Leicester
City Council

MEETING OF THE CABINET

DATE: MONDAY, 17 JANUARY 2011
TIME: 1:00 pm
PLACE: THE OAK ROOM, TOWN HALL, TOWN HALL SQUARE, LEICESTER

Members of the Committee

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

Councillors Bhatti, Dawood, Naylor, Osman, Palmer, Russell, Westley and Wann

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

for Director, Corporate Governance

MEMBERS OF THE PUBLIC:

YOU ARE VERY WELCOME TO ATTEND TO OBSERVE THE PROCEEDINGS. HOWEVER, PLEASE NOTE THAT YOU ARE NOT ABLE TO PARTICIPATE IN THE MEETING.

Officer contact: Julie Harget/Heather Kent
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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 Julie Harget or Heather Kent, Democratic Support on (0116) 229 8809/8816 or email julie.harget@leicester.gov.uk or heather.kent@leicester.gov.uk or call in at the Town Hall.

Press Enquiries - please phone the Communications Unit on 252 6081

PUBLIC SESSION

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

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

3. LEADER'S ANNOUNCEMENTS

4. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 13 December 2010 and the minutes of the Special meetings of Cabinet held on 9 December 2010 and 22 December 2010 have been circulated to Members and the Cabinet is asked to approve them as a correct record.

5. MATTERS REFERRED FROM COMMITTEES

6. Report withdrawn

7. RAISING ACHIEVEMENT STRATEGY **Appendix B**

Councillor Dempster submits a report that provides an overview of progress to date on raising achievement and priorities for further improvement in educational outcomes in Leicester, and which seeks agreement to the principles and key objectives of a new Raising Achievement Strategy, to sustain and build on recent improvements in outcomes. Cabinet is asked to approve the recommendations set out in Paragraph 2 of the report.

A minute extract from the Children and Young People Scrutiny Committee meeting on 11 January 2011 will be circulated as soon as it is available.

8. REVIEW OF PARTNERSHIP AND DELIVERY ARRANGEMENTS: CULTURE, SPORT AND PHYSICAL ACTIVITY **Appendix C**

Councillor Wann submits a report that informs Cabinet of actions taken to review the culture, sport and physical activity partnership and delivery arrangements in Leicester to provide a clearer governance structure which ensures accountability linked to the delivery of outcomes. Cabinet is asked to note and support the new governance structure for culture, sport and physical activity.

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

Councillor Osman 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). 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.

A minute extract from the meeting of the Overview and Scrutiny Management Board held on 13 January 2011 will be circulated as soon as it is available.

10. CLIMATE CHANGE SUPPLEMENTARY PLANNING DOCUMENT **Appendix E**

Councillor Osman submits a report that informs Cabinet on the outcome of the public consultation for the draft Climate Change Supplementary Planning Document (SPD), presents the final version and seeks formal adoption. Cabinet is asked to approve the document for formal adoption.

A minute extract from the meeting of the Overview and Scrutiny Management Board held on 13 January 2011 will be circulated as soon as it is available.

11. CARE QUALITY COMMISSION ANNUAL PERFORMANCE ASSESSMENT REPORT FOR ADULT SOCIAL CARE SERVICES 2009/10 **Appendix F**

Councillor Patel submits a report that advises Cabinet of the Care Quality Commission's (CQC) Assessment of Adult Social Care Services rating for 2010. Cabinet is recommended to note the overall CQC grade awarded to Leicester in 2009/10.

A minute extract from the meeting of the Overview and Scrutiny Management Board held on 13 January 2011 will be circulated as soon as it is available.

12. HOUSING REVENUE ACCOUNT - BUDGET 2011/12 **Appendix G**

Councillor Westley submits a report that summarises the financial position of the Housing Revenue Account (HRA) for 2010/11 and 2011/12 based on the draft Subsidy Determination. Cabinet is asked to note that if there are any changes to the figures in the Final Determination, they will be reported to Members at the meeting. Cabinet is asked to approve the recommendations set out in Paragraph 2 of the report.

A minute extract from the meeting of the Overview and Scrutiny Management Board held on 13 January 2011 will be circulated as soon as it is available.

13. HOUSING CAPITAL PROGRAMME 2010/11 AND 2011/12 **Appendix H**

Councillor Westley submits a 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. Cabinet is asked to approve the recommendations set out in Paragraph 2.3 of the report.

A minute extract from the meeting of the Overview and Scrutiny Management Board held on 13 January 2011 will be circulated as soon as it is available.

14. CORPORATE VOLUNTARY AND COMMUNITY SECTOR CONTRACTS QUARTERLY MONITORING **Appendix I**

Councillor Dawood submits a report that sets out the performance for Quarter Two (July to September 2010) of the seven corporate contracts with voluntary and community sector (VCS) organisations and the Community Cohesion contract with the Gujurat Hindu Association. Cabinet is asked to note the recommendations set out in Paragraph 2 of the report.

A minute extract of the meeting of the Performance and Value for Money Select Committee held on 12 January 2011 will be circulated as soon as it is available.

15. PERFORMANCE REPORT FOR QUARTER TWO 2010/11 **Appendix J**

Councillor Patel submits a report that presents a summary of performance against the priorities set out in *One Leicester* for the second quarter of 2010/11. Cabinet is asked to approve the recommendations set out in Paragraph 2 of the report.

A minute extract from the meeting of the Performance and Value for Money Select Committee held on 12 January 2011 will be circulated as soon as it is available.

16. CORPORATE RISK MANAGEMENT STRATEGY 2011 **Appendix K**

Councillor Patel submits a report that seeks the agreement and support of Cabinet for the revised Risk Management Policy Statement and Risk Management Strategy as contained in the report. Cabinet is asked to approve the recommendations set out in Paragraph 4 of the report.

17. BUSINESS CONTINUITY MANAGEMENT STRATEGY **Appendix L**

Councillor Patel submits a report that seeks the agreement and support of Cabinet for the first Business Continuity Management Policy Statement and Business Continuity Management Strategy as contained in this report. Cabinet is asked to approve the recommendations set out in Paragraph 2 of the report.

18. COUNCIL TAX - TAXBASE **Appendix M**

Councillor Patel submits a report that details the recommended taxbase for the financial year 2011/2012. Cabinet is recommended to endorse a taxbase for 2011/2012 of 78,982 properties expressed as the equivalent number of “Band D” properties.

19. COLLECTION FUND SURPLUSES **Appendix N**

Councillor Patel submits a report that identifies the estimated position of the Collection Fund Account as at 31 March 2011 and seeks the approval of Cabinet to the estimated surplus figures and the amounts payable to the relevant authorities. Cabinet is asked to approve the recommendations set out in Paragraph 3 of the report.

20. ANY OTHER URGENT BUSINESS

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Appendix B

Leicester City Council

WARDS AFFECTED
Type in Ward

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

CS&YP Scrutiny	**11th January 2011**
Cabinet	**17th January 2011**

Raising Achievement Strategy

Report of the Divisional Director, Learning Services

1. Purpose of Report

1.1 To provide an overview of progress to date on raising achievement and priorities for further improvement in educational outcomes in Leicester.

1.2 To seek agreement to the principles and key objectives of a new Raising Achievement Strategy, to sustain and build on recent improvements in outcomes.

2 Recommendations

2.1 To endorse the ambition of the strategy to raise achievement and attainment levels in Leicester to national averages and higher

2.2 To agree the five core principles of the Raising Achievement Strategy.

2.3 To support continued development of the strategy

3 Summary

3.1 In recent years education standards in Leicester have improved significantly at all key stages. In February 2010 the Secretary of State for Education lifted the Improvement Notice which was issued to the Council in Summer 2008, due to concerns about quality and standards in education. In lifting the notice the Secretary of State acknowledged, not just the improvements in standards, but the much strengthened capacity of the local authority to lead further improvement.

3.2 Continuing to improve education standards and sustain that improvement remains a key priority for the city. While the rapid rate of improvement must be recognized, this was from a very low base. Attainment against most measures remains below national averages and there are areas of the city where education outcomes remain very poor. Educational performance and skill levels are an important factor in enhancing the city's reputation and attracting inward investment. Higher educational achievement is also associated with better health and longer life expectancy. Quality and standards in education, and improving educational outcomes, must be a key element of any broader regeneration strategy for the city.

3.3 To sustain improvement and raise standards of education to national averages and beyond, we need to develop a new Raising Achievement Strategy that will build on what has been achieved through earlier plans, such as Transforming Leicester's Learning. The Raising Achievement Strategy will communicate our ambition for children and young people, and will commit to a range of improvement priorities to raise levels of achievement overall, as well as tackling inequalities in provision and outcomes across the city.

3.4 In addition to communicating our vision and ambition for education, it is proposed that the strategy is based on a set of core principles. The principles begin to define the approach we will take to raising achievement in Leicester. Essentially they express a commitment to raising achievement through partnership and collaboration; developing integrated and locality service models which contribute to raising achievement; and engaging families and communities to encourage aspiration, ownership and investment in education. The five principles proposed are set out in more detail in paragraph 4.7 below.

4 Report

4.1 In the past, educational performance in Leicester was poor and a cause of some concern. In June 2008 the Council was issued with an Improvement Notice by the Secretary of State, with education standards identified as being in urgent need of improvement. Work on Transforming Leicester's Learning (TLL), underpinned by a Raising Achievement Plan, contributed to improved outcomes against all of the Improvement Notice targets. Leicester is now a rapidly improving local authority with educational attainment improving at a rate faster than that seen nationally. In recognition of the rate of improvement and the local authority's strengthened capacity to sustain this, the Improvement Notice was revoked by the Secretary of State in February 2010.

4.2 Leicester's previous reputation of poor educational performance, low skill level and high ranking high on the deprivation index is perceived to have limited inward investment, making it less attractive for companies looking to relocate. Continuing to increase standards in Leicester schools, and communicating an ambition to achieve the top quartile of LAs nationally for educational attainment, will contribute to challenging negative perceptions of the city and improve its reputation. Improving attainment has a direct impact on skill levels and access to employment. It is also associated with improved health, quality of life, and life expectancy. Improving educational outcomes for young people is a fundamental element of achieving wider, sustainable regeneration.

4.3 In spite of the rapid improvements over recent years, attainment for children in the early years, primary and secondary remains below national averages and, on some measures, in or near the bottom quartile. To sustain and build on the improvement achieved through TLL and the Raising Achievement Plan we need to develop a longer term Raising Achievement Strategy. Our proposed Raising Achievement Strategy is set within the context of One Leicester, the Children and Young People's Plan and Strategy for Change.

4.4 The aim of the strategy is to improve children's lives by working in partnership to raise aspiration and build achievement. It is intended that the strategy will articulate a commitment to building on recent improvements in performance and an ambition for educational provision and outcomes in Leicester to match that of the best nationally.

4.5 Through our Raising Achievement Strategy we aim to close the gap between educational performance in Leicester and performance nationally by 2012, and for performance to be within the top quartile by 2015. To achieve this level of performance we will need to ensure no primary or secondary school is in an Ofsted category, or below floor target, by 2012, and that we increase the proportion of schools and settings that are judged good or better by Ofsted. While addressing improvement in provision and outcomes overall, we also need to target particular groups and areas of the city where levels of achievement are particularly low.

4.6 The Raising Achievement Strategy will commit to a number of specific objectives which are relevant to i) improving overall performance and ii) accelerating progress rates for vulnerable groups to narrow achievement and attainment gaps.

Specific priorities will include:

(i) Improving quality of provision in the Early Years Foundation Stage so that the proportion of five year olds deemed ready for school increases rapidly

(ii) Ensuring that targeted support in the early years reaches the children most at risk of underachievement so that the gap between the lowest achievers and other children is narrowed.

(iii) Closing the performance gap between local and national performance by 2012, and reaching the top quartile nationally by 2015;

(iv) Increasing the proportion of young people who achieve Level 2 and level 3 qualifications by age 19

(v) Reducing the gap between overall levels of performance in the city and that of vulnerable groups e.g. children with SEN; in receipt of free school meals; looked after

(vi) Addressing boys' underachievement and Improving attainment amongst ethnic groups where there is a trend of underperformance e.g. white British; Roma, black Carribean

(vii) Ensuring that the number of primary schools below floor target reduces by half in 2011, and that no primary school is below the 55% floor target from 2012 onwards

(viii) Ensuring that no secondary school is below the 30% GCSE floor target from 2011 onwards

(ix) Ensuring that , by 2012, no school is in an Ofsted category;

(x) Increasing the proportion of schools that are good or better to the top quartile nationally by 2015.

4.7 **Five Core Principles**

4.7.1 It is proposed that our Raising Achievement Strategy is based upon five core principles. In addition to reflecting our vision and ambition for children in Leicester, a key message within the principles is that raising achievement is a shared responsibility. Effective partnerships, integrated working, and engagement with local communities are fundamental to achieving excellence in this area. The following principles will form part of a framework against which we will plan and commission activities to raise achievement:

i) **Ambition for our all children and young people –** we will benchmark our performance against the best to create a culture that is aspirational and optimistic for all our children and young people.

(ii) **Partnerships and Collaboration** – we will develop partnerships across education settings both within and beyond Leicester, so that leadership and management; quality of provision and overall effectiveness are judged good or better in every school and education setting.

(iii) **Great teams around schools and families** – we will ensure that the services that children, families and schools need to access to overcome barriers to high achievement are integrated and co-ordinated effectively, so that those barriers are tackled swiftly and effectively.

(iv) **Engaging families and communities -** we will support families in engaging actively in their children's education, and work with communities to develop aspiration, ownership and investment in education and schools.

(v) **Investment in our workforce –** we are committed to ensuring that there are clear career pathways for our staff, and that they are equipped to work within integrated and multidisciplinary services to achieve better outcomes for children and families.

4.8 **Developing and implementing the strategy**

Our Raising Achievement Strategy is set within the context of One Leicester, the Children and Young People's Plan and Strategy for Change. As well as shaping the

quality of education it will support us in building effective partnerships between schools; with communities and across services for children and families. Our strategy will be led by the Investing in Children Priority Board and supported by a local strategic commissioning framework that is designed to ensure identifiable links between commissioning plans and better outcomes for children, families, schools and communities.

4.9 It is anticipated that the role of the local authority in school improvement will change in the coming months, with the L.A moving from being a direct provider of school improvement, to a commissioner of services and projects which support school improvement and raising achievement. To sustain a strong LA role in raising achievement we will need to develop the capacity to apply a commissioning model to school improvement and other raising achievement activities. This will help both schools and the local authority to deploy all resources effectively and improve value for money.

4.10 Schools will be key partners in implementing and delivering the strategy. In addition to delivering core provision, schools will have a role in commissioning improvement services for their own and partner institutions, and providing such services through school to school support arrangements. Most of the resource for improving schools and raising achievement is likely to sit within funding allocated directly to schools.

4.11 While schools, settings and their governing bodies will hold the main responsibility and resource for delivering universal and targeted education provision, a range of local authority and partner services will need to contribute to raising achievement and narrowing the gap through targeted services for vulnerable children and families. Ownership of raising achievement priorities and a strong integrated services model will be of fundamental importance in addressing the current level of inequality in educational outcomes within the city.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

5.1.1 The report notes that the role of the Council is moving towards commissioning school improvement services and that funding is increasingly expected to sit with schools rather than the Council. The funding restrictions and changes arising from the National Spending Review and subsequent DfE announcements will add further complexity and challenges, particularly as much of the improvement activity to date has been funded from additional / one-off resources, rather than mainstream / on-going funds as will need to be the case in the future. Any further significant central / city-wide investment would need to be agreed through appropriate Council commissioning and budget setting processes, and through the Schools' Forum for activities funded through "top-slicing" the Dedicated Schools Grant or from any excess school balances.

5.1.2 Where funding would come from schools directly, schools will need to see the value of such investment compared to other priorities, although the activity could be linked to new targeted funding such as the Local Pupil Premium.

Colin Sharpe, Head of Finance, Ext 7750

5.2 Legal Implications

5.21 There are currently no direct legal implications contained within this paper.

Kamal Adatia, Head of Community Services Law, Ext 7044

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 Ext 296770

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	**Yes**	Throughout the report, particularly 4.6
Policy	**Yes**	Throughout the report
Sustainable and Environmental	**No**	
Crime and Disorder	**No**	
Human Rights Act	**No**	
Elderly/People on Low Income	**No**	
Corporate Parenting	**Yes**	Throughout the report
Health Inequalities Impact	**No**	

7. Background Papers – Local Government Act 1972

No background papers have been produced on this subject.

8. Consultations

No specific consultations are required for this paper at this point.

9. Report Author

Margaret Libreri
Divisional Director, Learning Services
Ext 7701

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

Appendix C

WARDS AFFECTED
Citywide

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet **17 January 2011**

Review of Partnership and Delivery Arrangements
Culture, Sport & Physical Activity

Report of **Alistair Reid: Strategic Director, Development, Culture and Regeneration**
Rachel Dickinson: Strategic Director for Children
Deb Watson: Director of Public Health

1. PURPOSE OF REPORT

1.1. This report is to inform Cabinet of actions taken to review the culture, sport and physical activity partnership and delivery arrangements in Leicester to provide a clearer governance structure which ensures accountability linked to the delivery of outcomes. In recent years Leicester has benefitted from major cultural investment and renewal of its culture and sporting infrastructure and this approach also aims to ensure that we 'sweat the assets' in a difficult financial climate.

2. RECOMMENDATIONS

2.1. Cabinet is asked to note and support the new governance structure for culture, sport and physical activity.

3. SUMMARY

3.1 Earlier this year Cultural Services and the Cultural Strategy Partnership reviewed the eight year old Cultural Strategy and the partnership arrangements for its delivery, and subsequently produced a Review Report. As a result a new model of Cultural Partnership was proposed to lead the development of a new cultural strategy and to strengthen the coordination of effort and resources to deliver key priorities.

3.2 Also earlier this year a review of sporting infrastructure was undertaken. The sporting landscape has always been a complicated one and, as a result, sport and physical activity in Leicester City has lacked clear governance and accountability. As a result a new Sports Partnership Trust Board was established to provide clarity and a strong link to delivery of outcomes.

3.3 This report sets out the new arrangements for culture and sport in Leicester including the creation of these two new bodies: a **Sports Partnership Trust Board** and a **Culture Partnership Board**. The report also sets out how these two new bodies will interconnect with the relevant Priority Boards and the Leicester Partnership. These partnerships will help drive direction for culture and sport and measure success in the achievement of outputs and outcomes. The revised structures create a strong focus on improving performance in three key areas: health inequality, educational standards, skills and enterprise.

4. REPORT

4.1 BACKGROUND

4.2. NATIONAL CONTEXT

4.3 The Department of Culture, Media and Sport (DCMS) is the government department with policy responsibility for museums, galleries and libraries, the built heritage, the arts, sport, education, broadcasting and the National Lottery. DCMS aims to improve the quality of life for all through cultural and sporting activities, to support the pursuit of excellence and to champion the tourism, creative and leisure industries. The Department funds about 50 public bodies (under review), such as Arts Council England (ACE) and Sport England to deliver direct sporting and cultural support to the public.

4.4 The sporting landscape is particularly complicated with a number of government departments (Department of Health, Department of Education, Department of Culture, Media and Sport) taking the lead on particular aspects which are delivered through national sporting bodies (Youth Sports Trust, Sport England, Sports Coach UK, National Governing Bodies of Sport and UK Sport). Each of these organisations has its own strategy for sport.

4.5 In July 2010 DCMS set out a Structural Reform Plan for the next three years. Key commitments include:

- Leading Europe in universal and superfast broadband;
- Supporting strong local media by ending local cross media ownership rules and modernising the media regulatory regime, leading to a new Communications Bill;
- Delivering a successful Olympic and Paralympic Games in 2012, boosting Britain's economic recovery, and leaving a lasting legacy;
- Boosting the Big Society by nurturing philanthropy and bringing the National Lottery back to its original causes;
- Stimulating economic growth by encouraging investment and creating the conditions for sustainable growth in tourism and the creative industries.

4.6 In addition to the reform plan, DCMS has announced a number of changes which are impacting on local government cultural services; notably the reduction in funding to DCMS agencies in 2010/11 beyond; the winding up of Museums Libraries and Archives Council (MLA) by 2012; and a major change programme for the transformation of

libraries. In 2010/11 ACE's budget is £445 million, MLA's budget is circa £65 million with £3.5 million of this being spent in the East Midlands through the museums programme, Renaissance. English Heritage's budget is circa £130 million.

4.7 Following the Comprehensive Spending Review (CSR), DCMS has had a budget cut of 24% in resources and 32% in capital spend with an intention to limit cuts to frontline services to 15%. As a result Sport England will see a 33% reduction in funding by 2014/15, Arts Council a cut of 29.6%, English Heritage a cut of 32% and Renaissance in the Regions a reduction of 15%. Funding for arts, heritage and sports through National Lottery is being increased by £150 million after 2012.

5. LEICESTER CONTEXT

5.1 In recent years Leicester has benefitted from major cultural investment and renewal of its culture and sporting infrastructure. People in Leicester enjoy access to rich and varied sports and cultural facilities and activities. The city now faces new challenges and opportunities in which culture and sport have a major role to play. The economic crisis and the scale of financial pressures faced by public services are unprecedented in recent history. In this climate it is important to be clear about key priorities to understand where to invest stretched resources and to enable partners to move forward to more prosperous times.

5.2 Leicester City Council's Cultural Services Division has responsibility for arts, museums, libraries, sports and cultural strategy; directly delivering a range of services, delivering some in partnership and commissioning others for example Curve, Phoenix Square Comedy Festival, Diwali and the County Sports Partnership. Other parts of the culture 'family' are delivered by other divisions; for example creative industries at the LCB Depot, the Built Heritage and Public Realm by Planning and Economic Regeneration, Parks by Environmental Services and Play, BSF, School Sports and Arts in Education by Children's Services. Many other aspects of culture are delivered commercially, for example the professional sports clubs, live music venues, media and design; others by the independent and voluntary sectors with a flourishing performing arts scene, grassroots sports, community festivals and events; and some by public sector bodies such as universities and colleges.

5.3 Culture and sport deliver on each one of the priorities of One Leicester and makes a significant contribution to Talking up Leicester, Thriving, Safe Communities, Health and Well Being, Investing in our Children and in Skills and Enterprise. The cross cutting nature of culture means that in order to have the most impact the key partners need to agree their priorities, align their resources to delivery and galvanise others to work towards a shared vision. The complexity of the DCMS's 50 arms length bodies for delivery is mirrored at a local level across the country and Leicester City is no exception with 50 organisations making up the original Cultural Strategy Partnership. This has made it difficult to keep all the partners engaged and to get them to agree to a small number of priorities given their wide ranging interests and remits.

5.4 Earlier this year Cultural Services and the Cultural Strategy Partnership reviewed the implementation of the eight year old cultural strategy and the partnership arrangements for delivery. As a result a new model of Cultural Partnership is being established to lead

the development of a new cultural strategy and to strengthen the coordination of effort and resources to deliver key priorities by streamlining partnership arrangements. The scope of this new partnership will be: arts, creative industries, museums, galleries & archives, libraries, tourism, play, festivals & events, identity and sense of place.

