and gender equality but as of 1st October 2010, the wider range of protected characteristics presented within the Equality Act 2010 comes into effect. These protected characteristics include gender reassignment, pregnancy and maternity, religion or belief, and sexual orientation as well as race, disability and sex (gender). Meeting this equality duty shapes the way we consider need (particularly in regard to people with each of the shared protected characteristics), and ensure their access to and take up of the range of services we provide. Measuring National Indicator performance outcomes, again on the basis of specific protected characteristics, enables us to assess the success of our planned interventions in bringing about desired reductions in inequality.
 - 2.2 The Council has introduced strategic commissioning as an evidence based approach to strategic and service planning which separates the outcomes to be achieved from the services to be provided. Commissioning statements have been produced by the

Strategic Theme Groups and these reflect how each Group has analysed their customer needs and priorities and set out delivery plans for meeting them. This commissioning process provides three main sources of information that will inform the assessment of whether inequality is being reduced:

- (a) Needs assessments of Strategic Theme Group users and potential users: the type and volume of need within the city, by people with a shared protected characteristic
- (b) Monitoring of current service users: profile of who is receiving what service, by people with a shared protected characteristic
- (c) Monitoring of service user outcomes: profile of who has benefited from services aimed at achieving priority outcomes, and who has not benefited from services they have received, by people with a shared protected characteristic (based on outcome related National Indicators).

2.3 This information provides the basis for ongoing assessment over time.

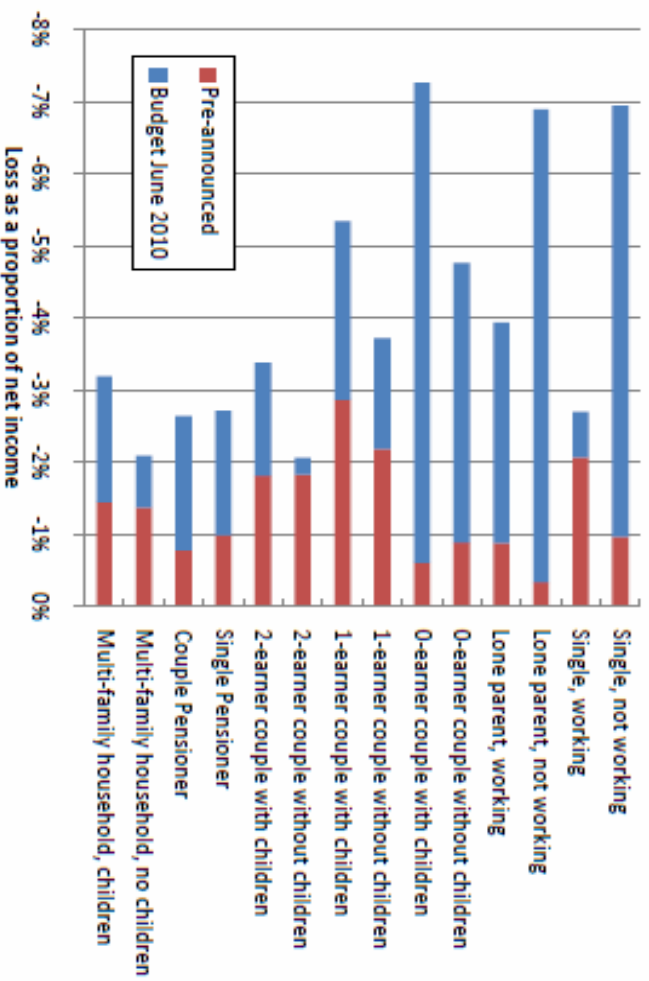
3. Factoring in the Coalition Government's budget implications

3.1 The new Coalition Government has stated its intention of making £34 billion in public spending cuts over the next four years. Initial impact assessments of the budget proposals have been undertaken by the Fawcett Society and the Institute for Fiscal Studies, as well as by Horton and Reed on behalf of the TUC.

3.2 The Fawcett Society's paper, 'A Gender Impact Assessment of the Coalition Government Budget, June 2010' identified women as being most adversely affected by the proposals. They estimate that 72% of cuts will be met from women's income as opposed to 28% from men's, because the greatest proportion of cuts will be to benefits that more women than men rely on, compared to the proposed changes to the tax system that will benefit far more men than women. They have identified low income mothers as the main losers, with women from black and minority ethnic households hardest hit, as nationally 40% live in poor households. They also estimate that women will be more disproportionately affected by cuts to public services as they tend to rely on public services more than men, and will most likely also pick up any shortfall in reduced state services. Initiatives to control the public sector wage bill also impact more on women because they make up 65% of the public sector workforce.

3.3 The Institute for Fiscal Studies' August assessment of the distributional effect of tax and benefit reforms to be introduced between 2010 and 2014 indicated disproportional impacts on different types of households (see chart below). The households hardest hit are: 0 earner couples with children, lone parents not working, singles not working, and 1 earner couples with children.

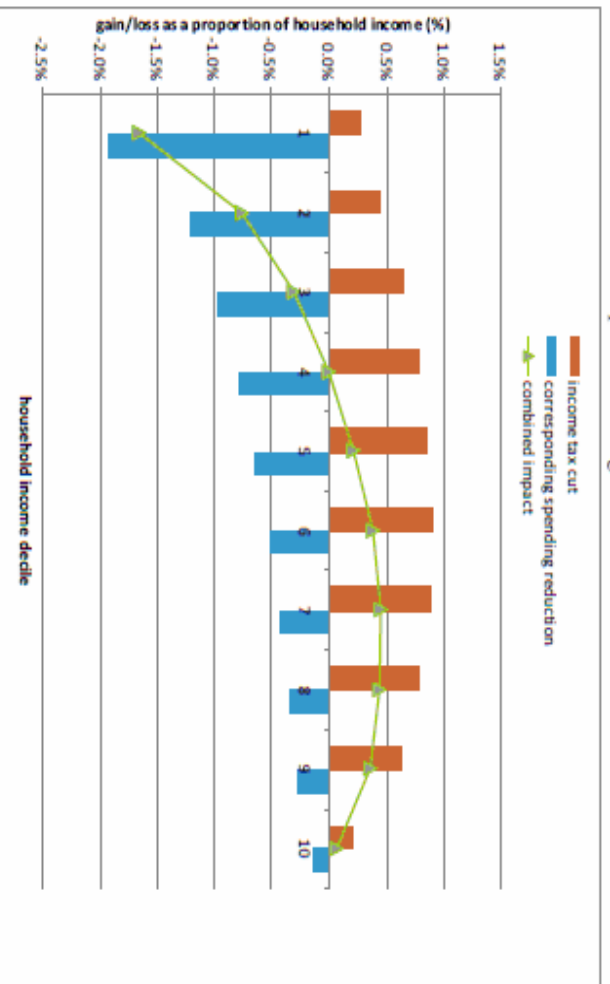
Figure 4.1 : The effect of all tax and benefit reforms to be introduced between June 2010 and April 2014 by household type



Source: Institute for Fiscal Studies, Briefing Note BN108

3.4 Horton and Reed's analysis of the impact of the June budget, 'Don't forget the spending cuts!', focus on their analysis of its impact on public services. They estimate that the average annual cut in public spending per household will be £1,344 for the poorest tenth of households compared to £1,135 for the richest tenth of households. They view is that a lot of public spending is 'pro-poor' with poorer households receiving a greater value of services to meet their extra welfare needs. Cuts in public spending on major areas of welfare (such as education or social housing) will tend to hit the poor the hardest. The graph below illustrates their assessment of the distributional impact of the proposed tax cuts and the impact of the proposed spending reductions in public services.

GRAPH 2: Net distributional impact of the budget's £3.7 billion income tax cut



Source: Horton & Reed, 'Don't Forget the Spending Cuts!'

- 3.5 The above three sets of analysis set out an overall picture of who is likely to be most adversely affected by the Government's budget proposals. Aside from the specific reference to gender differentials, the other main impacts are measured by household type and household income decile. The addition of this type of analysis should be included in the Council's assessment of inequality within the city, given the significant impact of the budget proposals on city residents, particularly those most economically vulnerable. Quantitative and qualitative assessment of the impact of the budget proposals on local residents, particularly for those groups highlighted in the external impact analysis above, should be undertaken on a regular basis to inform potential increases in inequality.

4. Identifying our equality priorities

- 4.1 Members of Corporate Equality Strategy Group and representatives from the Council's employee groups held an away day in November 2009 to identify what they felt were the Council's equality priorities. They identified four main equality objectives for the organisation:
1. To reduce inequality within the city by targeting services that address economic, health and social problems experienced by disadvantaged and vulnerable residents, and monitoring their participation in those services.
 2. To promote fair and transparent access to services and remove any barriers to resident participation in those services.
 3. To demonstrate, through workforce recruitment and development of staff based on merit, that our workforce reflects the diverse nature of the city.
 4. To support young people to be champions of equality and diversity, reflecting their demographic importance in shaping Leicester's future.

Targeting services that reduce inequality

- 4.2 This strategy aims to be outcome focused, with that outcome being the reduction of inequality facing residents in the city. To be successful, Council staff **commissioning** services must be clear as to how this outcome can be accomplished within their specification of service provision, and which residents must be targeted for support in order to reduce the social and health impacts of economic inequality. The identification of resident needs, the analysis of their service take-up and the analysis of customer performance outcomes will enable us to determine which services reduce inequality.

- 4.3 In addition to this targeted action, the **procurement** process can play a complementary role to reducing inequality by specifying social benefits within the specification of services to be delivered by the Council's supply chain. Specifying desired social outcomes such as the employment of local residents particularly in deprived areas of the city and the use of local businesses to provide services, contributes to the economic viability of the city, and the infrastructure required to reduce economic inequality. At present, the specification of social benefits within invitations to tender does not systematically take place, resulting in significant 'missed opportunities' to reducing inequality. A change in practice is recommended in order to achieve these outcomes by directly engaging the economic community to exercise its corporate social responsibility in reducing inequality.

Fair and transparent access to services

- 4.4 The Council has been undertaking **Equality Impact Assessments** for a number of years now. Many of the early EIAs focused on service access, ensuring that any barriers to customers accessing that service were removed. However, service provision is a dynamic process, with customers changing, their access requirements changing and the method of service delivery changing to keep up with service models in the private sector that our customers now expect. There must be ongoing review of the effectiveness of customer access to services, building on our knowledge of what they want and need to access the services we provide. Their broader access needs to the landscape of the city must also be considered, through inclusive design principles. We have these skills in place and have excellent examples of service practice to learn from. We must be consistent across all front facing services in their application, ensuring that we remain customer focused.

- 4.5 As a service provider, we make decisions that affect people's lives. We must ensure that we are fair and transparent in our decision making, providing information that people need, in an accessible way. And we must ensure that as a service provider, we treat people with dignity and respect, ensuring that we are aware of and acknowledge their human rights. Our **customer care** must incorporate these principles.

A representative workforce

- 4.6 The Council is a major local employer and 57% of its workforce live in the city. Of the staff living in the city, 39.3% of them live in the city's four most deprived areas. The importance of the Council as an employer in contributing to the employment and development of local people, particularly those in our most disadvantaged communities, cannot be under-estimated. Leicester is one of the country's most diverse cities, and serves a wide variety of communities. Service users want to be served by people who understand their needs, and by people they can relate to. Therefore, it is vital that our

workforce reflects the community we serve. However, we must be a fair employer and be **inclusive** in the recruitment and development of our employees, reflecting what is socially expected from a public sector workforce in matching the demographic profile of the city. The challenge of providing services in a post-recession world is great, and the Council must ensure that it has the right person, with the right skills, for the right job.

Young people as equality champions

- 4.7 This equality and diversity strategy, for the most part, is inward focused in order to ensure that the organisation is clear as to its equality responsibilities and how it can meet them and also contribute to the reduction of inequality. This is about influencing organisational behaviour and practice. In order for this strategy to be effective, it also must take into account how it fits in with the ‘outside world’. The Council does work with a number of different organisational partners to pursue a shared approach to equalities. But again, these partnership arrangements are very much organisationally focused. At present there is little direct engagement with the community itself on a shared vision for equality within the city.

- 4.8 Leicester is unique in the country in one particular aspect of its demographic profile: the proportion of young people and children (it is a much ‘younger’ city than the average), and the majority coming from a non-white ethnic background. Our young people are the city’s key future assets and it is crucial that the Council takes part in raising their aspirations and expectations for their future economic livelihood. There are engagement mechanisms in place to tap into the views of young people and find out their long-term aspirations and expectations. Schools are responsible for meeting public sector equality duties and the Council is working with them on their implementation. But the equality agenda, for and by young people is undeveloped. The Council should take this opportunity to explore with young people the equality ideals they wish to see instilled within life in the city, and the long term equality outcomes they wish to see in place, to shape a long term equality vision to accompany the 25 year long term vision of One Leicester.

5. The corporate equality offer

- 5.1 The Council at present does have dedicated equality officers supporting the organisation – but this provision is based on the old departmental structure, serviced by four service equality officers and two equality assistants, with a separate two person team overseeing corporate working. Within the new divisional structure, there is no ‘standard’ **equality offer** across all divisions, and limited corporate capacity to undertake the monitoring and scrutiny required to quality assure practice across the organisation. Therefore, as part of the Strategic Support Services review, a review of current equality arrangements is taking place to review strategic and operational equality support and realign available staffing resources accordingly.

Part 2: meeting our public sector equality duties

1. Background

1.1 Until April 2011, the Council has legal responsibility to demonstrate that they are taking action on race, disability and gender equality in their policy-making, the delivery of services and employment of their staff. The aim is to deliver better outcomes for people of different racial groups, disabled people, and men and women, including transsexual men and women. These duties require the Council to eliminate unlawful discrimination and harassment, actively promote equality, and promote good relations between different groups.

1.2 After April 2011, the public sector equality duty as specified within the Equality Act 2010 comes into effect. The single duty still relates to the three duties identified above, but is extended across additional 'protected characteristics': gender reassignment, sexual orientation, religion and belief and pregnancy and maternity – in addition to race, disability and gender/sex. This section of the Equality Strategy sets out how the Council intends to meet its public sector equality duty across all protected characteristics.

2. The Council's commitment to equality

2.1 Leicester City Council is committed to equality of opportunity, elimination of discrimination, and promotion of good relations between all people regardless of age, disability, race, colour, ethnic or national origin, gender, gender identity, religion and belief, sexual orientation, marital or civil partnership status, or trade union membership.

2.2 We aim to be responsive and open, and to demonstrate both quality and equality to our citizens, to our service users and to our employees. It is our aim to ensure that people can fully participate in and benefit from the social, cultural, economic and environmental quality of life the city offers its users.

2.3 We are committed to promoting equality in respect of:

- **Our role as service provider** - providing a range of facilities and services meeting the differing needs of local people.
- **Our role as employer** - ensuring fair recruitment, having a representative workforce, and providing a working environment that is safe, accessible and free from harassment and discrimination.
- **Our role as community leaders** - through our democratically elected Members, working with communities and partners in the statutory, voluntary and private sectors to improve the quality of life for the people of Leicester.

3. Principles

Freedom from unfair discrimination, harassment and victimisation

3.1 The Council is committed to eliminating discrimination across all protected characteristics, as well as prohibiting harassment and victimisation and will work with its employees, elected Councillors and local residents to ensure the following:

- That service users, Council staff, members of the public and elected Councillors are entitled to be treated with respect and not to be subjected to discriminatory remarks or behaviour, harassment or victimisation (if they do make a complaint).
- That any discriminatory remarks or behaviour, or harassment or victimisation by Council employees towards other employees or towards service users will be treated as a disciplinary offence.
- That the Council's service provision will not discriminate against any member of the public in need of its services on the basis of their protected characteristics, and will ensure that there is fair access to services on the basis of need. The Council will also ensure fair treatment to those accessing and receiving its services by their providers, whether they be Council employees or external contractors.
- That service users, members of the public and employees who have experienced overt discrimination, such as hate crime, are encouraged to report such incidents and directed to a reporting centre or online reporting site.

3.2 In order to ensure that its policies and practices do not deliberately or inadvertently discriminate against anyone with protected characteristics, or create an adverse impact on them, the Council undertakes Equality Impact Assessments of its proposed decisions.

Advancing equality of opportunity

3.3 The Council, through its commissioning process, proactively seeks to understand the needs of its residents. For those residents who experience unequal outcomes that significantly impact on their quality of life in the city, the Council will seek to reduce inequality through the provision of services and achievement of improved personal outcomes. The Council will ensure the following:

- That it engages with local residents, through service user forums, ward and neighbourhood meetings, and consultation sessions in order to understand their needs and receive feedback on the quality/effectiveness of its services in meeting those needs.
- That the information it provides on its services is accessible and suitable to the needs of the individual seeking that information.
- That its design and delivery of services takes into account the social, cultural, and religious needs of its users, and from a diversity perspective, are 'fit for purpose'.
- That it monitors service take up by people with protected characteristics, to ensure that those needing services have access to them and the benefits they provide.
- That it monitors customer outcomes by protected characteristics, to ensure that those identified as experiencing unequal outcomes are benefiting from service provision and that their quality of life has improved.

- That it monitors the representativeness of its workforce in terms of the diversity of the communities across the city that it serves.
- That it is an equitable and fair employer.

Fostering good relations between people and communities

3.4 The Council is committed to community cohesion. Community cohesion means that communities from different backgrounds in the city get on well together. To be able to do this, communities need to feel secure and have a sense of belonging (in their neighbourhood and the city as a whole). They also need to feel that they have been treated fairly as other communities.

3.5 They also need to mix with other communities to develop respect and understanding for people from different backgrounds, to appreciate their differences and learn about things they have in common. Community Cohesion is about the relationships between any different community: for example, settled communities and new arrivals, young people and older people, straight communities and gay communities, affluent and poor, and so on. If these things are not in place, some communities can be stereotyped by others, and myths and misunderstandings can develop. At its worst, weak community cohesion can lead to significant tensions between communities, and sometimes even hatred. The Council will work towards:

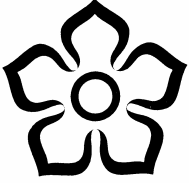
- Ensuring that different communities do not live segregated lives.
- Ensuring that economic, social and language barriers facing new arrivals do not prevent them from integrating within the wider community.
- Ensuring that young people as a whole are not stigmatised because of the activities of a few.
- Ensuring that its employees have been trained, where appropriate, in diversity awareness and community cohesion to enable them to achieve the above outcomes.

3.6 The Council has put together a Community Cohesion Commissioning Plan to indicate how it will deliver the above community cohesion priorities and outcomes.

National Indicators measuring customer outcomes

One Leicester Theme	Description	Indicator Number
Invest in Our Children	Stay safe Be healthy <ul style="list-style-type: none"> - emotional health - physical health Enjoy and achieve <ul style="list-style-type: none"> - readiness for school - KS2 attainment - Attendance at school - KS4 attainment Make a positive contribution Achieve economic wellbeing Parents satisfaction with schools	NI59 NI50, NI56, NI57 NI72, NI73, NI75, NI87
Creating Thriving Safe Communities	Make a positive contribution Achieve economic wellbeing Parents satisfaction with schools Cohesion Crime	NI110 NI117 Local indicator NI1, NI5 NI16, NI20, BCS indicator NI155
Improving Wellbeing and Health	Affordable housing Mortality Alcohol and smoking harm Teenage pregnancy Participation in sport Independent living for older people	NI120 NI39, NI123 NI112 NI8 NI139
Investing in Skills and Enterprise	Employment Adult education and training Business growth	NI152, NI153 NI163, NI165 NI172
Planning for People not Cars	Housing growth Traffic congestions Road safety	NI154 NI167 NI148
Reducing our Carbon Footprint	Carbon emissions Landfill	NI186 NI193

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Leicester
City Council

OSMB
PVFM
Cabinet

WARDS AFFECTED
Castle Ward/City Wide

7th December 2010
8th December 2010
13th December 2010

De Montfort Hall – Business Plan

Report of the Chief Operating Officer and Deputy Chief Executive

1. Purpose of Report

- 1.1. To present a business plan for the operation of DMH and agree a way forward to ensure the Hall is adequately funded and provides a cost effective and varied programme of live entertainment for the people of Leicester and beyond. The development of a sustainable business plan is an integral component of the improvement plan for the Hall.
- 1.2. To present a range of potential options for the future management and operation of De Montfort Hall

2. Recommendations

Cabinet is recommended to:-

- 2.1. Agree the proposed Vision and Objectives for De Montfort Hall (as set out in para 4.4.1)
- 2.2. Adopt and implement the proposed Programme Policy for De Montfort Hall (as set out in 4.5.7) by:
 - a) Increasing the number of single-night popular income generating events,
 - b) Increasing the number of long-run touring musical theatre productions,
 - c) Prioritising popular income generating shows, and
 - d) Maximising commercial hires for non-performance events
- 2.3. Reduce the cost of the Philharmonia Orchestra residency by decreasing the number of concerts from 9 to 7, noting that additional funding is being sought by the Philharmonia for a bespoke programme of concerts tailored for Leicester primary schools (Para 4.7.1-6)
- 2.4. Reduce the cost of the outdoor festivals, by changing the arrangements for Summer Sundae Weekender to a guaranteed fee model followed by a % split of income. This model will reduce costs substantially, share risk more equitably, and provide a mechanism to manage and control expenditure more effectively, as described in Para 4.6. As part of this

arrangement, and in agreement with our partners, Concert Clinic, Big Session Festival will not take place in its current format in 2011, with any resulting programme gaps being met by the indoor programme.

2.5 Continue with the current governance arrangements for the management and operation of De Montfort Hall (Para's 4.8.6-8) on the understanding that:-

- Hall Management will be supported by an Advisory Board made up of councillors, stakeholders and representatives from the Business Community to ensure every effort is made to improve the financial performance of the Hall. The terms of reference and membership of the Advisory Board to be delegated to the Director of Cultural Services in consultation with the Cabinet Lead Member for Culture and Leisure

- A Finance and Business Manager is recruited as soon as possible so that the financial performance of the Hall can be constantly reviewed and developed

- The ongoing cost of this arrangement, (an increase of £287k per annum), as described in the Financial Implications section of the report are noted and incorporated within the base budget for 2011/12 onwards

- A further report is brought to Cabinet on governance which looks in more detail at the feasibility and potential benefits of establishing a trust model for the long term future operation and management of De Montfort Hall

2.6 Support the development of an asset management plan (see para's 4.9.1-4)

3. Summary

- 3.1. DMH has been operating for the 3 years to 2009/10 with a subsidy of between £1.1 - £1.3m, significantly in excess of the approved budget of £0.7m. The funding gap of £0.6m has been paid for from within the former R&C Department using a variety of one off funds and in year savings generated by other divisions within the department.
- 3.2. As part of the Improvement Plan for De Montfort Hall, it was agreed to appoint an Interim Manager to manage the operation of the hall; to undertake a fundamental review of the business; and to develop a sustainable Business Plan going forward for approval by Cabinet. A key component of the business plan is to establish what could be done to address the funding gap of £0.6m on an ongoing basis. The need to do this has been brought into even sharper focus recently with the announcement by Central Government of major reductions in public expenditure.
- 3.3 The review of the business identified that there were a number of reasons for the increased cost. These were an inadequate allowance for inflation (i.e. If the budget in 2005 had not been reduced but rather increased in line with inflation, the budget in 2009/10 would have been £0.9m as opposed to the actual budget of £0.71m); the increased cost of festivals; the lack of priority given to the indoor programme, compared to the outdoor festivals; and issues relating to control and management of budgets.
- 3.4. Summer Sundae Weekender and to a lesser extent Big Session Festival are high profile events which attract significant numbers of visitors to the City. However, despite previous efforts to reduce and manage costs and despite their popularity, they still require a significant subsidy. The subsidy for Big Session amounts to £10.70 per head and £15.39 for

Summer Sundae Weekender (based on 2009 figures). A total of 25 days is needed to set up and take down in addition to the festival days themselves. This has restricted the ability to programme other events (including commercial and private hires) and generate income during this time.

- 3.5 To ensure the financial sustainability of the Hall, and to comply with the proposed Programme Policy, it is also critical to review the arrangements for non – commercial bookings, especially those relating to bookings by local amateur organisations, to enable priority to be given to popular single-night or longer running touring shows during peak touring periods. This can be achieved by encouraging organizers of these events to consider the use of alternative venues and/or by the introduction of a bookings policy which will restrict the availability of key dates for amateur shows during peak touring periods. It will also encourage organizers to plan some of their shows and concerts during off peak periods.
- 3.6 The popularity of shows can never be guaranteed and therefore there remains the risk that the deficit will fluctuate year on year. The business plan recommends that the option of outsourcing be fully explored as this option will transfer this risk to a third party. There are now very few (about 12) comparable venues currently operated by local authorities and this number is decreasing all the time. Operating in isolation, DMH is not in as strong a position in terms of negotiating fees with producers or agents compared to specialist management companies that operate a number of venues and who can negotiate package deals. Exploratory discussions with 2 theatre management companies have confirmed that there would be interest from the private sector and that further savings could be achieved, whilst maintaining a high quality entertainment programme for the people of Leicester.