5.5 The complexity of the sporting infrastructure at national level has also been mirrored at a local level across the country and in Leicester City. A complicated and confusing landscape had evolved causing concern and a lack of clarity regarding performance, ability to identify and deliver outcomes, accountability and governance. A review of sports delivery and partnership arrangements led to the establishment of a new infrastructure earlier this year as set out below.

6. New Culture and Sport Partnership Boards

6.1 To counteract the weaknesses in the existing structures, revised governance arrangements have been adopted for Sport and Culture. Details of the membership for the new Boards and their associated structures are set out in **Appendix 1, 2, 3 and 4**. These revised structures will:

- Support the overarching aims of:
  - physical and social regeneration through culture (with the objectives of promote enjoyment, wellbeing and health; develop identity pride and cohesion; increase economic prosperity; develop life skills and potential and help people to be fit for work)
  - reducing health inequality and improving educational standards
- Provide a partnership structure which is able to respond effectively to local and national agendas and deliver priority outcomes for people in Leicester. This will mean a partnership focus on a tighter definition of culture than the one adopted by the Cultural Strategy Partnership. While this does not mean that culture is not important in all its forms, it will ensure attention is focused on the delivery of top priorities rather than diluting effort and resources across a broad range of objectives.
- Provide clear governance – the Leicester Sports Partnership Trust Board will provide strategic guidance to its delivery/commissioning arm and the Children's Trust and Health and Wellbeing Partnerships will drive performance through their commissioning process for sport in the city. The Culture Partnership Board **(Appendix 4)** will mirror this approach. In relation to culture, the link with the Leicester Partnership will need to be drawn out as culture delivers to a number of strategic priorities, and as the Leicester Partnership goes through a period of transition. The relationship between the Culture and Sport Boards and the new Local Enterprise Partnership (LEP) will also need to be defined.
- Develop two clear overarching strategies. This will ensure the city will have just one single strategy for sport and a new strategy for culture, both of which have clear ownership and accountability.
- Develop associated delivery/ implementation plans; one for sports and one for the Cultural Strategy, which are measurable and outcomes focussed and linked

to One Leicester. The delivery plans will prioritise effort and resource into the most important issues for the city in all of the portfolio areas.

- Clear allocation of responsibility – delivered through the Sports Partnership Trust and the Culture Partnership Board to their delivery/ commissioning group made up of people who will put plans into action; with clear unambiguous delivery actions allocated to the most appropriate organisation.
- Clear reporting lines and action planning – each portfolio area reports directly to the commissioning/ delivery group. These reports will be incorporated into the City Council's performance reporting framework and reported to the Sports and Culture Boards and the respective Priority Boards/ Theme Partnerships.
- Make connections at a grassroots level, ensuring the contribution of the community and voluntary sectors continues to shape sport and cultural developments
- Create better coordination across different divisions in the council with a role in the sporting and cultural life of the city.
- Maximise the benefits from the city sports and culture infrastructure at a time when funding access will change significantly

6.2 The new sports structure also recognises that the two distinct delivery areas for sport (young people and community) should be brought closer together to deliver a more strategic approach for sport in schools, raising attainment, and delivering targeted interventions in communities most at need including attracting those who are new to sport. The development of the Sports Partnership Trust Board, chaired by Rory Underwood, ensures for the first time in the city that we harness the unique opportunities that are available to us through the city's professional sports clubs. The Sports Trust Board is still being established as a legal entity but when established it will also provide a potential future option for the delivery of aspects of sport services.

6.3 The work of delivering programmes and interventions will be carried out by two new Commissioning/ Delivery Groups. Outcomes/output-based delivery plans will be reported to the Culture/ Sport Boards and ultimately to the respective Priority Boards/ Theme Partnerships.

6.4 The Culture Partnership Board is being formally launched on 9 February with a tour of the Cultural Quarter for the new Board members

6.5 The Sports Partnership Trust is considering a formal launch for the early part of next year through a potential conference at Leicester Tigers on 24 March.

7. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

7.1 Financial Implications

7.2 The reductions in local authority formula grant and grant funding from ACE and the MLA will have a significant impact on the breadth of service provided by Cultural Services.

However the new governance structure described here does not have an impact on revenue budgets.

7.3 Officer and administrative support for the Sports Board is being provided by Council Officers in the Transforming the Learning Environment (CYPS) and Sports Services. Officer and administrative support for the Culture Board is being provided by the Cultural Strategy Manager and Officer in Cultural Services.

Martin Judson, Financial Services

8. LEGAL IMPLICATIONS

8.1 The Sports Partnership Trust Board is in the process of seeking Charitable Trust status by Trust Deed with sport development objectives which will enable it to source funding streams that were previously not available to sport.

a. Reporting to the Trust has a significant delivery role. The Council needs to be clear what its relationship should be with the Trust principal, or support the Trust in its activities so the Trust can steer itself forward.

b. Does the Council wish to outsource the Sports Trust functions? We cannot currently delegate this at the moment without a statutory instrument. Under the Deregulation and Contracting Act 1994 we can delegate but need a statutory instrument.

c. If a Council Sports Officer is currently delivering this Service then the Officer will TUPE transfer and the Code of Practice on Workforce Matters will apply.

d. VAT and tax efficiency advice needs to be sought. If the Trust on the face of it is charitable, and in essence if for example is setting up leisure centres, this is a business. Consequently, the Trust could face tax and VAT liabilities.

e. If the Council is disposing of land, S123 of the Local Government Act or General Disposals Consent will need to be considered.

f. Rules on charity, land transfers, procurement may conflict with each other, and so challenging decisions will have to be made.

g. The list still of proposed Trustees remains to be confirmed.

8.2 The Culture Partnership Board is being established and will decide its future role in relation to raising/ controlling financial resources. The Culture Partnership Board will also take legal advice to establish an appropriate organisational structure and governance moving forward including the option of establishing itself as a Charitable Trust.

a. Similar conditions as above apply to the New Cultural Partnership and the associated commissioning/delivery groups.

b. Please note the Council's Constitution on "Annual Library Plan" and "Local cultural strategy" is reserved for full Council. Therefore, if the external body is producing cultural strategy then this should go to full Council.

Nimisha Ruparelia, Legal Services

9. 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

10.1 OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph/References Within Supporting information
Equal Opportunities	**Yes**	**5.3**
Policy	**Yes**	**6.1**
Sustainable and Environmental	**Yes**	**5.3**
Crime and Disorder	**No**	
Human Rights Act	**No**	
Elderly/People on Low Income	**Yes**	**5.3, 6.3**
Corporate Parenting	**Yes**	**5.6, 6.3**
Health Inequalities Impact	**Yes**	**5.3, 6.3**

11. RISK ASSESSMENT MATRIX

Risk	**Likelihood**	**Severity Impact**	**Control Actions**
Reduced funding for culture and sport slows delivery of new strategy	**H**	**H**	Partnership agreement on key priorities. Align resources to maximise impact.
Partners previously engaged in the Cultural Strategy Partnership are disenfranchised	**M**	**M**	Strong communications plan. Stakeholder engagement in development of new strategy.

12. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

None.

13. CONSULTATIONS

Adrian Wills, Head of Libraries
Councillor Rob Wann, Cabinet Lead for Culture and Leisure
Councillor Vi Dempster, Cabinet Lead for Children and Schools
County Sports Partnership

Cultural Strategy Partnership Executive
Geoff Rowe, Vice Chair, Cultural Strategy Partnership
Mike Candler, Cultural Quarter Projects Director
Nasseh Bellamy, Chair, Cultural Strategy Partnership
Richard Watson, Divisional Director
Sally Davis, B-Inspired
Sarah Levitt, Head of Arts and Museums
Sheila Lock, Chief Executive

14. REPORT AUTHORS

Liz Blyth	Wayne Allsopp	Paul Edwards
Cultural Strategy and Improvement Manager	School Sport & Physical Activity Strategy Manager	Head of Sports Services
Liz.Blyth@leicester.gov.uk	Wayne.Allsopp@leicester.gov.uk	Paul.Edwards@leicester.gov.uk
O116 2527317/ Ext 297317	0116 2222607/Ext 392607	0116 2527323/ Ext 297323

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

Appendix 1:

Membership: Sports Partnership Trust Board (still to be confirmed)

Sheila Lock, Chief Executive of Leicester City Council *nominated by* Leicester City Council

Rachel Dickinson, Strategic Director of Children and Young Peoples Services *nominated* by Leicester City Council

David Clayton, Managing Director of Leicester Tigers *nominated by* Leicester Tigers,

Rory Underwood, Managing Director of Wingman Performance Consultants

Lee Hoos, Chief Executive of Leicester City Football Club *nominated by* Leicester City Football Club Limited

David Smith, Chair of Leicestershire County Cricket Club

Kevin Routledge, Managing Director of Leicester Riders Basketball Club *nominated by* Leicester Riders Basketball Club

Shahid Sheikh, Managing Director of Clifton Packaging Group

Bill Morris, Director of Leicester Secondary Education Improvement Partnership

Mike Kapur, Director of Signum Corporate Communications Limited,

Deborah Watson, Director of Public Health *nominated by* Leicester City Council

Cllr Robert Wann, Cabinet Member for Culture and Leisure of Leicester City Council and/ or Cllr Vi Dempster, Cabinet Member for Children and Schools

Appendix 2

Membership: Culture Partnership Board (pending their confirmation)

Cllr Robert Wann, Cabinet Lead for Culture and Leisure, Leicester City Council

Alistair Reid, Strategic Director, Development Culture and Regeneration, Leicester City Council

Peter Knott, Director, Arts and Development, Arts Council England

Professor Dominic Shellard, Vice Chancellor, De Montfort University

Geoff Rowe, Chief Executive, Big Difference Company/ Performing Arts Leicester

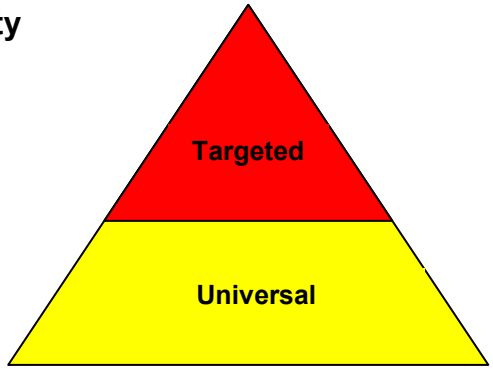
Pat Weller, Curve Chief Executive

Don Kotak, Managing Director, Sabras Radio

Ann Oliver, Ann Oliver Stage School

Vasant Bhakta (Mr B), Promoter

Appendix 3
Sporting Infrastructure in Leicester City



To close the wellbeing gap

To raise standards of attainment

LEICESTER PARTNERSHIP

Leicester Children's Trust ..... **Sports Partnership Trust Board** ..... **Health & Wellbeing Partnership**

Sports Partnership Trust Commissioning / Coordination Group (Wayne Allsopp)

Sport in the Community

Sport in Education

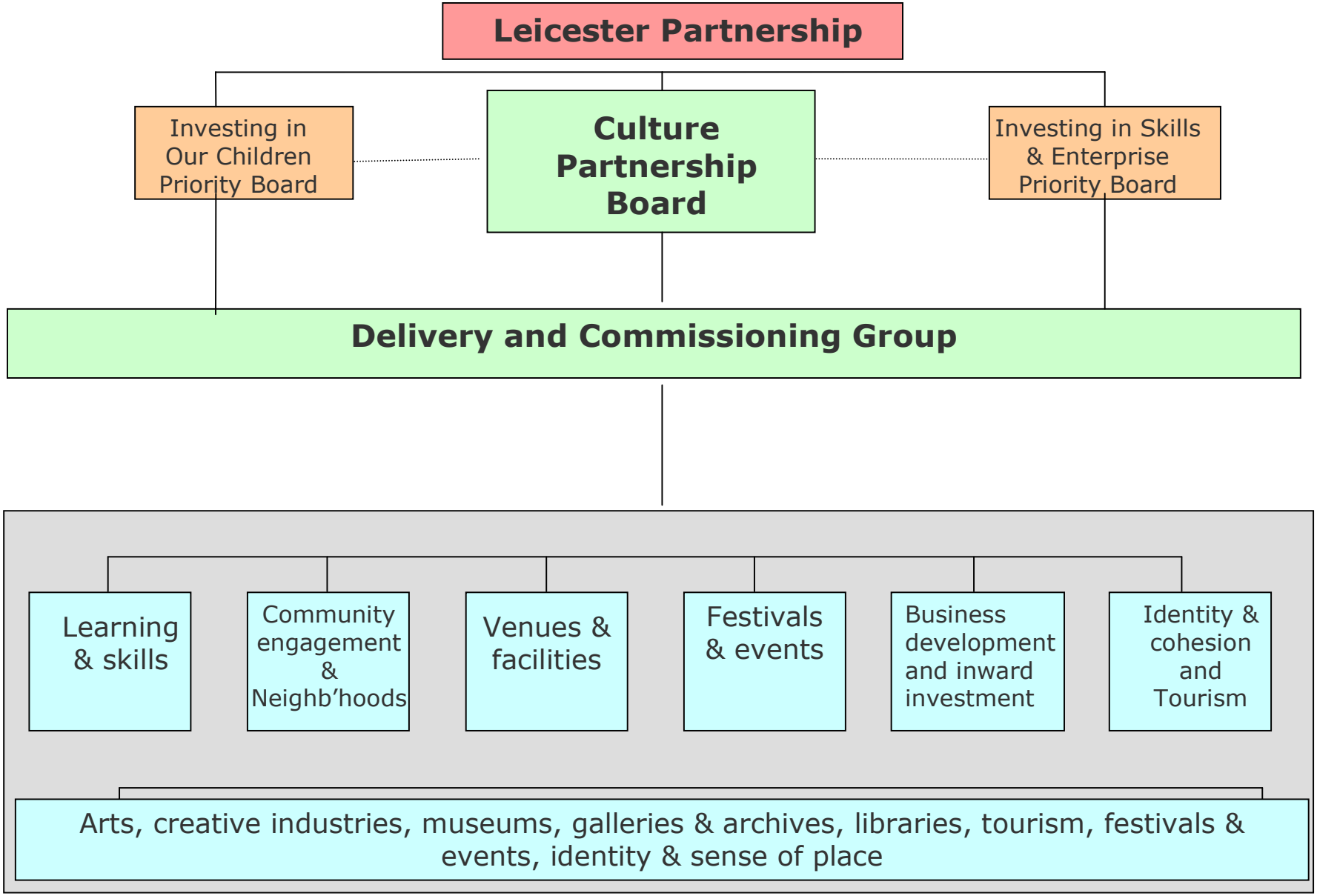
FUNCTIONS

- **Coaching & Volunteering**
- **Physical Activity**
- **Sport Specific**
- **Facilities**
- **Disability Inclusion**
- **BSF**
- **Sport for raising Attainment**
- **PE, School Sport and Competition**

2012 Olympic and Paralympic Games

Appendix 4
Culture Partnership Board

Physical and Social Regeneration through Culture



Appendix D

Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB	**Thursday 13th January 2011**
Cabinet	**Monday 17th January 2011**
Council	**Thursday 27th January 2011**

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

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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 Gipsy 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 statuary 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

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

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Appendix E

Leicester
City Council

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB (Final Document)	13th January 2011
Cabinet (Final Document)	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), present the final version and seek formal adoption.

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 Cabinet is asked to approve the document for formal adoption.

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 Cabinet is invited to review the final document and make comment. 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**	
Corporate Parenting	**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

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

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Supplementary Planning Document

Leicester City Council

Climate Change

DRAFT

1.0 **Introduction** Page 2
- 1.1 Role and purpose of this document
- 1.2 How to use this SPD
- 1.3 The document in context

2.0 **Mitigating Climate Change: Reducing Greenhouse Gases** Page 3
- 2.1 Development Layout
- 2.2 Energy Hierarchy in buildings

3.0 **Mitigating Climate Change: Transport** Page 4
- 3.1 Sustainable Transport

4.0 **Mitigating Climate Change: Materials** Page 4
- 4.1 Embodied Energy
- 4.2 Minimise consumption: Reduce, Reuse, Recycle
- 4.3 Source locally and responsibly

5.0 **Adapting to Climate Change: Water Control** Page 5
- 5.1 Flooding
- 5.2 Sustainable Urban Drainage Systems (SUDS)
- 5.3 Retrofitting SUDS
- 5.4 SUDS as flood prevention
- 5.5 SUDS in highways

6.0 **Adapting to Climate Change: Green Infrastructure** Page 6
- 6.1 Urban Heat Island Effect
- 6.2 Greenfield sites and brownfield sites
- 6.3 Outdoor spaces
- 6.4 Planting
- 6.5 Individual buildings
- 6.6 Sustainable planting

7.0 **Adapting to Climate Change: Futureproofing** Page 7
- 7.1 Subsidence
- 7.2 Building resilience and heat gain
- 7.3 Building Adaptability
- 7.4 Reducing water demand

8.0 **Special Consideration: Heritage Building Management** Page 8
- 8.1 Heritage buildings
- 8.2 Embodied energy
- 8.3 Mitigating climate change
- 8.4 Adapting to climate change

9.0 Appendices
- 9.1 Appendix One: Outline of Key Renewable Technologies Page 9
- 9.2 Appendix Two: Glossary of Terms Page 10

one planet

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.

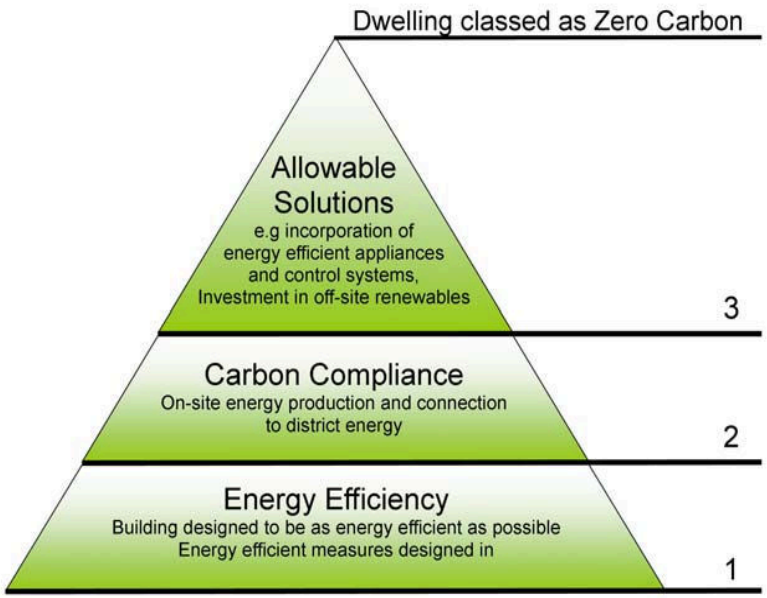
8. Existing development should wherever possible be adapted to climate change and help contribute to the reduction in carbon emissions by, where appropriate, including the introduction of green roofs, microrenewable energy, recycling facilities, building efficiency measures and cycle parking.

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.

3.0 MITIGATING CLIMATE CHANGE: TRANSPORT

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

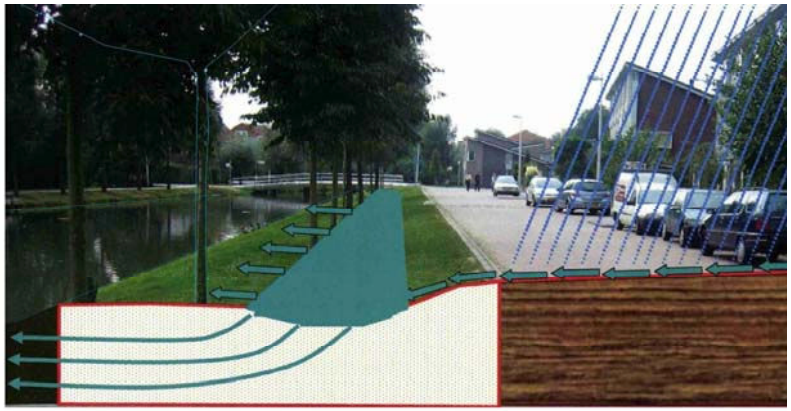
5.1 Flooding

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.



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

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 incorperate elements of SUDS into roadways to reduce the speed of run off and also provide the potential for local water treatment. (Examples pictured left.)

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 that 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)

shade provided by tree and overhanging eaves in summer
in winter lower sun angles and leaf fall allows light into buildings

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

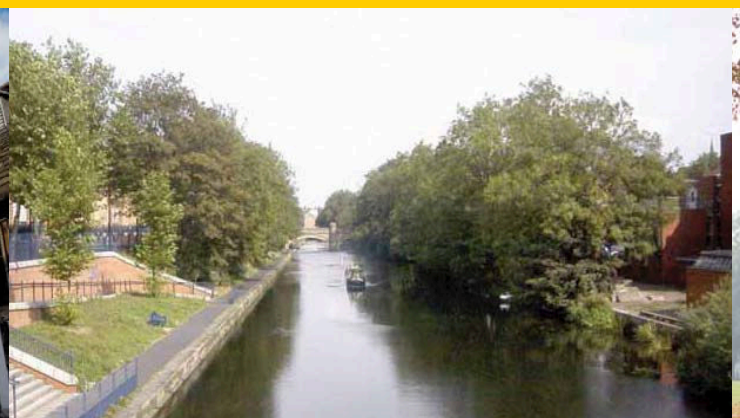
Adapting an existing building to be resilient to the effects of climate change can be a challenge. However, some existing buildings lend themselves to some of the strategies we have seen in previous sections such as increasing green infrastructure, reducing water and energy demand by fitting efficient 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.

Leicester
City Council

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	Why has the Council not used the broader term of 'incorporating green infrastructure'?	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.
			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?	These two have now been combined and a table added reviewing all renewable options so that information is laid out clearly in one place.
			Why have health implications been excluded?	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. No further queries from Natural England following this response.

Screening Statement	19/04/2010	English Heritage	English Heritage are in agreement that an SEA is not required. Request to be consulted further when the draft document is prepared.	 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	**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 **6.3 (Page Six)** Large trees should be included in developments to help with the shading issues **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 **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	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. Planting issues and recommendations are dealt with in 6.4 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. 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.
Public Consultation of Draft Document	13/10/2010	Natural England	Grateful that their previous comments have been taken on board and as a result NE have no further comments to make. Natural England fully support the document	No action required

Public Consultation of Draft Document	18/10/2010	Leicestershire Police	Author should review 'Secured by Design Initiative (SbD)' and promote it with the document. **1.0 (Page Two):** The carbon cost of crime should be referenced in the introduction to the SPD **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 **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? **4.0 (Page Four):** Reference the sBd here **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. **General comment:** need to stress the importance of local amenities to reduce travel to shops/schools etc.	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' 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. 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. Document has been referenced in 6.3 Care is taken in each development to ensure that outdoor spaces are as useable as possible. A reference to Local Amenities was made in 3.1.
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	**1.1 (Page Two):** Should aim to set out challenging standards for developers to reach	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
			1.3 (Page Two): Careful with the phrase 'feasibility'	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.
			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	As above
			1.1 (Page Two): Define the relationship between the new SPD and the Energy SPD	It has been outlined that this document sits alongside and supports the Energy Efficiency and Renewables SPD that already exists.
			2.1 (Page Three): Also need to include references to optimising natural daylight, ventilation and passive cooling	These comments have been adopted. References to natural daylight and ventilation have been made in 7.2
			2.2 (Page Three): Include examples of compliance solutions - How do we envisage how the allowable solutions mechanisms will work	Leicester City Council are currently working on strategies of how this could be implemented in Leicester. These will be published in due course.
			7.3 (Page Seven): Consider Lifetime Homes Standard	Reference to the Lifetime Homes Standard has been inserted in 7.3.

Public Consultation of Draft Document	2 November 2010	English Heritage	**4.1 (Page Four):** Consider the embodies energy within existing buildings and recommend renovation rather than new development. Possible reference to Reviving Britain's Heritage (SAVE) **5.1 (Page Five):** English Heritage has produced an advice note on Flooding and Historic Buildings **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.	This comment has been adopted and references can be found in 4.1 This comment has been adopted and references can be found in 8.4 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.
Public Consultation of Draft Document	5 November 2010	Friends of the Earth Leicester	**General Comment**: Actions are not recommended strongly enough. More specific targets would be helpful. **3.0 (Page Four):** More emphasis needs to be placed on cycling and walking facilities as electric vehicles still lead to carbon emissions. **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. **4.0 (Page Four):** Developers should be encouraged to use AT LEAST 25% recycled materials	We cannot insist on specific targets through this document. Further targets will be considered at Site Allocations Stage. The word 'motorised' has been added into 3.1 to clarify this point. 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. 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.

			5.0 (Page Five): Building on areas at risk of flooding should not be permitted **6.0 (Page Six):** Green/Brown roofs need to be installed on ALL suitable roofs in new developments	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. 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.
Public Consultation of Draft Document	16 November 2010	Environment Agency	**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." **5.3` (Page Five):** Proposed change to wording "culvert" should be "concrete channel". **5.5 (Page Five):** Proposed change to wording "Therefore development should incorporate elements of SUDS into roadways"	This comment has been adopted and references can be found in 5.1 This comment has been adopted and references can be found in 5.3 This comment has been adopted and references can be found in 5.5

Appendix F

WARDS AFFECTED
(City-Wide)

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS

Overview and Scrutiny Management Board	**13th January 2011**
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:-

(i) 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 **serving 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

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

Care Quality Commission

Appendix A

Assessment of Performance Report 2009/10

ADULT SOCIAL SERVICES ASSESSMENT OF PERFORMANCE 2009/10 :Leicester

Contact Name	Job Title
Lesley Ward	Compliance Manager

The report will produce a summary of the performance of how the council promotes 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. There is a brief description below – see Grading for Adult Social Care Outcomes 2009/10 in the Performance Assessment Guide web address below, for more detail.

Performing Poorly - 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.

We also make a written assessment about

Leadership and
Commissioning and use of resources
Information on these additional areas can be found in the outcomes framework
To see the outcomes framework please go to our web site: Outcomes framework
You will also find an explanation of terms used in the report in the glossary on the web site.

2009/10 Council APA Performance

Delivering outcomes assessment Overall council is:	Well

Outcome 1: Improved health and well-being	**Adequate**
Outcome 2: Improved quality of life	**Well**
Outcome 3: Making a positive contribution	**Excellent**
Outcome 4: Increased choice and control	**Well**
Outcome 5: Freedom from discrimination and harassment	**Excellent**
Outcome 6: Economic well-being	**Well**
Outcome 7: Maintaining personal dignity and respect	**Well**

Council overall summary of 2009/10 performance
Leicester City Council has a clear vision for adult social care. It 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. The council uses information and intelligence well to inform its plans and decision making. The council 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. The council 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. The council has improved across a number of areas and this is reflected in an overall judgement of serving people well in 2009-10.

Leadership

"People from all communities are engaged in planning with councilors and senior managers. Councilors and senior managers have a clear vision for social care. They lead people in transforming services to achieve better outcomes for people. They agree priorities with their partners, secure resources, and develop the capabilities of people in the workforce".

Conclusion of 2009/10 performance

The council has a clear vision for adult social care. This is based on personalised services that offer choice and control for people within the context of high levels of deprivation and poor health and a challenging economic environment. Management arrangements are in place to support the delivery of this vision. Adult social care has a high priority. This is reflected in decisions about both funding and change. Progress is being made against the national Putting People First milestones.

Partnerships to deliver change are in place, for example the Health and Well-being Partnership Board and the Adult Social Care Transformation Board. Partnerships have developed further in 2009-10, particularly at the strategic level. Informal feedback from organisations such as Local Involvement Networks (LINks) and User Led Organisations (ULO's) suggests that the council is engaging in "real" consultation and engagement rather than providing information on decisions that have effectively already been made.

A detailed workforce development plan is in place to support the delivery of personalised care. Informal feedback from a small group of staff employed by the council indicates that this is having a positive impact on how staff are delivering services and on the experiences of people using them. Workforce development opportunities are specifically available to regulated services rated by the Care Quality Commission (CQC) as poor or adequate. The impact of this so far is limited.

The council is responsive to external changes. For example a learning and development plan has been devised to support service providers to meet the "Essential Standards of Quality and Safety" which are legally required from October 2010. Performance management arrangements are in place which monitor cost, volume and quality against local and national targets and expectations. The council has an accurate understanding of its strengths and challenges.

Key strengths
• Clarity of vision • Partnership working • Workforce development (directly employed staff) • Performance management.

Areas for improvement
• Impact of workforce development in the independent sector • Organisation review and staffing structure.

Commissioning and use of resources

"People who use services and their carers are able to commission the support they need. Commissioners engage with people who use services, carers, partners and service providers, and shape the market to improve outcomes and good value".

Conclusion of 2009/10 performance

The council is working to align its financial resources to support its transformation programme and specific priorities such as safeguarding adults. This has included changes to management, structure and the distribution of resources. A financial plan detailing growth and efficiency savings has been approved by Cabinet covering the period to 2013. This is a challenging balance which recognises demographic changes and the need to make significant savings. The council is working to maximise value for money via service redesign, identification of action to address high costs such as residential placements for people with mental health needs, commissioning changes, efficiencies and partnership working.

An adult social care commissioning strategy is in place covering the period 2009-2019. This is a "live" strategy subject to ongoing enhancement and review, including updates of the Joint Strategic Needs Assessment (JSNA). Work is in progress to further develop joint commissioning with neighbouring authorities and the NHS in areas such as community equipment, breaks and housing support for people with a learning disability and people with mental health needs. The drivers for these developments are economy, quality and the benefits of an integrated approach to the person receiving the service. Some joint commissioning is already in place and has resulted in cost and quality benefits such as the Care Watch programme. The council's commissioning strategy is focused on personalised delivery via individual budgets and direct payments. The number of people receiving and managing services this way is increasing. A resource allocation system (RAS) has been developed to determine funding levels for individual budgets. There is a range of evidence that people using services and carers are able to influence the design and delivery of services. This includes specific consultation, information and insight arising from complaints and externally generated intelligence such as inspection reports on care services.

Key strengths
• Work to improve value for money • Partnerships.

Areas for improvement
• Impact of planned joint commissioning developments on cost and quality • Monitor the cost, quality and safety balance of the RAS system as take up increases • Cost of residential placements for people with mental health needs

Outcome 1: Improving health and emotional well-being

"People in the council area have good physical and mental health. Healthier and safer lifestyles help them lower their risk of illness, accidents, and long-term conditions. Fewer people need care or treatment in hospitals and care homes. People who have long-term needs and their carers are supported to live as independently as they choose, and have well timed, well-coordinated treatment and support".

Conclusion of 2009/10 performance

The council is working with partners to improve the health of people across Leicester. This includes targeted actions for people with chronic conditions and to reduce health inequalities. It has assessed its overall performance for this outcome as "adequate" for 2009-10.

The council has made progress across the key areas for improvement identified as part of the 2008-09 assessment. This means that all people with a learning disability who are still living in NHS campus accommodation should have moved to more suitable accommodation by December 2010. People with a learning disability who have already moved into their new homes are experiencing improvements in their health and emotional well-being. More people with a learning disability benefited from an annual health check in 2009-10. Health facilitators have been working with health and care staff across the city raising awareness, working through specific issues, improving information and communication and involving people with a learning disability in discussions about health issues. Fewer people aged over 65 experienced a delay in their discharge from hospital in 2009-10 and more were supported by a range of intermediate care services, to either support them in the community to avoid the need for a hospital admission or support and provide rehabilitation following a hospital stay. The overall number of people benefiting from them is still below the level of service available to people living in similar council areas.

Mainstream and some specialist services are available to support people and their carers at the end of their lives. A need for a single point of contact and more specialist services has been identified and is being progressed during 2010-11. The crucial role of carers is acknowledged. Support options are increasingly flexible and individual and include breaks, emergency support and promoting carers own health needs. More people are benefiting from a review of their needs and services.

The council, with partner agencies, continue to have a broad range of strategies to deliver information and advice about healthy lifestyles and available services across a very diverse community. These include targeted actions with specific communities. The council and health partners acknowledge that there is more to be done to improve the health of people in care homes, particularly nursing homes.

Reducing the very significant health inequalities that exist in Leicester is a top priority. Work on reducing health inequalities is taking into account the impact of factors such as housing and education on overall health. The JSNA is being used to inform and prioritise actions. A Health Inequalities Dashboard is being used to measure changes in a range of specific health indicators. These initiatives need to have a positive impact on life expectancy. The council is also working with partners on prevention and early intervention strategy and communities for health programme. The impact of this investment in both resource and health and well-being outcomes needs to be demonstrated in 2010-11.

Key strengths
• 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.

Areas for improvement
• Number of people benefiting from Intermediate care • Integrated pathway for end of life care • Impact of actions to reduce health inequalities • Health of people living in care and nursing homes.

Outcome 2: Improved quality of life

"People who use services and their carers enjoy the best possible quality of life. Support is given at an early stage, and helps people to stay independent. Families are supported so that children do not have to take on inappropriate caring roles. Carers are able to balance caring with a life of their own. People feel safe when they are supported at home, in care homes, and in the neighborhood. They are able to have a social life and to use leisure, learning and other local services."

Conclusion of 2009/10 performance

The council is committed to improving quality of life for all people who use services and carers. This is evidenced by the experiences of individuals being supported by a range of housing, care and leisure services. The council has made progress on the key areas for improvement agreed following the 2008-09 assessment. People in Leicester are increasingly able to control and direct their own support. Carers are benefiting from an increasingly flexible and personalised approach. More carers are using personal budgets and breaks services. A range of services are in place that focus on supporting people to maintain their independence and to remain at home wherever possible. Developments in 2009-10 include changes to support contracts for people with mental health needs, involving people with a learning disability and their carers in plans to expand short break options and the Intensive Community Assessment and Treatment Service (ICATs) for older people with mental health needs. All of these services are based on a personalised approach.

On a broader level tracking the impact of low level support and referrals on to other agencies has developed during 2009-10. More people are benefiting from assistive technology that is enabling them to remain independent, for example the "just checking" system. As part of its prevention strategy the council, from March 2010, is extending access to a range of assistive technology to people below fair access to care services (FACS) criteria. Available housing options have increased in 2009-10 including additional extra care places and bespoke services for people with a learning disability.

Reducing the time that people have to wait for major adaptations continues to be a major challenge for the council. Intensive work has taken place to increase resources, reduce costs and maximise options. A detailed action plan is in place but this has not yet impacted on waiting times.

The council is working to improve the quality of life experienced by people placed in residential and nursing homes. The council

has reduced the number of placements made into homes rated as poor or adequate. In care and nursing homes particularly further improvements are needed to ensure that people in these settings are able to exercise choice and control, be as independent as possible, have access to a range of activities and ensure that they are socially included.

Key strengths
• Prevention and independence • Flexible and self directed support and service options for carers • Good outcomes for individuals

Areas for improvement
• Waiting times for major adaptations • Housing options for people with complex needs • Quality of life of people living in care and nursing homes.

Outcome 3: Making a positive contribution

*"*People who use services and carers are supported to take part in community life. They contribute their views on services and this helps to shape improvements. Voluntary organisations are thriving and accessible. Organisations for people who use services and carers are well supported*".*

Conclusion of 2009/10 performance

The Care Quality Commission has agreed to accept the judgement awarded for Making a Positive Contribution from the 2008/09 year into the 2009/10 assessment. The council has confirmed, through self-declaration, that it is continuing to perform at the excellent level in 2009/10 for this outcome. CQC will continue to monitor this performance.

Key strengths

Areas for improvement

Outcome 4: Increased choice and control

*"*People who use services and their carers are supported in exercising control of personal support. People can choose from a wide range of local support*".*

Conclusion of 2009/10 performance

The Care Quality Commission has agreed to accept the judgement awarded for Increased Choice and Control from the 2008/09 year into the 2009/10 assessment. The council has confirmed, through self-declaration, that it is continuing to perform at the well level in 2009/10 for this outcome. CQC will continue to monitor this performance.

Key strengths

Areas for improvement

Outcome 5: Freedom from discrimination and harassment

*"*People who use services and their carers have fair access to services. Their entitlements to health and care services are upheld. They are free from discrimination or harassment in their living environments and neighborhoods*".*

Conclusion of 2009/10 performance

The Care Quality Commission has agreed to accept the judgement awarded for Freedom from Discrimination and Harassment from the 2008/09 year into the 2009/10 assessment. The council has confirmed, through self-declaration, that it is continuing to perform at the excellent level in 2009/10 for this outcome. CQC will continue to monitor this performance.

Key strengths

Areas for improvement

Outcome 6: Economic well-being

"People who use services and their carers have income to meet living and support costs. They are supported in finding or maintaining employment".

Conclusion of 2009/10 performance

The Care Quality Commission has agreed to accept the judgement awarded for Economic Well-being from the 2008/09 year into the 2009/10 assessment. The council has confirmed, through self-declaration, that it is continuing to perform at the well level in 2009/10 for this outcome. CQC will continue to monitor this performance.

Key strengths

Areas for improvement

Outcome 7: Maintaining personal dignity and respect

"People who use services and their carers are safeguarded from all forms of abuse. Personal care maintains their human rights, preserving dignity and respect, helps them to be comfortable in their environment, and supports family and social life".

Conclusion of 2009/10 performance

Safeguarding adults is accorded high priority in Leicester. Partnerships are in place with key agencies and a broad view of safeguarding that includes community safety, domestic violence and safeguarding children is being taken. "Think Family, Staying Safe" is the approach being promoted. A decision was made during 2009-10 to withdraw from the Leicester, Leicestershire and Rutland Adult Safeguarding Board and establish a Leicester City Safeguarding Adult's Board with effect from 1 April 2010. This has been a carefully considered decision to recognise the specific context and safeguarding requirements of Leicester. This will need to be closely monitored during 2010-11.

Progress has been made against the key areas for improvement agreed following the 2008-09 assessment. Referral rates for older people and people with learning disabilities have increased significantly and are now in line with similar councils. This suggests that people are safer than in previous years as potential safeguarding risks are being considered which allows appropriate action to be taken. Referral rates for people with physical disabilities and mental health problems are low. Quality assurance mechanisms are now in place. Referrals from black and minority ethnic communities are very low. The council is engaging with voluntary groups and local communities as part of its strategy to address this. Safeguarding considerations are part of the planning that takes place for young people approaching transition from children's to adult services and when personalised approaches to care, such as personal budgets, are being set up. The council is aware that this is still a relatively new area and that learning from it needs to be regularly shared to develop best practice. Serious case review arrangements are in place.

Plans to increase service user and carer input into the Safeguarding Adults Board have been delayed by the changes to board arrangements at the end of 2009-10. The council now intends to establish a "critical friend" reference group to scrutinise the work of the board on a quarterly basis throughout 2010-11.

Safeguarding concerns in regulated services are taken very seriously and responded to promptly. Investment in safeguarding training for council staff has continued during 2009-10. The percentage of staff in the independent sector who have had safeguarding training is low. Guidance on sexual and interpersonal relationships is in place. Dignity in care is integral to all aspects of the councils work. Dignity standards have been incorporated into care specifications. Deprivation of Liberty and Mental Capacity Act services are in place via a joint arrangement with Leicestershire and are operating effectively.

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

Areas for improvement
• 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.

Appendix G

Leicester City Council

WARDS AFFECTED
ALL WARDS

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)
		0.4

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
		540

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
		- 863

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:

	£000
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	**(3,443)**

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 – Joanna Bunting ext 29 6450

5.1 This report is in the main to summarise the financial position of the Housing Revenue Account and seeks Council approval for setting rents as detailed within the report.

5.2 The report identifies the use of Prudential Borrowing under s1 of the Local Government Act 2003 and the need to have regard to the Prudential Code. This, in particular, requires Housing Authorities to have regard to the impact on acceptable rent levels when considering capital plans for housing. The report also considers issues arising from the consultation paper on the reform of housing finance. Further risks could arise through strain on rent collection through changes in housing benefit levels.

5.3 The report considers a proposal for rent increase and an increase in charges. Any variation to rents must comply with the process contained in the Housing Act 1985 and accordingly the proposals contained in this report must so comply. An equality impact assessment has been undertaken and this should be considered carefully, in particular to identify possible indirect discrimination - in otherwords the effect is particularly disadvantageous on groups who share any of the "protected characteristics" under the Equalities Act 2010. Should officers require specific advice report then they can contact legal services as appropriate.

5.4 In relation to any variation to salary structure as detailed in the report, this will have employment law implications and similarly should officers require specific advice they can contact legal services.

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. CLIMATE CHANGE IMPLICATIONS

8.1 Apart from the plan to close cash offices, which will result in less energy use at Neighbourhood Offices, this report has no direct impact on the climate change agenda although officers are continually working to identify new, less energy hungry, ways of delivering front line services e.g. the introduction and roll out of Mobile Working.

9. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

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

10. CONSULTATIONS

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

11. 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".

12. REPORT AUTHORS

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

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

APPENDIX A

HOUSING REVENUE ACCOUNT

2009/10 Actual £000s		2010/11 Original Budget £000s	2011/12 Base Budget £000s	Variance £000s
	Income			
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**
	Expenditure			
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
3,119	Capital Expenditure financed from 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.

APPENDIX B

HOUSING REVENUE ACCOUNT – INITIAL SAVINGS PROPOSED

		2011/12 £000s	2012/13 £000s	2013/14 £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
		1,047	**1,752**	**2,116**

APPENDIX C

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

APPENDIX D

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.

APPENDIX E

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%

APPENDIX F

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	20th December 2010

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

2a.	**What are the expected positive impacts that customers or stakeholders will receive as a result of the recommendations of this report?**
Money to provide financing for new capital works to carry out work on dwellings to ensure they meet the decent homes standard. Approving money to facilitate borrowing to finance the City Council's Housing Capital Programme for HRA dwellings. 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.	
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?**
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. 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	

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

Appendix H

WARDS AFFECTED
All Wards

OSMB	**13th JANUARY 2011**
CABINET	**17th JANUARY 2011**
COUNCIL	**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:-

	£000
Major Repairs Allowance (MRA)	295
Prudential Borrowing already approved for HRA new build	800
Usable Capital Receipts	880
	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:

HIP ALLOCATION/SINGLE CAPITAL POT	2010/2011 Estimated Resources £000	2010/2011 Anticipated Resources £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
Plus Capital Receipts		
Sale of Council Assets - Property and Land incl b/f	1088	1977
Plus Capital Expenditure charged to Revenue Account (CERA)		
Use of Housing/DSO Profits	700	700
Use of Housing/DSO Balances	550	550
Plus Prudential Borrowing Approval		
Prudential Borrowing Framework - General	1662	0
Prudential Borrowing Framework – New Build	8333	7533
Plus Other Funding		
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:

HIP ALLOCATION/SINGLE CAPITAL POT	2010/2011 Anticipated Resources £000	2011/2012 Estimated Resources £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
Plus Capital Receipts		
Sale of Council Assets - Property and Land incl b/f	870	1081
Capital Receipts b/f	1107	880
Plus Capital Expenditure charged to Revenue Account (CERA)		
Use of Housing/DSO Reserves	700	0

Use of Housing/DSO Balances	550	1000
Plus Prudential Borrowing Approval		
Prudential Borrowing Framework - General	0	4000
Prudential Borrowing Framework – New Build	7533	800
Plus Other Resources		
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 with 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 CO_2 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 Mangers 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

	Yes/No	
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	
Corporate Parenting	No	
Climate Change	Yes	Paras 4.8, 4.12 & 6.6

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

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

Housing Capital Programme 2010/11

APPENDIX 1

Monitoring Report Period 7

Scheme	Approved Programme	Revised Programme	Actual to Period 7	Forecast Outturn	Notes
	£ 000s	**£ 000s**	**£ 000s**	**£ 000s**	
Decent Homes Standard					
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**	
Other HRA Schemes					
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**	

Appendix 2

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**

Appendix 4(i)

Equality Impact Assessment

Name and date of meeting	Cabinet 27th 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?**
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	

2a.	**What are the expected positive impacts that customers or stakeholders will receive as a result of the recommendations of this report?**
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.	
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?**
There are some differential outcomes for equality groups, although all groups benefits from initiatives such as: • 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 alternatives 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

APPENDIX 4(ii)

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?**

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.

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).

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.

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.

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.

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.

The Corporate Plan target for private sector decent homes will now need to be reviewed and reduced.

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?

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 hosuing renewal programme.

Ethnicity	Number	Percentage
Asian	177	49.1%
Black	5	1.38%
Duel 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?**
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. The Government's decent homes target was a later development and was introduced in 2003.	
c.	**What action needs to be taken to increase/improve access to the service by these customers? What is your action plan?**
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. **The Home Improvement Areas will also need to be de-declared. And all residents advised of that fact.**	
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?**
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.	
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?**
As above in (d).	

Question:

3a.	**What outcomes does the service expect to achieve for its customers?**
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. 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. The link between poor housing and issues involving health, education and crime has long been established. 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. 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	

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 that the rest of the population.	
b.	**Are these outcomes being achieved? Are they being achieved across the range of diversity groups?**
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.	
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?**
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	
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?**
The citywide home maintenance services are available to all owner-occupiers across Leicester. The service is publicised in the Link and is well known to other services that work with vulnerable households.	

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

Appendix I

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

PERFORMANCE AND VALUE FOR MONEY SELECT COMMITTEE	**12 January 2011**
CABINET	**17th January 2011**

CORPORATE VOLUNTARY & COMMUNITY SECTOR CONTRACTS QUARTERLY MONITORING

Report of the Director of Change and Programme Management and of the Strategic Director Adults and Communities

1. Purpose of Report

1.1. This report sets out performance for Quarter Two (July to September 2010) of the seven corporate contracts with voluntary and community sector (VCS) organisations and the Community Cohesion contract with the Gujurat Hindu Association.

2. Recommendations (or OPTIONS)

2.1. Cabinet is asked to note the performance of the contracts as set out in Appendix A.

2.2. In order to make this and future reports more useful, it is intended to present these findings, where appropriate, to Cabinet portfolio leads via their regular briefing sessions.

3. Summary

3.1. On 20th April 2010, the Thriving and Safe Communities Priority Board agreed to take strategic ownership of the seven corporate VCS contracts and to receive quarterly progress reports.

3.2 At Cabinet on 17th May 2010, it was agreed that following quarterly monitoring to the Thriving and Safe Priority Board, there would be upward reporting to Cabinet, and that the results of strategic reviews, evidence of underperformance or adverse impacts on outcomes that might result in a recommendation to withdraw funding, would be on the basis of a full report to Cabinet.