4 Report

4.1 Background

De Montfort Hall is the largest venue in Leicestershire with a maximum auditorium capacity of 2,200. De Montfort Hall is a 'receiving' venue that presents ready produced touring shows and 'packaged' events. The Hall has the 16th (joint) largest auditorium in the UK. De Montfort Hall was built in 1913 as a concert hall and still contains the organ that was installed a year later. The Hall is a Grade II listed building and is therefore subject to statutory obligation in terms of the building's usage and change. The Hall benefits from flexible seating enabling a wide range of options that includes raked seating for 1600+ and flat floor standing with seated balcony for 2,100+ customers. The acoustics for classical music are world renowned. The Hall is unique in being situated in grounds that can accommodate a further 7,000 people, meaning that large-scale events and festivals can be presented both in the Hall and the grounds simultaneously. The Hall presents a mixed programme of large-scale popularist, mainstream touring artists and shows, commercial hires and smaller-scale community and amateur events

4.2 Current Position

De Montfort Hall is owned and operated by Leicester City Council and currently receives no other external funding. The Hall's annual operating cost is £1.3 million which amounts to a £5.00 annual subsidy per user. The Programme has previously lacked focus and direction and needs a Programme Policy adopted to ensure income targets are achieved and the appropriate mix of events for Leicester/Leicestershire audiences are secured. The Hall is 100 years old in 2013 and requires a committed programme of both repair and

maintenance. The stage and backstage facilities and technical capabilities are not comparable to the auditorium capacity potential and is therefore a barrier in attracting some 'higher level' touring productions that reap greater income and audience development, particularly musicals, ballet and opera. However, to improve the backstage facilities to an appropriate level is financially prohibitive at the present time with costs estimated at £10 - 15m. The Hall has a workable staffing structure and the introduction of an Interim General Manager has provided leadership and improved operational and financial management. As well as the main programme, the Hall promotes two 3-day festivals during the summer (Big Session and Summer Sundae Weekender) and is also one of 3 regional residencies for the Philharmonia Orchestra. Attendances for ticketed events over the last 4 years has averaged 257,000 a year, with approximately 50% coming from the city

4.3 Context

- 4.3.1 Entertainment venues nationally are at risk as a result of downturn in the economy. Venues owned or funded by local authorities are likely to receive revenue budget cuts. The impact on theatre attendances during the recession has shown that ticket sales have not been badly affected. In fact national trends show that, on average, sales have been up on previous years. However the effect of the recession and cuts by local authorities and Arts Council England may have a significant effect on the number of touring productions as well as existing productions yet to tour.
- 4.3.2 There have been many changes across the UK in the governance of venues like De Montfort over the last 5 years. Many comparable venues operate as a Company Limited by Guarantee and/or as a Charitable Trust. Very few are now managed by local authorities and some are currently outsourcing their venues to specialist operators. Arts Council England funding is restricted to those venues that produce or advocate new work or other ACE priorities. As more venues are managed under specialist umbrellas there is a risk that isolated venues may be left off the touring circuit because new touring productions or artists are contracted by the management company as a 'package deal' for all their venues, meaning the fee or risk is less for each venue.
- 4.3.3 No venue or theatre is exactly the same in terms of physical make up, age, positioning, size of public and presenting spaces, types of performance and usage, staffing, audience demographics and funding structures. De Montfort Hall's Unique Selling Point (USP) is that it is the only venue in Leicestershire that can cater for the mainstream, popular market in the presentation of large-scale touring artists, bands and theatre productions.
- 4.3.4 Leicester 02 Academy (managed by the Academy Music Group) has recently opened and caters primarily for student audiences in the presentation of live music to a maximum capacity of 1,400. Consultation with the Academy's stakeholders, including SJM Concerts with whom the Hall regularly works, has concluded that the 02 Academy will add to and complement Leicester's live music scene rather than impact negatively on existing venues. DMH will continue to be the Leicestershire hub for larger, mainstream popular touring artists such as Sugababes, Michael Buble, Manic Street Preachers, Madness, Diversity, Katie Melua, Girls Aloud and Thin Lizzy.

4.4 Vision and Objectives

- 4.4.1 Cabinet is recommended to agree the proposed Vision and Objectives for De Montfort Hall, as follows:-

Vision – To provide a cost effective and varied programme of live entertainment for the people of Leicester and beyond

Objectives

- To ensure the future of De Montfort Hall as the premier live performance venue for Leicester
- To ensure the best programme of live entertainment that reflects the Hall's capabilities and the diversity of Leicester audiences
- To maximise the potential of De Montfort Hall to stage large scale touring productions and performances
- To ensure De Montfort Hall's position as the City's hub for commercial, mainstream popular programming

4.5 Programme Policy

- 4.5.1 There has been a lack of focus and direction in terms of what De Montfort Hall is, who should be using it and the type of programme that it should be presenting. There has been an insufficiently proactive and strategic approach to programming De Montfort Hall. Many events and shows have not been sought out or favourably negotiated; they have been offered in a fragmented way and accepted on the basis of the deal presented. The Hall has been isolated from the industry which has prevented networking, benchmarking and the fostering of relationships with some key partners such as producers and promoters.
- 4.5.2 The Hall has increasingly focussed on its outdoor festivals to the detriment of its year round programming. A lack of proactive programme and diary management has compromised further programme development due to lack of available dates, particularly for high season touring artists (February – May and October – November). Benchmarking De Montfort Hall's programme with other comparable venues for the periods 2008/09 and 2009/10 has identified that there were many notable omissions, particularly pop and comedy artists. This may be because the dates were not available or because De Montfort Hall is not on some promoter's immediate priority "radar" for touring dates. Many artists and shows can only perform in Leicestershire at De Montfort Hall due to its audience capacity and subsequent potential income generation. Should tour dates not be available, Leicester audiences can sometimes miss out on the opportunity to see them. All artists and shows tour for a specified period according to the availability of the artist or contractual arrangements for a show. It is clear that DMH needs to promote itself 'further up the priority ladder' to encourage agents and promoters to consider Leicester for one of their dates.
- 4.5.3 Historical loyalty and ownership by some amateur and community users, particularly at weekends, restricts further development of the programme, particularly in terms of weeklong shows. For example, the Leicester Symphony Orchestra and Bardic Orchestra have historically utilised over 8 Saturdays a year during high Season (average over 4 years 2007/08 – 2010/11). Further work is being done to encourage them to look at the potential use of alternative venues particularly during peak touring periods and to encourage bookings during off peak periods.
- 4.5.3 The Hall's use is comparatively low in terms of commercial, mainstream and popular events that are appropriate for the size of the auditorium and the Hall's capabilities. As the largest venue in Leicestershire, De Montfort Hall is able to accommodate more large scale, popular events than it does at present

4.5.5 During 2009/10 the programme mix was as follows (days):-

- Single-night touring shows and artists – 161
- Long-run (week-long) touring shows (including Christmas) – 43
- Two in-house festivals (Big Session Festival and Summer Sundae Weekender) – 31(see note below)
- Philharmonia Orchestra Residency – 9
- Amateur and Community Events – 45
- Commercial Hires – 42
- Dark (ie Maintenance and Non Show days) - 34

Note The performance (public) days for the festivals are 6 (3 for BSF and 3 for SSW). A further 25 days (31 days in total for both festivals) have traditionally been 'held off' the Hall's diary to enable fit up, fit down and the release of all Hall staff to carry out festival related work (mainly in the grounds). Many officers have traditionally carried out low level manual work at high cost and in detriment to their 'day job'. Current discussions taking place include options to release some days to enable other potential activity to take place in the Hall simultaneously and for a more appropriate balance of allocated staff resource to be achieved.

4.5.6 The key features of the proposed Programme Policy are as follows:-

- To focus on the key USP (Unique Selling Point) of the Hall by proactively programming in popular, commercially viable artists and shows as a priority.
- Thereafter, to enable the development of profitable additional events (for example, conferences, sporting events, trade shows, weddings) suitable to the Hall's size and capabilities.
- To build, foster and strengthen relationships with key producers and promoters to enable the Hall to step further up the priority ladder in terms of securing further dates for more popular touring artists and shows
- In the context of the increased commercial viability of shows to ensure the programme is reflective of the audience diversity and demographic make up of Leicester communities
- Foster a strategic approach to forward planning and diary management by programming key events in 3-4 years ahead, i.e. set aside 4 weeks during the Spring Season (1 week in each of February, March, April, May); 3 weeks in Autumn Season (1 week in each September, October and November) for large-scale, long run (usually a week) shows
- Facilitate 'Fit for Purpose', joined up programming by encouraging distribution of appropriate events across other suitable Leicester platforms, i.e. smaller events that regularly achieve less than 500 attendances are probably better suited to alternative venues. Exploring the potential for accommodation of these events in other venues such as Curve, Leicester Cathedral and local churches
- Review Big Session and Summer Sundae Weekender with a view to reducing both the cost and risk to the City Council to enable sustainability-see section 4.6 below.
- Review the Philharmonia Orchestra Residency with a view to reducing the Hall's costs by decreasing the number of concerts – see section 4.7 below

4.5.7 Cabinet is recommended to agree the following in respect of the indoor hall programme:-

- **Increase the number of popular single night income generating shows**

by proactive long-range programming 2 – 3 years ahead through negotiation to secure the best deal and retention of income and by nurturing relationships with promoters and producers

- **Increase the number of long-run touring musical theatre productions a year from 3 – 7**

By proactive long-range programming 2 – 3 years ahead through negotiation to secure the best deal and retention of income, and by nurturing relationships with promoters and producers, and by exploring and maximising marketing/audience development opportunities including subscription packages and group booking to supplement auxiliary income streams

- **Prioritise popular income generating shows**

- A proactive rather than reactive programming policy is recommended, in line with general practice in the industry. This includes: Proactively programming in popular, profit-making shows as a priority; Fostering a strategic approach to forward planning and diary management by programming key events 3-4 years ahead, i.e. initially ring fencing 4 weeks in spring, and three weeks in Autumn, to book large scale, long running shows;

- Ensuring diary availability for amateur and community organisations paying the reduced community hire-fee. 1 date per year would be guaranteed in advance for larger amateur music organisations, which are appropriate for the nature of the Hall, including the Leicester Symphony and Bardi Orchestras and the Leicester Philharmonic Choir. Other dates will be made available as far as possible, but may be restricted in terms of day of the week and seasonal period because of the need to prioritise popular income generating shows through proactive diary management. The Hall will continue to work closely with Leicester's much-valued major amateur orchestras and choir to ensure that their needs are met as far as possible within the new programming policy.

- Dates will continue to be available to the Leicester Hindu Festival Council for Navratri and for Village India to be presented at DMH as part of the Programme Policy, on the basis that the Hall is the most appropriate venue in Leicester for events of this size, audience potential, financial viability and reflective of the City's cultural make-up.

- All users will be subject to the hire tariff and bookings policy and some may need to consider their own business case, including appropriate pricing and other funding sources, in order to ensure their hire of the Hall is cost-effective for their event and the venue.
- Following consultation and discussions with the three amateur orchestras - Bardi, Leicester Symphony Orchestra and Leicester Philharmonic Choir- it has been agreed that available dates will be offered by the Hall to the three orchestras up to three seasons in advance. Some dates may be restricted to allow further high season dates to be available to touring promoters for commercial income generating, popular shows. However, by enabling a pro-active long-range approach to the Hall's diary management both the Hall and the orchestras are confident that appropriate dates can be maintained, allowing forward planning for both parties. A consultation process looking at possible additional venues has also taken place and two

possibilities are currently being explored by orchestra representatives and DMH Officers. Forward planning diary meetings with the orchestras, DMH Officers and appropriate partners will be held in January and September each year.

- Consultative meetings with Hall staff and other amateur and community users are also taking place with a view to adopting a workable Booking Policy.
- **Maximise commercial hires for non-performance events**
Options for alternative profitable events suitable for the Hall's facilities and expertise should be explored without compromising the Hall's USP and Programme Policy. Examples include sporting events, trade shows, conferences, fashion shows and weddings. Weddings and similar events are not 'pre-produced' or 'packaged' and may require service, facilities, staffing, expertise and resource levels not currently catered for by the Hall. These may be better catered for in other locations in and around Leicester. It is therefore important that additional events staged at the Hall are suitable to the delivery capabilities in terms of physical and staff resource. Some specialist services, such as wedding and conference planning, could be provided by an external company subject to need and at the cost of the client
- It is recommended that the universities continue to partner with DMH for degree ceremonies should dates be available as they bring in a high commercial hire fee with minimal resource needs, during the summer when limited touring events are available

4.6 Festivals

- 4.6.1 Leicester City Council currently funds two festivals at De Montfort Hall: Big Session Festival and Summer Sundaes Weekender. Arts and music festivals invariably take place during the summer and success can be affected by the weather. Promoting festivals is not dissimilar to theatre producers and touring music promoters in that there are a few key organisations that dominate the larger, popular festival industry, for example, Festival Republic, AEG and Live Nation. Festival Republic promotes Leeds Festival, Reading Festival, Latitude, The Big Chill, Electric Picnic, Hove Festival and are partners in Glastonbury.
- 4.6.2 The financially successful festivals rely on lucrative sponsorship and large capacity levels to bring in the necessary funding to support the festival's external, bespoke infrastructures. Many of the artists that perform at Festival Republic festivals are contracted to perform at more than one festival which assists programming efficiency, routing and cost.
- 4.6.3 The maximum capacity for De Montfort Hall incorporating the current arrangement with Victoria Park is 7,000 per day (that includes artists, traders, crew and staff)
Some of the costs related to the festivals have not been explicit because the events have traditionally been amalgamated as part of the Hall's programme in terms of staff time and resource and procurement of supplies. Management and officer time leading up to and after both festivals across the year has been high and therefore costly in terms of hours undertaken
- 4.6.4 The extent of pre-fit and set-down time (approximately a week either side of the festivals) historically undertaken by Hall staff has previously compromised other activity that could take place during this time (including statutory annual maintenance which by default runs into key dates in early September). It also reduces the number of income generating events which could take place during those times. Whilst, theatres and entertainment venues are

generally dark during August (for maintenance and holidays), June is a good time for touring shows and both periods offer opportunities for commercial activities such as weddings and trade shows. Although it is difficult to be precise about the level of income that could be generated by using these dates, commercial hires on 10 of the 31 days used for Festivals could generate up to £50,000 in gross income. Festivals also divert significant staff time and resources away from the Hall's year round programme which has a negative impact on its operation and financial sustainability.

- 4.6.5 The contractual arrangements for Big Session and Summer Sundae are complex: The Festivals are wholly subsidised by LCC. Concert Clinic are paid a fee to procure the artists and deliver site management, however LCC administer and issue the contracts and pay the artists fees as well as subsidiary services such as catering, accommodation and expenses. De Montfort Hall provide management and staff as well as procure contactors and suppliers. This arrangement is completely unlike all other events that take place in the Hall (or any venue) where financial risk and responsibility is always shared.
- 4.6.6 The Council's current procurement procedures hinder cost efficiency for the festivals even more than the other Hall's activities in terms of securing specialist supplies and services outside of the Council's usual supplier list. This includes stage and technical supplies and services. Staging the festivals relies in part on in-kind arrangements and partnerships. The festivals current reliance on De Montfort Hall staff, including many days before and after the event, amount to high overtime payments and time off in lieu and can compromise other Hall activity while key officers are involved in 'on the ground' festival work
- 4.6.7 The rights to the name 'Summer Sundae Weekender' are owned by the Festival Partner, not Leicester City Council. The same applies with the name "Big Session Festival" which is owned by Oysterband
- 4.6.8 Although costly in terms of the Hall's overall subsidy (subsidy per head of £10.70 for Big Session and £15.39 for Summer Sundae compared to £5 for the Indoor Programme), the festivals contribute significantly to Leicester's unique cultural make-up and have commanded loyal audiences over the last 10 years.
- 4.6.9 Big Session is a 3 day music festival undertaken in partnership with Oysterband (now in its 6th year) that takes place in June. The Festival includes 3 stages of music (including the Hall's main auditorium) as well as retail, food stalls and a real ale tent. Customers can choose from a weekend ticket or individual day tickets. Camping areas are provided at a cost. Ticket sales for Big Session 2010 were 2,641 (£127,371.30 gross) over the weekend, a decrease of 476 (£14,859.95) from 2009. The net cost (subsidy) of the Festival in 2009 was £28,381(excluding costs contained within De Montfort Hall's budget) and Subsidy per head was £10.70. The total (unconfirmed) cost for Big Session in 2010 is circa £50k, when all City Council costs are taken into account, which represents an estimated subsidy per head of just under £19 per head in 2010. The event attracts a core, loyal audience who travel across the country to the event. Of the 2,641 tickets sold for 2010 24.6% were purchased by customers living in postcodes LE1 - 5; 15.6% from Leicestershire and 59.8% from beyond
- 4.6.10 Summer Sundae Weekender, also a 3 day festival coming up to its 10th year, is much bigger than Big Session encompassing Victoria Park and takes place in August. The event management cost in 2009 was £103,721(excluding costs contained within De Montfort

Hall's budget). Ticket sales for SSW 2009 were 6,739 across the 3 days with a gross of £543,828. Subsidy per head was £15.39 and does not represent value for money; although the event has a very positive national profile. The event management cost does not represent the full cost of operating the festival as this excludes overtime and additional hours of DMH staff and certain other Hall costs which means the total cost and subsidy level is higher. Ticket sales for 2010 were 7,941 of which 4,231 were weekend and 3,710 day tickets (an increase of 17.8% on 2009). Of the 7,941 tickets sold for 2010, 35.1% were purchased from customers living in LE1-5 (which represents an increase of 248 (9.8%) on numbers sold in 2009), 22.6% from Leicestershire and 42.3% from beyond Leicestershire. Full cost analysis for 2010 is currently being finalised, but the total unconfirmed cost for Summer Sundae Weekender is circa £156k, when all City Council costs are taken into account, which represents an estimated subsidy per head of £19.64.

4.6.11 A number of potential options with regard to the future of the festivals have been considered. These include:-

- Work with current partners (Concert Clinic) on options to reduce the current cost and sole risk to the Council. This would enable the existing brands to be retained.
- Ceasing one or both festivals and /or incorporating any programme gaps within the Hall's programme.
- Suspend operation of the festivals for one year to allow for a thorough review of all options
- Explore outsourcing options to a specialist festival promoter. However there is no guarantee that there would be commercial interest or that festivals of equal production levels could be delivered without subsidy. The name 'Summer Sundae weekender' is owned by Concert Clinic. To deliver the festival in its current format, the name is crucial in terms of branding and sustainability of the event as a going concern.

4.6.12 Positive discussions are taking place with our current partners (Concert Clinic) who have agreed to work with the Council to reduce costs and share risk. A number of options to increase income and reduce costs have been proposed and these are currently being evaluated. These include:-

- increasing the capacity by 500 but without encroaching any further onto Victoria Park. This will be subject to a full risk assessment.
- Increasing the prices by £10 for a weekend ticket and £5 for a day ticket,
- Potential to programme an additional event on the Thursday evening utilising the stage and technical infrastructure in De Montfort hall Gardens, and
- Changing the contractual relationship with Concert Clinic whereby a fee is paid to the main provider (Concert Clinic) followed by a % split of income based on an agreed allocation of staff and resource expenditure provided by DMH. This model is more in line with industry expectation for a receiving venue such as De Montfort Hall whilst also recognizing the event's unique complexities outside of the Hall's usual programme. This arrangement which has been agreed in principle will enable both Concert Clinic and LCC to share risk more equitably and allow Concert Clinic to secure procurement benefits by direct purchase of infrastructure. Although it is recognised that a subsidy by LCC is still required to present SSW in its current format, this will be substantially reduced. It will also ensure both parties are committed to cost efficiency. Work is continuing to finalise the arrangement.
- As part of the analysis and consultation process it has been agreed by LCC and Concert Clinic to cease Big Session Festival in its current format. This conclusion

has been reached independently of Summer Sundae Weekender by looking solely at the viability of BSF as a bespoke event that provides for a more specialist audience base than SSW. Many options were considered to retain BSF in its current format, including incorporating the event into SSW, or moving it closer in the calendar so that some infrastructure costs could be shared, however these options are not viable for reasons of cost and audience demand. It has been agreed to stage a one-day event at De Montfort Hall during peak season in October 2011 billed 'Oysterband & Friends', featuring Oysterband as the headline event.

- 4.6.13 At this stage, it is not possible to state with confidence what level of subsidy would be required from the Council. Initial calculations would suggest that based on attendance levels in 2009 and 2010, an LCC subsidy of between £28k and £38k will be required which would reduce subsidy levels to between £3.30 and £5.00 which would be consistent with the average level of subsidy for all events at DMH. Given the proactive discussions with Concert Clinic, officers would recommend that we adopt this approach for 2011 and review the position again next year
- 4.6.14 The feasibility of moving Summer Sundae to Abbey Park has been considered. Whilst this site offers a potentially larger festival, there would be higher set up costs (as De Montfort Hall provides the 2nd stage and infrastructure ie bars, toilets, dressing rooms, security etc). There would also be conflicts in respect of camping and sports use on Abbey Grounds. The shared view of officers and our partners Concert Clinic is that there would be reluctance from SSW festival goers to migrate to a new site and Abbey Park would present a higher level of risk to both parties

4.7 Philharmonia Orchestra

- 4.7.1 The Philharmonia is one of the world's leading orchestras and Leicester is privileged to have secured such a significant partnership. The programme is very popular, playing to an average of 82% capacity through the season. Of the 11,688 tickets sold for the 2009/10 season of 9 concerts, 37.7% were purchased from customers living in LE1-5, 51.6% from Leicestershire and 10.7% from beyond Leicestershire. Subsidy per user is approximately £7.60 per person
- 4.7.2 It was initially suggested that 6 concerts could be sufficient to maintain a high calibre of soloists and conductors and therefore sustain a residency. Discussions have taken place with representatives from the Philharmonia Orchestra who were concerned that such a significant reduction might compromise the basis of the residency and its associated community and education programmes. Following discussions with the Philharmonia, it is now proposed to reduce the number of concerts in the annual programme from 9 to 7 and when the financial situation improves, the number of concerts will again be reviewed.
- 4.7.3 These discussions have also included pricing policies, sponsorship and marketing opportunities, progress towards bringing down costs, raising awareness of the Philharmonia amongst Leicester residents, and incorporating it more into City life.
- 4.7.4 The education and community engagement programmes are a particular important part of the residency for both the Council and the Orchestra as they are focused on predominantly young people. About 2,000 city residents per year currently benefit from these targeted programmes, which include work with; young people, Curve and the Royal Shakespeare

Company; Special schools for the Special Olympics; Re-rite, a digital interactive experience based on Stravinsky's Rite of Spring, and a partnership with Shruti Arts.

- 4.7.5 The Philharmonia is now extending its education programme by raising funds locally and nationally to cover the costs of a unique programme of bespoke concerts tailored for Leicester primary schools. By 2014 they aim to give every Key Stage 2 child in Leicester the opportunity to hear the Philharmonia Orchestra. The Philharmonia will work with LCC to prioritise schools of greatest need and to ensure the programme supports the council's wider education strategy, particularly regarding literacy and numeracy. In addition, they plan to offer a series of professional development programmes on using music in the classroom, from cross-curricular working to social integration, and hope to provide supporting materials for pupils and staff using digital resources.
- 4.7.6 This initiative has been welcomed by CYPS. Head teachers have been briefed and invited to join a steering group. This will meet in January to finalise details including whether schools should contribute towards costs.
- 4.7.7 In addition to helping to raise educational attainment generally, this initiative supports national strategies for music education for all children, and also strengthens the links between Leicester's local communities and the Philharmonia which helps to develop new local audiences.
- 4.7.8 The concept has already been enthusiastically received by local and national stakeholders and therefore has every chance of success.

4.8 Governance

- 4.8.1 There have been many changes to the ownership and management of entertainment venues over the last 5 years. Many large-scale venues operate as a Company Limited by Guarantee and/or as a Charitable Trust that are funded by various bodies including local authorities and Arts Council England. Many others, comparable with De Montfort Hall, are managed by specialist theatre operators. Very few are now managed by local authorities. Some large scale venues are owned by a local authority but managed as a limited company by guarantee or charitable trust. Some are privately owned and operated by a specialist venue organisation (Ambassador Theatre Group, Really Useful Company, Cameron Mackintosh). Currently only very few (approx 12) venues comparable with De Montfort Hall are owned and operated by a local authority. Of the 12 some are now currently seeking expressions of interest from the interested parties to take on management of the organisation. The last 5 years has seen many venues outsourced to external specialist venue operators.
- 4.8.2 Generally only those theatres that have received significant investment in their customer spaces as well as technical capabilities can sustain as an independent limited company or charitable trust because they are able to receive the major income generating shows as well as other cost saving benefits, putting them in the strongest position in terms of programming and procuring the best acts. Venues run as a trust and are independent, therefore do not rely on a local authority or management company for payroll, vat, financial support, HR or IT provision. These costs and accountability lie with the board of trustees and venue management.

- 4.8.3 Most large-scale multi-performance venues run as independent trusts or companies are large city based affording them larger populations (i.e. Manchester, Birmingham, Newcastle, Liverpool) or pull from wider demographic areas (i.e. Southampton, Norwich, Bournemouth, Plymouth). Venues catering for mainly one genre (i.e. concert halls, playhouses) can be sustainable as a trust where there is also alternative provision for large-scale multi-performance popular programming and sufficient available audiences (i.e. Bristol, Cardiff, Manchester and Birmingham).
- 4.8.4 Many major presenting venues benefitted from significant investment when capital monies were more available some 10-15 years ago either from the Arts Council, local authorities or Lottery. The investment, particularly in stage facilities, public areas and auditoriums enabled many theatres to be sustained as independent trusts or companies
An example is The Regent Theatre and Victoria Hall in Stoke. Previously local authority owned, the then Chief Executive was successful in achieving the largest capital regeneration lottery bid outside London to significantly develop the venues to “No 1” touring status. Both venues are now owned and operated by ATG. There is unlikely to be the level of investment at this time necessary to put De Montfort Hall on this level of footing.
- 4.8.5 The emerging of other specialist venue operators such as SMG and HQ Theatres provides venues such as De Montfort Hall with the opportunity to achieve programme growth and venue development through industry knowledge and procurement of product

The governance options for De Montfort Hall are as follows:-

4.8.6 **Option 1: Leicester City Council owned and operated**

Pros	Cons
<ul style="list-style-type: none"> • Demonstrates council's continuing commitment to culture already shown through existing high levels of investment per head of population in cultural provision • Reflects local pride in and affection for this facility • Complete flexibility over the level of use by council subsidised community organisations • Removes potential period of uncertainty during outsourcing process • May be more straightforward from central maintenance fund investment point of view • Removes risk that outsourcing may not be successful 	<ul style="list-style-type: none"> • Will require additional LCC funding to become sustainable • Lack of industry knowledge from the corporate body • Isolation from industry in terms of 'bulk' purchasing for touring artists and shows; high risk of being left off the circuit • Unable to benefit from package procurement opportunities for artists/shows • Managers' fire fighting Council incompatibilities rather than managing the venue/service • No access to the benefits of being part of a wider theatre groups (i.e. access to big shows and further investment, networking and sharing of industry practice) • Significant financial risks due to volatility of the business

4.8.7 Option 2: Leicester City Council owned but Outsource Management to a Theatre Management Operator

• Pros	• Cons
<ul style="list-style-type: none"> • Reduced Cost to Council in terms of overheads and corporate recharges • ‘Package’ programming opportunities as a result of being part of a bigger theatre group resulting in more choice for customers and the potential to attract major artists • Run more as a business/commercial venture • Investment/funding opportunities • Significantly reduced risk • Staff development opportunities • Financial stability/known annual cost • Not constrained by LCC’s processes and procedures • Specification and ‘purchase’ of community programming is possible • Networking and sharing of good practice between venues. • LCC would retain ownership of venue 	<ul style="list-style-type: none"> • Limited control over programme content which will be commercially driven • Limited stage and backstage facilities (requires major investment to aid programme development for major shows) • Possible staff costs following TUPE • Loss of in house catering • Public and local user uncertainty/objections • Potential impact on integration and viability of Summer Sundae Weekender • Reduces opportunities of joint working with other cultural venues

4.8.8 Option 3 - Establish an independent Cultural Trust for the operation of DeMontfort Hall

• Pros	• Cons
<ul style="list-style-type: none"> • Reduced Cost to Council in terms of overheads and corporate recharges • NNDR Savings on De Montfort Hall of between £74 and £92k if charitable status achieved • Increased external funding opportunities • Reduced organisational constraints mitigate against local authority entertainment venues operating in an optimal way. • Clarity of focus enabling management to concentrate on improving the programme and commercial viability of a single venue • Tried and tested model understood by potential funding partners 	<ul style="list-style-type: none"> • Additional costs of approximately £0.5m pa for unrecoverable VAT • Possible staff costs following TUPE, especially relating to pensions • Loss of in house catering • Potential Public and local user uncertainty/objections • Significant risk in establishing new business, with tough financial targets during a recession, with LCC as sole public funder. • Increased support costs in respect of accountancy, legal, HR, ICT and possibly office space and management capacity • Insufficient pool of capable, skilled and willing trustees/board members within the locality to guarantee financial success without financial backing • Isolation from industry in terms of ‘bulk’ purchasing for touring artists and shows; high risk of being left off the circuit

	<ul style="list-style-type: none"> • Unable to benefit from package procurement opportunities for artists/show • No access to the benefits of being part of a wider theatre groups (i.e. access to big shows and further investment, networking and sharing of industry practice)
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Options Analysis

4.8.9 Option 1 can reduce the budget to more acceptable levels, although not to the existing budget provision. Furthermore the financial risk remains. As more and more local authorities pass management of their venues to specialist operators, the risk of being left off the touring circuit for income generating, popular shows increases as more tours are package procured. The estimated cost of this option is £998k (against an approved budget of £711k), provided the recommendations relating to the implementation of the Programme Policy including Festivals and the Philharmonia residency are supported. If Cabinet support this option it is recommended this is on the understanding that:-

- Hall Management are supported by an Advisory Board made up of councillors and representatives from the Business Community to ensure every effort is made to improve the financial performance of the Hall. The terms of reference and membership of the Advisory Board to be delegated to the Director of Cultural Services in consultation with the Cabinet Lead Member for Culture and Leisure

- A Finance and Business Manager is recruited as soon as possible so that the financial performance of the Hall can be constantly reviewed and developed

- The ongoing cost of this arrangement, (an increase of £287k per annum), as described in the Financial Implications section of the report are noted and incorporated within the base budget for 2011/12 onwards

- A further report is brought to Cabinet on governance which looks in more detail at the feasibility and potential benefits of establishing a trust model for the long term future operation and management of De Montfort Hall

4.8.10 Option 2 provides the greatest potential for maximising the saving and reducing the cost of operating De Montfort Hall. It also eliminates the financial risk, whilst maintaining ownership of De Montfort Hall and retaining influence through the contractual framework. A successful, sustainable partnership with a theatre management company would be subject to a workable negotiation process concluding in an agreed split of cost and income potential over a 10 to 15 year period. This model provides the greatest sustainability in terms of maintaining and developing the income generating, popular programme necessary for the Hall's medium to long term future. The estimated cost of this option, excluding festivals, is £650 - £750K provided the recommendations relating to the implementation of the Programme Policy including the Philharmonia residency are also supported.. However, under this model there could potentially be an impact on the integration and viability of Summer Sundae Weekender which would need to be discussed and agreed with the selected operator and the festival promoter. If Cabinet support the proposal to outsource the management of De Montfort Hall to a theatre management company, a timeframe of 12 months should be allowed to complete the process and ensure the right operator is sought.

- 4.8.11 Option 3 would require increased costs which would exceed the likely benefits. Whilst there are many benefits to trust management, the negative financial picture and the significant operational risks make this option difficult to support at this time. The establishment of a joint trust with Leicester Theatre Trust Ltd and Leicester Arts Centre Ltd. would be costly and time-consuming to implement and would require the active support of a range of partners. However, there is a commitment between the venues to continue to work together and pursue opportunities for efficiency benefits, sharing of resources etc. The estimated cost of this option is £1.1 to 1.3m and more detailed feasibility and costing would be required before this could be progressed further. As mentioned above, if Cabinet decide to maintain the current governance arrangements for now, it is recommended that a further report is brought to Cabinet on governance which looks in more detail at the feasibility and potential benefits of establishing a trust model for the long term future operation and management of De Montfort Hall
- 4.8.12 Large-scale venues that succeed on a trust basis have received sufficient investment to present well defined programmes, have proven audiences for their market and provide for a specific genre (Concert Hall, Play House, Art House, Theatre) that complements an overall portfolio of venues representing fit for purpose platforms across all performing art forms. Examples include:-
 Bristol: Hippodrome – No 1 large scale receiving; Colston Hall – Concert Hall; Old Vic – producing theatre;
 Norwich: Theatre Royal – No 1 large scale receiving; Play house; Arts Centre; St Andrew’s Hall – Concert Hall;
 Manchester: Palace – No 1 large scale receiving; Bridgewater Hall – Concert Hall;
 Cardiff – Wales Millenium – Large scale receiving; St David’s Hall – Concert Hall

4.9 Investment priorities

- 4.9.1 De Montfort Hall is one of many large-scale entertainment venues across the country that was originally built as a concert hall. Some remain as concert halls (mainly where there is alternative provision to present other product) for example Cardiff St David’s Hall and Bristol Colston Hall. Many have had to adapt in order to maximise income through auditorium capacity or technical capability as the live performance industry has grown and developed.. Because DMH was built as a concert hall, the auditorium layout is not ideal for many of today’s productions where activity on the stage takes place in the rear or sides of the stage, resulting in some loss of ticket sales from restricted seats. This is particularly the case for musicals and opera where viewing can therefore be restricted in the side balcony. Similarly, many venues like DMH (or those built originally as cinemas) have undergone substantial stage and backstage development enabling capabilities to present major large-scale productions such as The Sound of Music, We Will Rock You and Mary Poppins. Examples include Southampton Mayflower and Stoke Regent. De Montfort Hall requires significant investment to enable the presentation of larger musicals
- 4.9.2 Capital investment could further increase the number of profitable large-scale productions that the venue can present through stage and backstage development, increase capacity and therefore income potential by addressing restricted view seating; develop customer facing income generating services such as catering and bar facilities; improve the customer experience in terms of comfort and ease of facilities and Improve office facilities for staff to enable efficiency, productivity and health & safety improvement.

- 4.9.3 The financial costs for Stage and backstage development and improved heating and air conditioning are prohibitive in the current financial environment with estimated costs in the region of £10 -15m. Other smaller scale improvements such as Front of House and decoration improvements (£200k), Catering, bar and kitchen facilities (£100k) and Auditorium Sightlines (£300K) may, however, be more achievable.
- 4.9.4 A key issue, therefore, is the need for an asset management plan which will be needed to identify future premises cost needs, particularly as the building is nearly 100 years old and listed. This will require surveying and inspection that includes the following - Structural survey including load bearing, Asbestos Register update, Fire risk assessments, Electrical testing, DDA improvements, automation of current equipment at height, lighting and fixtures, signage, customer and loading lifts, toilets, bars, catering areas, heating systems, auditorium floor repair, seat repair, internal and external plaster, ground maintenance, roof integrity as well as replacement, servicing, updating of CCTV, sound system, lighting stock, tallescope etc. This would need to be jointly undertaken with Property Services who are the landlord and currently provide a number of these items via the Central Maintenance Fund

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications - Impact of the business plan proposals

- 5.1.1 The forecast deficit for the Hall in 2010/11 is £1.3m compared to a budget of £0.7m resulting in a shortfall of £0.6m. The majority of the Hall's income is generated in the period October to March and so there could still be a significant variation to this forecast.
- 5.1.2 The impact on the subsidy of the proposals recommended in this report are shown in the table below:

	20011/12 £'000
CURRENT FORECAST DEFICIT 2010/11	1,310
1 Impact of indoor programme policy changes including Philharmonia (this is estimated to rise to £168k by 2013/14)	(93)
2 Estimated reduction in festival subsidy	(145)
3 Interim management costs	<u>(74)</u>
ADJUSTED FORECAST DEFICIT FOR 2011/12	<u>998</u>
BUDGET FOR 2011/12	711
DEFICIT (Assuming festival savings are achieved)	287
DEFICIT (If festival savings are not achieved)	432

- 5.1.3 The business plan proposals detail realistic changes to the programme policy which would generate an additional £0.6m of sales and £0.17m of additional gross profit over and above the forecast for 2010/11 within a period of 3 years. This represents an increase of 20% in ticket sales of £2.9m forecast in 2010/11 and an increase of 50% in gross profit of £0.3m forecast in 2010/11 over the three years.
- 5.1.4 Included in the forecast was £183k of net costs covering both Summer Sundae and Big Session. The report recommends discontinuing Big Session and continuing with Summer Sundae in 2011/12. The proposal is that Concert Clinic will procure and manage the majority of the site costs and the Hall will enter into a fee arrangement consisting of a guarantee and a % of the income. The projected direct cost to the Hall of this arrangement is up to £38k compared with £143k included in this year's forecast, saving £105k. The total saving shown in the table is £145k which includes £40k as result of stopping the Big Session.
- 5.1.5 The savings on Summer Sundae are based on significant increases in income through raising ticket prices and significant cost reductions. It is questionable whether these cost savings are achievable and there remains a significant risk that, despite the proposed payment structure, the Hall will end up incurring any additional costs to ensure the festival goes ahead. The Hall is also exposed to any reduction in ticket income.
- 5.1.6 It is assumed that the interim management arrangements are no longer required from April 2011.
- 5.1.7 The deficit compared to the current budget is between £287k - £432k depending upon whether or not the festival savings are achieved. An additional budget of £432k has been included in the budget proposals for 2011/12 as no agreement with Concert Clinic has been finalised.
- 5.1.8 The estimated cost of the other two governance arrangements (options 2 and 3) are considered in paragraphs 4.8 onwards. Outsourcing the theatre management (option 2) was the least cost option and would also have transferred the financial risk from the City Council to a commercial operator. The cost of this option could be within £50k of the existing budget, depending upon programme mix.
- 5.1.9 There are significant financial hurdles to overcome in operating the Hall as a trust. It is certainly not clear how this would put us in any better position than our current one in terms of being able to attract the best shows at the most competitive price. There would be no effective transfer of risk from the Council as the trust would ultimately have no other funding sources other than the City Council. The Trust would also incur more costs due to VAT and governance, offset by a saving in property rates. The net effect would be an increase in costs of at least £0.4m over and above the cost to the City Council continuing to manage the Hall.

Martin Judson – Head of Finance

5.2 Legal Implications

Outsourcing

- 5.2.1 In the case of outsourcing of management operations, it is recommended that, if this option is to be pursued, an assessment of potential residual costs and liabilities be included in the business case. The market is very risk adverse at the moment – even with what is effectively a concession – and would expect the Council to pick up most or even all of the risk on the business model.
- 5.2.2 The rules on EU procurement and, if applicable, state aids would apply. In the circumstances it is likely that "competitive dialogue" would be an effective procedure as this enables a formal dialogue with the market before finalising the specification and the contract before final tender. It is prudent to allow at least 12 months for this process.
- 5.2.3 If there is a staff transfer, the "Code of Practice on Workforce Matters" will apply and the new provider will have to provide a broadly equivalent pension. Currently the only realistic prospect of this (given the dearth of GAD passports) would be for a new provider to seek admitted body status to the LGPS. Again providers are now very risk averse to contribution and closing fund risk and would seek to limit their liability - leaving a potential residual liability for the Council.
- 5.2.4 The arrangements also need to be examined for VAT efficiency but should present no difficulty if the arrangement is a clear supply of services to the Council by a non associated contractor.

Cultural Trust

- 5.2.5 A cultural trust would usually be established through a company limited by guarantee. There are a number of other models but funders and commercial partners would be most comfortable with this model.. It would be possible for the company to be wholly owned and controlled by the Council - this has pro's and cons.
- 5.2.6 Presumably the Hall would then be transferred to the trust as a foundation. This could be done by way of long lease. Issues of disposal at "less than best consideration" and state aids would require further investigation. It is likely that funders would, however, insist on a legal charge over the lease to secure any funding (although this charge would not extend to the Council's retained freehold interest)
- 5.2.7 This option would need an analysis as to whether any services were being procured for the benefit of the Council and, if so, the procurement implications of this understood. Staff transfer and pension issues would still apply, as would the funding of the business model. Changes to existing charities (enlargement, amalgamation) require the approval of the Charities Commission to the scheme. Again procurement, state aid, charity law and VAT issues could be challenging and conflicting.
- 5.2.8 The Council has power to provide, and fund, entertainments venues (including theatres) under s 145 of the Local Government Act 1972. Further powers to provide (or encourage others to provide) conference and exhibition facilities are contained in section 144 Local Government Act 1972. The Council has powers to provide and maintain art galleries under the Public Libraries and Museums Act 1964. The Council also has power to do things incidental etc to these powers under section 111 of the Local Government Act 1972.

Joanna Bunting - Head of Commercial & Property Law

5.3 Climate Change Implications

- 5.3.1 De Montfort Hall is currently responsible for carbon emissions of 517 tonnes per annum (based on 2009/10 data). There is the potential to reduce the emissions of the Hall but this would require investment and improvements to the building to achieve this; such investment may be a possibility if the management of the Hall is outsourced. If the management of the building is outsourced or the Hall becomes part of a Trust the carbon emissions of the building will still be counted as part of the Council's carbon emissions under National Indicator 185. However, under the CRC Energy Efficiency Scheme (the scheme provides a financial incentive to reduce energy use by putting a price on carbon emissions) outsourced services would not be counted as part of the Council's carbon emissions. As a result if the management of the Hall was outsourced, based on the initial cost of allowances of £12 a tonne, the Council could save £6204 per annum in CRC allowances (this may rise as the cost of the CRC allowances is expected to increase in the future).

Helen Lansdown - Senior Environmental Consultant - Sustainable Procurement

5.4 Property Implications

- 5.4.1 The Council should look in any proposal for details about which party is responsible for the various liabilities such as repair and maintenance, not just of the structure but the complex mechanical equipment such as the lifts, and health and safety management of the building, for electrical equipment, heating and ventilation, asbestos and water hygiene. The ceiling is of particular concern and is regularly monitored.
- 5.4.2 We would also look for the terms of any lease or other arrangement to have sufficient strength from the Council's position to ensure that the other party has to fulfil its obligations for the building. A full repairing lease would be the most preferable with an annual inspection of an asset management plan to ensure all aspects of the building were being maintained to an acceptable standard.
- 5.4.3 De Montfort Hall is a Grade 2 listed building, and if it is leased with the council retaining the repair and maintenance responsibility, we would have no option not to repair, with the possibility of significant penalties if we did not which resulted in cancellations. It could need a separate budget being created. Also the Council might have to put it in good repair beforehand, or ensure that the other party does so. Given its age the Council should pass the liability and risks to the other party.
- 5.4.4 If a decision is made to outsource de Montfort Hall, then Property Services would need to be involved throughout the tendering process. The successful bidder should be expected to carry out an initial baseline repair and refurbishment programme to standard we believe to be acceptable then carry out ongoing maintenance. The nature, funding and responsibility for any further capital investment in improvements would then need to be agreed as a separate issue.
- 5.4.5 The terms would require negotiation on rent, frequency of rent reviews, the length in years, the site boundaries, and potential sub-lettings including car parking. We assume that the Council will wish to retain the freehold ownership of the building to ensure the best benefits for Leicester. We would recommend that the lease ends at the same time as any service level agreement or similar arrangement.

Lynn Cave – Director, Strategic Asset Management

6 Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	Yes	4.5.6, 4.5.7, 4.6.8
Policy	Yes	4.4, 4.5, 4.6, 4.7
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

7 Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
1 Budget Overspends	H	H	Implement Programme Policy, Cease high cost activities, Remove risk by alternative management arrangements
2 Reducing Budgets following Comprehensive Spending Review	H	H	As above
3 Loss of national arts profile if Festivals no longer take place	H	L	Focus on promoting De Montfort Hall and other cultural venues
4 Outsourcing doesn't generate expected savings	L	M	Option to retain direct management if benefits not significant, although enhanced level of financial risk
5 Negative Customer reaction to potential change of governance	L	L	Customer unlikely to notice any significant difference in operation of the venue
6 Negative Customer reaction to impact of Programme policy	M/H	L/M	Ongoing planned dialogue with event organisers to review options, alternatives etc

7 Background Papers – Local Government Act 1972

De Montfort Hall Business Plan – August 2010

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8 Consultations

8.1 Joanna Bunting – Head of Commercial and Property Law

Martin Judson – Head of Finance

Helen Lansdown – Senior Environmental Consultant – Sustainable Procurement

Lynn Cave – Director, Strategic Asset Management-

9 Report Authors

9.1 Richard Watson

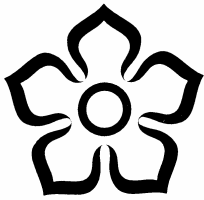
Director of Cultural Services

29 7301 or richard.watson@leicester.gov.uk

Hazel Clover

Interim Manager – De Montfort Hall

hazel.clover@leicester.gov.uk



Leicester
City Council

Minutes of the Meeting of the
CABINET

Held: MONDAY, 13 DECEMBER 2010 at 1:00 pm

P R E S E N T:

Councillor Patel - Chair
Councillor Dempster - Vice-Chair

Councillor Bhatti
Councillor Naylor
Councillor Palmer
Councillor Wann

Councillor Dawood
Councillor Osman
Councillor Russell
Councillor Westley

ALSO IN ATTENDANCE

Councillor Grant

Conservative Group Leader

* * * * *

130. APOLOGIES FOR ABSENCE

There were no apologies for absence.

131. DECLARATIONS OF INTEREST

Members were asked to declare any interests they may have in the business on the agenda and/or declare if Section 106 of the Local Government Finance Act 1992 applied to them.

Councillor Palmer declared a personal and prejudicial interest in Item 6, "Report of the Culture & Leisure Scrutiny Task Group: Review of Funding for the Special Olympics," as he was a member of the Board of the Special Olympics.

Councillor Grant declared a personal and prejudicial interest in Item 17, "Revised Organisational and Redundancy Policies," as his partner was an employee of Leicester City Council. As he was not a voting member of Cabinet he agreed to not take part in the discussion but remain in the meeting.

141. DE MONTFORT HALL BUSINESS PLAN

Councillor Wann submitted a report that presented a business plan for the operation of De Montfort Hall and sought to agree a way forward to ensure the Hall was adequately funded and provided a cost effective and varied programme of live entertainment for the people of Leicester and beyond. The development of a sustainable business plan was an integral component of the improvement plan for the Hall.

Councillor Grant stated that there had not been a unanimous decision at the Overview & Scrutiny Management Board that the proposed option was the best, and there was concern about the Council's ability to turn the facility around. He also raised concern regarding the additional funding required at a time when some services to vulnerable service users may increase in price. He also stated that the report contained no equalities implications and felt that such reports should consider equality impacts corporately.

Members stated that the decision had not been taken lightly, and that, when looking in detail, De Montfort Hall's recent programming had exceeded that of privately run facilities elsewhere. Hidden economic advantages to the city were also highlighted and actions already taken that were resulting in significant reductions to cost to the Council. It was noted that the Culture & Leisure Task Group had also looked at the issue in detail.

The Leader thanked all involved.

RESOLVED:

That Cabinet:

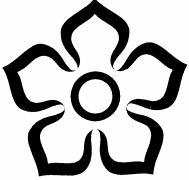
- 1) Agrees the proposed Vision and Objectives for De Montfort Hall (as set out in Para 4.4.1 of the report;)
- 2) Adopts and implements the proposed Programme Policy for De Montfort Hall (as set out in Para 4.5.7) by:
 - a) Increasing the number of single-night popular income generating events,
 - b) Increasing the number of long-run touring musical theatre productions,
 - c) Prioritising popular income generating shows, and
 - d) Maximising commercial hires for non-performance events;
- 3) Reduces the cost of the Philharmonia Orchestra residency by decreasing the number of concerts from 9 to 7, noting that additional funding is being sought by the Philharmonia for a bespoke programme of concerts tailored for Leicester primary

schools (Para 4.7.1-6);

- 4) Reduces the cost of the outdoor festivals, by changing the arrangements for Summer Sundae Weekender to a guaranteed fee model followed by a % split of income. This model will reduce costs substantially, share risk more equitably, and provide a mechanism to manage and control expenditure more effectively, as described in Para 4.6. As part of this arrangement, and in agreement with our partners, Concert Clinic, Big Session Festival will not take place in its current format in 2011, with any resulting programme gaps being met by the indoor programme;
- 5) Continues with the current governance arrangements for the management and operation of De Montfort Hall (Para's 4.8.6-8) on the understanding that:-
 - Hall Management will be supported by an Advisory Board made up of councillors, stakeholders and representatives from the Business Community to ensure every effort is made to improve the financial performance of the Hall. The terms of reference and membership of the Advisory Board to be delegated to the Director of Cultural Services in consultation with the Cabinet Lead Member for Culture and Leisure
 - A Finance and Business Manager is recruited as soon as possible so that the financial performance of the Hall can be constantly reviewed and developed
 - The ongoing cost of this arrangement, (an increase of £287k per annum), as described in the Financial Implications section of the report are noted and incorporated within the base budget for 2011/12 onwards
 - A further report is brought to Cabinet on governance which looks in more detail at the feasibility and potential benefits of establishing a trust model for the long term future operation and management of De Montfort Hall
- 6) Supports the development of an asset management plan (Paras 4.9.1-4.)

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Appendix E



Leicester
City Council

WARDS AFFECTED
ALL WARDS

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

HOUSING PERFORMANCE PANEL

17TH DECEMBER 2010

HOUSING PERFORMANCE PANEL

and 11TH JANUARY, 2011

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

13TH JANUARY, 2011

CABINET

17TH JANUARY, 2011

COUNCIL

27TH JANUARY, 2011

HOUSING REVENUE ACCOUNT – BUDGET 2011/12

REPORT OF THE DIVISIONAL DIRECTOR OF HOUSING SERVICES AND CHIEF FINANCE OFFICER

1. Purpose of Report and Summary

- 1.1. This report summarises the financial position of the Housing Revenue Account (HRA) for 2010/11 and 2011/12 **based on the draft Subsidy Determination. If there are any changes to these figures in the Final Determination they will be reported to Members at the meeting.** The approval of Members is sought for setting rents for 2011/12 again based on the Government's "formula rents". Members are also asked to determine the level of service charges to be applied in 2011/12, and approve the expenditure reductions proposed for 2011/12.

2. Recommendations

- 2.1. The Cabinet is asked to consider the report, and recommend Council to:

- i) note the estimated working balance of £1.991m at the start of 2011/12 and approve the base budget as detailed at Appendix A;
- ii) approve the initial expenditure reductions totaling £1.047m proposed for 2011/12, as detailed in Appendix B.
- iii) consider the issues outlined in the body of the report and, in particular, the comments of the Performance Panel and OSMB, which will be reported at the meeting;
- iv) consider the Equality Impact Assessment at Appendix F of this report;
- v) approve the setting of rents for 2011/12 on the basis of "formula rents" and within the ranges shown in Appendix C, noting that different properties will attract different increases, and the overall average, in terms of income generated, will equate to a 6.3% increase;
- vi) approve the revised level of miscellaneous payments and charges to be applied in 2011/12 as detailed in Appendix D;

- vii) approve the “prudential indicators” for the HRA, as detailed in Appendix E of the report.
- viii) approve that £60,000 be added to the 2011/12 budget (and £280,000 in 2012/13 and then reducing in subsequent years as principal repayments reduce the outstanding loan) to facilitate £4.0m of new prudential borrowing being used to finance “Decent Homes” expenditure included in the 2011/12 HRA Capital Programme.
- ix) approve that a revenue contribution of £1m be included in the 2011/12 HRA budget to support the 2011/12 HRA Capital Programme.
- x) Note that costs charged to the General Fund are currently being reviewed in the light of the overall General Fund position. Any changes may impact on the HRA and reduce balances in hand.

3. REPORT

3.1. Revised Assessment for 2010/11

As shown in Appendix A, the original budget for 2010/11 forecast a credit working balance of £2.386m to be carried forward into 2011/12. Current forecasts indicate this balance will be £1.991m, which represents an approximate £0.4m net adverse variance compared to the original budget. This net variance comprises the following:

	£m
a) Repairs and Maintenance expenditure is showing an overspend of £0.5m due to the cost of moving the craft workforce from a “wages and bonus” system to salaries to limit the Council’s risk of equal value/equal pay claims.	0.5
b) A lower interest rate will produce savings on prudential borrowing debt charges	(0.1)
	<u>0.4</u>

3.2 Base Budget for 2011/12

Appendix A also shows the 2011/12 base budget for the HRA; this is the position on the account at existing levels of service and before any increases in rents or service charges.