3.3 Appendix A sets out the progress against targets for these seven contracts for the period 1st July to 30th September 2010. Appendix A also sets out the performance of the Community Cohesion Fund contract with the Gujurat Hindu Association.

4. Report

4.1 There are seven corporate VCS contracts that currently sit within the Partnership Executive Team:

- African Caribbean Citizens Forum (ACCF)
- Federation of Muslim Organisations (FMO)
- Leicester Council of Faiths (LCoF)
- Leicestershire Centre for Integrated Living (LCIL)
- Somali Development Services (SDS)
- The Race Equality Centre (TREC)
- Voluntary Action Leicester (VAL)

4.2 The Gujurat Hindu Association (GHA) has been granted a two-year funding agreement covering the period 1st August 2010 to 31st July 2012.

4.3 The Monitoring Officer for the seven corporate VCS contracts is based within Adult Social Care. The officer reports to the Strategic Director Adults and Communities regarding two contracts: VAL and LCIL; and reports to the Director of Change and Programme Management for the other five: ACCF, FMO, LCoF, SDS, TREC. These two Directors are the corporate strategic leads for these contracts.

4.4 Performance against targets is set out in Appendix A to this report.

4.5 Each contract has been rated either Red (major concerns over performance), Amber (some concerns) or Green (no concerns).

4.6 Seven contracts have been rated Green: ACCF, FMO, LCIL, LCoF, SDS, TREC and GHA.

4.7 One contract has been rated Amber: VAL, as it has been operating without a signed contract in place for 15 months.

Due to the nature of the contract and the sharing of funding with both the PCT and Police, the contract arrangements are complex and taking some considerable time to finalise. Until these are successfully concluded, we cannot issue VAL with their contract, but we are working hard to come to a speedy conclusion in recognition that VAL are providing a service currently with no written contract in place.

Overall performance against specification is satisfactory. However, 7 out of 52 performance indicators have been rated amber. The amber rating will be brought to VAL's attention in writing and remedial actions requested. These will be discussed at the next available monitoring meeting.

A separate more detailed report regarding the VAL contract has been submitted to Cabinet Briefing for consideration.

4.8 The agreement with FMO has been extended to 31st March 2011 and work has started to renegotiate the specification to include clear outcomes around supporting the infrastructure between Muslim organisations in the City.

4.9 The specification with ACCF is now under review to set clearer objectives and outcomes, linking this to the community cohesion strategy and to widen support with African communities.

4.10 Cabinet is asked to note the contents of this report.

4.11 In order to make this and future reports more useful, it is intended to present these findings, where appropriate, to portfolio leads via their regular briefing sessions.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

5.1.1 2010-11 budgetary provision for these Organisations is £612,500

5.1.2 The organisations generally receive funding quarterly in advance. For the three organisations that have simple funding agreements (ACCF, LCofF and FMO) there is provision for payments advanced to be clawed back in the event that the money is not being used in accordance with the agreement. For the other organisations the service contract arrangements provide for cessation of funding if services were not being provided as agreed.

Jon King, Accountancy Services
X 29 7433

5.2 Legal Implications

5.2.1 The approach to former "grant aid contracts" (including the procurement approach) is underpinned by Cabinet decisions in March and April 2008. This has, subject to a handful of contracts being queried, been successful.

5.2.3 For ACCF and LCoF the decision was then taken, on further consideration, to continue a funding arrangement as the purpose of the relationship reflected more of a "grant in aid" (core funding) approach rather than the delivery or particular outputs.

5.2.4 It will be recalled that the procurement approach to the award of the VAL contract was subsequently based on the fact that, because VAL had been awarded the contract for voluntary infrastructure in Leicestershire and because of our MAA, they were in effect the only body now in a position to deliver the combined outcomes.

5.2.5 The recommendations in this report are supported as they will lead to clarity about the nature of the arrangements and ownership of the outcomes. It is obviously in no-ones interest for arrangements to continue that have not been properly "closed", where money is being paid on an inchoate basis. This means that neither party can be certain what the contractual arrangement is and this could lead to disputes and service failure.

5.2.6 Procurement principles and contract procedure rules still apply to the award of these contracts (unless the relationship is clearly one of grant funding – in which case the rules on State Aid may apply, but at these values and for these outcomes this should not be a barrier) The procurement approach approved in 2008 should therefore be reviewed on each renewal.

5.2.7 The principal legal power used by the Council to enter into these arrangements are our "well being powers". As ever regard must be had to our Sustainable Community Strategy in the exercise of these powers.

Joanna Bunting, Head of Commercial & Property Law
X 29 6450

5.3 Equalities Implications

5.3.1 An equalities checklist for commissioning has been developed and will be piloted by the Strategic Commissioning Project Board. The checklist highlights the range of equalities considerations across the various phases of the commissioning cycle: clarifying customer needs (whether for individuals or communities), identifying an effective service offer, equality risk assessing any proposal, specifying equality outcomes and wider social benefits to be achieved by the service, and monitoring the outcomes and benefits realised. As an authority, we have been poor at specifying and demonstrating equality outcomes achieved through our service provision.

5.3.2 The good practice approach recommended within this report will enable the Thriving and Safe Communities Priority Board to get a clearer picture of the individual and community benefits realised through its commissioning activities. This in turn, will inform the Priority Board's future commissioning decisions. Another challenge is the ongoing development of a local market of a diverse range of potential providers, providers who know and are able to respond effectively to the needs of Leicester's communities. A larger pool of potential providers would stimulate entrepreneurship within the city, which is itself, a social benefit.

Irene Kszyk, Head of Corporate Equalities
X 39 1624

5.4 Climate Change Implications

None. However carbon reduction is a priority target for the Council and we want all our suppliers to consider how the service they are providing can contribute to this. It is recommended that as these services are reviewed and new specifications are developed, that environmental outcomes are built into all future contracts. The new outcome based service specification template developed for delivery of community based services has an environmental impact section and guidance on how to include environmental outcomes into service delivery and the support available to suppliers to help them to reduce their carbon emissions.

6. Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	Yes	Whole report. These organisations provide an important 'gateway' into key communities within the city, helping the Council to better understand need and engage with these communities
Policy	NO	
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 Contracts do not deliver against agreed outcomes and do not demonstrate value for money	High	Medium	Clear outcome based specifications have been, or are being, negotiated with providers. Rigorous quarterly monitoring and reporting will be undertaken.
2 Not opening the funding or procurement process up to competition could lead to challenges from other providers	Medium	Medium	A Strategic review of contracts needs to take place in the longer term to assess future needs and priorities.
3 One service is operating without a signed contract – LCC may not be able to claw back advance payments if dissatisfied with performance	Medium	Medium	It is hoped to issue a new contract very shortly.

8. Background Papers – Local Government Act 1972

5.3 Not applicable

9. Consultations

9.1 Miranda Cannon, Director Change and Programme Management
Kim Curry, Strategic Director, Adults and Communities
Irene Kszyk, Head of Corporate Equalities
Joanna Bunting, Head of Commercial & Property Law
Jon King, Accountancy Services

10. Report Author

10.1 Andrew Tovell, Regeneration Officer, Service Contracting and Procurement Unit, Adult Social Care, x29 8665

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

APPENDIX A

QUARTERLY PERFORMANCE REPORTING – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Somali Development Services**			
Brief summary of service (as set out in specification): Somali Development Services (SDS) will: 1. Provide a range of support and advice services to address the needs of the Somali Community in Leicester. 2. Undertake general engagement and consultation with the Somali Community and maintain good communication with the council to ensure ongoing and constructive dialogue between the Somali community and the Council is supported.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of people supported at drop-in sessions	No target set	371	Advice given on benefits, form filling, GP referrals, utilities bills, onward referrals
No of service users reporting feeling satisfied or very satisfied with the service	75%	100% of those giving feedback	56% of users returned feedback sheets
No of community groups worked with	No target set	3	
No of community meetings held	No target set	1	
No of attendees at community meetings	No target set	18	
Development of effective partnerships and joint working with the Somali community		Situation much improved from 2-3 years ago. Dialogue between groups is now happening.	A number of meetings have been held with other groups (eg St Matthews Community Solutions). Dialogue has been maintained and progress is slowly being made in this sensitive area.
Performance rating: Green – no concerns over performance			

Other key activities undertaken: Although the drop-in sessions are aimed at the Somali community, a large minority (30% this quarter) of those attending are new arrivals from Eastern Europe (eg Czech and Slovak Roma)
Current status of contract: A new service contract was issued on 1st July 2009 and runs to 31st March 2012. The specification may need reviewing during 2010/11. The total value of the contract is £124,850: £34,050 in 09/10 (9 months) £45,400 in 10/11 £45,400 in 11/12

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Leicester Council of Faiths**			
Brief summary of service (as set out in specification): Leicester Council of Faiths will encourage and promote knowledge and understanding of, and between, the different faith communities in the city and will work with Leicester City Council and the Leicester Partnership to achieve this.			
Outputs/Outcomes	Target for period	Achieved	Comments
Number of faith organisations/communities worked with	No target set	11	8 member faith communities, plus Ahmadiyyah, Secular Society, Swaminarayan Mission.
Number of community meetings held	No target set	1	Council of Faiths meetings are open to members of all communities
LCoF develop effective collaborative working with community faiths groups in the city	N/A		Co-ordinated faith response for 7 member faith communities regarding proposed EDL march/rally.
To have a Board which is representative of the communities served	N/A		The Board is representative of the 8 member faith communities: Bahai, Buddhist, Christian, Hindu, Jain, Jewish, Muslim, Sikh)
Performance rating: Green – no concern over performance			
Other key activities undertaken: Use of technology and social networking to support a dialogue between different faith communities, and to develop greater understanding. Website – over 4,500 hits this quarter. Facebook page – 131 fans so far. Twitter account has 87 followers now (up from 35). Blog with 51 signed up followers.			
Current status of contract: Current contract runs from 1st April 2009 to 31st March 2012. Total contract value is £75,000: £25,000 per year for 3 years. 3 quarterly payment of £6,250 each for 2010/11 have been made.			

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **African Caribbean Citizens Forum**			
Brief summary of service (as set out in specification): A community based service that will work with Leicester City Council and its partners to improve our understanding of African and African Caribbean issues across the City and the impact this has on community cohesion. To work with the Council and its partners to ensure that the voice of its African and African Caribbean community is heard.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of community meetings held	No target set	5	
No of community members representing the Forum	No target set	9	
No of new Forum members recruited	No target set	17	17 new organisations
No of community groups worked with	No target set	36	
To have a Forum which is representative of the communities served	N/A		
Development of effective joint working with community groups working with the African and Caribbean population	N/A		
Performance rating: Green – no concern over performance			
Other key activities undertaken: ACCF now has 61 member organizations as at 30 September 2010. There are over 200 individuals involved.			

Current status of contract:

Current contract runs from 1st April 2009 to 31st March 2012. Total contract value is £129,300: £43,100 per annum for 3 years. The first three quarters for 2010/11 have been paid totalling £32,325.

In line with the recommendations from the report to Cabinet on 10th May 2010, the specification is currently being updated. The aims of the service have been agreed and activities/outcomes are currently being worked on.

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Federation of Muslim Organisations**			
Brief summary of service (as set out in specification): The FMO will represent the full range of Muslim communities in Leicester. It will act as a conduit for communication between Muslim communities, and the Council and Leicester Partnership.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of individuals signposted to appropriate services	No target set	733	
No of awareness sessions held	No target set	56	
To be representative of the full range of Muslim communities	N/A		The Executive Committee represents Muslims from various different mosques, ethnic heritage (Indian, Pakistani, Bangladeshi & Somali), and schools of thought. FMO has also started meeting with Kurdish, Afghani and Turkish communities.
To be a focal point for new arrivals from Muslim communities	N/A		Support for Somali, Iraqi, Iranian, Indian and Pakistani new arrivals.
To participate fully in inter-faith work	N/A		Working with Interfaith forum, Christian Muslim Dialogue group, Faith Leaders Forum, St Philips Centre, Leicester Council of Faiths
To actively promote democratic participation	N/A	Regular meetings held with Muslim and non-Muslim Councillors	FMO has a dedicated political participation sub-committee.
Performance rating: Green – no concerns over performance.			

Other key activities undertaken: Radio Ramadhan 2010 had over 250,000 listeners. Shows were presented in English, Bengali, Urdu, Punjabi, Somali and Swahili. More than 130 individuals presented shows and more than 20 worked behind the scenes.
Current status of contract: Existing contract expired 31st March 2010. However, this was extended for 12 months to 31st March 2011. Contract value is £25,000 per annum. Invoice for first two quarterly payments of 2010/11 totalling £12,500 have been made. In line with the recommendations from the report to Cabinet on 10th May 2010, the specification is currently being updated.

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Voluntary Action Leicester**

Brief summary of service (as set out in the specification for the proposed new contract)

The service will support the development of a Leicester VCS Infrastructure Organisation (LIO) based on the NAVCA Core Standards and the six core functions of a volunteer centre as defined by Volunteering England. Central to the role of the LIO will be its support for the development of thriving third sector and its contribution to 'One Leicester', Leicester's sustainable community strategy. It will:

- pro-actively identify the needs in the local community and facilitate improvement in service provision to meet those needs
- assist local voluntary and community organisations to function more effectively and deliver quality services to their users, members or constituents
- facilitate effective communication or networking and collaboration amongst local voluntary and community groups.
- enable the diverse views of the local voluntary and community sector to be represented to external bodies, developing and facilitating structures which promote effective working relationships and two-way communication
- enhance the voluntary and community sector's role as an integral part of local planning and policy-making.
- Provide a Volunteer Centre that enables both individuals and groups interested in volunteering to be matched with appropriate opportunities in the local community.
- Through active marketing have a Volunteer Centre that stimulates and encourages local interest in voluntary and community activity
- Develop and promote good practice in working with volunteers to all volunteer involving organisations.

Outputs/Outcomes	Target	Achieved	Comments
Percentage of VCS groups feeling "well informed" or "very well informed" about strategies, policies and partnerships	77%	75%	Achieved this quarter

VAL membership profiles show a diverse range of membership reflecting the population	N/A		34% of groups are from BME communities. 61% of members have annual income below £10,000
Percentage of VCS groups receiving advice or training reporting they have increased their capacity or effectiveness	64% (training) 91% (advice & support)	No figure this Quarter 67%	Evaluation forms, feedback Up from 62% last Quarter. Still below 90% tolerance level – amber on this measure
No of volunteer enquiries	1,000 per quarter	975	Achieved this quarter
Percentage of volunteers that take up volunteering opportunities	35%	22%	This has declined from 28% last quarter – amber for 2 quarters
Percentage of volunteers happy or very happy with their placement	80%	88%	achieved this quarter – up from 55% last quarter
Performance rating: Amber – due to being out of contract for 15 months. Overall performance is good: only 7 out of 52 Performance Indicators are rated as amber - this has decreased from 14 last quarter.			
Other key activities undertaken: Leicester Compact, Training, 1:1 Support, Helpline, Resource Centre			
Current status of contract: Previous service contract expired on 31st March 2009. This was extended to 30th June 2009. We could not legally extend any further. Agreement could not be reached on a new specification. Payments continued to maintain service continuity. Value of payments for 2009/10 totalled £295,900. First three quarterly payments for 2010/11 totalling £221,925 have been made. The value of the new contract is currently £391,212 per annum – made up of City Council (£295,900), plus PCT (£85,312), and Police (£10,000). The inclusion of these monies has caused some complexities with the contract. It is hoped that these will soon be concluded and that the contract will shortly be issued.			

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Leicestershire Centre for Integrated Living**			
Brief summary of service (as set out in the new and agreed specification): The service provider will seek the views and opinions of people with disabilities and organisations working with disabled people and ensure these views are represented appropriately to the local authority. The service will promote and foster two way communication and engagement between local authority and the service provider who will act as the 'voice of the community', to ensure our services are effective and responsive to the needs of local disabled people and meet our disability equality duties.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of organisations receiving information	No target set	51	
No of meetings held	No target set	42	
No of individuals attending events	No target set	84	
No of organisations attending events/meetings	No target set		Meetings with 8 VCS organisations
Performance rating: Green – no concerns over performance			
Other key activities undertaken: Distribution of over 1000 questionnaires regarding Right to Control part of Adult Social Care Transformation. Input into strategic meetings relating to various parts of ASCT.			
Current status of contract: A new three-year contract has been signed and returned by LCIL. The total value of this contract is £142,600.			

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **The Race Equality Centre**

Brief summary of service (as set out in the specification):

The service will support the Council to:

(i) achieve good race equality and race relations across the City, which contribute to wider community cohesion outcomes
(ii) support the Council in the development of a neighbourhood working model that will contribute to an increased sense of belonging for people of all racial backgrounds.
(iii) develop and implement policies and other mechanisms to challenge and tackle race inequality which in turn will help the Council to meet its race equality duty and to ensure there is freedom from tension within the city's communities
(iv) promote and facilitate good communications, networking and collaboration between VCS Organisations in the City, to help all communities (irrespective of racial background) to receive a fair and representative local service and to support their participation in local planning and policy making
(v) support new arrivals in seeking provision to meet their needs

Outputs/Outcomes	Target for period	Achieved	Comments
No of organisations supported with advice/guidance on equality issues	No target set	9	
No of individuals supported with advice/guidance on equality issues	No target set	6	
No of activities undertaken to reduce the impact of far right activity	No target set	4	
Refugees accessing the service report feeling 'more	50%	100%	

settled' in Leicester as a result of the service received			
Number of organisations reporting feeling 'satisfied' or 'very satisfied' with the service received	75%	100%	
Performance rating: Green – no concern over performance			
Other key activities undertaken: 170 refugees given benefits advice and support.			
Current status of contract: A new contract covering the period 1st October 2009 to 31st March 2012 has been signed by TREC. The total contract value is £294,500.			

QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

PERIOD: 1st July to 30th September 2010

Name of Organisation: **Gujurat Hindu Association**			
Brief summary of service (as set out in specification): To employ a worker who will support the Gujarat Hindu Association to: • Provide support to Gujarat Hindu groups • To engage with and represent the views of Gujarat Hindu Groups to the Council and Leicester Partnership; and • To help raise awareness and build an understanding between Gujarat Hindu groups and other groups in the City			
Outputs/Outcomes	Target for period	Achieved	Comments
No of groups worked with	No target set	To be achieved once the worker has been appointed	
No. of events held	No target set	As above	
To annually gather views from Gujarat Hindu Groups on whether GHA has given them effective support to help them to thrive as a group and to encourage others to take an active role			
Annual programme of events delivered for Gujarat Hindu groups to engage with other communities			
Performance rating: Green – no concern over performance			
Other key activities undertaken:			

The interviews for the worker post are to be held on 15th November.
Current status of contract: A 24-month funding agreement for the period 1st August 2010 to 31st July 2012 has been signed by GHA. The total grant over two years is £60,000.

Appendix J

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Performance & Value for Money Select Committee	12th January 2011
Cabinet_	17th January 2010

Performance Report for Quarter Two 2010/11

Report of the Chief Executive

1. Purpose of Report

1.1 This report presents a summary of performance against the priorities set out in *One Leicester* for the second quarter of 2010/11. Progress for the purposes of this report is measured primarily against the targets set in our Local Area Agreement (LAA), Corporate Plan and Priority Board Commissioning Statements.

1.2 This report includes improved information on operational performance, highlighting significant achievements and key areas of concern or risk that need to be considered in terms of their potential impact on the delivery of strategic priorities.

1.3 The report also highlights some of the key recent government policy changes impacting on how the Council's performance will be managed in future and proposes a way forward.

2. Recommendations

2.1 Members are asked to:

(i) Note our performance for the second quarter
(ii) For those targets deemed to be at risk, ensure that relevant strategic director's work with their Priority Boards to develop responses and ensure Cabinet Leads are briefed accordingly.
(iii) Discuss the implications for future performance reporting and management in the light of the coalition government's policy statements and comprehensive spending review as set out in section 4 of this report.

3. Background

3.1 This Quarter Two report is mainly focused on LAA and Corporate Plan performance. The LAA serves as a good guide to performance as a whole and reflects the priorities for the city as set out in *One Leicester*. The Corporate Plan includes additional targets that reflect the City Council's specific contribution to the delivery of *One Leicester*.

3.2 In this report we also introduce information on output or performance measures (how we measure the volume and quality of our interventions) and input or organisational measures (how we will measure how well the Council is managed). We also include a report card for the Organisational Development and Improvement (ODI) Board covering the major change initiatives in the Council.

3.3 These additional measures are largely drawn from Service Improvement & Efficiency Plans (SIEPS), with some included in One Leicester, our LAA, the Corporate Plan, the Organisational Development and Improvement Plan and the Financial Plan.

3.4 Inclusion of these measures in our quarterly performance reporting allows for a richer analysis of performance against our priority outcomes. Key to this will be understanding the causal link between interventions delivered by the Council and impacts on the city's population i.e. the outcomes we want to see.

3.5 Consideration of performance against these measures is primarily the responsibility of the Operations Board, Priority Boards and the ODI Board, with issues that can't be resolved at that level being escalated for consideration by Strategic Management Board.

3.6 Ultimately, Cabinet and Performance & Value for Money Select Committee will receive an exception report covering key risks to achieving LAA and Corporate Plan targets, informed by the Operations Board's analysis of operational performance and Strategic Management Board's analysis of performance at the strategic / outcome level.

3.7 However, this report is presented at a time of significant change in government policy related to local authority and Partnership performance management. These changes (as known at the time of writing) are summarised below along with a proposed response

4. Performance in a Wider Context

4.1 In the quarter one performance report a number of emerging policy and fiscal developments from central government, and their potential impact on performance were highlighted. Since then we have received notification of the outcome of the review of the national performance framework for local government and the comprehensive spending review.

4.2 On 13th October, the Secretary of State for Communities and Local Government announced the abolition of Local Area Agreements (LAAs) and the National Indicator Set (NIS). In effect this marks the end of the current national performance framework for local government.

4.3 The letter from the Secretary of State outlining these changes states that with immediate effect all designations on current LAAs have been revoked. This means that we can amend or drop any indicators and / or targets in our LAA without needing the Secretary of State's approval. Any indicators we continue to use will no longer be monitored by central government.

4.4 There will be no requirement to put in place new agreements from April 2011 and no performance reward grant will be paid against 2008-11 LAAs.

4.5 The NIS will be replaced by a single list of all the data central government will require from local government. The intention being that the list contains the absolute minimum requirements of central government. Local government will be consulted on the development of this list.

4.6 These developments come on the back of the earlier decision to abolish the Comprehensive Area Assessment, the means by which local government's performance was externally assessed.

4.7 Clearly these developments mean we will have to carefully consider our future approach to how we manage our performance. There are both opportunities and challenges here. For example, we may have greater discretion to select and report on the performance measures that are right for us in Leicester, rather than centrally imposed indicators. We will also need to report performance on these measures to local residents in a much more robust fashion than we have done previously. We may well also be 'trusted' to be part of a sector-led assessment regime, based on self assessment supported by peer review and challenge.

4.8 However, we will need to reconcile these freedoms and the expectations of local people with the reduced funding available to us as confirmed through the comprehensive spending review, this may mean we have to reconsider the targets we have set in SIEPs, Annual Commissioning Statements and the Corporate Plan.

4.9 It is recommended that we respond to the above developments as follows:

4.10 <u>2010/11</u>

- For the remainder of this financial year the council continues to use the current LAA, corporate plan, annual commissioning statements and service improvement and efficiency plans as the basis of our corporate performance monitoring, reporting and management.

- However, Directors will have the discretion (in consultation with their cabinet lead) to cease reporting on current LAA measures which:

    - Do not reflect a One Leicester priority (e.g. 'imposed' by central government during the LAA negotiations);
    - Can be replaced by a measure which better reflects a One Leicester priority;
    - Are based on data which is no longer collected (e.g. Place Survey) is particularly difficult and / or costly to collect, and this cost outweighs the value of the information provided,

- Having said that, care should be taken to ensure that we don't have a 'performance vacuum' for any One Leicester priorities, we find some way of understanding residents perception and satisfaction levels, and we do not lose valuable trend or comparative data.

- If necessary alternative measures may be introduced (see section 4.15 / 4.16 below).

- Equally, Directors will have the discretion to amend targets for LAA measures they wish to continue to use, where:

    - The target in the LAA was imposed rather than negotiated
    - There has been a significant change in circumstances since the target was agreed (in recognition that targets other than those for recession impacted measures could not be changed during the 2009/10 LAA annual refresh)

4.11 <u>2011/12</u>

- The council uses a refreshed corporate plan, annual commissioning statements and service improvement and efficiency plans as the basis of our corporate performance monitoring, reporting and management.

- These plans could include measures from our old LAA, the old NIS, old best value performance indicators, the revised list of measures from central government and / or locally designed measures as appropriate (and subject to continued collection of data sets) so long as they reflect One Leicester priorities.

- Targets will be locally determined and reflect changes identified in the review and analyse stages of the commissioning cycle and the outcome of the comprehensive spending review and resultant 2011/12 budget settlement for the council.

- During 2011/12 One Leicester is 'refreshed', and in doing so a new locally determined performance framework for the city is developed. It is suggested that this consists of a modest number of outcome

measures reflecting the agreed priorities for the city. Wherever possible the data for these measures will be available at a 'super output area' or ward level. It will also be critical to ensure that selected measures matter to and can be understood by residents.

- The Council and its partners will then adapt their internal planning and performance management and reporting to reflect their respective contribution to the agreed priority outcome measures in the refreshed One Leicester. Amended plans will also need to be proofed against any post CAA arrangements, potentially a self assessment model complimented by peer challenge and support.

4.12 <u>2012/13</u>

- A new locally determined performance framework for the city and the council takes effect.

4.13 In parallel, the Leicester Partnership is being recommended to adopt the above principles for its performance reporting arrangements.

4.14 Priority Boards have begun to identify those measures from our LAA and the wider National Indicator Set which they propose to cease collecting data for and / or reporting on. A list of those proposals submitted to date is attached as appendix 3 of this report.

4.15 Work has also been undertaken within Priority Boards to identify appropriate locally determined performance measures. Cabinet leads will be consulted on final proposals. To support this process guidance has been produced.

4.16 This guidance, originally developed though the Leicester Partnership, suggests testing potential measures against both a policy and technical criteria. In essence, the policy criterion is concerned with ensuring that the proposed measure is an appropriate reflection of the desired outcome, with the technical criteria checking:

- Is the data that provide the basis for the indicator of good quality and available on a timely basis? Will they continue to be? Data quality dimensions include accuracy, timeliness, reliability, completeness.
- Does the indicator say something of central importance about the outcome or process and on a frequent enough basis? Indicator validity dimensions include robustness and comparability with other places.

4.17 Future quarterly performance reports will provide updates on this work and any further policy developments (e.g. the Decentralisation and Localism Bill).

5. Corporate Plan and LAA Performance Summary

5.1 Overall performance against Corporate Plan and LAA targets for the second quarter of 2010/11 is set out below and detailed in appendices 1 and 2 of this report. This summary is based on the difference between actual performance and target as taken from Performance Plus, our performance management system. However, it must be noted that there are some minor discrepancies between the data on Performance Plus and data in the priority board report cards. There are also instances where the method for reporting performance means that a crude actual against target analysis does not represent an accurate picture of current performance, hence the importance attached to manager's forecasts. Finally here, it must be recognised that for a number of indicators there is a significant data lag. As such we often use 'last known data' against a 2010/11 target which may be misleading (e.g. school test / exam targets).

LAA		**Corporate Plan**	
21	On or above target	18	On or above target
13	Close to target	17	Close to target
15	Below target	20	Below target
0	Incomplete data	0	Incomplete data

5.2 This overall performance marks a slight improvement on the position at the end of the first quarter.

5.3 Report cards for each Priority Board and the ODI Board can be accessed through the following link:

http://insite.council.leicester.gov.uk/chief-executives-office/performance-management/performance-report-cards

These provide information on all the priority measures for the Boards including those issues identified as exceptions which are summarised below. The quality of information contained in these report cards is improving significantly.

5.4 Information on the Council's financial position at the end of Quarter Two is presented in other reports on the agenda for this meeting of SMB and should be read in conjunction with this report. Summary information on sickness levels is included in section 7 of this report.

6. Priority Board Performance Summary

6.1 The following summary, including areas of achievement and risk, are taken from:

- the latest available actual performance against LAA targets (appendix 1)
- the latest available actual performance against Corporate Plan targets (appendix 2)
- the Priority Board report cards
- issues escalated by Operations Board based on information contained in divisional report cards. Divisional report cards can also be accessed via the link at 5.2 above:

6.2 **Investing in our Children** -

Strategic Director Rachel Dickinson
Cabinet Lead - Cllr Dempster

LAA		**Corporate Plan**	
19 indicators		25 indicators	
5	On or above target	8	On or above target
5	Close to target	5	Close to target
9	Below target	12	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- Exceeded most recent target for increasing rate of breast-feeding at 6-8 weeks from birth. Leicester's performance in upper middle quartile.
- Exceeded most recent target for increasing the rate of readiness for school at age 5.
- Met most recent target for increasing the rate of achievement of 5 or more "good" GCSEs including English and maths.
- Exceeded most recent target for reducing the rate of persistent absence from secondary school. Leicester's performance in upper middle quartile.
- Exceeded most recent target for reducing the rate of youth unemployment (NEET).

Key areas of risk:

- The economic downturn and increase in child poverty.
- Increased population turnover due to economic migration.
- Proposed reduction in Childcare Element of WTC from 80% to 70% of childcare costs.
- Projected loss of jobs in public sector and disproportionate impact on working mothers.
- The increasing number of safeguarding referrals.
- Readiness for school and attainment, though improving, remain amongst the poorest in the country.

- Significant variations in outcomes according to where children live and other factors including gender and ethnicity (e.g. white, working class boys).

6.3 **Planning for People, not Cars** -

Strategic Director Alistair Reid
Cabinet Lead - Cllr Osman

LAA		**Corporate Plan**	
2 indicators		8 indicators	
1	On or above target	3	On or above target
0	Close to target	3	Close to target
1	Below target	2	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- Performance for levels of cycling well above target
- Good progress on reducing car journeys to work and congestion
- Student housing schemes are currently under construction and will contribute towards completions during 2010/11.

Key areas of risk:

- Delivery of additional and affordable homes
- Cuts to integrated transport capital programme by £1.39m in 2010/11 which will mean delaying new projects that would have started in 2010/11 (e.g. Aylestone Quality Bus Corridor).

6.4 **Reducing our Carbon Footprint** -

Strategic Director Alistair Reid
Cabinet lead - Cllr Russell

LAA		**Corporate Plan**	
3 indicators		3 indicators	
2	On or above target	0	On or above target
0	Close to target	3	Close to target
1	Below target	0	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- Forecasting target for CO2 emissions in LA area will be met
- One of the best performers in adapting to climate change
- Ashton Green - An Outline Planning Application has been submitted for this development which aims to provide up to 3000 sustainable homes built to Code Level 4 of the Code for Sustainable Homes.
- A total of 1481 properties within the City benefited from the Hot Lofts scheme, saving an estimated 1348 tonnes of CO_2

Key areas of risk:

- Uncertainty over future central government funding for carbon reduction initiatives.
- The end of year forecast for municipal waste to landfill is 54% rather than the target of 52%, because of the collapse *of* the market for floc.

6.5 **Creating Thriving, Safe Communities** –

Strategic Director Kim Curry
Cabinet Leads - Cllr Dawood / Cllr Naylor / Cllr Palmer / Cllr Westley

LAA		**Corporate Plan**	
16 indicators		8 indicators	
9	On or above target	4	On or above target
5	Close to target	1	Close to target
2	Below target	3	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- Adult Social Care performance, despite impact of transformation changes and significant increase in Self Assessment referrals, is on track for year end in most cases.
- Over all crime has reduced by 10.8% against 2009/10
- The YOS can report a 70.2% reduction in the reoffending rate when comparing the 2009 cohort with the 2005 baseline cohort over a 12-month period

Key areas of risk:

- Over all crime remains red flagged owing to the 25% decrease required.
- Leicester Central Library Project
- Adult Social Care transformation

6.6 **Improving Wellbeing and Health** -

Strategic Director Deb Watson
Cabinet Leads – Cllr Palmer / Cllr Naylor

LAA		**Corporate plan**	
4 indicators		5 indicators	
1	On or above target	3	On or above target
1	Close to target	0	Close to target
2	Below target	2	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- Good progress in addressing major determinants of premature death. Detailed plans in place to targeted interventions with mainstream activity as identified. This is closely managed and currently out of 84 actions 2 are red, 14 amber and 65 green
- Extending and increasing the coverage of cancer screening programmes
- Second quarter Active People Survey results are showing a significant increase of 17.4% in adult participation in sport.

Key areas of risk:

- All age, all cause mortality rates currently off plan
- Early access to maternity services at risk. Targets increase over time and the current forecast is for the 10/11 target to be missed.

6.7 **Investing in Skills and Enterprise**

Strategic Director Alistair Reid
Cabinet lead - Cllr Osman

LAA		**Corporate Plan**	
5 indicators		3 indicators	
2	On or above target	0	On or above target
3	Close to target	3	Close to target
0	Below target	0	Below target
0	Incomplete data	0	Incomplete data

Key achievements:

- The MAC network is up and running across the city and the client tracking database is fully operational
- Reductions in JSA claimant count (proxy for worklessness)
- Scheme to support 100 new apprentices in city launched with NAS and Leicester College
- Numbers of business start-ups better than regional comparators
- Leicester and Leicestershire confirmed as being in the first tranche of areas to establish Local Enterprise Partnerships

Key areas of risk:

- Budget reductions and changing landscape for economic development
- Future of Skills Funding Agency (SFA) uncertain
- Future of business support provision highly uncertain
- Impact of public sector spending reductions on employment rates
- New welfare reform likely to have major impact on current claimants

6.8 Organisational Development and Improvement

Director: Miranda Cannon

Key achievements:

- Reviewing the Leicester Partnership arrangements
- Improvements to internal communications
- The support services transformation programme is on track in terms of savings delivery and substantial work in ongoing in terms of formal reviews.
- Programme and project management with the roll out of programme management standards
- Customer services with the roll out of refreshed standards.
- Pace is being maintained in embedding performance management and commissioning frameworks.

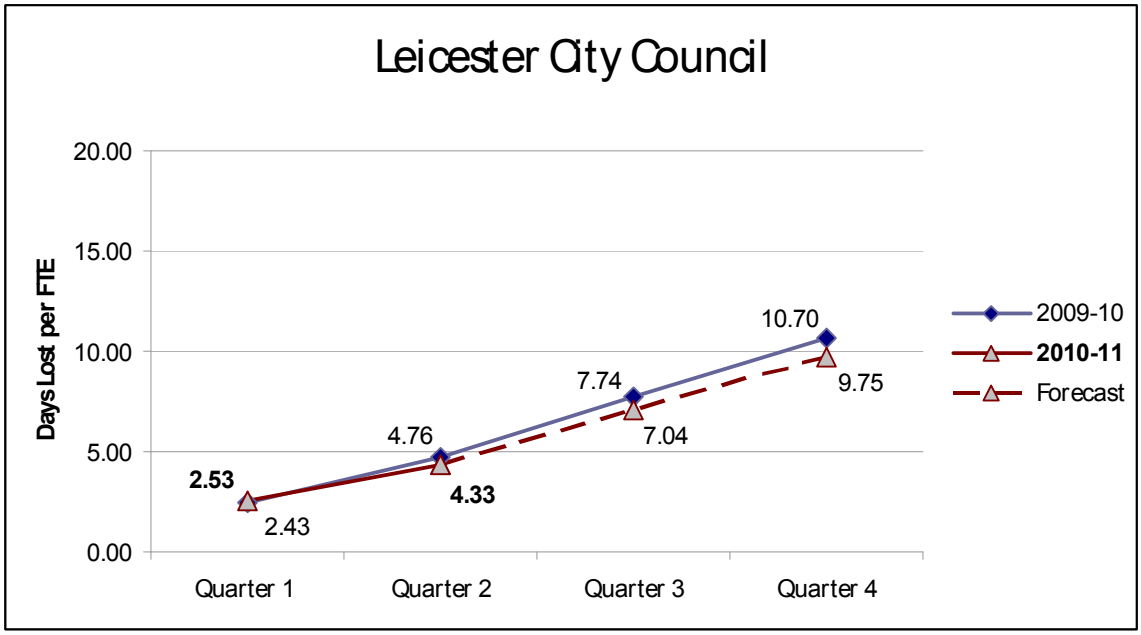
Key areas of risk:

- Whilst a number of areas have not fully delivered to target this does not pose any significant risk and in all cases work is in hand as appropriate to take forward these milestones.

7. Sickness Absence

7.1 The latest sickness data is presented below.

Total Sickness Absence for the Council



7.2 The average sickness absence figure for the first 6 months of 2010/11 is 4.33 days per FTE. The reported 6 month figure for 09/10 was 4.76 days per FTE. The reduction in 2010/11 represents a 9.03% improvement on the previous year (2009/10). Although the council continues to show a positive trajectory in the reduction of absence levels in Q2 of 2010/11 when compared with Q2 performance in 2009/10, on current performance the Council will not meet the end of year corporate target of 9 days.

7.3 The table below gives a summary of performance by Division (all figures shown are days lost per FTE).

Areas showing a reduction in sickness absence	**6 months 09/10**	**6 months 10/11**	**Difference in performance**	**Actual FTE**
Access, Inclusion & Participation	4.99	4.48	-10.22%	523.64
Culture	6.81	2.85	-58.15%	428.01
Democratic Services	6.59	3.88	-41.12%	85.62
Director Care Services[1]	6.59	3.88	-41.12%	524.42
Environmental Services	6.73	5.73	-14.86%	642.98
Finance	4.38	3.73	-14.84%	473.66
Housing Services	6.48	6.12	-5.56%	809.89

[1] Previously known as Older People's Services

Housing Strategy Options	7.97	6.62	-16.94%	305.07
Human Resources	7.39	3.84	-48.03%	205.22
Learning Services	3.80	3.61	-5.00%	273.97
Legal Services	3.84	1.81	-52.86%	68.26
Planning & Economic Development	2.37	1.84	-22.36%	146.99
Safer & Stronger Communities	5.98	4.48	-25.08%	358.83
Social Care & Safeguarding	8.53	5.92	-30.60%	494.86

Areas showing an increase in sickness absence	**6 months 09/10**	**6 months 10/11**	**Difference in performance**	**Actual FTE**
Director Care Management[2]	5.44	5.62	+3.20%	338.41
Information & Support	3.28	4.80	+31.67%	209.73
Personalisation & Business Support	5.68	7.66	+25.85%	134.25
Planning & Commissioning	5.94	6.34	+6.31%	276.97
Regeneration, Transport & Highways	4.50	5.28	+14.77%	391.75
Schools	3.10	3.27	+5.20%	5860.79
Strategic Asset Management	3.13	5.44	+42.46%	151.44

8 Headline Financial and Legal Implications

Financial implications

8.1 The council is in its first year following major organisational change and significant progress has been made in aligning the senior management structure with strategic priorities. This in turn has had a considerable impact on the council's financial management framework. In particular the 2010/11 budget process was for the first time, completed with the focus on Priority Boards rather than former departmental structures. This was a significant step away from the former grouping of services towards a process designed to deliver the priorities set out in One Leicester. This in tandem with the implementation of the council's new integrated Resource Management System aims to maintain a robust financial framework which facilitates the delivery of strategic priorities.

8.2 2010/11 is expected to be another difficult year in terms of available resources and therefore it is imperative that Strategic Directors and their Priority Boards properly identify and consider the performance issues identified in this report in accordance with the financial framework and financial strategy.

Alison Greenhill, Interim Chief Accountant

[2] Previously known as Community Care Services

Legal Implications

8.3 There are no additional legal implications arising from this report.
Peter Nicholls, Divisional Director - Legal Services

9. Climate Change Implications

9.1 This report does not contain 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

10. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	Yes	6.2 & 3
Crime and Disorder	Yes	6.4
Human Rights Act	No	
Elderly/People on Low Income	Yes	6.5
Corporate Parenting	No	
Health Inequalities Impact	Yes	6.6

11. Consultations

Performance teams and service managers – October 2010
Operational Board – 10th November 2010
Strategic Management Board – 23.11.10

12. Background Papers

Performance Report for Quarter One 2010/11 – Cabinet 4th October 2010

13. Report Author

Adam Archer
Special Projects Manager
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adam.archer@leicester.gov.uk

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

Appendix One: LAA Scorecard
Q2 2010/11

Key:

- On or above target
- Close to target
- Well below target
- Data not available

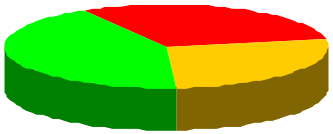
- Improving direction of travel over last 12 months
- Declining direction of travel over last 12 months
- No change in direction of travel over last 12 months

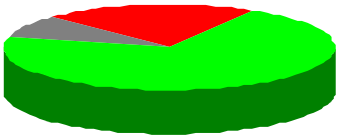
Performance against target:

				Total
15	13	21	0	49

Direction of Travel (DoT):

						Total
4	10	5	0	24	5	49





LAA Scorecard Q2 2010/11

Indicator	Best Direction?	Latest Actual	Latest Target	Latest Performance	2010/11 Forecast	Direction of travel (over 12 months)
LAA NI001 % of people who believe people from different backgrounds get on well together	Bigger is Better	87.50	88.00			
LAA NI005 Overall/general satisfaction with local area	Bigger is Better	80.30	84.00			
LAA NI016 Serious acquisitive crime rate	Smaller is Better	10.43	11.35			
LAA NI018 Adult re-offending rates for those under probation supervision	Smaller is Better	-9.36	-7.99			
LAA NI019 Rate of proven re-offending by young offenders	Smaller is Better	0.20	2.35			
LAA NI020 Assault with injury crime rate	Smaller is Better	4.46	4.72			
LAA NI027 Understanding of local concerns about ASB and crime by the local council and police	Bigger is Better	56.90	57.00			
LAA NI032 Repeat incidents of domestic violence	Smaller is Better	33.00	27.00			
LAA NI035 Building resilience to violent extremism	Bigger is Better	4.50	4.30			
LAA NI039 Rate of Hospital Admissions per 100,000 for Alcohol Related Harm	Smaller is Better	2,285.00	3,118.00			
LAA NI040 Number of drug users recorded as being in effective treatment	Bigger is Better	1,282.00	1,214.00			

LAA NI050 Emotional health of children	Bigger is Better	59.00	66.40	▲	—	✗
LAA NI054 Services for disabled children	Bigger is Better	60.00	62.00	●	—	✓
LAA NI056i Percentage of children in Year 6 with height and weight recorded who are obese	Smaller is Better	17.80	21.00	★	★	✓
LAA NI059 Percentage of Initial assessments for children's social care carried out < 7 working days	Bigger is Better	66.80	70.00	●	—	✗
LAA NI065 Children becoming the subject of a Child Protection Plan for a second or subsequent time	Plan is Best	19.00	11.00	▲	—	n/a
LAA NI072 At least 78 points across EarlyYears Foundation Stage with at least 6 in each scale	Bigger is Better	47.00	45.00	★	●	✓
LAA NI073 Achievement at level 4 or above in both English and Maths at Key Stage 2 (Threshold)	Bigger is Better	68.00	78.00	▲	●	✓
LAA NI075 Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths	Bigger is Better	48.50	48.60	●	●	✓
LAA NI087 Secondary school persistent absence rate	Smaller is Better	4.60	5.30	★	★	✓
LAA NI092 Narrowing the gap- lowest achieving 20% the Early Yrs Foundation Stage Profile vs the rest	Smaller is Better	35.50	32.00	▲	●	✓
LAA NI093 Progression by 2 levels in English between Key Stage 1 and Key Stage 2	Bigger is Better	86.50	96.00	●	★	✓
LAA NI094 Progression by 2 levels in Maths between Key Stage 1 and Key Stage 2	Bigger is Better	84.00	93.00	●	●	✓
LAA NI099 Children in care reaching level 4 in English at Key Stage 2	Bigger is Better	57.90	44.00	★	?	✓
LAA NI100 Looked after children reaching level 4 in mathematics at Key Stage 2	Bigger is Better	36.80	44.00	▲	?	✗
LAA NI101 Looked after children achieving 5 A*-C GCSEs (or equiv) at KS 4 (with English and Maths)	Bigger is Better	13.00	20.00	▲	?	✓
LAA NI110 Young people's participation in positive activities	Bigger is Better	56.60	70.40	▲	—	✗
LAA NI112 Under 18 conception rate	Smaller is Better	-24.80	-43.00	▲	—	✓
LAA NI117 16 to 18 year olds who are not in education, employment or training (NEET)	Smaller is Better	7.60	7.70	★	●	✓
LAA NI118 Take up of formal childcare by low-income working families	Bigger is Better	12.50	16.00	▲	—	➡
LAA NI120(i) All-age all cause mortality rate (females)	Smaller is Better	583.20	501.00	▲	▲	➡
LAA NI120(ii) All-age all cause mortality rate (males)	Smaller is Better	828.90	692.00	▲	▲	➡
LAA NI125 Achieving independence for older people through rehabilitation/intermediate care	Bigger is Better	87.80	84.00	★	★	✓
LAA NI126 Early access for women to maternity services	Bigger is Better	81.70	87.00	▲	●	✓

LAA NI131 Delayed transfers of care	Smaller is Better	8.70	19.40			
LAA NI135 Carers receiving needs assessment or review & specific carers service or advice & inf.	Bigger is Better	15.30	14.50			
LAA NI142 Number of vulnerable people who are supported to maintain independent living	Bigger is Better	99.20	99.00			
LAA NI143 Offenders under probation supervision living in settled & suitable accomm at end of order	Bigger is Better	84.00	85.00			
LAA NI152 Working age people on out of work benefits	Smaller is Better	18.19	17.60			
LAA NI153 Working age people claiming out of work benefits in the worst performing neighbourhoods	Smaller is Better	34.30	34.57			
LAA NI154 Net additional homes provided	Bigger is Better	355.00	470.00			
LAA NI155i Number of affordable homes (SOCIAL RENTED) delivered	Bigger is Better	12.00	207.00			
LAA NI163 Proportion aged 19-64 for males and 19-59 for females qualified to at least Level 2	Bigger is Better	57.00	61.90			
LAA NI165 Proportion aged 19-64 for males and 19-59 for females qualified to at least Level 4	Bigger is Better	23.40	23.10			
LAA NI167 Congestion - average journey time per mile during the morning peak	Smaller is Better	4.28	4.60			
LAA NI172 Percentage of small businesses in an area showing employment growth	Bigger is Better	14.30	14.63			
LAA NI186 Per capita reduction in CO2 emissions in the LA area	Bigger is Better	11.30	7.70			
LAA NI188 Planning to adapt to Climate Change	Bigger is Better	3.00	3.00			
LAA NI193 Percentage of municipal waste land filled	Smaller is Better	55.00	52.00			