Details of the major variances are:

- i) The 2011/12 Dwellings Rent base budget (prior to any increase for 2011/12) is showing an increase of £0.540m compared to the original budget for 2010/11. This is due to:

	£000
a) Additional rent from ‘New Build’ properties expected to be available for letting from early 2011/12	552
b) Allowance for stock reductions (through ‘Right to Buy’ and other sales) during 2011/12	(207)
c) An extra day’s rent falls into 2011/12 compared to 2010/11	195
	<u>540</u>

ii) **Repairs and Maintenance**

The increase of £850,000 is due to the ongoing full-year effect of the new salary arrangements for the craft workforce, and additional costs associated with increased Health and Safety checks

iii) **Capital Financing Costs**

The reduction of £863,000 in capital financing costs is due to:

	£000
a) A reduction in interest charges on 'supported' borrowing due to a reduction in the interest rate from 3.6% to 3.0% between the years. (This reduction does not benefit the HRA, since these charges are fully reimbursed as part of the subsidy calculation, and the lower charges simply result in an equivalent increase in negative subsidy – see below)	-1,135
partly offset by:	
b) Additional costs due to the 'full year' effects of new prudential borrowing.	+ 272
	<u>- 863</u>

iv) **Capital Expenditure financed from Revenue Accounts (CERA)**

No allowance for a CERA towards financing of the 2011/12 HRA Capital Programme has been made in the 2011/12 HRA Base Budget. A CERA for 2011/12 is proposed later in the report for approval by Members.

v) **Negative Subsidy**

It can be seen from Appendix A that Negative Subsidy has increased by £3.958m between the 2010/11 and 2011/12 budgets. However, as 'supported' capital financing costs are part of the subsidy calculation, it is necessary to combine that variance (a decrease of £1.135m, as detailed above) with the negative subsidy variance (an increase of £3.958m) to obtain the effective net change in the subsidy position, and this shows a worsening of £2.823m.

These latest subsidy figures mean that Leicester's annual negative subsidy position has worsened by £8.4m since 2005/06. This compares to an improvement of £6.8m between 2003/04 and 2005/06, resulting from the Government's review of the subsidy calculation. Therefore, the Government has now 'clawed back' and gone beyond all of the large earlier improvements.

The large adverse subsidy changes in recent years are mainly due to the Government's policy of not allowing local authorities to retain the full amount of additional income resulting from the large, above inflation, annual rent increases under rent restructuring. The subsidy system is the means by which the Government claws back a large part of the additional HRA rental income each year. This issue is considered further in paragraph 3.3.2.

3.3 Rent Setting under the Rent Restructuring System

- 3.3.1 To comply with Government regulations, Leicester's HRA commenced the rent restructuring process in 2004/05. Under this system all rents are set by a Government formula, taking account of local earnings levels, the value of the property and the number of bedrooms in the property. The Government's current intention is that, under the formula rent system, local authority rents will on average increase at a faster rate than Housing Association rents so that, by 2015/16, rent levels on comparable properties in the two sectors will be similar. Over the restructuring period, different properties will have different levels of annual rent increases depending on their actual rent at the start of the process and their ultimate formula rent.
- 3.3.2 Based on the rent factors issued recently by the Government, Leicester's average rent increase for 2011/12 will be 6.3%, which will produce additional income of £4.192m for the HRA. As noted earlier, £2.823m (67%) of this increased income will be effectively 'clawed back' by the Government via a worsening of Leicester's negative subsidy position for 2011/12.
- 3.3.3 Appendix C gives details of the impact of the Government's rent formula on average rents for different categories of property. In accordance with the decision of the 21st July 2003 meeting of the Cabinet, full usage has been made of the Government's permitted 5% tolerances to limit, as far as possible, large increases in rent levels. However, as can be seen from the range of increases listed for each category of property in Appendix C, certain properties will still face very large increases, particularly where their base rent is low in comparison with other properties in their "family".
- 3.3.4 **In considering these proposals, Members must consider them alongside the Equality Impact Assessment** and satisfy themselves that any decision taken does not disadvantage any group of people, or at least that adequate safeguards have been put in place to mitigate against the impact of the revised charge being applied.

3.4 **District Heating Charges**

- 3.4.1 It is considered that the current level of charges (which were last increased from 6th April 2009) will cover the costs of operating the district heating account in 2011/12, and it is therefore proposed that no increase be applied to these charges for 2011/12.

3.5 **Other Associated and Miscellaneous Charges**

- 3.5.1 Unlike the setting of rents, service charges are within the discretion of local authorities, although the Government does issue a suggested (or 'guideline') increase which is 0.5% above the inflation rate as measured by the Retail Price Index; for 2011/12 this would give an increase of 5.1% and produce additional income of £131,000.
- 3.5.2 The recommendations for the level of associated and miscellaneous charges (except for district heating charges) and payments to be applied in 2011/12 are given in Appendix D.

3.6 'Self-Financing' for the HRA

- 3.6.1 It is likely that 2011/12 will be the final year of the current HRA subsidy system, since the Government intends to introduce a new housing finance system, known as 'self-financing', from 2012/13. Under this new system, the Government will allocate an amount of national housing debt to each HRA and, in return, will end the existing subsidy system. Therefore, Leicester's HRA will no longer have to make annual payments of negative subsidy to the Government (such as the £20.4m for 2011/12 detailed in this report) but will no longer receive any support for capital expenditure (such as the Major Repairs Allowance of some £13.5m per year), and will have to pay the financing costs on the allocated debt.
- 3.6.2 Based on the indicative debt allocation issued to local authorities by the previous Government, the proposed new system appeared to be generally beneficial to Leicester's HRA, as reported to Cabinet on 2nd August, 2010. However, while the current Government intends to proceed with 'self-financing' it has already made some changes to the earlier proposals (e.g., local authorities will now still be required to pay 75% of capital receipts from 'Right to Buy' sales to the Government, which will deprive Leicester's HRA Capital Programme of some £3m of annual financing resources compared to the original proposals) and will, in due course, issue revised debt settlement figures to each HRA.
- 3.6.3 Given the current economic situation, it is highly likely that the revised debt settlement allocations will be significantly less favourable than the earlier indicative figures. Therefore, to ensure the future viability of the HRA it is necessary to take measures, commencing in 2011/12, to substantially reduce the ongoing annual revenue expenditure of the HRA, and to maximise the level of the HRA working balance. The initial cost reduction measures proposed for the HRA are shown in Appendix B for Members' approval.

3.7 Prudential Code – Impact on the HRA

- 3.7.1 The Local Government Act 2003 introduced new capital rules for local authorities, including the 'Prudential Framework' under which detailed regulation was replaced by a more flexible system of capital control, based upon authorities' ability to meet revenue costs, and comply with CIPFA's code of practice.
- 3.7.2 The key requirement of CIPFA's code of practice is that authorities must agree a set of indicators that demonstrate that borrowing is affordable, sustainable and prudent. The authority's full Council must approve the set of indicators at the same time at which it agrees the Council's budget for the forthcoming year.
- 3.7.3 **Separate indicators are required for General Fund borrowing and HRA borrowing.** The code recommends a number of national indicators, which all authorities must set. Authorities can also set local indicators, based upon local circumstances. The four national indicators and two locally determined indicators for the HRA are given in Appendix E for approval by the Council. These indicators fully-reflect:
- i) recommendations made in this report regarding unsupported borrowing for investment in the HRA housing stock; and
 - ii) the Housing Capital Programme recommended for 2011/12 (elsewhere on this Agenda).

3.7.4 In compiling the draft 2011/12 Housing Capital Programme, officers have once again taken advantage of the freedoms offered by Government via the Prudential Borrowing Framework. It should be noted that there is more risk associated with any new Prudential Borrowing by the HRA than has previously been the case, due to the uncertainties created by the likely replacement of the current HRA subsidy system with a new 'self financing' system from April 2012 (as described in Section 3.6 above). **Officers do, however, consider that £4m of prudential borrowing should be utilized towards financing HRA capital expenditure in 2011/12** since:

- i) the resultant revenue costs (£60,000 in 2011/12, £280,000 in 2012/13 and reducing in subsequent years as principal repayments reduce the outstanding debt) are relatively small in comparison with the overall size of the HRA;
- ii) the expenditure will reduce demand for day to day repairs;
- iii) HRA savings (as detailed in Appendix B) have already been identified for 2011/12 onwards;
- iv) it is possible to slow down or stop schemes later on in the financial year should the situation be substantially worse than expected when details of the new housing finance system are announced by the Government later this year; and
- v) the HRA also maintains an earmarked reserve – currently with a balance of £1.2m – to cover unforeseen increases in future prudential borrowing costs (e.g., due to increased interest rates) or increases in district heating energy costs. The existence of this reserve provides further reassurance that the proposed level of unsupported borrowing remains affordable and prudent.

3.8 Capital Expenditure charged to Revenue Account (CERA)

3.8.1 The financial position of the HRA for 2011/12 gives scope – in addition to the proposed prudential borrowing of £4m for Decent Homes work – for the HRA to make a CERA of £1m to supplement the HRA Capital Programme.

3.8.2 This will further help to ensure that the Council meets the Decent Homes Standard and manage the transition to the new finance system in an orderly fashion without (unlike prudential borrowing) committing any revenue resources beyond 2011/12.

3.9 Summarised Position for the 2011/12 HRA

3.9.1 The draft summarized budget position for the 2011/12 HRA is as follows:

	<u>£000</u>
Deficit on base budget (see Appendix A)	2,858
Average rent increase of 6.3% for 2011/12	(4,192)
Recommended increase in service charges (excluding district heating) (5.1%)	(131)
CERA – for financing of HRA Capital Programme	1,000
2011/12 cost of £4m new prudential borrowing for Decent Homes work	60
Initial Cost reduction measures (Appendix B)	(1,047)

Net position for 2011/12 (surplus)	(1,452)
Balances b/fwd 01/04/11	(1,991)
Balances c/fwd 31/03/12	<u>(3,443)</u>

3.9.2 Members are reminded that Cabinet has, many years ago, set minimum HRA balances at £1.5m to meet any unforeseen expenditure or shortfall in income. The projected balances of £3.443m at 31st March, 2012 are, therefore, some £1.9m above the minimum. However, given the uncertainties about the future change in the housing finance system, it is considered this higher level of balances is appropriate at this time.

3.9.3 Members are also asked to note that costs charged to the General Fund are currently being reviewed in the light of the overall General Fund position. Any changes made may impact on the HRA and reduce balances in hand.

4. FINANCIAL IMPLICATIONS – Graham Troup ext. 29 7425

4.1 Under the continuation of the Government’s rent restructuring process, the average rent increase for Leicester’s HRA for 2011/12 will be 6.3%. This will produce £4.2m extra income although £2.8m (67%) will effectively be ‘clawed back’ by the Government via a worsening of the Council’s negative subsidy position.

4.2 The HRA will in 2011/12, commence a process of substantially reducing annual revenue expenditure and increasing working balances to improve the ongoing viability of the HRA following the likely introduction of a new housing finance system from 2012/13.

5. LEGAL IMPLICATIONS

To follow

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	Yes	7.1
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	7.1
Corporate Parenting	No	
Health Inequalities Impact	No	

7. EQUAL OPPORTUNITY IMPLICATIONS

7.1 Any reduction or restriction of HRA budgets directly affects the Council’s ability to deliver high quality services that meet the needs and aspirations of Council tenants, many of whom are elderly and/or come from disadvantaged groups. Members need to satisfy themselves

that charges are reasonable and affordable and do not disadvantage any particular group in the City. An Equality Impact Assessment has therefore been carried out and is shown at Appendix F for Members consideration.

8. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

- a) Budget Book 2010/11
- b) Draft HRA Subsidy Determination 2011/12 (CLG, November, 2010)
- c) 'Council Housing – A Real Future' (CLG, March 2010)
- d) Report of the Director of Housing Services and Chief Finance Office on 'Reform of Housing Revenue Account Finance' to Cabinet 02/08/10.

9. CONSULTATIONS

This is a joint report of the Divisional Director of Housing Services and Chief Finance Officer. All Departments have been consulted through the Corporate Directors' Board. The Trade Unions and Housing Performance Panel have also been consulted as part of the formal consultative procedures.

10. AIMS AND OBJECTIVES

The overall Quality of Life Aim for Housing Services is that "a decent home is within the reach of every citizen of Leicester".

11. REPORT AUTHORS

Dave Pate, Divisional Director of Housing Services, ext 29 8222
Graham Troup, Principal Accountant (HRA) – ext 29 7425

HOUSING REVENUE ACCOUNT

2009/10 Actual		2010/11 Original Budget	2011/12 Base Budget	Variance
£000s		£000s	£000s	£000s
	<u>Income</u>			
64,870	Dwellings Rents	66,001	66,541	-540
5,713	Other Issues	5,754	5,816	-62
70,583	Total Income	71,755	72,357	-602
	<u>Expenditure</u>			
26,381	Repairs and Maintenance	27,150	28,000	+850
17,252	Landlord Services	17,638	17,638	-
58	Contribution to Bad Debts Provision	200	200	-
8,673	Capital Financing Costs	9,824	8,961	-863
	Capital Expenditure financed from			
3,119	Revenue Account (CERA)	550	-	-550
17,151	Negative Subsidy	16,458	20,416	+3,958
72,634	Total Expenditure	71,820	75,215	+3,395
2,051	(Surplus)/Deficit for year	65	2,858	+2,793
(4,502)	Working Balance b/fwd	(2,451)	(1,991)	
(2,451)	Working Balance c/fwd	(2,386)	867	

Notes

1. In the 'Variance' column, a favourable variance (i.e., reduced expenditure or increased income) is denoted by a negative sign, whilst an adverse variance (i.e., increased expenditure or reduced income) is denoted by a positive sign.
2. Credit (i.e., favourable) balances are denoted by brackets.

HOUSING REVENUE ACCOUNT – INITIAL SAVINGS PROPOSED

	2011/12	2012/13	2013/14
	£000s	£000s	£000s
1 Close cash offices	300	412	412
2 Bring TV services 'in-house'	80	80	80
3 Reduce highways & grounds maintenance expenditure	60	60	60
4 Reduce HRA contribution to Leicester Anti-Social Behaviour Unit (LASBU)	50	50	50
5 Divisional Efficiency Savings	557	1,000	1,000
6 Savings from implementation of Single Status	-	150	514
	<u>1,047</u>	<u>1,752</u>	<u>2,116</u>

PROJECTED RENT MOVEMENTS 2010/11 TO 2011/12

Property Type	2010/11	2011/12			
	Avg Weekly Rent £	Avg Weekly Rent £	Avg Weekly Rent £	Ranging	
				From %	To %
Bedsit	45.56	48.39	6.2%	3.0%	11.0%
1 Bed Flat	50.07	53.19	6.2%	3.0%	10.0%
1 Bed House	54.31	57.13	5.2%	3.0%	9.0%
2 Bed Flat	58.97	62.65	6.2%	4.0%	8.5%
2 Bed House	61.61	65.37	6.1%	3.0%	9.5%
3 Bed Flat	65.27	69.45	6.4%	4.0%	7.0%
3 Bed House	66.89	71.32	6.6%	4.0%	10.0%
4+ Bed House	76.84	82.09	6.8%	4.0%	8.0%
All stock	60.11	63.89	6.3%		

Note:

Rents are shown on a 50 week basis

OTHER SERVICE CHARGES AND PAYMENTS

The Housing Services Division administers a plethora of charges associated with providing services to tenants as part of their rent. Officers propose the following for Members' consideration:

(i) Use of Guest Room (Sheltered Housing Schemes)

The charge for use of the guest room at Sheltered Housing Schemes is not capable of precise calculation. It is, therefore, recommended that a 50p increase be applied to this charge for 2011/12 in line with the rent increase.

(ii) Replacement Rent Swipe Cards

The Council replaced Rent Cards with Rent Swipe Cards on 6th April 2009 and agreed a charge of £2.50 for replacing lost cards under the new system, which was the same as the charge previously made for lost Rent Cards. It is, therefore, recommended that the charge for replacing Rent Swipe Cards are increased to £3.00 for 2011/12.

(iii) Information on Mortgages and Property Types/Conditions, etc.

The Housing Service continues to receive a large number of requests for ad hoc information in connection with mortgages and property type/condition, etc. As the work involved is very time consuming, it is felt appropriate to levy the charge on all requests for information in connection with mortgages and property types and condition, etc., excluding those requests from tenants for information in connection with tenants' statutory rights under Right to Buy legislation.

No increase in charge was applied last year. It is, therefore, recommended that the charge be increased from £80 to £100 for 2011/12.

(iv) Hostel Charges

It is recommended that the charge for hostel rent is increased by 5% to cover inflation and additional energy costs (gas and electricity). This increase will qualify for Housing Benefit payments.

(v) LeicesterCare Charges

The charge for the LeicesterCare Alarm service be increased by 6% from April 2011.

(vi) Warden Services

It is proposed to increase the charge for Warden Services by 5.1% in line with other charges on the HRA.

(vii) Other HRA Properties

There are a small number of properties on the HRA that have a protected rent. In these cases it is proposed to increase their charge by 4.6% in line with RPI.

(viii) Other Charges

All other charges made to increase in line with the Government's guideline figure of 5.1%.

Miscellaneous Payments

The current list of payments has not been increased for a number of years and now require revision. Despite the difficult financial situation it is recommended that they be increased by 25% from 4th April 2011.

HRA PRUDENTIAL INDICATORS**1. NATIONALLY-SET INDICATORS**

The four nationally-set HRA Prudential Indicators are as follows:

- i) The actual ratio of financing costs to net revenue stream for 2009/10 and estimates for the current year and for the period 2011/12 to 2013/14 are:

	2009/10 Actual	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
HRA Ratio	10.48%	10.33%	10.38%	10.42%	10.07%

- ii) The estimated incremental impact on average weekly rents of capital investment decisions proposed in the HRA budget report, over and above capital investment decisions that have previously been taken by the Council are:

	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
HRA Rent (£61.43)	£0.05*	£0.23*	£0.22*

* based on 2011/12 average recommended weekly rent of £61.43 (52 week basis).

In practice, this indicator (which is intended to show the amount of rent increases arising from capital investment) cannot achieve its purpose as rents are set by the Government's rent formula.

- iii) The actual capital expenditure incurred in 2009/10 and estimates of capital expenditure to be incurred in the current year and for the period 2011/12 to 2013/14 are:

	2009/10 Actual £000	2010/11 Estimate £000	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000
HRA Capital Spend	22,042	34,458	19,880	19,880	19,880

- iv) The Capital Financing Requirement measures the Authority's underlying need to borrow for a capital purpose. On 24th November 2003, the Cabinet agreed the latest CIPFA Code of Practice for Treasury Management in the Public Services. The Council has, at any point in time, a number of cash flows both positive and negative, and manages its treasury position in terms of its borrowing and investments in accordance with its approved Treasury Management Strategy and Practices. External borrowing arises as a consequence of all the financial transactions of the Authority and not simply those arising from capital spending. By contrast, the Capital Financing Requirement reflects the Authority's underlying need to borrow for capital purposes.

The actual HRA Capital Financing Requirement in 2009/10 and estimates of the Capital Financing Requirement for the current financial year and the period 2011/12 to 2013/14 are:

	31.03.10 Actual £000s	31.03.11 Estimate £000s	31.03.12 Estimate £000s	31.03.13 Estimate £000s	31.03.14 Estimate £000s
HRA Capital Financing Requirement	212,144	224,303	227,928	226,561	225,194

CIPFA's Prudential Code for Capital Finance specifies the requirement that over the medium term, net borrowing will only be for capital purposes, and that Authorities should ensure that borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement in the preceding year, plus the estimates of any additional Capital Financing Requirement for the current and next two financial years. Based upon current capital commitments and proposals in this budget report, there are not anticipated to be any difficulties for the current or future years, although this will need to be reviewed once details of the Government's HRA debt-reallocation are known.

2. LOCALLY-SET INDICATORS

The two locally-set HRA Prudential Indicators are as follows:

i) Annual Movement in HRA Unsupported Borrowing

	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000
Historic Unsupported Borrowing b/fwd	25,031	28,656	27,289
New Unsupported Borrowing	4,800*	-	-
Less Unsupported Borrowing Repaid	(1,175)	(1,367)	(1,367)
Total Unsupported Borrowing c/fwd	28,656	27,289	25,922

* comprises:

Slippage on 'New Build'	£800k
New Decent Homes Borrowing	£4m

ii) The actual ratio of unsupported capital financing costs to net revenue stream for 2009/10 and estimates for the current year and for the period 2011/12 to 2013/14 are:

	2009/10 Actual	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
HRA Ratio	2.07%	2.12%	2.59%	2.85%	2.72%

EQUALITY IMPACT ASSESSMENT

Name and date of meeting	Cabinet – 27 January 2011
Title of Report	Housing Revenue Account - Budget 2011/2012
Lead Officer	Dave Pate - Director of Housing Services
Date of EIA	20 th December 2010

1.	Who are the customers or stakeholders affected by the recommendations of this report?
<p>Tenants Residents Leaseholders Tenants/ Residents Associations Members LCC Housing Services Tenancy support services</p>	

2a.	What are the expected positive impacts that customers or stakeholders will receive as a result of the recommendations of this report?
<p>Money to provide financing for new capital works to carry out work on dwellings to ensure they meet the decent homes standard.</p> <p>Approving money to facilitate borrowing to finance the City Council's Housing Capital Programme for HRA dwellings.</p> <p>The report highlights that officers have been working with trade unions and successfully develop a new equal pay salary structure for craft and manual workers.</p>	
b.	Are there any differential outcomes between different diversity groups arising from the implementation of the report's recommendations? Which groups benefit, and which do not?
<p>Rents are being set for 2011/12, rents will be increased 6.3% and service charges to be applied in 2011/12 where applicable will be increased by 5.1% also.</p> <p>The rents are set using a prescribed government formula, which the Council has no discretion or control over. Service charges are determined by the Council and there is discretion in this area although the Government does suggest that the increase be 0.5% above the inflation rate as measured by the Retail Price Index. Leicester City Council has followed the Government formula and guidelines in coming up with the proposed increase in rent and</p>	

service charges.

The decision to increase rent and service charges will not impact on most council tenants as they are on Housing Benefit. Approximately 70% of tenants receive housing benefit, which covers their rent. All service charges subject to the increase proposed in the HRA report are covered by housing benefit too, if the tenant is eligible for benefit.

The Council has a stock of 21,696 dwellings. Service charges apply for the following types of services

- television services
- concierge services
- door entry systems
- communal cleaning
- way lighting
- miscellaneous service charges

Many properties have more than one service charge. 46% of the service charges are for properties in the centre area and this is where there is a larger concentration of tenants from BME backgrounds.

There are 25,514 Council tenants (some properties have joint tenancies), with an equality profile as follows:

- 10.77% are Asian
- 20.23% are Black,
- 3.64% are Chinese
- 42.25% are White,
- 3.64% are of dual heritage
- 1.01% are other
- 18.46% ethnicity is not known.

The majority of council tenants are women and this is above the City average at 59.49%. The age range is very varied and goes beyond 75 years old. 31% of Council tenants are over 60 years old.

Households, where tenants are working and receiving a low wage, will be impacted by the increase and for some it may cause financial difficulties. There may be differential impact between different diversity groups depending on their income.

c.	If there are differential outcomes between different diversity groups, how can the outcomes be made more equitable for all diversity groups?
----	---

The service needs to ensure that information about the increase in rent and service charges and the advice and assistance that is available is accessible to all the tenants.

Housing Services also need to monitor arrears, non-payment and affordability issues with tenants and intervene where necessary to provide assistance.

3a. What are the potential negative/adverse impacts that customers or stakeholders could receive as a result of the recommendations of this report?

The main negative impact is on people on low incomes who are not in receipt of Housing Benefit and may experience financial difficulties with paying the increase in rent and service charges.

b. Which diversity groups would be affected? How would they be affected?

Age: 31% of tenants are over 60years old and may be living on pensions. The decision to increase rent and service charges will cause financial problems for some older people if they do not receive Housing Benefit. The service needs to ensure that people are able to access money/ debt advice where necessary. Tenants need to be referred to support agencies where appropriate, to enable them to maintain their tenancies and standards of health and well-being.

Disability: 1.3% of tenants consider themselves to be disabled. Accurate information on the percentage of tenants who are disabled is not available at present. Some disabled people may be on low incomes therefore an increase in rent and service charges will cause financial difficulties if they do not receive Housing Benefit. Information on the increase in rent and service charges needs to be made accessible for disabled people in easy to read and other formats. Housing offices and venues used for consultation events need to be physically accessible. The service needs to ensure that people are able to access money/ debt advice where people need it. Tenants need to be referred to support agencies, where appropriate to enable them to maintain their tenancies and standards of health and well being.

Gender: 59.49% of tenants are women, some of which will be single parent families and on low incomes. The decision to increase rent and service charges will cause financial problems for some people if they do not receive Housing Benefit. The service needs to ensure that people are able to access money/ debt advice where it is required. Tenants need to be referred to support agencies where appropriate, to enable them to maintain their tenancies and standards of health and well being.

Race: 39% of tenants whose ethnicity is known are from Black and Minority Ethnic (BME) backgrounds. Some BME households are on low incomes, so an increase in rent and service charges may cause financial difficulties, particularly if they are not on Housing Benefit. Information on the increase in charges needs to accessible and communicated to people in community

languages as appropriate. The service needs to ensure that people are able to access money/ debt advice where it is required. Tenants need to be referred to support agencies where appropriate to enable them to maintain their tenancies and standards of health and well being.

Religion/Belief: The service needs to contact local places of worship and provide information about the increase and information about who to contact for financial advice and assistance. The decision to increase rent and service charges will cause financial problems for some people if they do not receive Housing Benefit. Services need to be culturally appropriate and sensitive to religious requirements. Surgeries and advice sessions for tenants need to be held on days and times that do not conflict with times for prayer.

Sexual Orientation: The Service needs to ensure information is available at the Lesbian Gay Bisexual and Transgender (LGBT) Centre about the increase and where to get money/ debt advice. Some LGBT households may be on low incomes. The decision to increase rent and service charges will cause financial problems for some people if they do not receive Housing Benefit. The service needs to ensure that people are able to access money/ debt advice when and where people need it. Tenants need to be referred to support agencies where appropriate to enable them to maintain their tenancies and standards of health and well being. Services need to be LGBT friendly and staff need to have had awareness training. People need to feel they are in a safe environment if they approach the service for assistance.

c. How can these negative impacts be reduced or removed? What is your action plan?

The service needs to ensure that information about the increase in rent and service charges and the advice and assistance that is available is accessible to all groups.

Housing Services need to monitor arrears, non-payment and affordability issues with tenants and intervene where necessary to provide assistance.