Appendix Two: Corporate Plan
Q2 2010/11

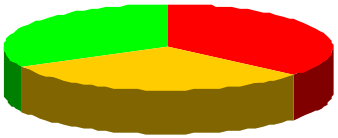
Key:

- On or above target
- Close to target
- Well below target
- Data not available

- Improving direction of travel over last 12 months
- Declining direction of travel over last 12 months
- No change in direction of travel over last 12 months

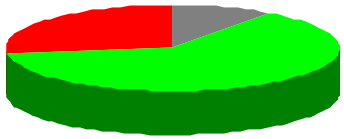
Performance against target:

				Total
20	17	18	0	55



Direction of travel over last 12 months:

							Total
5	14	9	1	2	19	5	55



Corporate Plan Scorecard Q2 2010/11

Measure name	Preferred direction?	Actual	Target	Performance	DoT
LCC Corp A core offer for disabled children : LAA NI054 Services for disabled children	Bigger is Better	60.00	62.00		
LCC Corp Active & healthy children : LAA NI056i Percentage of children in Year 6 with heigh and weight recorded who are obese	Smaller is Better	17.80	21.00		
LCC Corp Active & healthy children : NI057 Children and young people's participation in high-quality PE and sport	Bigger is Better	76.00	75.00		
LCC Corp Better mental health & wellbeing of children & young people : LAA NI050 Emotional health of children	Bigger is Better	59.00	66.40		
LCC Corp Better outcomes for children in need : LAA NI059 Percentage of Initial assessments for children's social care carried out < 7 working days	Bigger is Better	66.80	70.00		
LCC Corp Better outcomes for children in need : LAA NI065 Children becoming the subject of a Child Protection Plan for a second or subsequent time	Plan is Best	19.00	11.00		n/a
LCC Corp Better outcomes for children in need : LAA NI099 Children in care reaching level 4 in English at Key Stage 2	Bigger is Better	57.90	44.00		
LCC Corp Better outcomes for children in need : LAA NI100 Looked after children reaching level 4 in mathematics at Key Stage 2	Bigger is Better	36.80	44.00		

LCC Corp Better outcomes for children in need : LAA NI101 Looked after children achieving 5 A*-C GCSEs (or equiv) at KS 4 (with English and Maths)	Bigger is Better	13.00	20.00		
LCC Corp Providing school choice for parents : More parents achieve their first or second preference of primary school	Bigger is Better	94.30	90.00		
LCC Corp Providing school choice for parents : More parents achieve their first, second or third prefernce of secondary school	Bigger is Better	97.40	97.00		
LCC Corp Providing integrated youth support services : LAA NI110 Young people's participation in positive activities	Bigger is Better	56.60	70.40		
LCC Corp Providing integrated youth support services : LAA NI112 Under 18 conception rate	Smaller is Better	-24.80	-43.00		
LCC Corp Providing integrated youth support services : LAA NI117 16 to 18 year olds who are not in education, employment or training (NEET)	Smaller is Better	7.60	7.70		
LCC Corp Providing opportunities for children in their early years : LAA NI072 At least 78 points across EarlyYears Foundation Stage with at least 6 in each scale	Bigger is Better	47.00	45.00		
LCC Corp Providing opportunities for children in their early years : LAA NI092 Narrowing the gap- lowest achieving 20% the Early Yrs Foundation Stage Profile vs the rest	Smaller is Better	35.50	32.00		
LCC Corp Providing opportunities for children in their early years : LAA NI118 Take up of formal childcare by low-income working families	Bigger is Better	12.50	16.00		
LCC Corp Better school attendance : LAA NI087 Secondary school persistent absence rate	Smaller is Better	4.60	5.30		
LCC Corp Improving progress and attainment at school : LAA NI073 Achievement at level 4 or above in both English and Maths at Key Stage 2 (Threshold)	Bigger is Better	68.00	78.00		
LCC Corp Improving progress and attainment at school : LAA NI075 Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths	Bigger is Better	48.50	48.60		
LCC Corp Improving progress and attainment at school : LAA NI093 Progression by 2 levels in English between Key Stage 1 and Key Stage 2	Bigger is Better	86.50	96.00		
LCC Corp Improving progress and attainment at school : LAA NI094 Progression by 2 levels in Maths between Key Stage 1 and Key Stage 2	Bigger is Better	84.00	93.00		
LCC Corp Providing better schools : NI076 Reduce no. of schools where under 55% of pupils achieve level 4 in KS2 English and Maths	Smaller is Better	11.00	0.00		
LCC Corp Providing better schools : NI078 Reduce no. of schools where under 30% of pupils achieve 5 A*-C GCSE with English and Maths	Smaller is Better	3.00	0.00		
LCC Corp Fewer journeys to work by car : CL9 % of journeys to work in morning rush hour by car	Smaller is Better	51.00	52.60		
LCC Corp Fewer children killed or seriously injured on Leicesters roads : NI048 Children killed or seriously injured in road traffic accidents	Bigger is Better	-16.70	-7.10		
LCC Corp More bus journeys : RE4 More people using public transport	Bigger is Better	17,906,692	18,491,750		

LCC Corp More bus journeys : RE7 Employees covered by work travel plans	Bigger is Better	39	40		
LCC Corp Developing safe walking & cycling networks : (CL20) Encouraging more people to cycle	Bigger is Better	181.00	103.00		
LCC Corp Reduce our carbon footprint : Business CO2 emissions	Smaller is Better	954,000	938,274		
LCC Corp Reduce our carbon footprint : LCHS45 Residential CO2 emissions	Smaller is Better	628,000	582,102		
LCC Corp Reduce our carbon footprint : RE5 Travel CO2 emissions	Smaller is Better	341,000	322,504		
LCC Corp Reduced Crime : Recorded crime per 1,000 pop	Smaller is Better	62.83	52.81		
LCC Corp People able to live independant lives : NI130.09 Social care clients receiving Self Directed Support	Bigger is Better	20.70	20.50		
LCC Corp More affordable housing : NI155 Number of affordable homes delivered (gross)	Bigger is Better	316	516		
LCC Corp Improving peoples homes : LCHS21 Private Sector Homes made decent	Bigger is Better	168	200		
LCC Corp Improving peoples homes : LCHS23 Reduce the number of long standing empty private sector homes (5+ years)	Smaller is Better	112	105		
LCC Corp Improving peoples homes : NI158 % non-decent council homes	Smaller is Better	0.65	1.60		
LCC Corp Encourage people to interact with each other : LAA NI001 % of people who believe people from different backgrounds get on well together	Bigger is Better	87.50	88.00		
LCC Corp Healthier, longer lives : LAA NI120(i) All-age all cause mortality rate (females)	Smaller is Better	583.20	501.00		
LCC Corp Healthier, longer lives : LAA NI120(ii) All-age all cause mortality rate (males)	Smaller is Better	828.90	692.00		
LCC Corp Reducing smoking : NI123 Stopping smoking	Bigger is Better	465.29	454.55		
LCC Corp physically active adults : NI008 Adult participation in sport	Bigger is Better	17.90	16.00		
LCC Corp Reduced alcohol harm : LAA NI039 Rate of Hospital Admissions per 100,000 for Alcohol Related Harm	Smaller is Better	2,285.00	3,118.00		
LCC Corp Reduced overcrowding : LCHS10 Number of severely overcrowded households	Smaller is Better	217.00	159.00		
LCC Corp Prevention of homelessness : NI156 Number of households living in Temporary Accommodation	Smaller is Better	59.00	45.00		
LCC Corp Providing better support for carers : LAA NI135 Carers receiving needs assessment or review & specific carers service or advice & inf.	Bigger is Better	15.30	14.50		
LCC Corp Providing support for older people : LAA NI125 Achieving independence for older people through rehabilitation/intermediate care	Bigger is Better	87.80	84.00		
LCC Corp Talk up Leicester : LAA NI005 Overall/general satisfaction with local area	Bigger is Better	80.30	84.00		
LCC Corp Increase skills amongst working age people : LAA NI163 Proportion aged 19-64 for males and 19-59 for females qualified to at least Level 2	Bigger is Better	57.00	61.90		
LCC Corp Increase the number of people in employment : LAA NI152 Working age people on out of work benefits	Smaller is Better	18.19	17.60		
LCC Corp Increase businesses showing employment growth : LAA NI172 Percentage of small businesses in an area showing employment growth	Bigger is Better	14.30	14.63		

LCC Corp One Excellent council : BV011b Black/ethnic in top 5%	Bigger is Better	17.00	18.00		
LCC Corp One Excellent council : Corporate Sickness rate	Smaller is Better	4.33	4.50		
LCC Corp One Excellent council : LAA NI140 Fair treatment by local services	Bigger is Better	66.60	76.60		

Appendix 3

Proposals to Cease Reporting National Indicators

(As of 19th November 2010)

NI number	NI description	Rationale for no longer reporting
Local Area Agreement		
NI 1	% of people who believe people from different backgrounds get on well together in their local area	As a result of the abolition of the Place Survey. Will continue to use the CRAVE survey to provide a proxy so long as that is carried out.
NI 5	Overall/general satisfaction with local area	As a result of the abolition of the Place Survey. Will continue to use the CRAVE survey to provide a proxy so long as that is carried out.
NI 27	Understanding of local concerns about anti-social behaviour and crime issues by the local council and police	As a result of the abolition of the Place Survey. May replace with local proxy measure
NI 50	Emotional health of children	As a result of the abolition of the Tell Us survey. May replace with local proxy measure
NI 110	Young people's participation in positive activities	As a result of the abolition of the Tell Us survey. May replace with local proxy measure
NI 140	Fair treatment by local services	As a result of the abolition of the Place Survey. May consider alternative measure.
NI 179	Value for money – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008-09 financial year	Time consuming to collect and adds no value in current financial climate
Other NIs		
NI 41	Perceptions of drunk or rowdy behaviour as a problem	As a result of the abolition of the Place Survey. Did not provide useful information.
NI 42	Perceptions of drug use or	As a result of the abolition of the

	drug dealing as a problem	Place Survey. Did not provide useful information.
NI 86	Secondary schools judged as having good or outstanding standards of behaviour	Picked up in individual school's Ofsted reports
NI 119	Self-reported measure of people's overall health and wellbeing	As a result of the abolition of the Place Survey. Will develop other measures that are seen to be more useful.
NI 128	User reported measure of respect and dignity in their treatment	Not seen to provide useful information as is based on a small sample. Will introduce a local indicator which can be sourced from the care management process.
NI 136	People supported to live independently through social services (all adults)	Indicator not seen as useful as is based on a snapshot date at the end of the financial year. Hence, is missing those people who have been in rehab in the earlier part of the year. This is not in line with the transformation agenda and the new customer journey. It is costly to collect requiring a lot of resource.
NI 138	Satisfaction of people 65 and over with both home and neighbourhood	As a result of the abolition of the Place Survey. Will develop other measures that are seen to be more useful
NI 139	The extent to which older people receive the support they need to live independently	As a result of the abolition of the Place Survey. Will develop other measures that are seen to be more useful
NI 158	% non-decent council homes	Cease reporting from 31st December 2011 when measure 'expires'.
NI 190	Achievement in meeting standards for the control system for animal health	This is not useful. It is an indicator intended for rural areas that include many farms. There are only three farms in Leicester.
NI 196	Improved street and environmental cleanliness – fly tipping	The calculation of this indicator is complex and time-consuming. Because of this, the worth of the data is debatable. We are aiming to develop a more meaningful – and easier to collect and analyse – indicator of performance in this area.

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Appendix K

WARDS AFFECTED:

Cabinet **17 January 2011**
Audit and Risk Committee **9 February 2011**

Corporate Risk Management Strategy 2011

Report of the Chief Financial Officer

1. Purpose of Report

To seek the agreement and support of Strategic Management Board and Cabinet for the revised Risk Management Policy Statement and Risk Management Strategy as contained in this report.

2. Summary

2.1. The Council's existing Risk Management Strategy was approved by Cabinet 30 November 2009. Since then significant progress has been made improving and strengthening risk management arrangements. The strategy has now been reviewed to reflect those improvements and sets out the procedures that are now in place to support risk management across the Council. Risk management continues to be driven by increasing demands for better governance, particularly the current British Standard BS31100 (2008), which states that an organisation's internal control systems should be built upon recognition of:-

- The risks faced by the organisation; and,
- The organisation's appetite/capacity to accept and manage risks.

2.2. Effective risk management is essential for an organisation and its partners to achieve strategic objectives and improve outcomes for local people. Good risk management looks at and manages both positive and negative aspects of risk. It is not about being risk averse, but is the process whereby the Council methodically addresses the risks attaching to its activities with the aim of achieving sustained benefit within each activity and across the portfolio of all activities.

2.3. The Council continues to manage and control risk in a variety of ways. The challenge over the past year has been to integrate risk management into the Council's culture, its everyday business operations and those of its contractors and partners. With the adoption of Prince 2 as a standard for project management, every project has a risk log; the Risk Management and Insurance Services Department provide regular, risk based training sessions; and, the Project Assurance Team continues to audit project compliance - both Internal Audit and Risk Management continue to be part of that Team.

2.4. Notwithstanding this, there is still further progress to be made. The review of last year's strategy 'action plan' (Appendix 1 - Risk Management Strategy 2009/2010 - Action Plan

- Update) indicates many 'new' processes have been introduced which will need confirmation that they are now properly integrated. Additionally, there are still areas of the current risk management processes (specifically embedding the risk process within Divisions to gain assurance that all unmitigated risks are being properly identified, controlled and reported; and Business Continuity Management needs developing to better align to current best practice and standards) that need revitalising and reinvigorating to allow the Council to demonstrate an acceptable level of compliance.

2.5. As a consequence, a further action plan is proposed. This is targeted at the following:-

- Continuing the integration of the risk infrastructure that reflects the new Council governance structure;
- Continued delivery of specific risk based decision making training programmes for Members, Senior Managers, management and staff;
- Continued development and strengthening of the approach to Partnership working;
- Developing the Business Continuity management at the Council to align better with current accepted best practice, the British Standard (BS25999) and the requirements of the Civil Contingencies Act (2004); and
- Developing a risk based review process to test the maturity and integration of the Risk Strategy. This will be an agreed programme of financial and process reviews by Internal Audit that will provide assurance on the embeddedness and effectiveness of risk processes and procedures.

3. Preview of This Year's Strategy

3.1 The key deliverables in this years Strategy include:-

- Ensuring the Risk Management Framework at LCC continues to reflect the organisational structure, and that risks to the delivery of 'One Leicester' are properly identified and managed;
- Develop further the process whereby Strategic Risks are identified by the appropriate Priority Board and then reported to the Strategic Management Board;
- Continue to embed and enhance the process whereby Divisional Directors have individual risk registers feeding through to the Operational Risk Register which is reviewed by the Operational Board, led by the Chief Operating Officer, supported by the Corporate Risk Manager;
- Improve Divisional engagement with risk management processes to further embed a culture within the Council where risk is anticipated and managed proactively;
- Increase recognition of the benefits that can be achieved, operationally and strategically, with effective and embedded risk management;
- Continue to support the operational service areas in the development and improvement of their individual risk registers by identifying and delivering training support and guidance;
- Corporate Risk Manager to continue to support the ODI team in the management of their Programme (and ultimately project) risks;
- Directors and Managers should continue to identify staff requiring risk management training through the appraisal and job specification processes; and
- Risk Management and Insurance Services continue to be perceived across the Council as 'Risk Advisors' that will assist managers in scoping and managing their risk exposure to enable the implementation of innovative schemes.

4. Recommendations

The Committee is recommended to:-

- Accept the progress made in implementing the actions arising from the Corporate Risk Management Strategy 2010 – Appendix 1 – Risk Management Strategy 2009/2010 - Action Plan - Update;
- Approve the 2011 Corporate Risk Management Policy Statement at Appendix 2. This sets out your attitude to risk and the approach to the challenges and opportunities facing the Council;
- Approve the Risk Management Strategy 2011 - Appendix 3 – Risk Management Strategy 2011;
- Approve the Action Plan detailing the actions arising from this paper necessary to integrate an acceptable Risk culture within the Council - Appendix 4 – Risk Management Strategy – Action Plan 2011.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Headline Financial and Risk Implications of the Risk Management Strategy

5.1.1 The cost of risk falls into two categories:

- The direct cost - paying premiums to insurance companies, meeting insured claims, encouraging low cost risk improvement initiatives, supporting essential risk control measures, and associated administration of the risk management function. For 2010/11 this is estimated to be about £4.7m.

- The indirect cost – mainly the service disruption associated with incidents, which amounts to many times the direct cost.

5.1.2 Whilst our insurance arrangements protect the Council from catastrophic loss in any given year without additional charge in that year, any overall deterioration in the Council's loss experience will have an impact on premiums for future years. It is never possible to eliminate the cost of loss, however, low incident rates can be maintained, and by proper attention to risk control and the prevention of incidents, the financial impact can be managed.

5.1.3 With the Council adopting a 'Risk Awareness' approach (and integrating risk management into the Council's culture) rather than 'Risk Averse', it is in a better position to identify opportunities that may benefit the council (including financially) where associated risks are managed rather than eliminated or avoided altogether.

5.1.4 By building in risk awareness into the root of all business cases and proposals to Cabinet and the Board, driving risk management from both a top down and bottom up approach, and maintaining and periodically reviewing the relevant risk registers (Operational and Strategic) the Council is also putting itself in a better position to highlight unacceptable risks (individually or collectively) and take appropriate action where necessary to minimise the risk of potential losses (including financial).

5.1.5 In terms of risk financing, the Council currently maintains an insurance fund and only externally insures for catastrophe cover. As referred to in Appendix 3 (Risk Management Strategy 2011), this balance between external/internal cover needs to be reviewed (and documented) on an annual basis taking into account the market conditions and claims experience.

5.1.6 A potential financial implication of losses that could be incurred in areas of partnership working (where the partner may not have effective risk management

procedures for example) has also been addressed in this strategy with the development of a guidance tool including the recommendation of a generic partnership risk register for use in all Council partnerships, which will be rolled out by the Partnership Executive Team.

(Alison Greenhill, Interim Chief Accountant)

5.2 **Legal Implications**

There are no legal implications of any note.

5.3 **Climate Change Implications**

There are no climate change implications of any note.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph/References Within Supporting information
Equal Opportunities	No	
Policy	Yes	Appendix
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. Report Author/Officer to contact:

Tony Edeson, Corporate Risk Manager

Mark Noble, Chief Finance Officer

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

Appendix 1 – Risk Management Strategy 2009/2010 – Action Plan - Update

Action	Responsible Officer	Original Target Date(s)	September 2010 - Update
Establish risk infrastructure for new Council governance structure, including strategic risk registers for each Priority Board and an Operational Risk Management Group.	Corporate Risk Manager	February 2010	**COMPLETE -** Each Priority Board has a risk register that contributes to the Strategic Risk register - approved at SMB 22 June. It was decided not to create an Operational Risk Management Group, but to use the existing Operational Board – see below.
Agree Terms of Reference for Operational Risk Management Group (as a sub-Group of the Operational Board) and arrange for the risk registers to be reviewed quarterly.	Corporate Risk Manager	December 2009	**COMPLETE -** Terms of Reference for management of the Operational Risk Register were agreed by Operational Board on 4 November 2009. It was decided that an extra Group was not required as the Register would be presented to the full Operational Board each quarter.
Using the membership of the Operational Risk Management Group revitalise the individual service area's risk registers and establish an Operational Risk Register that will be monitored by Operational Board and the COO. This will best be achieved by the Operational Service Directors monthly SMT meetings having Risk Registers as a standing agenda item and the Corporate Risk Management team attending these meetings, where possible, for this agenda item.	Corporate Risk Manager	February 2010	**COMPLETE -** The Operational Risk Register was approved at the Operational Board on the 4 August. Quarterly submissions have been agreed and will be monitored by the CRM.
Develop Guidance on partnership working and establish arrangements for ensuring that each partnership is supported in managing risk and provides assurance to Council.	Corporate Risk Manager	December 2010	**ALMOST COMPLETE -** Partnership guidance notes will be published for use within the business in late 2010. Currently these are in final draft stage going through a business review process.

Action	Responsible Officer	Original Target Date(s)	September 2010 - Update
Each Operational Service area's key operational risks reviewed and new significant risks or opportunities fed into the Operational Risk register on a quarterly basis. This will include a review of the appropriateness and effectiveness of the mitigating actions/controls. These key risks to be informed by Divisional, Service areas and project risk registers. Any operational risks identified by the Operational Board that may threaten the Council's overall strategic aims should be referred for inclusion on the Strategic Risk Register.	Operational Board	Every 31 January 30 April 31 July 31 October	**COMPLETE -** This process was ratified at the Operational Board on 4 August.
Each of the Priority Boards will need to create, manage and monitor a strategic risk register for the risks which affect achievement of their strategic programmes. The most significant of these identified risks, along with any operational risks identified by the Operational Board and project risks from the Programme Office that may threaten the Council's overall strategic aims, will form the Council's Strategic Risk Register which will be reviewed by the Strategic Management Board.	Strategic Directors responsible for Priority Boards	31 January (production) Then Reviewed Every 31 January 30 April 31 July 31 October	**COMPLETE -** The first Priority Board Risk Registers were approved alongside the Strategic Risk Register at SMB on 22 June. Quarterly updates will be monitored by the CRM.
Updates of Strategic Risk Register reported to Audit Committee at alternate meetings i.e. twice a year as the Committee meets 4/5 times a year.	Corporate Risk Manager (produce) Strategic Management Board (approve)	Every 30 April 31 October	**COMPLETE -** Risk Registers form part of the Risk Report which is to be presented to each meeting of the Audit and Risk Committee.
Establish and deliver a specific risk based decision making training programme for Members, all senior management and managers during the next 12 months.	Corporate Risk Manager	Between November 2009 and September 2010	**COMPLETE -** Risk Management have created 6 specific training sessions which have been/will be delivered on 24 occasions in total between November 2009 and December 2010. These sessions will form the 'backbone' of the Risk Management Training programme that will run each year.