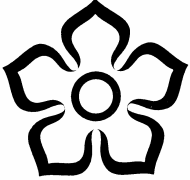
Equality Strand/ Activity	Action Required	Outcome for Service	Measures required	Lead Officer (Service Manager)	Timescale
Age	The service needs to ensure that the provision of information about the increase and advice and assistance is available to tenants, so that tenants are able to access	More tenants of all ages being able to pay the rent and service charges.	% of people paying rent and service charges. % increase in people using the services provided by the Income Management Team	Heads of Service	Ongoing

	benefits and entitlements.				
Disability	The service needs to ensure that accessible information about the increase and advice and assistance is available, to help people maximise their income.	More disabled tenants being able to access advice and assistance to enable them to pay their rent and service charges.	% of people paying rent and service charges. % increase in disabled people using the services provided by the Income Management Team.	Heads of Service	Ongoing
Gender	The service needs to ensure that the provision of information about the increase and advice and assistance is available to tenants. So that tenants are able to access benefits and entitlements.	More tenants being able to pay their rent and service charges.	% of people paying their rent and service charges. % increase in people using the services provided by the Income Management Team.	Heads of Service	Ongoing
Race	Communication of the increase and advice and assistance is in appropriate community languages, to help people maximise their income.	More tenants being able to pay their rent and service charges.	% of people paying their rent and service charges. % increase in people using the services provided by the Income Management Team	Heads of Service	Ongoing
Religion/ Belief	Information about the increase and advice and assistance is available in local places of worship. Surgeries and advices sessions to be held on days and times that do not conflict with prayer times	More tenants being able to pay their rent and service charges.	% of people paying their rent and service charges. % increase of people using the services provided by the Income Management Team	Heads of Service	2011/12
Sexual	Information about the increase and	More tenants being able to pay	% of people paying their rent	Heads of Service	2011/12

Orientation	<p>advice and assistance is available at the LGBT Centre.</p> <p>Services need to be LGBT friendly; staff need to have had awareness training.</p>	<p>their rent and service charges.</p> <p>More people feeling they are in a safe environment when they approach the service for assistance</p>	<p>and service charges.</p> <p>% increase in people using the services provided by the Income Management Team</p>		
Other associated issues (if appropriate)	<p>Housing Management to monitor arrears, non-payment and affordability issues with tenants and intervene where necessary to provide assistance.</p>	<p>The service would be able to identify and intervene when people need assistance.</p>	<p>Reducing arrears cases and any formal action against tenants.</p>	<p>Rent Arrears and Recovery Team</p>	<p>Ongoing</p>

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Appendix F



Leicester
City Council

WARDS AFFECTED
All Wards

HOUSING PERFORMANCE PANEL
OSMB
CABINET
COUNCIL

17th DECEMBER 2010 & 11TH JANUARY 2011
13th JANUARY 2011
17th JANUARY 2011
27th JANUARY 2011

HOUSING CAPITAL PROGRAMME 2010/11 and 2011/12

Report of the Divisional Director Housing Services and Chief Finance Officer

1. PURPOSE OF REPORT

- 1.1 This report advises Members on the position at period 7 on this years capital programme, revises the forecast for the 2010/11 out-turn and proposes a one year housing capital programme for 2011/12, because of the uncertainty around housing finance at the present time, for Members approval.

2. SUMMARY AND RECOMMENDATIONS

- 2.1 This report reviews the current years approved Housing Capital Programme and recommends a programme for 2011/12.
- 2.2 The Housing Capital Programme, if approved, shows a substantial reduction in resources available between 2010/11 and 2011/12. However, in putting the programme together officers have tried to support the Council's 'One Leicester' vision by investing in Thriving Safer Communities, delivering Health and Well Being, contributing to Reducing our Carbon Footprint, Investing in our Children and Investing in Skills and Enterprise. Although the Council has succeeded in meeting the Decent Homes target for those properties qualifying by the 31st December 2010, it is regrettable to say that because of the reduction in capital investment the Council will start to fall behind its target in 2011/12 and if additional resources are not found in successive years also.
- 2.3 The **Cabinet** is asked to consider the report and any comments from the Housing Performance Panel and OSMB and recommend Council to:-
- (i) approve the revised programme, outlined in Appendix 1, for 2010/11 and funding arrangements outlined in paragraph 3.2 of the Supporting Information, and authorize the Director of Legal Services to enter into any contracts necessary to maximize the spend against the revised programme;
 - (ii) Note the ongoing position concerning Right to Buy and other capital receipts and its impact on the General Fund side of the Housing Capital Programme;

- (iii) approve the resources shown in Appendix 2 of the report, including the use of Housing DSO Reserves, Housing Balances and the Prudential Borrowing Framework to support the Housing Capital Programme in 2011/12;
- (iv) consider the Equality Impact Assessment appended to this report;
- (v) approve the Housing Capital Programme for 2011/12 outlined at Appendix 3 and delegate authority to the Divisional Director Housing Services in consultation with the Lead Cabinet Member for Housing to authorize any contracts, and the Director of Legal Services to sign any contracts within the overall programme, to achieve a maximum spend against the resources available;
- (vi) agree to delegate authority to the Divisional Director of Housing Services, in consultation with the Chief Finance Officer and the Cabinet Lead for Housing to vary the programme and the use of Prudential Borrowing should the new Housing Finance System make this source of financing 'unprudential';
- (vii) agree to delegate authority to the Divisional Director Housing Services in consultation with the Lead Cabinet Member for Housing to determine the most appropriate use for any new housing capital receipts generated in year to support the Housing Capital Programme;
- (viii) approve the use of any commuted sums realized in year for the acquisition of new affordable housing through either HomeCome or RSL's via the Council's scheme of Affordable Rent Grant.
- (ix) note that the 2011/12 Programme will be reviewed during the financial year; and
- (x) delegate to the Area Managers', in consultation with the Ward Committees', authority to approve bids under the Environmental Ward Budget.

3. FINANCIAL IMPLICATIONS Graham Troup, Principal Accountant (HRA), ext 29-7425

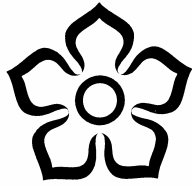
3.1 The current year's programme shows a revised spend of £37.802m, which can be financed from the available resources while allowing the following resources to be carried forward to 2011/12 to fund slippage or new schemes:-

	<u>£000</u>
Major Repairs Allowance (MRA)	295
Prudential Borrowing already approved for	800
HRA new build	
Usable Capital Receipts	<u>880</u>
	1,975

3.2 Officers have also put together a capital programme for 2011/12 with the programmed spend of £23.130m being equal to the estimated financing resources for the year.

These resources include £4m of new HRA prudential borrowing. If approved, the revenue costs of this borrowing, at current interest rates, will be £60k in 2011/12, £280k in 2012/13 and then reducing in subsequent years as principal repayments reduce the outstanding debt. These costs are included in the HRA 2011/12 Budget report, which also includes the required Prudential Indicators showing, subject to the comments below, that the revenue costs are affordable and sustainable.

- 3.3 With the likely introduction of a new HRA finance system in 2012/13 to replace the current subsidy system, the use of prudential borrowing in 2011/12 does carry a greater risk than usual. However, as noted in paragraph 4.2 of the Supporting Information to this report, the revenue costs are relatively small in the context of the overall HRA and the Capital Programme and associated financing resources will be reviewed once the details of the new system are known, with a view to slowing down or stopping schemes if necessary.
- 3.4 A further risk is that interest rates may rise substantially compared to current rates. However, the Council's consolidated rate, which is applicable to prudential borrowing, is largely determined by loans taken out in the past at fixed interest rates; this limits the size of any change in the applicable interest rate as a result of fluctuations in current interest rates.
- 3.5 Also, the HRA has an earmarked reserve of £1.2m to cover unforeseen increases in future prudential borrowing costs (for example due to increased interest rates) or major unplanned movements in fuel costs. This reserve can act as a buffer to any unexpected increase in costs.



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

HOUSING PERFORMANCE PANEL	17th DECEMBER 2010 & 11th JANUARY 2011
OSMB	13th JANUARY 2011
CABINET	17th JANUARY 2011
COUNCIL	27th JANUARY 2011

HOUSING CAPITAL PROGRAMME 2010/11 and 2011/12

SUPPORTING INFORMATION

1. The 2010/11 Programme

- 1.1 Members will be aware that the General Fund side of the Housing Capital Programme relies on generating capital receipts from the sale of assets, predominantly council houses under the Right to Buy scheme.
- 1.2 In putting together this years programme officers anticipated that the problems in the general economy would continue to adversely impact on the number of properties being sold and this has proved to be the case. Although officers believe that things will improve next year they expect it to be only a gradual 'thawing' with slow recovery and increased levels of sales.

2. Actual Expenditure to the End of October 2010.

- 2.1 The actual expenditure to the end of October 2010 is £14.030m and again this is detailed in Appendix 1. This equates to c37% of the revised programme. At the same stage last year c40% of the programme had been spent.

3. Resources

- 3.1 Resources are estimated to be in line with that required to fund the whole of the current programme and any additional resources will be used to supplement the 2011/12 programme. If the picture changes further during the year, the Divisional Director Housing Services and Cabinet Member for Housing will consider this jointly.

3.2 It is now estimated that resources to fund the 2010/11 programme will be as follows:

	<u>2010/2011</u> <u>Estimated</u> <u>Resources</u>	<u>2010/2011</u> <u>Anticipated</u> <u>Resources</u>
HIP ALLOCATION/SINGLE CAPITAL POT	£000	£000
Housing (ACG)/Supported Capital Expenditure/Regional Hsg Pot	6927	6927
Major Repairs Allowance (MRA)	11420	11420
Major Repairs Allowance B/F	1824	1909
DFG Allocation	743	820
Decent Homes Loans Scheme	500	0
	-----	-----
	21414	21076
<u>Plus Capital Receipts</u>		
Sale of Council Assets - Property and Land incl b/f	1088	1977
<u>Plus Capital Expenditure charged to Revenue Account (CERA)</u>		
Use of Housing/DSO Profits	700	700
Use of Housing/DSO Balances	550	550
<u>Plus Prudential Borrowing Approval</u>		
Prudential Borrowing Framework - General	1662	0
Prudential Borrowing Framework – New Build	8333	7533
<u>Plus Other Funding</u>		
New Build Challenge Fund	7071	7071
Loft Insulation Programme -Match funding from Public Utilities	100	0
Cavity Wall Insulation Scheme	240	0
Mental Health CEG	0	70
	-----	-----
	41,158	38,977

3.3 The latest updated programme, outlined at Appendix 1, shows an estimated spend of £37.802 million, which will leave £1.175m available to fund slippage from 2010/11 into 2011/12 and new schemes. In addition, there will be £800k of approved prudential borrowing being rolled forward to fund slippage on the New Build programme. The revised 2010/11 programme is recommended to Members for approval.

4. THE 2011/12 PROGRAMME

4.1 As anticipated in last years report the Government has substantially reduced the resources earmarked for the Decent Homes Programme and in the case of Leicester pulled the resources altogether. However, despite pressure on the Council's Capital Programme Cabinet is recommended to agree the following resources for housing:

	<u>2010/2011</u> <u>Anticipated</u> <u>Resources</u>	<u>2011/2012</u> <u>Estimated</u> <u>Resources</u>
HIP ALLOCATION/SINGLE CAPITAL POT	£000	£000
Housing (ACG)/Supported Capital Expenditure/Regional Hsg Pot	6927	0
Major Repairs Allowance (MRA)	11420	13512
Major Repairs Allowance B/F	1909	295
DFG Allocation	820	820
Decent Homes Loan Scheme	0	500
	21076	15127
<u>Plus Capital Receipts</u>		
Sale of Council Assets - Property and Land incl b/f	870	1081
Capital Receipts b/f	1107	880
<u>Plus Capital Expenditure charged to Revenue Account (CERA)</u>		
Use of Housing/DSO Reserves	700	0

Use of Housing/DSO Balances	550	1000
<u>Plus Prudential Borrowing Approval</u>		
Prudential Borrowing Framework - General	0	4000
Prudential Borrowing Framework – New Build	7533	800
<u>Plus Other Resources</u>		
New Build Challenge Fund	7071	0
Loft Insulation Programme -Match funding from Public Utilities	0	50
Mental Health CEG	70	0
Transfer of assets linked to developing an ESCO	0	12
Eyres Monsell Redevelopment Covenant Release	0	180
	-----	-----
	38,977	23,130

4.2 In putting together the draft programme officers have once again taken advantage of the freedoms offered by Government via the Prudential Borrowing Framework. However this is not without risk as the Government plans to bring in a new housing finance system in 2012 or 2013 at the latest. Prudential Borrowing allows councils to borrow against future revenue streams. Although there is always an element of uncertainty in revenue resources, officers' believe that the revenue cost (£60k in the first year and then a maximum of £280k in the second year but reducing in subsequent years) of borrowing a further £4m can be contained in the resources available. This is because

- i) the cost is relatively small in comparison with the overall size of the HRA
- ii) the expenditure will reduce demand for day-to-day repairs
- iii) the savings already built into the HRA for 2011/12 onwards
- iv) the ability to slow down or stop schemes later on in the financial year should the situation be substantially worse than expected when the new housing finance system is announced by the Government later this year.

4.3 Although this might mean reducing resources for future ongoing maintenance items should the new housing finance system be worse than the current system.

4.4 The benefit of accessing Prudential Borrowing is that it first of all allows the Council to meet its Decent Homes commitment to tenants and second, it enables the Council to push ahead with its planned maintenance programme, which should lead to less day-to-day repairs expenditure, and higher rental income, in the future. Finally, it provides tenants with good quality housing, with modern facilities, at an earlier stage in the process, for example, if Members decided to use Capital Expenditure charged to the Revenue Account as an alternative, it would take 11 years to raise the same amount of resources as available through using Prudential Borrowing, and would mean tenants living in unmodernised properties for a substantially longer period of time than under these proposals.

4.5 The estimated level of resources shown in Appendix 2 would result in the draft programme outlined at Appendix 3.

4.6 The use of housing allocations allows the Council to tackle disadvantage and target resources to overcome inequality. This has been taken into account in developing the 2011/12 programme, where possible. Officers have also been conscious of how the Housing Capital Programme can be used to directly support the 'One Leicester' vision, and as a result the following will be supported through this programme:

- i) Ensure that as many properties as possible are brought up to the Decent Homes Standard by the end of 2011/12 (National Indicator)
- ii) Increase the percentage of Private Sector homes meeting the Decent Homes Standard (Corporate Plan)
- iii) Empty Homes brought back in to use (Corporate Plan)
- iv) The number of affordable homes developed for those people excluded from the private housing market (National Indicator 155)
- v) Reduce CO₂ emissions for Leicester City Council as a whole (National Indicator 186)
- vi) Reduce Fuel Poverty (National Indicator 187)

4.7 In addition to the draft outlined capital programme attached, Members are also recommended to approve the use of any commuted sums realized in year for the acquisition of new affordable housing through either HomeCome or RSL's. This money can only be used for this purpose and therefore will help towards the Council's, and the Government's target for new affordable housing nationally, regionally and locally.

4.8 Although this report is about the allocation of resources, Members will appreciate that a number of the schemes proposed could have crime and disorder, equality and/or environmental implications. In putting the programme together, officers have been conscious of the opportunity that major investment offers in tackling these major issues and, therefore, schemes such as the uPVC Window and Door Replacement Programme, replacement of Central Heating Boilers, provision of Door Entry Systems, life time bathrooms, DFG's and Disabled Adaptations, Energy Efficiency measures and many more, have been included.

4.9 In considering the draft 2011/12 programme, outlined at Appendix 3, Members' attention is particularly drawn to the following provision:

£800k for completion of the New House Building Programme (146 dwellings)
 £6.1 million Kitchen and Bathroom modernisations,
 £1.5 million for rewiring properties,
 £3.2 million for replacing old inefficient boilers,
 £900k for Environmental Initiatives on Council estates,
 £780k for removing asbestos in tower blocks,
 £3.362 million for Disabled Adaptations and Disabled Facilities Grants (this is four times the amount made available by Government for tackling disadvantage in peoples' homes),
 £500k for Decent Homes Loan Scheme,
 £300k for replacing and upgrading Door Entry Systems,
 £310k for Health and Safety works in Council houses,
 £905k for Energy Efficiency initiatives and work linked to establishing an ESCO,
 £500k for a replacement radio system/mobile working solution following a successful pilot (delayed from 2010/11).

4.10 Provision has been included for the completion of a new build programme of 146 dwellings. This was funded by a combination of grant from Government and through Prudential Borrowing.

- 4.11 The Programme also includes £1.962m for DFG's and £1.4m for Disabled Adaptations. The DFG is less than officers would have liked but this is because of problems in funding following the drop in housing resources outlined above.
- 4.12 In addition it is proposed to allocate £900k (£150k per area) to enable Area Managers to deliver on an environmental strategy in their areas linked to employment opportunities. This will once again be developed in conjunction with the Ward Committees. Although no separate provision has been included for TARA's in next years programme it is proposed that they become more actively involved in and bid under the Ward Committees Budget.
- 4.13 Given the pressure of the overall programme Cabinet is asked to agree to delegate authority to the Divisional Director Housing Services in consultation with the Lead Cabinet Member for Housing to determine the most appropriate use for any new housing capital receipts generated in year to support the Housing Capital Programme.

5. Public Sector Decent Homes Target

- 5.1 The 2010/11 programme saw the Council deliver on the Government's Decent Homes target and its own commitment to tenants. However, as highlighted in previous reports this does not cover properties built after 1970, which will become 'non-decent' from 2011 onwards as a result of the Government's policy of applying some age related criteria within its decent homes target e.g. Bathrooms are non-decent after 40 years, wiring is non-decent after 30 years and kitchens are non-decent after 30 years. In addition, Structures are non-decent after 80 years, Roofs 60 years, Wall finishes 60 years, Chimneys 50 years, windows and doors 40 years and Boilers after 15 years. Therefore it will still be necessary to commit resources in 2011/12 onwards to meet and maintain the Decent Homes target in the future.

6. Private Sector Housing Renewal Capital Programme 2011-12

- 6.1 This programme takes account of the agreed shift to a "loan first" policy for the provision of financial assistance to vulnerable and low-income homeowners. These loans will be targeted in support of Adult Social Care's 'prevention' agenda to assist people to remain living independently in their own homes. It is anticipated that approximately 100 loans will be made available under this scheme. This will be the only form of financial assistance available to vulnerable and low-income homeowners during 2011-12.
- 6.2 As part of the comprehensive spending review, the Government announced that it would no longer support the private sector decent homes programme. With no allocation of funds it will not be possible to maintain the Home Improvement Area programme of area-based action. This will mean ending the existing declared Home Improvement Areas (Swainson Road, Abbey Lane North, Windsor Avenue, Halifax Drive and Belgrave Village Home Improvement Areas). All 'live' cases that are currently being worked on have had grants approved and these will be honored and paid. However, there are 73 other cases where grant enquiry forms have been received but have not started to be dealt with as yet. Regrettably, there will be no funds to provide financial assistance to these people.

- 6.3 When the private sector housing strategy started in 1976, a programme of 53 Improvement Zones was drawn up with the intention that all would benefit from area based action at some point, as funds allowed. There are still 21 of the original Improvement Zones that have not had the benefit of area based action, three of which had been identified in 2007 as the next to be worked on. These were the Catherine Street North, Crown Hills and Westcotes Central Improvement Zones. It will no longer be possible to continue the programme.
- 6.4 The waiting list for our citywide home maintenance services has reached 343 cases. All 'live' cases that are currently being worked on have had grants approved and these will be paid. There will be no funds to provide financial assistance to these people.
- 6.5 Another strand of the citywide home maintenance services is the provision of technical advice and other assistance, such as signposting/referral to other relevant funding agencies. That part of the service will continue and will mitigate, to some extent, the loss of more general financial assistance.
- 6.6 Funding for Hot Lofts is recommended because of the leverage that is possible, at the rate of 1:1, and because Hot Lofts is recognised as the most effective action we can take to contribute to the reduction of private sector domestic element of the City's CO2 emissions target.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 **In considering the proposals in this report and particularly the planned spend programme, Members must consider them alongside the Equality Impact Assessment outlined at Appendix 4(i) & (ii) and satisfy themselves that any decision taken does not disadvantage any group of people, or at least that adequate safeguards have been put in place to mitigate, as far as possible, against the effects of any decision taken.**

8. LEGAL IMPLICATIONS - Joanna Bunting x6450

- 8.1 There are no legal implications associated with this report.

9. OTHER IMPLICATIONS

	<u>Yes/No</u>	
Equal Opportunities	Yes	Para's 4.6, 4.7, 4.8, 4.9, 4.10, 4.11 & 7.1
Policy	Yes	Para 4.2, 4.7 & 6.1 – 6.6
Sustainable & Environmental	Yes	Para 4.8, 4.12 & 6.6
Crime & Disorder	Yes	Para 4.9
Human Rights Act	No	

10. AIMS AND OBJECTIVES OF THE HOUSING SERVICE

- 10.1 This report meets the Service's overall Quality of Life Aim of 'A decent home within the reach of every citizen of Leicester', and within that Key Objective 1 - To improve the condition of Leicester's housing stock and resolve unfitness in all sectors.

11. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

11.1 Background Papers

- a) Capital Programme Booklet 2010/11
- b) Joint report of the Divisional Director of Housing Services and the Chief Finance Officer on Housing Capital Programme 2009/10 and 2010/15 to Cabinet on 25th January 2010 and Council on 28th January 2010.

12. CONSULTATION

- 12.1 All Services have been consulted through Senior Management Group. Tenants' have also been consulted through the Housing Performance Panel as part of the Council's formal consultative procedures.

- 13. Report Author -**
Dave Pate – Ext. 8222

Monitoring Report Period 7

Scheme	Approved Programme	Revised Programme	Actual to Period 7	Forecast Outturn	Notes
	£ 000s	£ 000s	£ 000s	£ 000s	
<u>Decent Homes Standard</u>					
Kitchens & Bathrooms	7,000	6,475	3,381	6,474	
Rewiring	2,300	2,100	269	1,300	
Re-roofing / Re-guttering	400	400	2	400	
Central Heating Boilers	3,200	3,200	1,413	3,200	
Structural Works & DPCs	300	300	226	300	
New Central Heating	200	200	192	400	
	14,150	13,425	5,550	12,074	
<u>Other HRA Schemes</u>					
Windows, Doors & Porch Replacements	200	408	9	580	
Energy Works (incl. boiler houses)	200	200	73	200	
Environmental Works	900	1100	0	839	
Flat Roofs Over Shops	300	300	14	50	
Replacement Door Entry Phones	200	200	192	200	
Health & Safety Issues - alarms	300	300	43	400	
New Door Entry Systems	100	100	0	396	
Environmental Budgets - Community Asso	180	194	6	194	
CRI Community Assoc. Schemes	590	605	160	530	
Disabled Adaptations to Council Dwellings	2,000	2,000	753	1,900	
Service Improvements	100	62	41	100	
Replacement Radio System & Mobile Wkg	500	500	31	50	Slipped into 2011/12
Digital TV	900	900	505	1300	
Beaumont Leys Core Area	0	79	79	79	
Playground Equipment	50	50	0	50	
Exchange Redevelopment	669	719	5	49	
Care in the Community Alarms	255	280	46	230	

Cavity Wall Insulation	240	240	0	0	
Fees	30	30	0	30	
Sheltered Housing Improvements	200	200	0	408	
Amalgamation of CCTV Centres	0	0	0	125	
Flat Conversion Scheme Mental Health	0	70	70	70	
New Build Challenge Fund Phase 1	9,094	9,094	3,707	9,094	
New Build Challenge Fund Phase 2	6,310	6,310	1,269	5,510	
	23,918	9,137	6,994	22,384	
Housing Revenue Account Total	38,068	39,945	12,544	34,458	
General Fund					
Disabled Facilities Grants	1,550	2,010	907	1,600	£550k Slippage into 2011/12
Private Sector Decent Homes	1,593	1,593	476	1,475	£118k Slippage into 2011/12
Energy Initiative Prog & Efficiency Grants	0	0	3	102	
Environmental Works in Renewal Areas	0	8	0	8	
Empty Homes & Aff Housing - RSL's	100	100	100	100	
Improvements to Council Hostels	50	59	0	59	
Decent Homes - Loans	500	500	0	0	
Fees	25	25	7	0	
General Fund Total	3,793	4,270	1,486	3,344	
TOTAL	41,861	42,236	14,030	37,802	
Less Over-programming	(903)	0	0	0	
PROGRAMME TOTAL	40,958	42,236	14,030	37,802	

ESTIMATED RESOURCES AVAILABLE TO SUPPORT THE HOUSING CAPITAL PROGRAMME 2010/2012

		2010/2011	2011/2012
	Usable By	Anticipated	Estimated
		Resources	Resources
		£000'	£000'
HIP ALLOCATION/SINGLE CAPITAL POT			
Housing (ACG)/Single Capital Pot	HRA/HGF	6,927	0
Major Repairs Allowance (MRA)*	HRA	11,420	13,512
Major Repairs Allowance (MRA)* B/F	HRA	1,909	295
Specified Capital Grant (SCG)	HGF	820	820
Decent Homes Loan Scheme	HGF	0	500
		21,076	15,127
Plus Capital Receipts			
Sale of Council Assets - Property and Land	HGF/HRA	870	1,081
Capital Receipts B/F	HGF/HRA	1,107	880
Plus Capital Expenditure Charged to Revenue Account (CERA)			
Use of Housing DSO Balances	HRA	700	0
Use of Housing Balances	HRA	550	1000
Plus Unsupported Credit Approval			
Prudential Borrowing - General	HRA	0	4,000
Prudential Borrowing - New Build	HRA	7,533	800
Plus Other Resources			
Resources from Developing an ESCO	HRA	0	12
Eyres Monsell Redevelopment Payment for Covenant Release	HRA	0	180
New Build Challenge Fund	HRA	7,071	0
Cavity Wall Insulation Programme	HRA	0	0
Contribution from Mental Health Service	HRA	70	0
Public Utilities Contribution to Energy Initiatives	HGF	0	50
		38,977	23,130

HOUSING CAPITAL PROGRAMME 2010/2012

Appendix 3

	2010/11	2011/12
HRA SCHEMES	Anticipated	Planned
	Outturn	Programme
	£m	£m
2. HRA MAINTAINING THE DECENCY STANDARD		
Renewing/Remodelling Kitchens & Bathrooms	6.474	6.085
30 year+ Rewiring	1.300	1.100
Re-roofing/Re-guttering	0.400	0.350
Energy Efficiency Work incl. Central Heating Boilers	3.200	3.200
Structural Works	0.300	0.300
New Central Heating Installations	0.400	0.100
District Heating Scheme Initiatives linked to ESCO	0	0.520
	12.074	11.655
3. Other HRA Schemes		
Removal of Asbestos from Tower Blocks & Remodelling Goscote Hse	0	0.780
Porch & Communal Area Doors and Windows Replacement Programme	0.580	0.420
Environmental Works - fences, outbuildings etc	0.839	0.900
Flat Roofs over Shops and Shopping Precincts	0.050	0.200
Replacement of Door Entry Phones	0.200	0.300
Health and Safety Issues incl targetted alarms & Tank repl.	0.400	0.310
Replacement Radio System & new Mobile Working solution	0.050	0.500
New Door Entry Systems	0.396	0.000
Fees	0.030	0.030
Sheltered Housing Improvements	0.408	0.070
Energy Works incl converting boiler houses	0.200	0.200
Environmental Budgets allocated to Community Associations	0.194	0.000
CRI – Community Association Schemes	0.530	0.040
Redeveloping the Exchange	0.049	0.100
Care in the Community - Alarm System	0.230	0.040
Disabled Adaptations to Council dwellings	1.900	1.400
Service Improvements and transformation Programme	0.100	0.700
Digital Television	1.300	0.000
New Build Programme - Challenge Fund Phase 1 (93 Dwellings)	9.094	0.000
New Build Programme - Challenge Fund Phase 2 (53 Dwellings)	5.510	0.800
Cavity Wall Insulation & other Energy Efficiency Measures	0.000	0.385

Play Equipment	0.050	0.050
Redundancy Payments under CSR	0.000	1.000
Beaumont Leys Core Area	0.079	0
Amalgamation of CCTV Centres	0.125	0
Flat Conversion Scheme (Mental Health)	0.070	0
Other HRA Schemes Total	22.384	8.225
HRA Total	34.458	19.880
5. SCG/GF Commitments		
Mandatory Disabled Facilities Grants	1.600	1.962
SCG/GF Commitments Total	1.600	1.962
6. SCG/GF New Starts Programme		
Private Sector Decent Homes (incl capitalisation of salaries and fees)	1.475	0.593
SCG/GF New Starts Programme	1.475	0.593
SCG/GF Total	3.753	2.555
8. Other General Fund New Starts Programme		
Empty Homes and New Affordable Housing via RSL's and HomeCome	0.100	0.050
Decent Homes Loan Scheme	0	0.500
Improvements to Council Hostels	0.059	0.045
Energy Initiative Programme	0.100	0.100
Fees	0	0
Other General Fund New Starts Total	0.259	0.695
Other General Fund Total	0.259	0.695
OVERALL GENERAL FUND TOTAL	3.344	3.250
TOTAL HOUSING CAPITAL PROGRAMME	37.802	23.130

Equality Impact Assessment

Name and date of meeting	Cabinet 27 th January 2011
Title of Report	Housing Capital Programme 2010/11 and 2011/12
Lead Officer	Dave Pate
Date of EIA	22nd December 2010

1.	Who are the customers or stakeholders affected by the recommendations of this report?
<p>Tenants Residents Leaseholders Owner Occupiers Tenants and Residents Associations Disabled People Members Housing Services Division Housing Strategy and Options Division Community Care Services Personalisation and Business Support Division Older People's Services Strategy, Commissioning, Performance and Business Support Other Divisions Contractors Housing Support Providers Education Establishments</p>	

2a.	What are the expected positive impacts that customers or stakeholders will receive as a result of the recommendations of this report?
<p>Overall the investment in housing in Leicester by the Housing Capital Programme has a very positive impact on tenants and residents. It means that homes are being modernised to meet the Decent Homes Standard, energy efficiency targets are being met and security and estate improvement measures are put in place.</p>	
b.	Are there any differential outcomes between different diversity groups arising from the implementation of the report's recommendations? Which groups benefit, and which do not?
<p>There are some differential outcomes for equality groups, although all groups benefits from initiatives such as:</p> <ul style="list-style-type: none"> • New house building • Modernising council properties • Private sector decent homes through home improvement, repair and energy efficiency grants 	

- Environmental budgets
- Door entry systems
- Loft insulation and other energy works
- New central heating systems
- Replacement radio/mobile working system
- Adaptation works for disabled people

Age - Investment in housing in the City benefits people from all age groups. Some older tenants particularly benefit from the investment in initiatives such as improvements to sheltered schemes, lifetime bathrooms, disabled adaptations to council houses, Disabled Facilities Grants (DFGs), community care alarm system and other projects in their locality supported by the Capital Programme. The use of any commuted sums will also allow housing providers to meet the needs of people needing wheelchair accessible housing by developing appropriate units in the City.

Disability – Investment in housing, benefits all people, including disabled people. DFGs assist people to live independently in their own homes. Some disabled people will particularly benefit from the lifetime bathroom programme, disabled adaptations to council houses and care in the community alarm systems. The use of any commuted sums will also allow housing providers to meet the needs of people needing wheelchair accessible housing by developing appropriate units in the City.

Although many disabled people are able to get adaptations in their homes, the number of people who will be able to access DFGs in the future will decrease as funding has been reduced. This is due to the reduction in capital receipts as council house sales have gone down. This will mean that the service will be unable to meet the needs of some disabled people who need adaptations in their own homes in the short and possibly longer-term.

Gender - Investment in housing in the City benefits all tenants and residents. People facing harassment or fleeing domestic violence may particularly benefit from community care alarm systems, other security systems and improvements to hostels. The use of any commuted sums will also allow the development of accommodation for those in need where there is not enough appropriate housing.

Race - Investment in housing in the City benefits all tenants and residents. Investment has been made in the City to develop suitable housing for people in housing need. This includes large family accommodation, which has been identified as a housing need for some BME households in the City. Improvements to security systems, estates and hostels will assist people experiencing racial harassment. The use of any commuted sums will also allow the development accommodation for those in need where there is not enough appropriate housing.

Religion/belief - Investment in housing in the City benefits all tenants and residents. The use of any commuted sums will also allow the development of accommodation for those in need where there is not enough appropriate housing.

Sexual orientation - Investment in housing in the City benefits all tenants and residents. The use of any commuted sums will also allow the development of

accommodation for those in need where there is not enough appropriate housing.

c. If there are differential outcomes between different diversity groups, how can the outcomes be made more equitable for all diversity groups?

For all groups the reduction in capital receipts has resulted in a decrease in funds available for all initiatives, in comparison to previous years.

The main equality issue identified is the significant reduction in DFGs due to the drop in Right to Buy sales. Equality Monitoring of people receiving DFG's shows:

The majority of recipients in 2006 to 2008 were between the ages of 65 and 85+ years old.

59% of the recipients were female in 2007

Approximately 50% of the recipients were Asian and 50% were from a White background over the last two years. The Asian population of the City is approximately 30%, therefore the percentage of Asian people receiving DFGs is significantly higher than the City average.

The demand for DFGs is growing and with reduced funding proposed for DFGs there could be a backlog of cases of approximately 1500 by 2013/14. This is an estimated figure that does not take into account any allowance for growth in demand. This will mean that we are not able to meet the needs of some disabled people who need adaptations in their homes to enable them to live independently. This will also impact on how the Council meets the Disability Equality Duty as outlined in the Disability Discrimination Act 2005. The Duty requires all public authorities to promote equality of opportunity for disabled people.

The Council needs to look into finding alternative sources of funding for DFG's to meet the needs of disabled people in the City. The Programme includes £1.962m for DFG's and £1.4m for Disabled Adaptations although both these amounts are augmented by expenditure under other headings in the capital programme (e.g the Kitchen and Bathroom Programme). The DFG budget is less than officers would have liked but is restricted by the resources available, however, it is recommended that this item be one of the top priorities for any new housing receipts generated in year, which should help to relieve some of the pressure on demand.

3a. What are the potential negative/adverse impacts that customers or stakeholders could receive as a result of the recommendations of this report?

For all groups the reduction in capital receipts has resulted in a decrease in funds available for all initiatives, in comparison to previous years. The area most affected is DFGs, which will mean that the service will not be able to meet the needs of some disabled people who need adaptations in their homes.

b.	Which diversity groups would be affected? How would they be affected?
Disabled people would not be able to get all the adaptations they need in their own homes.	
c.	How can these negative impacts be reduced or removed? What is your action plan?
All Housing Divisions need to ensure that information about services is accessible and service users, through the Housing Performance Panel, are involved in shaping how Capital Programmes initiatives are implemented.	
New housing money generated be used to support DFGs and the Council to look into alternative sources of funding for DFGs.	

Equality Strand/ Activity	Action Required	Outcome for Service	Measures required	Lead Officer (Service Manager)	Timescale
For all Equality Strands	Review information about housing services and make changes where necessary to ensure it is accessible to all groups.	Information about housing services is accessible to people from different backgrounds.	% increase in tenants and residents from all groups aware of services provided.	All housing divisions	Ongoing
	Ensure that tenants and residents, through the Housing Performance Panel, are involved in shaping how capital programme initiatives are implemented in the next 5 years.	Initiatives meet the needs of tenants and residents.	% of people satisfied with services.	All housing divisions	Ongoing
	New housing money generated to be used to support DFGs.	Meet the needs of disabled people wishing to live independently in their own homes.	% of grants paid.	All housing divisions	Ongoing

	The Council to look into alternative sources of funding for the DFG.	Meet the needs of disabled people wishing to live independently in their own homes.	% of grants paid.	All Housing Divisions	Ongoing
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EQUALITY IMPACT ASSESSMENT PRIVATE SECTOR DECENT HOMES

Name of service
Housing Capital Programme 2011-12: Private Sector Decent Homes

Date of assessment:

Start date	Completion date
13 December 2010	22 December 2010

Lead officer and Contact details	Martin Bromley, Head of Renewal & Grants Service x39 1319
List of other(s) involved	Gurjit Minhas

Question:

1a.	What does the service do? What are its aims and objectives? Who are the service's target audience?
<p>The private sector decent homes programme has targeted vulnerable and low-income homeowners and has provided financial assistance so that they can improve their homes up to the decent homes standard.</p> <p>The Government defined vulnerable households as those that would be most at risk from the effects of poor housing - young children or older people – and who are least able to do anything about their housing conditions due to receiving a very limited income. This translates as those households in receipt of at least one of the principal means tested or disability related benefits (e.g. income support, housing benefit, disability living allowance).</p> <p>The main targeted areas are our declared Home Improvement Areas, which were selected for inclusion in the programme as they were known to have high proportions of houses in generally poor condition that are owned by vulnerable and low-income households.</p> <p>The Government set a national target (PSA7) of raising the percentage of vulnerable households living in private sector homes from the baseline of 57% in 2001 to 70% by 2010 and to 75% by 2020.</p> <p>Annual funding was allocated to each local housing authority in England to assist with this work. In 2009-10 Leicester was allocated £2.1m; in 2010-11 the allocation reduced to £1.4m; and now the Government have announced that they will not provide further support at all due to the need to cut spending in support of their deficit reduction action. The Department for Communities and Local Government have published their own EIA which considers the impact of ceasing “Funding for Private Sector Renewal at the end of 2010/11”. A copy of this is available in the Member's Library.</p> <p>Each year Leicester's Housing Capital Programme has shown how the annual funding allocation received is distributed between various schemes that have been run. The capital programme only used the funding allocated and no other resources. Now that the Government have stopped providing funding it will not be possible to continue our private sector decent homes work as we do not have the resources to do so.</p> <p>The Corporate Plan target for private sector decent homes will now need to be reviewed and reduced.</p>	

b.	Does the EIA assess the whole service or just a part of it? If so, which part?
The EIA assesses the whole of the private sector decent homes programme.	

Question:

2a.	Who are the service's customers? Which diversity groups currently receive the service?
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Vulnerable and low-income owner-occupiers. By definition this will concentrate on older people and families with young children.
A number of the Home Improvement Areas have high proportions of BME households. The percentage of households living as owner-occupiers in Leicester is higher amongst the BME groups than among white households

%	Asian or Asian British	Black or Black British	Chinese & Other	White	Mixed
Owner Occupier	74.66%	34.66%	34.64%	55.66%	39.39%
Rented from council	6.72%	26.53%	8.46%	23.72%	28.64%
Other social rented	6.17%	14.32%	5.97%	5.54%	15.32%
Private rented	10.07%	17.72%	31.17%	11.30%	13.22%
Other	2.39%	6.77%	19.75%	3.79%	3.43%
	100%	100%	100%	100%	100%

Source: Comprehensive Spending Review Equality Impact Assessment November 2010

The annual Equality Report 2009-10 had a table showing the ethnicity of people visited in relation to an application for various grants funded through the private sector housing renewal programme.

Ethnicity	Number	Percentage
Asian	177	49.1%
Black	5	1.38%
Dual Heritage	1	0.3%
Not Stated	5	1.38%
Other	2	0.5%
White	170	47.2%
Total	360	100%

These figures show that Asian people were the largest group visited. The figures for Asian applicants at 49.1% are much higher than the City average. 47.2% of the people visited were from White background, which is lower than the City average.

1.38% of the people visited were from an African Caribbean background and this figure is much lower than the City average. Renewal areas are designated in City depending on the condition of private sector housing.

There is a higher proportion of Asian people living in owner occupied housing in Leicester as noted in the first table which could partly explain why that group is so well represented in accessing this service.

Under our citywide home maintenance services modest financial assistance was provided for incremental home improvements. The majority of users of that service were from BME groups and usually elderly.

b.	Is there any gap between the target audience and those currently using the service? Which diversity groups are not accessing the service? Why?
<p>The service provided over the years since the adoption of Leicester private housing renewal strategy in 1976 has been very successfully targeted. This was achieved through an area based approach programme, which concentrated on different areas of the oldest and poorest housing for set periods before moving on to other areas.</p> <p>The Government's decent homes target was a later development and was introduced in 2003.</p>	
c.	What action needs to be taken to increase/improve access to the service by these customers? What is your action plan?
<p>The principal action needed is to advise those residents within the current Home Improvement Areas who have submitted their grant enquiries and are on our waiting list of the cessation of the programme and of the fact that they will not now be able to receive the financial assistance that they had expected.</p> <p>The Home Improvement Areas will also need to be de-declared. And all residents advised of that fact.</p>	
d.	How well does the service take into account the changing demographic profile of the city and the needs of new / emerging communities? What customer changes are expected?
<p>The private sector decent homes programme targeted owner-occupiers. The new/emerging communities tend to live in rented housing until established. Unfortunately the private sector decent homes programme has to cease due to the withdrawal of Government support so we will not be in any position to assist the new/emerging communities once they have started to move into owner-occupation.</p>	
e.	What action needs to be taken to ensure that customers from new / emerging communities have access to the service if needed? What is your action plan?
<p>As above in (d).</p>	

Question:

3a.	What outcomes does the service expect to achieve for its customers?
<p>The main outcomes of the programme were an increase in the total number of homes in Leicester that meet the decent homes standard and an increase in the percentage of vulnerable households that live in decent homes.</p> <p>However with the ending of the private sector decent homes programme the number of non-decent homes will increase, bringing with it a wide range of problems for their residents.</p> <p>The link between poor housing and issues involving health, education and crime has long been established.</p> <p>For example areas of poor housing have increased levels of criminality and delinquency. It is estimated that the overall costs of criminal activity is in the region of £1.8 billion nationally.</p> <p>Non-decent homes are associated with a variety of health hazards including the potential for accidents or through causing illness or medical conditions. The range of potential hazards include damp, mould, excess cold, carbon monoxide, danger of falls and so on. It is estimated that costs incurred by the NHS in dealing with patients affected by these hazards amounts to £600m per year, although when other costs are totalled ie: loss of earnings this could rise to £1.5 billion pa nationally</p>	

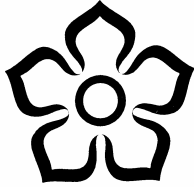
<p>Although the link between poor housing and educational attainment is slightly more tenuous there is evidence to show that children living in areas of poor housing achieve lower exam grades than the rest of the population.</p>	
b.	Are these outcomes being achieved? Are they being achieved across the range of diversity groups?
<p>The occupants of the older, poorer housing in Leicester tend to be members of the BME communities and older people of all ethnic groups. It is mainly these groups that will feel the effects of the cessation of the private sector decent homes programme.</p>	
c.	If these outcomes are not being achieved for any diversity group, what action can be taken to ensure that customers receive the intended benefits? What is your action plan?
<p>The problems of ending the private sector decent homes programme will be mitigated to some degree by retaining and strengthening the non-financial advice and assistance that is available to owner-occupiers concerning the maintenance of their homes. This is part of our citywide home maintenance services and service users can be given advice about what is causing any defects and how those defects can be dealt with. This is often done by advising on the work needed and how to obtain estimates from builders, referring people on to other available services, such as the Warm Front programme, and providing practical help through our handyperson service</p>	
d.	If these outcomes are not being achieved for some diversity groups, what action can be taken to ensure that these customers receive the same benefits as others? What is your action plan?
<p>The citywide home maintenance services are available to all owner-occupiers across Leicester.</p> <p>The service is publicised in the Link and is well known to other services that work with vulnerable households.</p>	

Action Plan

All boxes must be completed, and relevant actions included for your service, i.e. where no further action is required against a strand please state this.

Equality Strand/ Activity	Adverse impact identified	Action required	Anticipated outcome and when it should be measured	Lead Officer (Service Manager)	Timescale for action/ measurement
Age	Older people and young children are often the most at risk from poor housing conditions. They will be most affected by ceasing the private sector decent homes programme	Some mitigation from the advice service that is to be retained and strengthened.	Take up of the advice service will be monitored.	Head of Renewal & Grants Service	2011-12
Disability	The provision of disabled facilities grants is not affected by stopping the decent homes programme. However in the past it was possible to offer assistance with necessary home improvements alongside adaptation work that was to be carried out under a disabled facilities grant as one package.	Some mitigation from the advice service that is to be retained and strengthened.	Take up of the advice service will be monitored.	Head of Renewal & Grants Service	2011-12
Gender/Gender Identity	All vulnerable households in owner occupied housing will be	Some mitigation from the advice service that is	Take up of the advice service will be	Head of Renewal & Grants Service	2011-12

	adversely affected by stopping the decent homes programme.	to be retained and strengthened.	monitored.		
Race	The percentage of households living as owner-occupiers in Leicester is higher amongst the BME groups than among white households. This is also reflected in the make up of past users of the service. Stopping the private sector decent homes programme will have a disproportionate affect on these groups.	Some mitigation from the advice service that is to be retained and strengthened.	Take up of the advice service will be monitored.	Head of Renewal & Grants Service	2011-12
Religion/ Belief	All vulnerable households in owner occupied housing will be adversely affected by stopping the decent homes programme.	Some mitigation from the advice service that is to be retained and strengthened.	Take up of the advice service will be monitored.	Head of Renewal & Grants Service	2011-12
Sexual Orientation	All vulnerable households in owner occupied housing will be adversely affected by stopping the decent homes programme.	Some mitigation from the advice service that is to be retained and strengthened.	Take up of the advice service will be monitored.	Head of Renewal & Grants Service	2011-12



WARDS AFFECTED
(City-Wide)

Leicester
City Council

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS

Strategic Management Board	23rd November 2010
Cabinet Briefing	13th December 2010
Cabinet	17th January 2011
Council	27th January 2011

CARE QUALITY COMMISSION ANNUAL PERFORMANCE ASSESSMENT REPORT FOR ADULT SOCIAL CARE SERVICES 2009/10

Report of the Strategic Director, Adults and Communities

1. Purpose of Report

- 1.1 To advise Members of the Council of the Care Quality Commission's (CQC) Assessment of Adult Social Care Services rating for 2010, this report summarises the result and findings of the **Annual Assessment of Performance** process for Leicester City Council.

2. Summary

- 2.1 The 2010 Social Care Annual Performance Assessment (APA) identifies that Leicester's overall Grade awarded for Delivery of Outcomes is **Performing Well**. This highlights that Leicester is achieving well against other Local Authorities and reflects a sustainability of good performance compared to 2009. Progress has been made specifically on one outcome "Improved quality of life **improving from 'adequately' to 'Well'**". No outcome areas have been judged as performing less well than their 2008/09 position. The assessment is based on the 2009/10 Self Assessment Survey submitted in May 2010, supplementary evidence requested by the CQC, Regulatory activity and culminating in the Business meeting with CQC which took place in July 2010.

- 2.2 All Local Authorities are assessed on how they promote adult social care outcomes for people in the council area. The overall grade for performance is combined from the grades given for the individual outcomes. They are:

- **Poorly performing** – not delivering the minimum requirements for people
- **Performing adequately** – only delivering the minimum requirements for people

- **Performing well** – consistently delivering above the minimum requirements for people
- **Performing excellently** – overall delivering well above the minimum requirements for people

CQC also make a written assessment about **Leadership** and **Commissioning and use of resources**. The commentary on these two domains has previously been directly transferred to the Comprehensive Area Assessment (CAA) from the APA report but for 2010 the CAA has been abandoned.

2.3 2010 will be the last year that Adult Social Care APA will be in place. CQC have confirmed that with immediate effect (November 2010) they will no longer conduct an annual performance assessment of Councils commissioning of care under the existing framework. A new approach will see a shift towards more sector-led assessment, with Councils holding greater responsibility for driving improvement.

3. Recommendations

3.1 The Members are recommended to:-

- Note the overall CQC Grade awarded to Leicester in 2009/10.

4. Proposals and Details

4.1 In line with changes to assessment of Adult social care by CQC introduced in 2008/09 there is no star rating for adult social care. Instead the assessment of performance in terms of delivery of outcomes have been graded individually and then aggregated up into an overall Grade for the delivery of outcomes as described in 2.1 above.

CQC assess the 'Leadership' and 'Commissioning and use of resources' domains but the assessment will be ungraded.

4.2 Adult Social Care Performance Judgements for 2009/10

Areas for judgement	Grade Awarded
Overall Delivering Outcomes Assessment	Performing Well
Improved health and emotional well-being	Performing Adequately
Improved quality of life	Performing Well
Making a positive contribution	Performing Excellently
Increased choice and control	Performing Well
Freedom from discrimination and harassment	Performing Excellently
Economic well-being	Performing Well
Maintaining personal dignity and respect	Performing Well

- 4.3 The CQC Annual Performance Assessment Report 2009/10 report (Appendix A) sets out the high level messages about areas of good performance, areas of improvement over the last year, areas which are priorities for improvement and where appropriate identifies any follow up action the CQC will take.
- 4.4 The Report identifies key strengths and areas for improvement. This provides a platform on which to improve services and raise the standard of services next year.

Key strengths are:

Leadership -

- Clarity of vision
- Partnership working
- Workforce development (directly employed staff)
- Performance Management

Commissioning and use of resources

- Work to improve value for money
- Partnerships

Improving health and emotional well-being

- Partnership working to reduce health inequalities
- More people benefiting from a review of their needs and services
- People with learning disabilities benefiting from annual health checks
- Positive health and well-being outcomes for individuals

Improved quality of life

- Prevention and independence
- Flexible and self directed support and service options for carers
- Good outcomes for individuals

Maintaining personal dignity and respect

- Commitment to safeguarding
- Quality assurance and learning from safeguarding activity
- Responsiveness to safeguarding concerns in regulated, contracted and in-house services.

Key areas of improvement are:

Leadership

- Impact of workforce development in the independent sector
- Organisation review and staffing structure

Commissioning and use of resources

- Impact of planned joint commissioning developments on cost and quality

- Monitor the cost, quality and safety balance of the Resource Allocation System (RAS) as take up increases
- Cost of residential placements for people with mental health needs

Improving health and emotional well-being

- Increase the number of people benefiting from Intermediate care
- Integrated pathway for end of life care
- Impact of actions to reduce health inequalities
- Health and quality of life of people living in care and nursing homes

Improved quality of life

- Improve waiting times for major adaptations
- Housing options for people with complex needs

Maintaining personal dignity and respect

- Safeguarding referral rates for people with a disability and mental health problems
- Development of a 'critical friend' reference group to scrutinise the work of the Safeguarding Adults Board
- Independent sector safeguarding training
- Awareness of adult safeguarding within black and minority ethnic communities

4.5 The overall summary of 2009/10 performance confirms that the Council:

- Has a clear vision for adult social care.
- Is working on a partnership basis to deliver services that are personalised and is making good progress in most areas to deliver against national and local targets and expectations.
- Uses information and intelligence well to inform its plans and decision making.
- Is able to take action to ensure that it is able to meet the specific needs of its community. The decision to set up a Leicester City Safeguarding Adults Board is an example of this.
- Is working to align its financial resources to support its transformation programme and specific priorities such as safeguarding adults.
- Has recognised the financial challenges that it faces and has developed a financial plan to maximise its ability to deliver the planned transformation of adult social care in the City
- Has improved across a number of areas and this is reflected in an overall judgement of **servicing people well** in 2009/10.

5. Performance Agenda Implications

5.1 Performance clinics are held on a monthly basis and hold managers to account, to identify the reasons for performance and to agree remedial actions.

5.3 Through the One Leicester seven priority boards, in particular the Creating thriving, safe communities and Improving Wellbeing and Health Priority Boards, engagement with the Leadership Board Improvement Plan will be crucial to ensure the Council can respond to the ‘areas of improvement’ detailed in Appendix A.

6. Financial, Legal and Other Implications

6.1 Financial Implications

There are no direct financial implications in this report.
Rod Pearson, Head of Finance

6.2 Legal Implications

There are no legal implications in this report.

Kamal Adatia, Barrister, Head of Community Services Law

6.3 Climate Change Implications

This report does not contain any significant climate change implications and therefore should not have a detrimental effect on the Council’s climate change targets.

Helen Lansdown, Senior Environmental Consultant - Sustainable Procurement

7. Other Implications

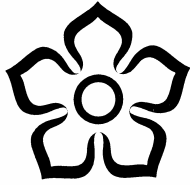
OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	Yes	Throughout the Report
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	Throughout the Report
Corporate Parenting	No	
Health Inequalities Impact	Yes	Throughout the Report

8. Background Papers – Local Government Act 1972

- **Appendix A - CQC Annual Performance Assessment Report 2009/10**

9. Report Author/Officer to contact:

Margaret Hooley, Planning and Partnership Manager 252 8321



Leicester
City Council

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB
Cabinet

13th January 2011
17th January 2011

Climate Change Supplementary Planning Document (SPD)

Report of the Director or Regeneration, Highways and Transportation

1. PURPOSE OF REPORT

- 1.1 To report on the outcome of the public consultation for the draft Climate Change Supplementary Planning Document (SPD) and present the final.