Action	Responsible Officer	Original Target Date(s)	September 2010 - Update
Include performance on managing risks within performance monitoring of Service Plans and of Senior Officer's performance contracts/plans and Appraisal Reviews, identifying fresh risk management training needs when appropriate.	Strategic Management Board Divisional Directors	31 March Annually	**MINIMAL IMPACT -** This needs to be included in the Strategy for 2010/11. Limited success seen to date.
Establish a targeted training delivery plan based upon recent experience of operational involvement in risk activity; the outcomes of specific risk audits; recent insurance events; and, key financial risks being identified by the Operational Risk Management Group.	Corporate Risk Manager	31 March Annually	**COMPLETE -** These factors were used to define the training programme referred to above.
Implement new system of reporting lessons from risk audits, business continuity events and claims experience:- ▪ Report to be produced annually ▪ Actions to be implemented and monitored	Corporate Risk Manager (Report) Divisional Directors (Actions)	31 March Annually	**COMPLETE -** This forms part of the Risk Report presented to the Audit and Risk Committee at each of their meetings by the Corporate Risk Manager.
Develop project risk assessments, as appropriate and in line with the principles of Prince2, where these do not exist, producing risk matrices where significant decisions are required. Develop a quality based risk assurance process for projects.	Director of Change and Programme Management	31 March Annually (confirmation to SMB)	**COMPLETE -** The Corporate Risk Manager is a member of the recently established Project Assurance Group (also includes Internal Audit) that delivers this objective. This initiative will continue into 2011 (and beyond).
Include risk management in staff induction/refresher training where this has not yet been incorporated. This training/advice can be delivered by the Risk Management Team if preferred.	Divisional Directors	New Staff – when they commence duty Existing Staff – by 31 March Annually	**COMPLETE -** Colleagues within City Learning decided that there should be no presentations at the induction sessions (time factor). The CRM has produced slides to form part of the City Learning Induction Course that is held for either new staff or managers, which will explain what responsibilities all have for risk management and who to contact for further support and guidance.

Appendix 2 - The Council's Risk Management Policy Statement 2011

Our approach to the management of risk

Risk management is all about managing the Council's threats and opportunities. By managing the Council's threats effectively we will be in a stronger position to deliver the Council's objectives. It is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. The Council accepts the need to take proportionate risk to achieve its strategic obligations, but expects that these are appropriately identified and managed. By managing these opportunities in a structured process the Council will be in a better position to provide improved services and better value for money.

The Council will undertake to:-

1. Identify, manage and act on opportunities as well as risks to enable the Council to achieve its objectives and integrate risk management into the culture and day to day working of the Council.

2. Manage risks in accordance with best practices and comply with statutory requirements.

3. Ensure that a systematic approach to risk management is adopted as part of Service Planning and Performance Management.

4. Anticipate and respond to changing social, environmental and legislative requirements.

5. Keep up to date and develop processes for the management of risk.

6. Have in place a defined outline of individual roles and responsibilities.

7. Raise awareness of the need for risk management to those involved in developing the Council's policies and delivering services.

8. Demonstrate the benefits of effective risk management by
   - Cohesive leadership and improved management controls;
   - Improved resource management – people, time, and assets;
   - Improved efficiency and effectiveness in service and project delivery;
   - Better protection of employees, residents and others from harm;
   - Reduction in likelihood/impact of losses;
   - Improved reputation for the Council; and,
   - Lower insurance premiums;

9. Ensure risk identification and plans to manage risk will be an integral part of all service plans.

10. Recognise that it is not always possible, nor desirable, to eliminate risk entirely, and so will have a comprehensive insurance programme that protects the Council from significant financial loss following damage or loss of its assets.

Sheila Lock **Cllr. Veejay Patel**

Appendix 3 – Risk Management Strategy 2011

INTRODUCTION

1. This Risk Management Strategy is a high level document that seeks to promote identification, assessment and response to key risks that may adversely impact the achievement of the Council's aims and objectives. This strategy builds on and replaces the previous Risk Management Strategy. Through the continued development of these strategies, the maturity of the Council's risk management will be reflected in a more enabled and proactive culture of embracing innovative opportunities and managing risks.

AIMS & OBJECTIVES

2. The aims & objectives of Leicester City Council's Risk Management Strategy are:-
   - To provide Members and officers with risk management reports that give a comprehensive picture of the Council's risk profile;
   - To assist the Council and its partners to adopt a "fit for purpose" methodology towards identification, evaluation and control of risks and to help ensure those risks are reduced to an acceptable level;
   - To ensure that transparent and robust systems are in place to track and report upon existing and emerging risks which potentially could cause damage to the Council;
   - To help further integrate risk management into the culture and day to day working of the Council and ensure a cross divisional/operational approach is applied;
   - To provide reliable information on which to base the annual strategic and operational risk assurance statements.

ROLES & RESPONSIBILITIES

3. Given the diversity of services and the wide range of potential risks, it is essential that responsibility for identifying and taking action to address potential risks is clear. No one person or group should perform risk management. Commitment and involvement of staff at every level is needed to effectively carry out risk management, although different staff/Members will have specific duties to perform to assist, in this process.

RISK APPETITE

4. When discussing risk management it is easy to give the impression that all risks must be reduced or eliminated. However, risk is a part of every day life and may also be a source of success, if managed properly. Risk appetite is the amount of risk an organisation is prepared to accept, tolerate or be exposed to at any point in time. Risk appetite needs to be considered at all levels of the organisation – from strategic decisions to operational delivery.

5. Local Government is historically risk averse. The aim of most local authorities is that key strategic and operational risks are well controlled, minimising the likelihood of an occurrence. However, it is recognised that there are costs involved in being too risk averse and avoiding risk, both in terms of bureaucracy costs and opportunity costs.

6. Leicester City Council's approach is to be risk aware rather than risk averse, and to manage risk rather than seek to eliminate risk altogether. As set out in its Risk Management Policy Statement, it is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. Directors and Members are not opposed to risk, however they are committed to taking risk in full awareness of the potential

implications of those risks and in the knowledge that a robust plan is to be implemented to manage them.

7. By having a risk management framework this does not mean that mistakes and losses will not occur. Effective risk management means that unacceptable risks are highlighted, allowing appropriate action to be taken minimising the risk of potential loss. The principle is simple, but this relies upon a number of individuals acting in unity, applying the same methodology to reach a soundly based conclusion. However, it is recognised that risk management is judgemental, and is not infallible.

RISK FINANCING

8. Risk Financing is a process to determine the optimal balance between retaining and transferring risk within an organisation. It also addresses the financial management of retained risk and may best be defined as money consumed in losses, funded either from internal reserves (such as the Insurance Fund) or from the purchase of insurance (such as the catastrophe cover provided by Zurich Municipal).

9. Leicester City Council's strategy for Risk Financing is to maintain an insurance fund and only externally insure for catastrophe cover etc. The Council's strategy is to review the balance between external/internal cover on an annual basis in the light of market conditions and claims experience.

RISK MANAGEMENT PROCESS

10. There are four main steps in the risk management process. These stages are covered in greater detail in the Risk Management Toolkit which is available to all managers and staff via the Intranet:-
    - Identify - Management identify risks through discussion as a group, or discussion with their staff. The Risk Management team are available to support this process either by attending risk 'workshops' or delivering risk identification and mitigation training to managers and their business teams in advance of their sessions;
    - Analyse - Management assess the likelihood of such risks occurring and the impact on the Council. Once again, the Risk Management team are available to support management and their business teams in this process;
    - Manage - Management determine the best way to manage the risk e.g. terminate, treat, transfer or tolerate (see 13 below and the Risk Management Toolkit for more detail);
    - Review - Management ensure identified risks are regularly reviewed. This will normally be managed by means of a Risk Register (see sections 14 – 21 below for more detail).

11. The Strategic and Operational objectives of the Council provide the starting point for the management of risk. Managers should not think about risk in the abstract, but consider events that might effect the Council's achievement of its objectives. Strategic risks linked to the Strategic Objectives and Operational risks linked to Service plans need (as a minimum) to be identified and monitored. This is done by the effective use of Risk Registers.

12. Risk Management is driven both top down and bottom up, to ensure risks are appropriately considered. To do this, all managers need to encourage participation in the process, through regular discussions/review with their staff. The Risk Management process seeks to work with and support the business and **not** add a layer of bureaucracy.

MANAGE THE RISKS

13. Management should determine how identified risks are to be dealt with – commonly known as the four T's:-
    - "Terminate" or avoid the activity or circumstance that gives rise to the risk e.g. stop doing something or find a different way of doing it;
    - "Treat" the risk e.g. take actions to reduce the likelihood that the risk event will materialise or controlling the consequences if it does;
    - "Transfer" the risk e.g. pass the risk to another party through insurance or by contracting it out. This reduces the impact if a risk event occurs. Note that business and reputation risks cannot be transferred;
    - "Tolerate" the risk. By taking an informed decision to retain risks, monitor situation and bear losses out of normal operating costs. Typically this method will be used when the cost of treating the risk is more than the cost arising should the risk occur.

REVIEWING THE RISKS

14. It is important that those risks that have been identified as needing action are subject to periodic review, to assess whether the risk of an event or occurrence still remains acceptable. If not, appropriate action(s) should be determined and noted. The frequency of reviews to be decided by management, depending on the type and value of the risks identified (see also 21 below). Currently at LCC, the significant Strategic and Operational Risks are reviewed on a quarterly basis.

RISK EXPOSURE AND TRACKING

15. After evaluating the measures already in existence to mitigate and control risk, there may still be some remaining exposure to risk (often called residual risk). It is important to stress that such exposure is not necessarily wrong, what is important is that the Council knows what its key business risks are, what controls are in place and what the potential impact of any remaining risk exposure is. It is also important that the Council can demonstrate that risk management actions (the controls identified by managers as being needed) in the operational and service areas are implemented.

16. Operational risks should continue to be logged and monitored using the operational risk registers (until the risk module on Performance+ is available). It is the responsibility of each Divisional Director to ensure that operational risks are recorded and monitored via a risk register. The Risk Management team have a pro-forma risk register that is now used by all business areas. These registers and the risks identified are now aligned to the new operating structure. Each Divisional Director should review the risk registers of their direct reports. This review is currently carried out at least quarterly at an SMT prior to identifying which of these risks are considered significant enough to be reported to the Operational Board by means of their Divisional Risk Register (DRR), and confirmation of this will be sought by RMIS at the time of the Risk Register updates

17. These most significant divisional risks identified by the operational services areas feed into the Council's Operational Risk Register which is managed by the Operational Board (the group of divisional directors chaired by the Chief Operating Officer). The Operational Board is accountable for ensuring that all operational risks are identified against service delivery objectives; that plans are implemented to control those exposures; and that key risks are included within individual service plans.

18. The Operational Risk Register is also populated with significant operational risks arising from the Financial Risk Register, the HR Risk Register and the Assurance and Democratic Services Risk Register.

19. For Strategic risks each of the Priority Boards has created and are managing and monitoring a Priority Board Risk Register for the risks which affect achievement of their strategic programmes. The most significant of these identified risks, along with risks identified by the Finance; Human Resources; Communications; Change and Programme Management; and the Corporate Governance Strategic Risk Registers, that may threaten the Council's overall strategic aims, form the Council's Strategic Risk Register which is reviewed by the Strategic Management Board. Responsibility for these risks rests with each Strategic Director.

20. The Risk Management team will facilitate and support this process and will continue to maintain the Operational and Strategic Risk Registers, using the input from each Divisional Director's operational risk register and the Strategic Risk Registers. These registers will be reported periodically to the Strategic Management Board and the Audit and Risk Committee. The Risk Management Department will also progress, chase and challenge individual service area submissions. As part of this process, bespoke training needs may be identified and the Risk Management team will provide ongoing training and support.

21. All risks, both operational and strategic, identified will need to be tracked and monitored by regular, periodic reviews (quarterly to continue until the process matures) of the risk registers. This will ensure that:-
    - Changes in risks are identified for action;
    - There is an effective audit trail;
    - The necessary information for ongoing monitoring and reports exists.

PARTNERSHIP RISK

22. It is recognised that Partnership Working is a key area where associated risk needs to be identified and controlled. Best practice states that local authorities must meet two key responsibilities for each partnership they have. They must:-

    - Provide assurance that the risks associated with working in partnership with another organisation have been identified and prioritised and are appropriately managed;
    - Ensure that the partnership has effective risk management procedures in place.

23. To help mitigate the risks associated with partnership working the Corporate Risk Manager has developed a guidance tool to identify where the risks lie (i.e. with the Council or our partners) which recommends a generic partnership risk register for use in all Council partnerships. This will be rolled out by the Partnership Executive Team, leading to the Council being able to establish a register of partnership arrangements recording the key elements of those agreements. This register will identify committed Council resources in terms of Officer time, finance, activities and liabilities. Governance, delivery and performance measures also need to be clarified and understood.

RISK MANAGEMENT TRAINING

24. Risk workshops have been held to explain the risk management methodology to many Senior Officers and are currently being rolled out to all staff and to Members. An annual programme of training has now been developed covering risk, insurance and business continuity and contingency planning. However, Directors and Managers should still identify staff that need risk management training through the staff appraisal process and the jobs specification process for any new staff. Appropriate training will be provided by the Risk Management and Insurance Services Department, within the financial resources available.

REVIEW OF RISK MANAGEMENT STRATEGY AND POLICY

25. This Risk Management Strategy and the Policy Statement (Appendix 2) are intended to assist in the development/integration of risk management from now until March 2012. All such documents and processes will be subject to periodic review. The next planned review to occur in December 2011. This will allow the process to be aligned to the Council's financial year end.

RISK MANAGEMENT AT LCC

26. More robust risk management processes need to be applied to all our activities during the next 12 months (and beyond). To achieve this we need to identify our priority exposures, address these, incorporate appropriate risk management strategies and risk improvements into our service delivery in line with the 'One Leicester' Priorities, monitoring and reviewing emerging risk to account for changes in our operations and to enable us to make well-informed decisions. Risk must be considered as an integral part of service planning, performance management, financial planning and strategic policy-making processes. The cultural perception of risk management has to continue to change from a 'have-to-do' to a 'want-to-do'.

27. The Corporate Risk Manager will continue to maintain a central copy of both Strategic and Operational Risk Registers, as well as facilitating the maintenance of each of the operational service areas, Corporate Governance and Financial Management Group's individual risk registers. Using these registers and the outputs from the Operational Board a programme of 'process audits' to be undertaken, that will test the maturity and embeddings of the risk strategy in the business areas, will be created by the Corporate Risk Manager and the Head of Internal Audit – subject to the financial resources available.

28. The management of risk should be included in job descriptions for all operational service area managers with responsibility and accountability for risks and be included in every director/manager's objectives and performance appraisal. Directors and managers should also ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation of risk related issues. Risk management is most successful when it is explicitly linked to operational performance.

Appendix 4 – Risk Management Strategy 2011 – Action Plan

Action	Responsible Officer	Target Date(s)
Following the launch to the business by the Partnership Executive Team of the Partnership Working Guidance, establish arrangements for ensuring that each partnership is supported in managing risk and provides assurance to Council.	Corporate Risk Manager	June 2011
Each Operational Service area's key operational risks reviewed and new significant risks or opportunities fed into the Operational Risk register on a quarterly basis. This will include a review of the appropriateness and effectiveness of the mitigating actions/controls. These key risks to be informed by Divisional, Service areas and project risk registers. Any operational risks identified by the Operational Board that may threaten the Council's overall strategic aims should be referred for inclusion on the Strategic Risk Register.	Operational Board (complete) Corporate Risk Manager (facilitate and challenge)	Every 31 January 30 April 31 July 31 October
Each Priority Board will continue to manage and monitor a strategic risk register for the risks which affect achievement of their strategic programmes. The most significant of these identified risks will be reported within the Council's Strategic Risk Register which will be reviewed by SMB.	Strategic Directors responsible for Priority Boards	Every 31 January 30 April 31 July 31 October
Updates of Strategic and Operational Risk Registers should be reported to the Audit and Risk Committee.	Corporate Risk Manager (produce) Operational/Strategic Boards (approve)	At least every 30 April and 31 October
Launch to the business areas the revised scoring of risk using the '5x5' grid – Appendix 5 – Risk Rating Schedule	Corporate Risk Manager	30 April 2010
Continue with the targeted training delivery plan based upon recent experience of operational involvement in risk activity; the outcomes of specific risk audits; recent insurance events; and, key financial risks being identified by the Operational/Strategic Risk Register process.	Corporate Risk Manager	Plan to be published by 31 January 2011 Programme to be delivered by 31 December 2011

Action	Responsible Officer	Target Date(s)
Include risk management in staff induction/refresher training and the appraisal process, where this has not yet been incorporated.	City Learning Divisional Directors	New Staff – when they commence duty Existing Staff – by 31 March Annually
Continue to develop project risk assessments, as appropriate and in line with the principles of Prince2, where these do not exist. Develop a quality based risk assurance process for projects.	Head of Portfolio Management Corporate Risk Manager Internal Audit Manager	Quarterly Reviews in February May August November
Achieve an integrated risk function with clear linkages to internal audit providing a single point at which the completion of the annual statement on corporate governance can be co-ordinated.	Corporate Risk Manager Internal Audit Manager	31 August 2010
Develop and deliver a Business Continuity Management Strategy for the Council. This should align to BS25999 and comply with the statutory duties within the Civil Contingencies Act 2004. This should also align with the Local Resilience Forum Emergency Plans.	Corporate Risk Manager Chief Operating Officer	31 December 2010 (Strategy) 31 December 2011 (Plan)

Appendix 5 – Risk Rating Schedule

Impact Categories

	IMPACT	SCORE	BENCHMARK EFFECTS
CRITERIA	**CRITICAL/ CATASTROPHIC**	**5**	• Multiple deaths of employees or those in the Council's care • Inability to function effectively, Council-wide • Will lead to resignation of Chief Executive and/or Leader of the Council • Corporate Manslaughter charges • Service delivery has to be taken over by Central Government • Front page news story in National Press (e.g. Baby P) • Financial loss over £10m
	MAJOR	**4**	• Suspicious death in Council's care • Major disruption to Council's critical services for more than 48hrs (e.g. major ICT failure) • Noticeable impact in achieving strategic objectives • Will lead to resignation of Strategic Director and/ or Cabinet Member • Adverse coverage in National Press/Front page news locally • Financial loss £5m - £10m
	MODERATE	**3**	• Serious Injury to employees or those in the Council's care • Disruption to one critical Council Service for more than 48hrs • Will lead to resignation of Divisional Director/ Project Director • Adverse coverage in local press • Financial loss £1m - £5m
	MINOR	**2**	• Minor Injury to employees or those in the Council's care • Manageable disruption to internal services • Disciplinary action against employee • Financial loss £100k to £1m
	INSIGNIFICANT/ NEGLIGIBLE	**1**	• Day-to-day operational problems • Financial loss less than £100k

Probability Factors

LIKELIHOOD	SCORE	EXPECTED FREQUENCY
ALMOST CERTAIN	**5**	Reasonable to expect that the event WILL undoubtedly happen/recur, possibly frequently.
PROBABLE/LIKELY	**4**	Event is **MORE THAN LIKELY** to occur. Will probably happen/recur, but it is not a persisting issue.
POSSIBLE	**3**	**LITTLE LIKELIHOOD** of event occurring. It might happen or recur occasionally.
UNLIKELY	**2**	Event **NOT EXPECTED.** Do not expect it to happen/recur, but it is possible it may do so**.**
VERY UNLIKELY/RARE	**1**	**EXCEPTIONAL** event. This will probably never happen/recur.

Overall Risk-Rating

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
	High Risk	IMMEDIATE MANAGEMENT ACTION
	Medium Risk	Plan for CHANGE
	Low Risk	Continue to MANAGE

LIKELIHOOD (A)					
Almost Certain 5	5	10	15	20	25
Probable /Likely 4	4	8	12	16	20
Possible 3	3	6	9	12	15
Unlikely 2	2	4	6	8	10
Very unlikely/ Rare 1	1	2	3	4	5
	Insignificant / Negligible 1	Minor 2	Moderate 3	Major 4	Critical/ Catastrophic 5
	IMPACT (B)				

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Appendix L

WARDS AFFECTED:

Cabinet **17 January 2011**
Audit and Risk Committee **9 February 2011**

BUSINESS CONTINUITY MANAGEMENT STRATEGY

Report of the Chief Finance Officer

1. Purpose of the Report

1.1 To seek the agreement and support of Strategic Management Board and Cabinet for the first Business Continuity Management Policy Statement and Business Continuity Management Strategy as contained in this report.

2. Recommendations

2.1 The Committee is recommended to:-

2.1.1 Approve the 2011 Corporate Business Continuity Management (BCM) Policy Statement at Appendix 1. This sets out your attitude to BCM and the approach to the challenges and opportunities facing the Council;

2.1.2 Approve the Business Continuity Management Strategy (BCMS) 2011 at Appendix 2;

2.1.3 Approve the 'high level' Action Plan detailing the actions arising from this paper necessary to integrate an acceptable Business Continuity culture within the Council. Appendix 3 – Business Continuity Management Strategy – Action Plan 2011.

2.1.4 Agree that a programme should be developed that covers:

- Establishment and embeddedness of a BCMS (PLAN);
- Implementation of the BCM plans across all Divisions (DO);
- Establish a system of internal audit reviews; BSI Assessments; and self-assessments by business managers and the BCM Co-Ordinator (CHECK);
- Establish a mechanism to continually maintain and improve on an ongoing basis the plans, identifying both preventative and corrective actions (ACT).

3. Summary

3.1 At its meeting of 26 October 2010 this Committee approved the development of a Business Continuity Management Strategy and Policy for the Council. Strategy and Policy documents are needed to move the Council further into line with accepted best practice and the current British Standard.

3.2 The Council currently has a set of high level, Corporate Business Continuity Plans (BCPs). These have started to influence continuity thinking in the organisation but have not changed appreciably since they were devised four years ago. Nonetheless, they have survived the acid test of being deployed in real, live situations. They now need development within an overall framework for contingency planning.

3.3 The Council's initial BCP sought to define the most critical activities; get plans written for them; and, crucially, put in place a structure to manage an incident and the recovery from it with Directors co-opted into key roles. Further development now needs Business Impact Analyses – a full and systematic evaluation of critical services and their dependencies; threat assessments; supplier resilience; and, communications strategies.

3.4 Additionally**,** fresh arrangements for the Council's Emergency Management function have also highlighted the need for a clear BCM strategy which integrates with emergency planning arrangements.

3.5 There is a British Standard for BCM (BS25999) along with additional responsibilities for BCM placed upon Local Authorities by the Civil Contingencies Act (2004) and the Corporate Risk Manager, supported by an assessor from the British Standards Institute, have assessed how much LCC need to do to align to these requirements. This suggests that a significant amount of work is still required.

4. <u>Report</u>

4.1 BCM is no longer just about dealing with the big impact, low probability events. It should be an essential enabler of organisational resilience as part of 'business as usual', thanks primarily to its focus on identifying and protecting the most critical parts of an organisation.

4.2 BCM is cross-functional by its nature. The BCM manager should have, primarily, a programme management and facilitator role with the plans to ensure continuity of the business being owned by the areas of the organisation that need to protect service delivery. As the process matures within a business then the role of the BCM manager will move toward being a policy setting, governance and quality assurance activity.

4.3 The Council's BCM needs to be consistent with the British Standard (BS25999) and ensure that BC responsibilities within the Civil Contingencies Act (2004) are being met.

4.4 Following work done, the Council now has a definitive base from which to build and will allow a programme to be constructed to move toward alignment with the principles of the Standard. This programme and its action plan forms the basis of the Council's first Business Continuity Management Strategy presented here. It should be noted that the Action Plan is a 'high level' plan that will need to be underpinned by several more detailed plans for each area.

4.5 Business Continuity is essential for LCC for the following key reasons:

- **Statutory Duty –** The CCA requires the Council, as a Category 1 responder, to be able to exercise our functions in the event of an emergency as far as reasonably practicable; and,
- **Commercial 'best practice'** - By planning now rather than waiting for an event to happen, the Council can get back to normal business in the shortest possible time. This is essential to those who rely on the Council's services and it helps the community retain their confidence in us. It also reduces the potential for financial loss when an event does happen.

4.6 Key to delivering this is an appreciation of what BCM actually is: the Business Continuity Plan is one of the outputs of this management process.

4.7 Further benefits of having a clear, unambiguous and appropriately resourced Business Continuity policy and programme include:

- **Resilience -** Proactively improves your resilience when faced with the disruption of your ability to achieve key objectives;
- **Reputation -** Helps protect and enhance the Council's reputation;
- **Business improvement –** Gives a clear understanding of the entire organization which can identify opportunities for improvement;
- **Compliance -** Demonstrates that applicable laws and regulations are being observed;
- **Cost Savings -** Creates opportunities to reduce the cost of business continuity management and may reduce insurance premiums;
- **Delivery -** Provides a rehearsed method of restoring our ability to supply critical services to an agreed level and timeframe following a disruption;
- **Management -** Delivers a proven capability for managing a disruption.

4.8 The Standard recommends a BCM Champion at Board/Executive level, hopefully, to ensure the correct level of importance is given to the BCM programme within the organisation. This 'role' has been accepted by the Chief Operating Officer. This 'role' needs support from a Programme Co-ordinator, which is the position that the

Corporate Risk Manager fulfils. The foundations for recovery are, therefore, in place.

4.9 In order to apply an appropriate Business Continuity strategy the Council's processes have to be fully documented - identify its critical activities, resources, duties, obligations; identify its threats and risks and set its overall risk appetite – hence the facilitation role sits comfortably within Risk Management. Poorly managed incidents also leave the Council and its officers exposed to insurance claims, which is also a function managed by Risk Management. Only once this process is completed properly can a Business Continuity Strategy be fully implemented.

4.10 The accepted 'best practice' methodology for gaining this initial understanding is by means of a Business Impact Analysis (BIA). These will identify how long the Council can survive without a service in the event of an incident. They will identify a 'time window' in which services need to be recovered and help to direct (what potentially will be scarce resources) to the most critical service areas – those that need to be back up and running in hours not days. They effectively timetable the Council's recovery plan.

4.11 A BIA should be completed by management of each service/business area. They will need assistance, challenge and guidance from support service functions - primarily ICT, Risk Management, Health and Safety, Human Resources and Strategic Asset Management. They will identify critical staff members, as well as minimum numbers of staff and assets needed to run their services in emergency mode, until full service can be restored. They will also identify and prioritise the individual elements within a critical service area.

4.12 If a BIA is done properly then LCC will have a clear prioritisation plan, meaning that in the event of a serious incident affecting several critical activities, much time will not be wasted in deciding the order in which services should be recovered first.

4.13 A further development required is incident response structure which will also need to be integrated with the Emergency Management incident response structure, which itself is also under review.

4.14 Finally, development is required in testing and updating of the plan. Once implemented, the BCM programme needs to be managed in a continuous cycle of improvement if it is to be effective. This means that formal and regular exercise, maintenance, audit and self-assessment of the BCM **culture** is essential. The first formal exercise to test LCC's plan was earlier this year, with previous 'testing' being carried out at 'live' incidents. This needs properly formalising and managing.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 **Financial Implications**

There are no financial implications of any note.

5.2 **Legal Implications**

There are no legal implications of any note.

5.3 **Climate Change Implications**

There are no climate change implications of any note.

6. Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Equal Opportunities	No	
Policy	Yes	Appendix
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. Report Author

Tony Edeson - Corporate Risk Manager - 29 7465

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

Appendix 1 - The Council's Business Continuity Management Policy Statement 2011

This Policy sets the direction for Business Continuity Management at Leicester City Council.

Disruptive events do occur and are usually unexpected. It might be an external event such as severe weather, utility failure or pandemic flu, or an internal incident such as ICT failure, loss of a major supplier or loss of a key building.

By planning *now* rather than waiting for it to happen, we can get back to normal business in the quickest possible time. This is essential to those who rely on the Council's services and it helps our community retain its confidence in us. Planning ahead means there is less muddling through, more support for staff handling the situation and reduced potential for financial loss.

In a disruptive situation it will not be possible to run all Council services in the usual way. While all services are important, priority for recovery will be given to those which have been determined to be the most essential, the business-critical activities, and this is where resources will be directed first.

This enables us to fulfil our duties under the Civil Contingencies Act 2004. The Council has had plans in place for some time and is now bringing its arrangements into line with the principles of the British Standard for business continuity, BS25999.

Following the BS25999 programme improves understanding of critical assets and processes. Central to the work are preparations to mitigate the impact of disruptive events and recover faster from them. This can be as valuable as a plan or document.

All services and all staff have responsibilities for making sure the Council continues to operate through any crisis. The Business Continuity Strategy outlines these within the overall framework for our approach.

Sheila Lock **Cllr. Veejay Patel**

Appendix 2 - The Council's Business Continuity Management Strategy 2011

1. Definition

Business Continuity Management (BCM) is not simply about writing a plan, or even a set of plans. It is a comprehensive management process that systematically analyses the organisation, identifies threats, and builds capabilities to respond to them.

Although the immediate response to a disruption (emergency or crisis management) is a key component, business continuity is more concerned with maintenance and recovery of business functions following a disruption.

2. Scope

BCM is a cross-functional, organisation-wide activity; accordingly the arrangements in this strategy apply to all services within the council, every staff member and all resources and business processes. It also necessarily includes suppliers, service partners and outsourced services.

The initial focus of the BCM programme will be on the Council's most critical activities – once identified – but will extend to cover planning for all services in due course.

3. Requirements & Standards

In addition to making sound business sense for any organisation, the Civil Contingencies Act 2004 requires the Council, as a Category 1 responder to:

- Maintain plans to ensure that it can continue to exercise its functions in the event of an emergency so far as is reasonably practicable;
- Assess both internal and external risks;
- Have a clear procedure for invoking business continuity plans;
- Exercise plans and arrange training to those who implement them;
- Review plans and keep them up to date; and
- To advise and assist local businesses & organisations with their BCM arrangements.

BCM arrangements are effective only if specifically built for the organisation. The Council's programme is aligned with the principles of BS25999. It is reinforced by reference to the Business Continuity Institute's (BCI) Good Practice Guidelines.

4. Methodology

The ultimate aim is to embed Business Continuity Management within the Council's culture. Training and education is an ongoing task but awareness and capability are also a product of the structures put in place and the way we manage our programme. Key stages are:

- ***Understanding our organisation:*** Intelligent, in-depth information-gathering. Understanding activities, dependencies (internal & external)

and the impact of disruption on each service. Captured in a formal Business Impact Analysis. Threats are risk assessed at this stage.

- ***Determining appropriate Business Continuity Strategy:*** Making decisions based on analysis of data gathered. Setting recovery time objectives for services and determining resources required.
- ***Developing and implementing a response:*** The Business Continuity Plan which pulls together the organisation's response to a disruption. Enables resumption of business units according to agreed corporate priorities. Provides strategies for use by response teams.
- ***Exercising, maintaining and reviewing:*** Testing plans, ensuring they keep pace with organisational change and are audited against defined standards.

5. Invoking the Business Continuity Plan

The Corporate Business Continuity Plan is triggered by serious situations such as:

- Serious danger to lives and/or the welfare of Council staff, Members, visitors, or in the community;
- Major disruption of Council services, or interruption of any of its business-critical activities;
- Serious loss or damage to key assets;
- Serious impact on the Council's financial status or political stability; or
- Emergency situation in Leicester, or wider.

6. BCM in the community

The Council will participate in appropriate practitioner groups and work with partner agencies to promote BCM in the community and will advise and assist local organisations with their BCM arrangements.

7. Principles, Responsibilities & Minimum standards

Cabinet

- Approve the Business Continuity Strategy.

Audit and Risk Committee

- Ensure that the Business Continuity Strategy is produced, approved by Cabinet and updated regularly; and,
- Monitor effectiveness of BCM arrangements via reports from the CRM.

Strategic and Operational Directors

- Ensure the BCM policy, strategy and development plan is enforced and resourced appropriately;
- Participate as required in management teams with the Corporate BCP;
- Embed BCM culture into the ethos of operational management; and,
- Ensure appropriate levels of staff sit on Recovery teams in the BCP.

BCM Champion

- During an incident, lead the Council's BCM response.

Corporate Risk Manager

- Overall responsibility for co-ordinating the BCM programme;
- During an incident, co-ordinate the Council's BCM response;
- Following an incident, facilitate the 'lessons learned' session;
- Produce the Corporate BCP framework and key strategies;

- Make available best practice tools (eg templates);
- Chair the Corporate Business Continuity Management Team;
- Identify training needs and arrange delivery;
- Support and advise services;
- Arrange testing and exercising of the Corporate BCP;
- Quality control – review BCM arrangements for services; and,
- Lead on the duty to promote BCM in the community.

All staff

- Familiarisation with business continuity arrangements within their area;
- Engage with testing and exercising; and,
- Respond positively during a crisis situation.

All service managers

- Undertake a Business Impact Assessment annually;
- Prepare a recovery plan covering critical functions, update at least annually;
- Test arrangements at least annually; and,
- Implement the agreed arrangements in the event of a disruption.

8. Specific Roles in the Corporate Business Continuity Plan

Once the Corporate BCP has been triggered, the management and recovery teams have operational control of the situation and are authorised to take all decisions necessary.

The BCP sets out the detail. The following teams are subject to change as the BCM Programme develops, but currently are as follows:

Business Continuity Management Team

- Comprised principally of Directors. Manages and directs the Council's response to a serious incident.

Directors BCP Group

- Comprised principally of Directors. Leads on communications, workforce-related matters and directs non critical services.

Recovery Teams

- Comprised principally of Heads of Service. Collective responsibility for resumption of critical services within their ambit.

9. Value of BCM

The wider value of BCM is acknowledged as being 'no longer for big impact, low probability physical events' and 'becoming an essential enabler of organisational resilience as part of business as usual'. (BCI Good Practice Guidelines 2010).

Appendix 3– Business Continuity Management Strategy – Action Plan 2011/2012

Action	Responsible Officer	Target Date(s)
Complete urgent interim work to review and revise LCC's critical activities and key ICT systems.	Corporate Risk Manager	March 2011
Complete Business Impact Analyses covering all activities and areas of the Council.	Corporate Risk Manager	December 2011
Create effective, workable incident response structure for LCC.	Corporate Risk Manager Emergency Planning Manager	March 2011
Production of a new Business Continuity Plan for the Council (note – this is likely to be one central plan supported by several individual service plans, held and controlled within Divisional teams).	Corporate Risk Manager Divisional Directors Strategic Directors	December 2012
Establish formal and recorded programme of testing for the Council's BCPs.	Corporate Risk Manager	December 2012
Establish formal and recorded programme of updates for the Council's BCPs.	Corporate Risk Manager	December 2012
Establish a quality control process to enable BCM arrangements for services/divisions to be subject to regular review.	Corporate Risk Manager	December 2011
Create and deliver formal programme of training and awareness sessions on BCM.	Corporate Risk Manager	December 2011

Action	Responsible Officer	Target Date(s)
Develop a plan to promote BCM in the community, advising and assisting local organisations with their BCM arrangements.	Corporate Risk Manager	December 2011
Develop a plan to promote BCM to LCC key suppliers and partners, advising and assisting them with their BCM arrangements.	Corporate Risk Manager	December 2011
Participate in local BCM Practitioner Groups, sharing best practice ideas and working together with other practitioners to enable LCC'c BCM responses to be more effective and offer better VFM.	Corporate Risk Manager	December 2010

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Appendix M

WARDS AFFECTED

All Wards

CABINET **17th JANUARY 2011**
COUNCIL **27th JANUARY 2011**

COUNCIL TAX - TAXBASE

REPORT OF THE CHIEF FINANCIAL OFFICER

1.0 PURPOSE AND SUMMARY OF REPORT

1.1 The City Council is required to set a "taxbase" by 31st January 2011 for the purpose of setting its Council Tax. This is, in effect, the number of properties in the City on which council tax is charged. It also enables the police and fire authorities to set their precepts. This report details the recommended taxbase for the financial year 2011/2012.

2.0 RECOMMENDATIONS

2.1 The Cabinet is recommended to endorse a taxbase for 2011/2012 of 78,982 properties expressed as the equivalent number of "Band D" properties.

2.2 The Council is recommended to agree a taxbase for 2011/2012 of 78,982 properties expressed as the equivalent number of "Band D" properties.

3.0 REPORT

3.1 For Council Tax purposes, all properties are put into one of eight bands (A to H) by the Valuation Office Agency, an executive agency of HM Revenues and Customs. The occupiers of Band A properties pay the lowest Council Tax while those in Band H properties pay the highest.

3.2 The taxbase is the number of properties in the City on which Council Tax is charged but expressed as if all properties were in Band D. As most properties in Leicester are in Bands A or B the number of Band D equivalent properties is less than the actual number of properties in the City.

3.3 Appendix 1 to the report details how the properties are converted to Band D equivalents. The appendix also details how the Band D equivalent figure is reduced to take account of changes in the taxbase after it has been set (e.g. in the number of discounts and exemptions awarded) and the anticipated collection rate. The taxbase is not reduced in respect of council tax benefit granted to taxpayers on low income (because council tax benefit does not reduce the amount of council tax due on a property – it simply means that part of the sum due is paid by the government).

3.4 The Cabinet is asked to note that there is only one element of policy choice in the setting of the taxbase, which is the adjustment provision we make for non-payment and for in-year changes to the tax base.

3.5 Collection performance has been improving considerably in recent years. Furthermore, Leicester has seen continual growth in new building, which has resulted in increased council tax yields during the course of each of the recent years. This has, however, been offset by increases in exemptions granted during the year. This had allowed the adjustment provision to be reduced to 2.0% but was increased slightly to 2.25% for 2010/11 to reflect the uncertainty on collection rates due to the recession. Given the collection fund surplus reported elsewhere, it is suggested that 2.25% is currently about right.

3.6 I remain of the view that, in the longer term, 1.75% is probably the level of provision required in an environment when the property numbers are stable and the economy is normal.

3.7 The outcome is a taxbase for the setting of the Council Tax of 78,982. This is an increase from 2010/11 (78,799) of 183 and is mainly due to an overall increase in the numbers of properties in Leicester.

3.8 A separate report on today's Cabinet agenda reports the estimated surpluses on the collection fund for 2010/2011. These arise from collection rates that have exceeded the provision made in respect of years prior to 2010/11 and to in-year increases in the amount of the tax due arising from new properties being built. This is offset by late reductions in bills due to new eligibility to discounts and exemptions.

4 FINANCIAL, LEGAL AND OTHER IMPLICATIONS

Financial and Legal Implications

4.1 The Council Tax Base for the year 2011/12 must be calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations, 1992 as amended by the Local Authorities (Calculation of Council Tax Base)(Amendment) Regulations, 2003 made under Section 33(5) of the Local Government Act 1992.

4.2 The report details the taxbase on which the Council Tax for the City Council is charged. The taxbase also determines the proportion of the levy charged to the City Council from the Environment Agency as well as the precept to the Police Authority and the Combined Fire Authority. The taxbase has a direct effect on the level of Council Tax levied for 2011/2012.

4.3 As this report affects the level of Council Tax in 2011/12, Section 106 of the Local Government Finance Act 1992 applies. Where a member is at least two months in arrear in payment of their Council Tax, the member must not vote on any report that relates directly to the setting of the Council Tax.

4.4 There are no additional legal implications.

Climate Change Implications

4.5 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)

4.6 **Other Implications**

Other Implications	**YES/NO**
Equal Opportunities	**YES**
Policy	**NO**
Sustainable and Environmental	**NO**
Crime and Disorder	**NO**
Human Rights Act	**NO**
Elderly People / People on Low Income	**NO**
Corporate Parenting	**NO**
Health Inequalities Impact	**NO**

5. BACKGROUND PAPERS: (LOCAL GOVERNMENT ACCESS TO INFORMATION ACT) 1985

Local Government Finance Act 1992.
Local Authorities (Calculation of Taxbase) Regulations 1992 as amended.
Return to the Department of Communities and Local Government
- October 2010 - CTB.

6. REPORT AUTHOR

Alan Lemmon
Quality and Performance Manager
Revenues and Benefits,

Extn. 38 5102

7. DECISION STATUS

Key Decision	Yes
Reason	Provides key element of information required in the annual budget cycle
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)

12th November 2010

COUNCIL TAX – TAXBASE

APPENDIX

DESCRIPTION/BAND	*Band A and entitled to Disabled Relief*	*A*	*B*	*C*	*D*	*E*	*F*	*G*	*H*	*TOTAL*
Dwellings in the Valuation List		75,672	24,366	14,998	6,462	3,030	1,371	604	59	**126,562**
Net adjustment for Disabled Reduction and Demolished	177	-13	-28	-77	-14	-14	-11	0	-20	**0**
TOTAL NUMBER OF PROPERTIES	177	75,659	24,338	14,921	6,448	3,016	1,360	604	39	**126,562**
Full Charge	140	37,256	14,873	10,003	4,336	2,318	1,083	461	21	**70,491**
Discount - 10%	0	637	297	130	86	24	8	6	1	1,189
Discount - 25%	34	33,226	7,380	3,466	1,236	465	194	81	3	46,085
Discount - 50%	3	85	28	31	21	27	33	41	11	280
Exempt	0	4,455	1,760	1,291	769	182	42	15	3	8,517
TOTAL NUMBER OF PROPERTIES	177	75,659	24,338	14,921	6,448	3,016	1,360	604	39	**126,562**
Total Equivalent Properties	167.00	62,791.30	20,689.30	12,735.00	5,350.90	2,701.85	1,252.20	547.65	29.65	106,264.85
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D Equivalent	92.8	41,860.9	16,091.7	11,330.0	5,350.9	3,202.3	1,808.7	912.8	59.3	**80,799.3**
Less Provision (2.25%)										**1,817.3**
Taxbase										**78,982.0**

10% Discount - Unoccupied but furnished property.
25% Discount - Mainly dwellings occupied by one person.
50% Discount - Mainly hostels or dwellings solely occupied by people severely mentally impaired.
Exempt - Mainly dwellings occupied solely by students or property empty for up to 6 months.

Appendix N

WARDS AFFECTED
All wards

CABINET **17th January 2011**

COLLECTION FUND SURPLUSES

REPORT OF THE CHIEF FINANCE OFFICER

1. Purpose of Report

1.1 The purpose of this report is to identify the estimated financial position of the Collection Fund Account as at 31 March 2011. Calculating the estimated surplus, or deficit, for this Account is a statutory requirement because the figure needs to be taken into account during the Council Tax setting process.

1.2 This report seeks the approval of the Cabinet to the estimated surplus figures and the amounts payable to the relevant authorities.

2. Summary

2.1 There is a statutory requirement for the Council to maintain a separate Collection Fund account. This Account contains the transactions of the Council in relation to collection of Non-Domestic Rates and Council Tax, and the distribution of the income received to the Government, the Police Authority, the Fire Authority and the authority's own General Fund.

2.2 By January each year, the authority has to estimate the surplus or deficit for the Collection Fund Account at the end of the financial year. The authority is also required to notify the Police Authority and Fire Authority of the estimate as it is entitled to receive a share of any surpluses or deficits in respect of Council Tax.

2.3 The authority's own share of the collection fund surplus can contribute to the following year's budget.

3. Recommendations

3.1 The Cabinet is recommended to: -

a) Approve the estimated collection fund surplus figure of £107K and

b) Approve the estimated shares payable to the Police Authority, Fire Authority and the City Council as follows:

Precepting Authority	£'000
City share	90
Police share	13
Fire share	4
Total	**107**

4. Report

4.1 Background – The Collection Fund Account

4.1.1 It is a statutory requirement for billing authorities to establish and maintain a Collection Fund for the receiving and distribution of amounts due in respect of Council Tax and Non Domestic Rates (NNDR).

4.1.2 The transactions of the Collection Fund are wholly prescribed by legislation. Billing authorities have no discretion to determine which receipts and payments are accounted for within or outside of the Collection Fund.

4.2 Estimated Surplus 2010/11

4.2.1 The collection fund surplus for 2010/2011 is estimated as £107,000: -

4.3 How Surpluses and Deficits Arise

4.3.1 The surpluses on the collection fund arise from Council Tax only. Any business rates collected are handed over in their entirety to central government.

4.4 Council Tax Surpluses

4.4.1 Council Tax surpluses arise for a variety of reasons. One reason is that the collection performance for the current and (principally) earlier years is exceeding the estimate made when the original budget was set. New properties also result in additional tax revenues.

4.4.2 Surpluses are, however, offset by changes in the sums due, specifically changes in exemptions. There have been some fairly significant retrospective reductions in sums due, mainly as a result of an increasing number of properties occupied solely by students.

4.4.3 The taxbase for any given year does not stop changing at the end of that year. Indeed, movement continues to be seen in many earlier years, often due to re-banding changes for individual properties after the year-end. These earlier year changes also affect the levels of surplus.

4.5 Council Tax Collection Performance.

4.5.1 The in year collection rate for Council Tax (i.e. the amount collected within the year of charge) has generally increased year on year as shown in the table below:

Table 1 – In year Collection Rate for Council Tax

Year	In year Collection Rate %
2002/2003	92.0
2003/2004	90.2
2004/2005	92.3
2005/2006	93.8
2006/2007	95.4
2007/2008	95.7
2008/2009	96.0
2009/2010	96.3

4.5.2 Collection for the current year is similar to that last year and it is anticipated that the in year collection rate will be 96.5%.

4.5.3 Our in-year collection performance is again increasing. As a deprived, urban authority, we will never collect as much as more affluent districts. Our collection rate does, however, now exceed the average of metropolitan authorities.

5. Financial, Legal and Other Implications

5.1 **Financial Implications**
This report is concerned solely with financial issues.

5.2 **Legal Implications**
As this report concerns the setting of next year's budget, S106 of the Local Government Finance Act applies to members in arrears of Council Tax.

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)

5.4 **Other Implications**

Other implications	**Yes / No**
Equal Opportunities	No
Policy	No
Sustainable and Environmental	No
Crime and Disorder	No
Human Rights Act	No
Elderly People / People on Low Income	No
Corporate Parenting	No
Health Inequalities Impact	No

6. Risk Assessment Matrix

Risk	Likelihood	Severity Impact L/M/H	Control Actions (If necessary/appropriate
Estimated Surpluses	L	H	Robust monitoring procedures.

7. Background papers

7.1 Local Government Act 1972.
7.2 Various collection fund directions made under the 1988 Act.
7.3 Department of Communities and Local Government – Statistical Release dated 22nd June 2010 – Collection Rates for Council Tax and Non Domestic Rates 2009-10.

8. Report Author

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Alan Lemmon
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Revenues and Benefits
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9. Decision Status

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

Date: 01 December 2010