2. SUMMARY

- 2.1 Core Strategy Policy 2: Addressing Climate Change and Flood Risk outlined the need for a Supplementary Planning Document on Climate Change. This report presents that document and the results of the public consultation.

3. RECOMMENDATIONS (OR OPTIONS)

- 3.1 OSMB is asked to review the document.

4. REPORT

- 4.1 Core Strategy Policy 2: Addressing Climate Change and Flood Risk outlined the need for a Supplementary Planning Document on Climate Change.
- 4.2 The aim of this SPD provides planners, architects and developers with information and examples of how to address the issue of climate change in their developments and renovations.
- 4.3 This document has now been produced (appendix one) and has been out for public consultation for five weeks finishing on the 5th November. A summary of the comments made can be seen in appendix two.
- 4.4 OSMB is invited to review the final document. Once adopted, the SPD will be a material consideration in the determination of planning applications.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

No Financial Implications – Martin Judson

5.2 Legal Implications

No Legal Implications – Sarah Khawaja

5.3 Climate Change Implications

This document has been produced to help developers in the city to mitigate and adapt to climate change. Therefore it will have a positive impact on the Council's climate change targets.

Helen Lansdown – Senior Environmental Consultant

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	Yes	ALL
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

7. RISK ASSESSMENT MATRIX

None.

8. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

9. CONSULTATIONS

Andrew Smith - Director, Planning & Economic Development

Diana Chapman - Head of Planning Policy & Design

Nick Logan – Planner, Planning Policy & Design

Mike Richardson - Head of Planning Management & Delivery

Richard Freeman – Planner, Planning Management & Delivery

Chryse Tinsley - Landscape Planner

Alan Gledhill – Leicester Better Buildings Officer

Rob Pocock - Leicester Better Buildings Officer

Richard Riley - Urban Designer

Helen Lansdown - Senior Environmental Consultant (Sustainable Procurement)

Helen O'Brien - Nature Conservation Officer

Jennifer Timothy - Senior Building Conservation Officer

Councillor Osman

Councillor Russell

10. REPORT AUTHOR

Claire Pipe, Senior Environmental Consultant, X29 6776

Supplementary Planning Document



Climate Change DRAFT

1.0	Introduction	Page 2	6.0	Adapting to Climate Change: Green Infrastructure	Page 6
1.1	Role and purpose of this document		6.1	Urban Heat Island Effect	
1.2	How to use this SPD		6.2	Greenfield sites and brownfield sites	
1.3	The document in context		6.3	Outdoor spaces	
2.0	Mitigating Climate Change: Reducing Greenhouse Gases	Page 3	6.4	Planting	
2.1	Development Layout		6.5	Individual buildings	
2.2	Energy Hierarchy in buildings		6.6	Sustainable planting	
3.0	Mitigating Climate Change: Transport	Page 4	7.0	Adapting to Climate Change: Futureproofing	Page 7
3.1	Sustainable Transport		7.1	Subsidence	
4.0	Mitigating Climate Change: Materials	Page 4	7.2	Building resilience and heat gain	
4.1	Embodied Energy		7.3	Building Adaptability	
4.2	Minimise consumption: Reduce, Reuse, Recycle		7.4	Reducing water demand	
4.3	Source locally and responsibly		8.0	Special Consideration: Heritage Building Management	Page 8
5.0	Adapting to Climate Change: Water Control	Page 5	8.1	Heritage buildings	
5.1	Flooding		8.2	Embodied energy	
5.2	Sustainable Urban Drainage Systems (SUDS)		8.3	Mitigating climate change	
5.3	Retrofitting SUDS		8.4	Adapting to climate change	
5.4	SUDS as flood prevention		9.0	Appendices	
5.5	SUDS in highways		9.1	Appendix One: Outline of Key Renewable Technologies	Page 9
			9.2	Appendix Two: Glossary of Terms	Page 10



1.1 Role and purpose of this document

Climate change is the greatest environmental challenge facing the world today. As our energy demand has increased so has the amount of carbon dioxide released into the atmosphere. There is wide agreement that this is the main cause of climate change and that rising temperatures will affect weather patterns and the frequency of extreme weather events.

The purpose of this guide is to provide advice to planners, architects and developers on how to address the issue of climate change in relation to new developments and renovations. The document supplements the Core Strategy, in particular Policy CS02 Addressing Climate Change and Flood Risk (See Box One), and will:

- Support the transition to a low carbon future in a changing climate.
- Help shape places so as to cut greenhouse gas emissions.
- Actively support and drive renewable and low carbon energy production.
- Help secure new developments against the impacts of climate change.

It sits alongside and supports the Energy Efficiency and Renewable Energy Supplementary Planning Document (SPD), adopted November 2005 which supports the Local Plan (adopted 2006).

1.2 How to use this document

The information within this document provides criteria within which to consider planning applications. Any development that has not considered the principles outlined may be refused planning permission.

Developers are encouraged to not only read this document but to also source additional information from the references provided.

1.3 The document in context

In addition to the Core Strategy this SPD supports a number of local, regional and national policy documents, namely:

- One Leicester: Reducing our carbon footprint.
- PPS1 Supplement 'Planning and Changing Climate'.
- East Midlands Climate Change Partnership: Regional Programme of Action 2009 – 2011.
- The UK Low Carbon Transition Plan: National Strategy for Climate and Energy.

This SPD builds on the Leicester City Core Strategy's aims for climate change, but does not include issues covered in other documents such as the Local Transport Plan or the Waste Development Framework Core Strategy. Developers should consult these documents separately.

Leicester City Council's Core Strategy states that "*all development must mitigate and adapt to climate change and reduce greenhouse gas emissions*" and PPS1 Supplement identifies climate change as a material consideration in determining planning applications.

Developers are required to show, through their Design and Access Statement ⁽¹⁾, how the design of their development has mitigated and adapted to climate change and reduced greenhouse gas emissions.

BOX ONE

CS POLICY 2. ADDRESSING CLIMATE CHANGE AND FLOOD RISK

All development must mitigate and adapt to climate change and reduce greenhouse gas emissions. The Council will prepare a Climate Change Supplementary Planning Document to provide more detailed guidance and information on sustainable energy, building methods and climate change adaptation to minimise the impact of development.

The following principles provide the climate change policy context for the City:

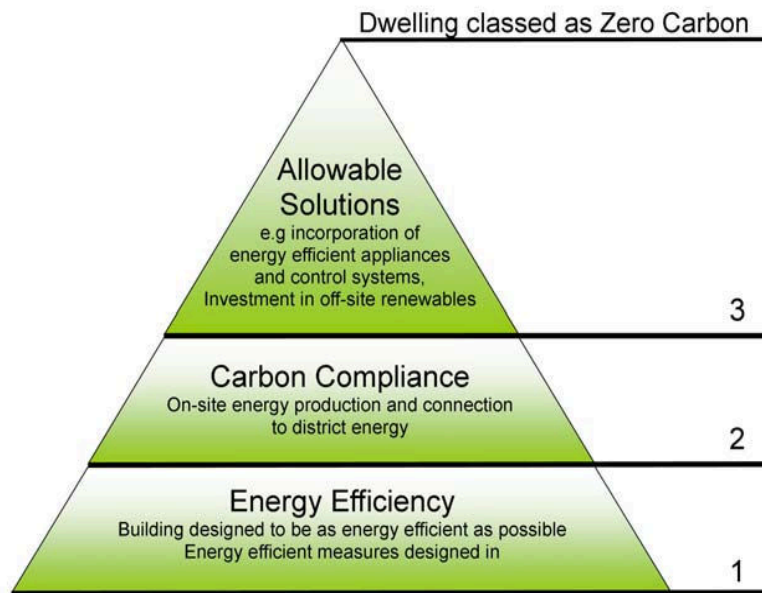
1. Code for Sustainable Homes Level 3 will be required where feasible. This will be increased progressively over the plan period where feasible to support the Government's longer term aspiration for new homes to achieve Level 6.
2. Best practice energy efficiency and sustainable construction methods, including waste management, should be incorporated in all aspects of development, with use of locally sourced and recycled materials where possible, and designed to high energy and water efficiency standards.
3. Wherever feasible, development should include decentralised energy production or connection to an existing Combined Heat and Power or Community Heating System.
4. Development should provide for and enable, commercial, community and domestic scale renewable energy generation schemes. Development of large scale renewable energy schemes will be considered in all suitable locations.
5. Development should be directed to locations with the least impact on flooding or water resources. Where development is proposed in flood risk areas, mitigation measures must be put in place to reduce the effects of flood water. Both greenfield and brownfield sites should be assessed for their contribution to overall flood risk, taking into account climate change. All development should aim to limit surface water run-off by attenuation within the site as a means to reduce overall flood risk and protect the quality of the receiving watercourse by giving priority to the use of sustainable urban drainage techniques in development.
6. Development should ensure a shift to the use of sustainable low emission transport to minimise the impact of vehicle emissions on air quality, particularly in Air Quality Management Areas. Development will be located where it is accessible by sustainable transport to support the use of public transport, walking and cycling as an alternative to the car. Higher density development will be located in areas with easy access to local facilities to reduce the need to travel.
7. Green Infrastructure should be used as a way of adapting and mitigating for climate change through the management and enhancement of existing habitats and the creation of new ones to assist with species migration, to provide a source of locally grown food through local allotments and to provide sustainable transport routes, to provide shade and counteract the urban heat island and flood mitigation strategies.
8. Existing development should wherever possible be adapted to climate change and help contribute to the reduction in carbon emissions by, where appropriate, including the introduction of green roofs, microrenewable energy, recycling facilities, building efficiency measures and cycle parking.

2.1 Development Layout

The orientation of a building has a significant impact on the amount of passive solar gain⁽²⁾ available. To maximise gain buildings should be oriented with the longest face within 30° of south. South easterly is preferable to south westerly as it maximises early morning gains and reduces overheating in the afternoons. Good integrated design will avoid summertime overheating and provide future adaptation for a rising temperatures.

2.2 The Energy Hierarchy in buildings

All developments should be designed in accordance with the energy hierarchy (below left). The initial building plan should be designed to be as energy efficient as possible with special consideration to orientation, layout (as described in 2.1) and thermal performance.



1. Energy Efficiency

Insulation is crucial to developing an energy efficient building. There should be high levels of fabric insulation in all elements of external and party wall construction. Special attention should be paid to fabric junctions in order to minimize thermal bridging⁽³⁾ and maximize air tightness.

Once the cost benefit of installing more insulation lessens the thermal mass⁽⁴⁾ of the building should be considered. Increased thermal mass allows a building store and release heat gains from the sun and internal appliances. Increased thermal mass can be achieved with a construction of dense concrete block faced with cavity insulation or rendered external wall insulation, ceramic tiled in-situ concrete cement screed floor with insulation below and a concrete warm deck roof where insulation is located externally over or close to the water proofing layer.

2. Carbon Compliance

If the building has been designed to a high level of energy efficiency to achieve greater levels of carbon emission savings then sources of decentralised energy and renewable power should be considered. District heating networks distribute heat generated in a centralised location for residential and commercial heating. These plants provide higher efficiencies and better pollution control than localised boilers and have lower carbon footprint than most other heat generation systems. In addition there are now a number of options available for developers who wish to fit renewable technologies to developments. These options, key information about them and suggested uses can be seen in appendix one.



What To Aim For:

1. All buildings oriented with longest face 30° from south to maximise potential for solar.
2. Improvement of thermal performance by 44% on 2006 Building Regulations, Part L.
3. Maximise the thermal mass of the building.
4. Achieve a minimum of Level 3: Code for Sustainable Homes.
5. Connect to an existing decentralised energy system or develop a stand-alone system.
6. Install onsite renewable technologies.
7. Targets for onsite renewables = page 10, Energy Efficiency and Renewables SPD.

Sources of further information

- Leicester City Council Energy Efficiency and Renewable SPD
- The Code for Sustainable Homes: Setting the standard in sustainability for new homes
- Code for Sustainable Homes: Technical Guide
- 2006 Building Regulations Part L
- Royal Institute of British Architects: Principles of Low Carbon Design
- East Midlands Climate Change Partnership: Regional Programme of Action 2009 – 2011
- The UK Low Carbon Transition Plan: National Strategy for Climate and Energy.

3.1 Sustainable Transport: Minimising carbon from transport

A large percentage of carbon emissions come from transport habits of the occupants. Developers should be mindful of this and plan to minimise the need for occupants to use motorised transport through the development and implementation of travel plans and packs, increasing the facilities for low carbon transport such as electric vehicles and localising as many amenities and services as possible.

New developments should complement existing public transport hubs and corridors. The transport assessment/statement submitted with the planning application should address issues around walking, cycling and public transport. Developers should also ensure that there are travel plans for commercial uses, personalised travel plans for larger residential developments and travel packs for smaller residential developments. Development on greenfield land should aim to create new, or enhance existing, public transport hubs and corridors. Comprehensive information can be found from the Department for Transport (www.dft.gov.uk)

The City Council and developers will work in close collaboration with neighbouring Planning Authorities to ensure that all development and Sustainable Urban Extensions adjoining other areas are planned comprehensively. This may involve extending existing public transport routes and incorporating a fully connected highway network to enable all modes of transport including shared use of public sector services by both existing and new communities.

**What To Aim For:**

1. Promote active travel for shorter journeys via travel packs and plans.
2. Ensure that street widths are sufficient to allow easy walking and cycling, where possible consider formal cycle paths and traffic calming measures.
3. Incorporate electric vehicles charging facilities in garages and parking spaces.
4. Provide secure, covered storage/parking of bikes and pushchairs in public areas.

Sources of further information

Central Leicestershire Local Transport Plan
 Leicester City Council's "Leicester City Air Quality Action Plan" (within LTP)
 DEFRA'S www.lowemissionstrategies.org
 ACT Travelwise: www.acttravelwise.org
 Planning Policy Guidance 13: www.communities.gov.uk

4.0 MITIGATING CLIMATE CHANGE: MATERIALS**4.1 Embodied Energy⁽⁵⁾**

The energy used in construction and the energy embodied in the materials for a new development or renovation can add considerably to the carbon impact of that project. This can be minimised by careful selection of materials and minimising the use of those that have negative environmental effects. The BRE Green Guide to Specification provides environmental ratings for a variety of widely used construction materials; using sources such as this can help understanding of the environmental impact of the materials used and in doing so environmentally beneficial materials can be chosen. Developers should also bear in mind that existing buildings contain a lot of embodied energy and that renovation can save significant carbon emissions.

4.2 Minimise Consumption: Reduce, Reuse, Recycle

As far as possible use of raw material⁽⁶⁾ should be minimised. Reducing the amount used and ensuring that waste is minimised will provide both financial and environmental benefits. To further reduce the use of materials as much as possible ensure that construction, demolition and excavation waste is reused or recycled. For example using recycled aggregate for a sub-base can save on use of raw material and using excavation waste for landscaping can save on waste disposal costs. Using building elements created off-site rather than built on-site can also reduce carbon emissions. When built in this way the carbon emissions per unit are lower.

4.3 Source Locally and Responsibly

The carbon emissions involved in transporting materials can be high. Sourcing materials as far as possible from local manufacturers and suppliers will reduce the carbon resulting from transporting the materials. In addition, care should also be given to sourcing materials from sustainable resources; for example, Forest Stewardship Council (FSC) certified timber which comes from sustainable sources. Numerous other certification schemes are available for a variety of different materials.

What To Aim For:

1. Minimise use of raw materials
2. Use of 25% recycled/secondary aggregate in the building construction.
3. Use only sustainable certified timber (FSC, PEFC etc) in construction.

Sources of further information

Responsible Sourcing of Materials: www.greenbooklive.com
 Building Research Establishment Website: www.bre.co.uk
 Reviving Britain's Terraces: www.savebritainsheritage.org

5.1 Flooding

The risk of fluvial flooding (from watercourses) and pluvial flooding (from rain) will increase. Areas at risk from flooding have been highlighted in the Leicester City Council Strategic Flood Risk Assessment. Development should only be proposed in suitable areas and in all cases the Flood Risk Management Hierarchy in Planning Policy Statement 25 (PPS25) should be followed.

If development cannot be avoided designs must show how buildings and occupants are to be protected from the effects of flooding; flood avoidance strategies could include raising the floor level above the flood water level, local bunds, diverting drainage away from buildings, using landscaping to divert floodwater, flood resistant gates, boundaries that are designed to prevent water ingress, storm porches, raised thresholds and using building materials that can tolerate water. When designing it should be noted that 20% should be added to the expected flow of watercourses to allow for the future effects of climate change and it should be ensured that any such proposals do not increase flood risk to others.

5.2 Sustainable Urban Drainage Systems (SUDS)⁽⁷⁾

Development has an impact on the volume of surface water which can contribute to flooding. To minimise potential surface water flooding *all* new development will be required to detail their commitment to SUDS within their development and also show the impacts on surrounding areas in the event of extreme flooding has been considered.

SUDS can be designed so that in addition to controlling water quantity they can also improve water quality and contribute to amenity and biodiversity. Ideally a range of SUDS should be considered ranging from water butts and maintaining green areas in gardens through to large scale retention ponds. At this scale they can form part of stormwater attenuation. Where 'soft' land is limited: alternative techniques, for example, below ground water retention tanks can be used. (SUDS in a new development pictured top right) However, it is unlikely that a fully engineered/below ground approach would be acceptable apart from in exceptional circumstances.



5.3 Retrofitting SUDS

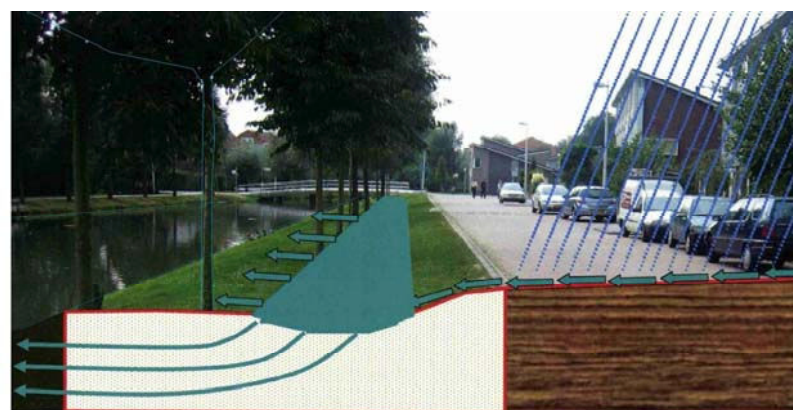
SUDS should be designed into every new development. When a development is to be extended or modified opportunities to retrofit SUDS should be considered. Retrofitting may only be possible through off site measures. Techniques include separating surface water from foul drainage; and then looking at more local systems to slow surface water; through to providing additional flood storage capacity. (The example pictured right bottom shows a concrete channel with potential for improvement.)

5.4 Using SUDS as flood prevention

The combination of development and erratic weather patterns is leading to situations where flash floods can occur. This can be limited through effective SUDS at a site level and also through wider initiatives such as retrofitting SUDS systems and increasing green infrastructure⁽⁸⁾. The creation of green corridors⁽⁹⁾ can ease flooding, improve connectivity and provide wetland habitats to mitigate against climate change impacts.

5.5 SUDS as part of highways

Water run off from impermeable surfaces like highways is artificially fast and can make flooding worse. Therefore developers should incorporate elements of SUDS into roadways to reduce the speed of run off and also provide the potential for local water treatment. (Examples pictured left.)



treatment stages

- permeable surfacing
- flat channel edge allows water to flow onto; and through; grass verge
- vegetation slows down surface water speed
- swale picks up most water
- trees take up water and lessen amount/speed at which water hits ground

What To Aim For:

1. Avoid development on areas which have medium and high flood risk.
2. Ensure that flood protection is designed into each building.
3. Control surface water onsite (Aim for run off rates of 5L/sec/ha on greenfield sites and a minimum of existing rates on brownfield sites)
4. Apply varied SUDS opportunities across the site.
5. Incorporate SUDS into highway design.

Sources of further of information

Leicester Strategic Flood Risk Assessment www.leicester.gov.uk
 Leicester Surface Water Management Plan (In preparation)
 Government Policy: Planning Policy Statements 3 and 25 (PPS3 and PPS25)
 The SUDS Manual (CIRA publication C697)
 Site handbook for the construction of SUDS (CIRA publication C698)
 Flood Water and Management Act 2010

6.1 The Urban Heat Island effect (UHI) ⁽¹⁰⁾

Urban areas tend to be hotter than their surrounding rural area. It is anticipated that rising temperatures in the future will intensify this problem. There is a need to ease this effect so that the city centre does not become uncomfortable for people to use. This can be done effectively by using reflective surfaces and increasing green infrastructure ⁽⁸⁾ (GI). GI has a number of other benefits including reducing surface water run-off and increasing areas for biodiversity.

6.2 Greenfield and brownfield sites

Where possible, brownfield sites should be developed in preference to greenfield sites by achieving higher densities on existing sites closer to the city centre. However, brownfield sites should be developed with care and sensitivity to emerging habitats.

**6.3 Outdoor spaces**

It is anticipated that with rising temperatures there will be increased demand for green spaces. When designed carefully these spaces can provide multiple functions for amenity, sport, food growth, flood alleviation and wildlife habitats. The size, location and connectivity of the outdoor spaces to other surrounding areas of green space will be an important consideration. Developers should incorporate green infrastructure into their developments and design to connect with surrounding green spaces. When designing the layout developers should be sensitive to other issues such as community safety. Guidance can be taken from 'Secured by Design' (see below)

**6.4 Planting**

Even modest increases in tree cover contribute to lowering the heat island effect. Mature trees and green spaces have far greater benefit than newly planted trees and so these should be preserved where possible. Leicester City Council has made a pledge to plant 10,000 trees within the city which developers can further contribute to reduction of UHI ⁽¹⁰⁾ by considering new trees in their designs not only in open spaces but also along highways and pavements. (See examples of pavement planting above right and retention of mature trees left.)

6.5 The Individual Building

Green spaces are relatively easy to provide for housing developments through gardens. However, developers should ensure the size of these gardens allow for multiuse (growing food, recreation, drying washing etc). Providing useful outdoor spaces for more urban developments can be a challenge; however plazas, allotment areas, courtyards and green/brown roofs will help to reduce UHI and provide a mosaic of habitats for wildlife in the City.

6.6 Sustainable planting

With anticipated increase in drought conditions it is very important not to choose plants that do not require a large amount of water. Therefore plant choice and planting methods are important to consider. Developers should use plants native to the area that are not dependent on additional watering. There is guidance available on suitable plants from national organisations such as Royal Horticultural Society. Mulching should also be used to increase soil moisture retention. (Example of green/brown roof pictured right)

**What To Aim For:**

1. Retain any existing trees and green spaces.
2. Design green infrastructure into every development.
3. Ensure that every inhabitant can benefit from creation of positive green spaces.
4. Select plant species so that irrigation is not necessary for survival.
5. Use mulch to retain ground moisture.
6. Create green spaces on flat roofs by developing green/brown roofs.
7. Explain in design and access statements how green spaces are to be used.
8. Connect developed green areas to surrounding existing green areas.

Sources of further information

Leicester City Council Green Spaces SPD (due to be published 2011)
 Leicester City Council Green Infrastructure Strategy (in preparation)
 Leicester City Council Biodiversity Action Plan 2006-09 (current) 2010-20 (TBA)
 Leicester City Council Green Space Strategy 2008-2015 (2007)
 East Midlands Landscape Strategy (Natural England 2010)
 EMRA – A Biodiversity Strategy for the East Midlands
 EMDA – Regional Spatial Strategy for East Midlands (2009)
 Natural England – Green Infrastructure Guidance (2009)
 Secured by Design (Association of Chief Police Officers (www.securedbydesign.com))
 Planning Policy Guidance 17 Open Space Study (2007)

7.1 Subsidence

It is anticipated that extended periods of drought will be one of the effects of climate change to affect Leicester. This could lead to an increased risk of subsidence to properties on clay soils during prolonged dry spells. As such some new buildings could require deeper foundations, depending on ground properties, the proximity, size and species of adjacent trees. Initial construction costs of deeper foundations will be much less than the later corrective action of underpinning.

7.2 Building Heat Gain

There is a balance to be made between the benefits of minimising heat loss in winter with the risk of excessive solar gain during the summer. Careful consideration should be given to site orientation/layout to ensure the benefits of solar energy, passive solar gain, natural ventilation and natural light have been optimised. Landscapes can help by providing shelter to minimise heat losses in winter and provide adequate shade in summer. (Example pictured right)

**7.3 Building Adaptability**

Buildings should be designed to be as flexible as possible. Developers should keep in mind that with changing climate the use of the building may need to change over time. Therefore layouts should be designed to be flexible and lend themselves to conversion from one use to another. Developers should take guidance from the Lifetime Homes Standard.

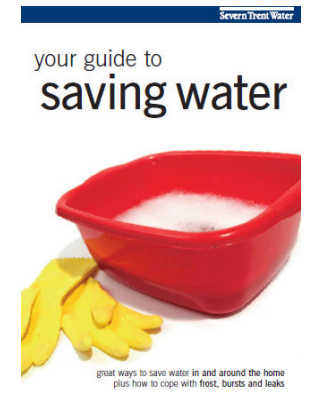
7.4 Reducing water demand

As periods of drought increase it will become more important to reduce water demand and use water more efficiently. Reduction of demand can be achieved through the use of water efficient devices and striving to change the behaviour of the inhabitants.

Developers should design water efficient devices into their development. There are many options for this such as low flow shower heads, variable flush lever on toilets, efficient taps, water meter, save a flush in toilets, water efficient appliances, water butts and rainwater harvesting – for water re-use etc.

A development can minimise water use both through inclusion of devices as listed above and through the design of its infrastructure. In the designs for a particular site should take into account the local availability of water and the potential impacts of storage of water on site; above ground rather than in tanks.

Developers should provide encouragement for occupants to be as water responsible as possible. This could be in the form of providing information packs, making a feature out of the water meter or simply providing information on the water saving devices that have been installed in the development. (Examples of behavioural change campaign is pictured right)

**What To Aim For:**

1. Ensure depths of foundations are suitable for ground structure.
2. Improve microclimate using landscaping and layout.
3. Apply the water consumption reduction targets in Code for Sustainable Homes.
4. Exceed minimum targets laid down in current Building Regulations.
5. Create materials to encourage occupants to use water responsibly.

Sources of further information

Climate Change by Adaptation by Design – Town and Country Planning Association
 Planning to Live With Climate Change - The Royal Town Planning Institute
 Building Regulations Part G 2010
 Water Efficiency Calculator for New Dwellings: found through www.planningportal.gov.uk
 Water Efficient Buildings website: www.water-efficient-buildings.co.uk
 Waterwise website: www.waterwise.org.uk
 Lifetime Homes Standard: www.lifetimehomes.org.uk

8.1 Heritage Buildings

Leicester has a number of important heritage buildings which are a limited resource and alterations can result in a building losing its heritage value. Therefore any alterations to these buildings to mitigate against climate change have to be very carefully considered, not only aesthetically but also in the way the building performs and their historic fabric.

All development should be sympathetic to the special interest of the heritage asset, however, climate change mitigation and adaptation strategies should still be installed where suitable. If the building in question is listed or in a conservation area consent may be required before any kind of works commence. For buildings as unique as heritage buildings there is no 'one size fits all' approach and therefore professional advice should be sought in every case.

8.3 Mitigating climate change

When dealing with heritage assets creative thinking is required. Alterations and installations need to be properly considered so that the significance of the asset is not affected. Small actions such as fitting heavy weight curtains, using carpet rather than bare boards and fitting insulation (from appropriate materials such as sheep's wool) can all have a positive impact and many are feasible at heritage sites. If planned and installed correctly these "small actions" can have as large an impact as "bigger actions" like installing double glazing or solar panels. When planning any mitigation measures it is important to note that historic buildings often require free air circulation, this should always be taken into consideration.

8.4 Adapting to climate change

Adapting an existing building to be resilient to the effects of climate change can be a challenge. However, some existing buildings lend themselves to some of the strategies we have seen in previous sections such as increasing green infrastructure, reducing water and energy demand by fitting efficient appliances. Thought should also be given to protection of buildings from the effects of climate change. For example the damage to a heritage building from flooding can be catastrophic and guidance is available on how this is best dealt with from English Heritage (see below)

What To Aim For:

1. Incorporate efficient appliances to reduce water and energy demand.
2. Increase green infrastructure both on and around the building.
3. Alterations should cause minimum intervention to the heritage asset.
4. Provide details of efficiency measures and their impact in planning submissions.

Sources of further information

Leicester City Council Conservation Team (0116) 252 7218

Government Policy: Planning Policy Statement 5 (PPS5)

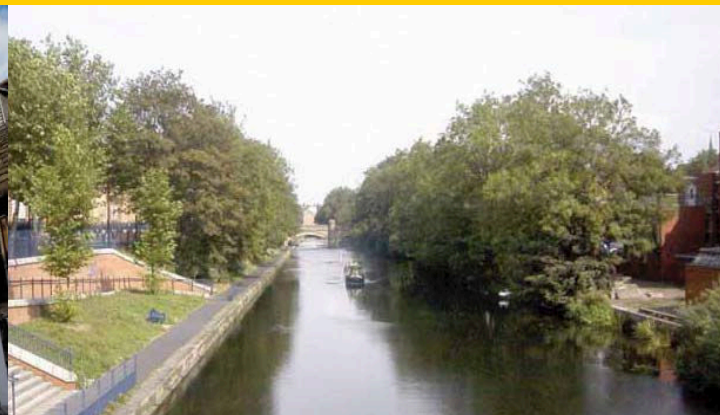
English Heritage climate change website: www.climatechangeandyourhome.org.uk

Various English Heritage Publications available on the website relating to renewables

Building Conservation website: www.buildingconservation.com

Heritage Environment Local Management: www.helm.org.uk

English Heritage Flood Advice: www.english-heritage.org.uk/publications



Outline of Key Renewable Technologies

Technology	Uses	Methods	Advantages
Solar Thermal Energy	For water heating	Can offset a large percentage of the hot water requirements of a dwelling	Easily installed Needs back up from the grid Particularly suitable for large water users e.g. leisure centres and swimming pools
Photovoltaic Generation	For electricity generation	Panels can supply a significant amount of energy if correctly sited on an un-shaded south facing roof	Can be incorporated into most buildings Will benefit from Feed-In-Tariffs Should be maintenance free
Wind Generation	For electricity generation	Free standing turbines can provide a good amount of energy	Need a relatively large area of open space Requires some maintenance Will benefit from Feed-In-Tariffs
CHP and CCHP*	For heat and power	CHP provides simultaneous generation of heat and power in a single process and can also provide cooling where required	Very efficient with a fuel efficiency of around 70-80% Can be fitted on a small or large scale to most kinds of buildings
Ground/Air Source Heat Pump	For heat provision	Uses the constant heat of the Earth/air which is transferred via underground pipes to the building	Heats in the winter and cools in the summer Best used in conjunction with under-floor heating
Biomass and Energy Crops	For heat provision	Biomass boilers use chipped or pelleted wood products to supply heat	There is a type of boiler to suit every development Maintenance is low Installations have proved effective in all types of buildings from homes to schools
Energy From Waste	For heat and power	Decomposable waste can be processed in an anaerobic digester that produces gas which can be either directly burned or used in a CHP system, which is considerably more efficient	As a direct burn renewable fuel or CHP

* Combined Heat and Power, Combined Cooling Heat and Power

Glossary of Terms

1. **Design and Access Statement:** A statement that must accompany planning applications for outline and full planning permissions and for listed building consent. It is a short report accompanying and supporting a planning application to illustrate the process that has led to the development proposal, and to explain and justify the proposal in a structured way. It must explain and justify the proposal in a structured way, relating the development to current planning policies. For more information on what is expected visit www.leicester.gov.uk.
2. **Passive Solar Gain:** Refers to the increase in temperature in a space, object or structure as a result of solar radiation. The amount of solar gain increases with the strength of the sun, and with the ability of any intervening material to transmit or resist the radiation. In the context of passive solar building design the aim of the designer is normally to maximise solar gain within the building in the winter (to reduce space heating demand), and to control it in summer (to minimise cooling requirements). In direct solar gain systems, the composition and coating of the building glazing can also be manipulated to optimise the greenhouse effect, while its size, position and shading can be used to optimise solar gain.
3. **Thermal Bridging:** A thermal bridge is created when materials that are poor insulators come in contact, allowing heat to flow through the path created. Insulation around a bridge is of little help in preventing heat loss or gain due to thermal bridging; the bridging has to be eliminated, rebuilt with a reduced cross-section or with materials that have better insulating properties, or with an additional insulating component (a thermal break). Concrete balconies that extend the floor slab through the building envelope are a common example of thermal bridging.
4. **Thermal Mass:** Thermal mass is the capacity of a body to store heat. Thermal mass as a concept is most frequently applied in the field of building design. In this context, thermal mass provides "inertia" against temperature fluctuations. For example, when outside temperatures are fluctuating throughout the day, a large thermal mass within the insulated portion of a house can serve to "flatten out" the daily temperature fluctuations, since the thermal mass will absorb heat when the surroundings are hotter than the mass, and give heat back when the surroundings are cooler.
5. **Embodied Energy:** Defined as the commercial energy (fossil fuels, nuclear, etc) that was used in the work to make any product, bring it to market, and dispose of it. Embodied energy is an accounting methodology which aims to find the sum total of the energy necessary for an entire product lifecycle. This lifecycle includes raw material extraction, transport, manufacture, assembly, installation, disassembly, deconstruction and/or decomposition.
6. **Raw Material:** A raw material is something that is for use as a building material to create some product or structure. Often the term is used to denote material that came from nature and is in an unprocessed or minimally processed state.
7. **Sustainable Urban Drainage System:** Systems that are designed to reduce the potential impact of new and existing developments with respect to surface water drainage discharges. The idea behind SUDS is to try to replicate natural systems that use cost effective solutions with low environmental impact to drain away dirty and surface water run-off through collection, storage, and cleaning before allowing it to be released slowly back into the environment, such as into water courses. The essences of SUDS solutions should be that of a system that is easy to manage, requiring little or no energy input (except from environmental sources such as sunlight, etc.), resilient to use, and being environmentally as well as aesthetically attractive. Examples of this type of system are reed beds and other wetland habitats that collect, store, and filter dirty water along with providing a habitat for wildlife.
8. **Green Infrastructure:** Comprises of a network of multi-functional greenspace which sit within, and contribute to, the type of high quality natural and built environment required to deliver 'sustainable communities'. Delivering, protecting and enhancing these networks require the creation of new assets to link with river corridors, waterways, woodlands, nature reserves, urban greenspace, historic sites and other existing assets. In particular there is an emphasis on the "life support" functions provided by a network of natural ecosystems, with an emphasis on interconnectivity to support long term sustainability.
9. **Green Corridors:** A wildlife corridor or green corridor is an area of habitat connecting wildlife populations separated by human activities (such as roads or development). This allows an exchange of individuals between populations. Wildlife corridors are important for large species requiring significant sized ranges; however, they are also vital as connection corridors for smaller animals and plants.
10. **Urban Heat Island Effect (UHI):** A UHI is an urban area which is warmer than its surrounding rural areas. The main causes of UHI are modification of the land surface by urban development which uses materials which effectively retain heat (such as concrete and tarmac) and tall buildings which retain heat and block wind preventing cooling by convection. Waste heat generated by energy usage is a secondary contributor. As population centres grow they develop a greater and greater area of land and have a corresponding increase in average temperature. Additional effects of an UHI include increased rainfall in cities, increased length of growing seasons and, more seriously, increased death rates during heat waves and decreased air quality (due to increased production of pollutants). Mitigation of the urban heat island effect can be accomplished through the use of green infrastructure and the use of lighter-coloured surfaces in urban areas, which reflect more sunlight and absorb less heat.



If you require assistance with the contents of this supplementary planning document or would like more advice on the issues or funding possibilities please use the contact details below.

Urban Design Team: 0116 252 7222

Planning Management and Delivery: 0116 252 7249

Planning Policy: 0116 252 7233

Environment Team: 0116 252 7328

Travel Planning: 0116 252 7272

Climate Change Supplementary Planning Document

Consultation Statement

A number of consultees have been contacted on the development of this SPD. Listed below are the responses to date.

Stage	Date	Consultee	Reference to Document and Abridged Comments	Response
Screening Statement	27/04/2010	DECC	Unable to comment at the moment please send through draft document when ready.	Draft document will be sent to for DECC's consultation in the Autumn
Screening Statement	16/04/2010	Natural England	<p>Why has the Council not used the broader term of 'incorporating green infrastructure'?</p> <p>Why have certain energy sources been split away from each other when it would make more sense for them to be considered as a whole?</p> <p>Why have health implications been excluded?</p>	<p>After looking again at the content of the SPD the document now includes a section on green infrastructure. This covers green/brown roofs, gardens, amenity spaces, green spaces in and urban environment and sustainable planting.</p> <p>These two have now been combined and a table added reviewing all renewable options so that information is laid out clearly in one place.</p> <p>Much consideration has been given to the Urban Heat Island Effect within the document. Many of the benefits of mitigating UHI will also work to reduce the effect of climate change on the residents of Leicester. As the SPD is primarily aimed at planners and developers we felt it was appropriate to keep the focus on developments and buildings rather than digress to health.</p> <p>No further queries from Natural England following this response.</p>

Screening Statement	19/04/2010	English Heritage	<p>English Heritage are in agreement that an SEA is not required.</p> <p>Request to be consulted further when the draft document is prepared.</p>	Confirmation was sent to acknowledge English Heritage would be consulted fully on the draft document.
Public Consultation of Draft Document	13/10/2010	De Montfort University	<p>2.2 (Page Three): Need to ensure that insulation is properly positioned. Internal wall insulation can lead to over heating where has external wall insulation will have a cooling effect</p> <p>6.3 (Page Six) Large trees should be included in developments to help with the shading issues</p> <p>6.6 (Page Six) Drought tolerant species can actually lead to higher air temperatures around them. Care should be taken to ensure balanced consideration RHS "Right Trees for Changing Climate" should be included as a resource</p> <p>7.2 (Page Seven) Heading should be changed to building heat gain and overheating prevention" To ensure we don't end up with too many new builds that overheat</p>	<p>High levels of insulation are necessary to reach good levels of building efficiency. The document currently makes recommendations for 'high levels of fabric insulation to all elements of external and party wall construction'. Application will vary from site to site.</p> <p>Planting issues and recommendations are dealt with in 6.4</p> <p>Serious consideration is given to tree species selection and recommendations are different dependent on site. The document does not recommend 'drought tolerant plants' as such but recommends native species that do not require very high levels of watering.</p> <p>The paragraph talks about the risks of overheating within the title 'Building Heat Gain' change of title would lead to inclusion of unnecessary technical phrases.</p>
Public Consultation of Draft Document	13/10/2010	Natural England	<p>Grateful that their previous comments have been taken on board and as a result NE have no further comments to make.</p> <p>Natural England fully support the document</p>	No action required

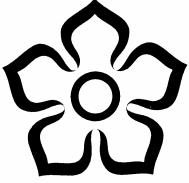
Public Consultation of Draft Document	18/10/2010	Leicestershire Police	<p>Author should review 'Secured by Design Initiative (SbD)' and promote it with the document.</p> <p>1.0 (Page Two): The carbon cost of crime should be referenced in the introduction to the SPD</p> <p>2.2 (Page Three): bear in mind security and noise issues of party wall insulation – maybe add a footnote on the issues raised in Para 38 of the New Homes Guide</p> <p>3.0 (Page Four): What is the point in locating major development on public transport routes when the DC policies promote too much parking in these locations? Why is so much space given over to catering for the car?</p> <p>4.0 (Page Four): Reference the sBd here</p> <p>6.3 (Page Six): Need to make reference to outdoor spaces and public safety. Promotion of private garden spaces can reduce crime and have the same impact.</p> <p>General comment: need to stress the importance of local amenities to reduce travel to shops/schools etc.</p>	<p>This document has been reviewed and its importance noted. A reference to sensitive layout has been placed in 6.3 and the Secured by Design publication referenced in 'Sources of further information'</p> <p>Building Regulations now have extensive advice on party wall construction. Therefore it is not meaningful to place a large reference to them within this document.</p> <p>The issue of parking within the central ring road is currently being dealt with through a Parking Strategy SPD which is due for publication in 2011.</p> <p>Document has been referenced in 6.3</p> <p>Care is taken in each development to ensure that outdoor spaces are as useable as possible.</p> <p>A reference to Local Amenities was made in 3.1.</p>
Public Consultation of Draft Document	25 October 2010	The Coal Authority	Have reviewed the documents and have no specific comments to make.	No action required

Public Consultation of Draft Document	28 October 2010	WYG Engineering	<p>1.1 (Page Two): Should aim to set out challenging standards for developers to reach</p> <p>1.3 (Page Two): Careful with the phrase ‘feasibility’</p> <p>1.3 (Page Two): Should read “must comply with Ene1 of CSH L3 as this represents new building regs Mandatory CSH pre-assessment Mandatory percentage of Zero Carbon homes in each development Insist on PassivHaus</p> <p>1.1 (Page Two): Define the relationship between the new SPD and the Energy SPD</p> <p>2.1 (Page Three): Also need to include references to optimising natural daylight, ventilation and passive cooling</p> <p>2.2 (Page Three): Include examples of compliance solutions - How do we envisage how the allowable solutions mechanisms will work</p> <p>7.3 (Page Seven): Consider Lifetime Homes Standard</p>	<p>We are unable to set formal targets for developers in this document however we believe we have been aspirational in the ‘What To Aim For’ sections</p> <p>This policy on Code for Sustainable Homes is an element of the Core Strategy for Leicester which is scheduled for adoption on the 25th November 2010. This wording is not open to change.</p> <p>As above</p> <p>It has been outlined that this document sits alongside and supports the Energy Efficiency and Renewables SPD that already exists.</p> <p>These comments have been adopted. References to natural daylight and ventilation have been made in 7.2</p> <p>Leicester City Council are currently working on strategies of how this could be implemented in Leicester. These will be published in due course.</p> <p>Reference to the Lifetime Homes Standard has been inserted in 7.3.</p>
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Public Consultation of Draft Document	2 November 2010	English Heritage	<p>4.1 (Page Four): Consider the embodied energy within existing buildings and recommend renovation rather than new development. Possible reference to Reviving Britain's Heritage (SAVE)</p> <p>5.1 (Page Five): English Heritage has produced an advice note on Flooding and Historic Buildings</p> <p>6.4 (Page Six): There has been a trend to move away from long lifespan trees to short lifespan trees. Mature trees should be retained where possible.</p>	<p>This comment has been adopted and references can be found in 4.1</p> <p>This comment has been adopted and references can be found in 8.4</p> <p>The document does recommend the retention of mature trees and serious consideration is given to tree species selection and recommendations are different dependent on site.</p>
Public Consultation of Draft Document	5 November 2010	Friends of the Earth Leicester	<p>General Comment: Actions are not recommended strongly enough. More specific targets would be helpful.</p> <p>3.0 (Page Four): More emphasis needs to be placed on cycling and walking facilities as electric vehicles still lead to carbon emissions.</p> <p>3.1 (Page Four): Alternate wording recommended as: 'own transport' – 'private motorised transport' and 'addition of non motorised transport'. The document should insist on provisions for cyclists and creation of new public transport facilities.</p> <p>4.0 (Page Four): Developers should be encouraged to use AT LEAST 25% recycled materials</p>	<p>We cannot insist on specific targets through this document. Further targets will be considered at Site Allocations Stage.</p> <p>The word 'motorised' has been added into 3.1 to clarify this point.</p> <p>This section has been strengthened with the explanation to developers that transport assessments are required for large developments and travel packs for smaller development. The Travel Team are consulted on planning applications and ensure that developers have taken appropriate steps for public transport.</p> <p>The change of wording would turn this statement into a target. We cannot insist on specific targets through this document. Further targets will be considered at Site Allocations Stage.</p>

			<p>5.0 (Page Five): Building on areas at risk of flooding should not be permitted</p> <p>6.0 (Page Six): Green/Brown roofs need to be installed on ALL suitable roofs in new developments</p>	<p>The Flood Risk Hierarchy mentioned in 5.1 states that development of a flood risk area should be avoided in the first instance however, there are certain situations in which this may not be avoidable. In these cases advice is provided on how to manage risk.</p> <p>There are many roofs for which green/brown roofs are not appropriate as this document covers renovations also. The wording in this section is already appropriate for the purpose of the document.</p>
Public Consultation of Draft Document	16 November 2010	Environment Agency	<p>5.1 (Page Five): Proposed change to wording “When designing is should be noted that 20% should be added to the expected flow of watercourses to allow for the future effects of climate change and it should be ensured that any such proposals do not increase flood risk to others.”</p> <p>5.3` (Page Five): Proposed change to wording “culvert” should be “concrete channel”.</p> <p>5.5 (Page Five): Proposed change to wording “Therefore development should incorporate elements of SUDS into roadways”</p>	<p>This comment has been adopted and references can be found in 5.1</p> <p>This comment has been adopted and references can be found in 5.3</p> <p>This comment has been adopted and references can be found in 5.5</p>

Appendix I



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet Briefing
OSMB
Cabinet
Council

Monday 13th December 2010
Thursday 13th January 2011
Monday 17th January 2011
Thursday 27th January 2011

Report on Joint Leicester and Leicestershire Waste Development Framework Site Allocations Development Plan Document

Report of the Strategic Director of Development, Culture and Regeneration

1. Purpose of Report

- 1.1. The purpose of the report is to provide an update on progress on the preparation of the Council's Joint Waste Development Framework Site Allocations Development Plan Document (DPD).

2. Recommendations

- 2.1. Cabinet is requested to note the progress on the Joint Waste Development Framework Site Allocations DPD and approve the document for public consultation as set out in the report.

3. Summary

- 3.1. The City Council and Leicestershire County Council are working jointly on a Waste Development Framework. A Waste Core Strategy and Development Control Policies DPD was adopted in October 2009. The next part of this framework is the Site Allocations DPD for which approval is now being sought for public consultation. This will allocate new waste sites within the City and County. This will ensure that the amount of waste arising can be dealt with and the various landfill diversion targets are achieved up to 2021. In respect of the City, a shortage of construction waste recycling facilities has been identified as a requirement and two sites are allocated which will help meet this shortage.
- 3.2. Copies of Waste Site Allocations document and its associated Sustainability Appraisal will be available in the member's areas.

4. Report

- 4.1 The City and County Councils are working together to produce a joint Waste Development Framework. This will ensure that enough additional waste capacity will be provided within the City and County to meet the waste arising from the significant proposed housing growth. It will also ensure that the tough EU targets for landfill diversion are met. The framework

covers the period from 2006 to 2021. The first document of this framework was the Waste Core Strategy and Development Control Policies DPD which adopted by full Council in October 2009. The Waste Core Strategy sets out a key vision for waste management in Leicester and Leicestershire. This vision is to provide an efficient, safe and sustainable range of waste facilities with capacity equal to the amount of waste generated and requiring that new facilities minimise environmental impact by encouraging waste reduction, increasing the reuse and recycling of waste leading to less reliance on landfill.

- 4.2 The second part of the framework is the Waste Site Allocations DPD, which will define what additional sites are required to meet the waste arisings up to 2021. The document was originally 'twin tracked' with the Waste Core Strategy and was subject to an issues and options consultation in 2006 and a preferred options consultation in 2007. However following the joint preferred options consultation, on the advice of Government Office, the Waste Site Allocations document was put 'on hold' until the Waste Core Strategy was adopted.
- 4.3 There was a 'call for sites' in 2006, followed by a second 'call for sites' earlier this year and as a result a total of 9 sites are proposed to be allocated within the document. Seven of these are within the County and two are within the City. The two city sites are the former railway sidings on Ulverscroft Road which is currently operating on rolling 5 year temporary consent, and the former Lewisher Road allotments which forms part of the Gypsy Lane Brickworks key employment site. Both of these sites would be specifically allocated to meet an identified shortage construction waste recycling facilities within Leicester. Without these facilities this waste would be disposed of in Landfill.
- 4.4 Recent approvals for commercial Material Recovery Facilities at Whitefield Road & Sunningdale Road and the existing facilities at Bursom & Wanlip should ensure that the City has enough municipal and commercial waste capacity up to 2021 to be able to meet landfill diversion targets. The plan is however flexible enough should alternative facilities be identified as required before 2021 that they can be accommodated subject to meeting criteria in the adopted Waste Core Strategy.
- 4.5 Of the seven sites that the County are allocating only 2 of these are new sites, these are Asfordby Mine near Melton Mowbray and plots 5 & 6 of the Interlink Business Park at Bardon near Coalville, which is the County Council's has purchased to be its preferred site for its Private Finance Initiative (PFI) waste scheme. The other sites are either extensions to existing facilities or already approved & operational landfill capacity.
- 4.6 The County Council has shortlisted two bidders for their PFI contract: -
 - Osiris which is a consortium made up of United Utilities Waste Management Ltd, Costain Engineering and Construction Ltd and John Laing Investments Ltd. They are proposing to build a mechanical treatment facility to produce refuse derived fuel (RDF) for gasification.
 - Veolia Environmental Services who are proposing to build an energy from waste plant with associated combined heat and power.

Both of these facilities would be built at the aforementioned County Council owned site at Bardon. However following announcement that the government has withdrawn funding the

County Council is rethinking its strategy. The County is still committed to providing some sort of facility to reduce the amount of waste going to landfill.

- 4.7 Approval is sought for the Joint Waste Development Framework Site Allocations Development Plan Document (DPD) to allow a statutory 6 week full public consultation in February 2011, before submission to the Secretary of State for Communities and Local Government in May 2011. The document would then subject to Examination in Public in Autumn 2011 before being taken back to Full Council for adoption in early 2012.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

- 5.1.1 Costs from the Local Development Framework process, including the examination in public will be met from existing budgets.

Martin Judson; Head of Finance R&C; Ext 297390

5.2 Legal Implications

- 5.2.1 The Corporate Director refers in the report to the statutory guidance that has been considered in the development of the strategy. The process being followed complies with the guidance and the statutory provisions contained in the Planning and Compulsory Purchase Act 2004

- 5.2.2 In accordance with the Council's Constitution and the Local Authorities (Function and Responsibilities) Regulations, the decision to approve the strategy is a matter for Full Council as it is part of the Development Plan.

Dina Nathwani; Solicitor; Legal Services; Ext 296362

5.3 Climate Change Implications

- 5.3.1 Landfilled waste produces both carbon dioxide and methane, both greenhouse gases (methane is a much more potent greenhouse gas), which can contribute to climate change. Sustainable waste management is vitally important in helping to reduce city and county-wide greenhouse gas emissions and work to divert waste from landfill and to find other uses for it is essential to help reduce greenhouse gas emissions.

Helen Lansdown; Senior Environmental Consultant - Sustainable Procurement; Ext 296770

6 Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	No	

Policy	Yes	The document will be formally adopted by Council and will be used to determine planning application. The document as supplements the adopted Waste Development Framework Core Strategy.
Sustainable and Environmental	Yes	The Document has been subject to full Strategic Environmental Assessment and Sustainability Appraisal.
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	Yes	The requirements of health impact were looked at as part of the Strategic Environmental Assessment and Sustainability Appraisal.

7. Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
1 Timetable through to adoption could slip.	M	L	Existing adopted Waste Core Strategy provides a strong policy framework for determining any waste planning application.
2 Planning Inspectorate finds the plan unsound.	L	M	Advice has been sought at all stages from the Government Office to ensure compliance. If plan is found unsound council would have to pay costs of a second hearing and the timetable would slip significantly. Adopted Waste Core Strategy can be used on its own to determine planning applications for waste uses.

8 Background Papers – Local Government Act 1972

8.1 None

9 Consultations

- 9.1 In preparing this document it been subject to 2 formal public consultations (issues & options and preferred options) and will be subject to another 6 week public consultation before the document is submitted to the Secretary of State for Communities and Local Government for formal examination. We have also engaged with the waste industry during two separate 'call for sites', where operators had the opportunity to suggest future waste sites. Leicester City Council's transport strategy section and the City's Nature Conservation Officer were consulted on the suitability of sites for waste processing.

10 Report Author

Paul Statham

Planner – Planning Policy and Design

Extension 297229

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