

Leicester
City Council

Democratic and Civic
Support
Town Hall
Town Hall Square
Leicester
LE1 9BG

11 March 2014

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 20 MARCH 2014 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

Monitoring Officer

AGENDA

- 1. LORD MAYOR'S ANNOUNCEMENTS**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES OF PREVIOUS MEETING**
- 4. PETITIONS**
 - Presented by Councillors
 - Presented by Members of the Public
- 5. QUESTIONS**
 - From Members of the Public
 - From Councillors

6. MATTERS RESERVED TO COUNCIL

- 6.1 Pay Policy Statement 2014/15
- 6.2 Capital Programme 2014/15

7. EXECUTIVE AND COMMITTEES

To note any changes to the Executive and to fill any vacancies of any Committee of the Council.

8. NOTICES OF MOTION

Proposed by Councillor Clarke, seconded by Councillor Sood:

Leicester City Council recognises the plight of asylum seekers forced to flee their home countries due to conflict and persecution. Many arrive in the UK after having been threatened, detained, beaten or tortured.

An adult seeking protection in this country who has no other source of support will receive just over £5 a day to pay for food, clothing, toiletries and travel (accommodation and utilities are paid for separately for those who have nowhere to live). They are not allowed to work to support themselves. If their claims are refused by the Home Office, they lose all support and are left destitute and street homeless.

In the last six months of 2013 the British Red Cross Leicester Refugee Support Services have carried out 1,659 actions (e.g. the issuing of food parcels, sleeping bags) to support 325 destitute asylum seekers in Leicester. Of these 108 were new cases and it is likely that this reflects the impact of welfare reforms in general and has resulted in a reduction in community capacity to continue to support such persons. Leicester City Council is concerned about such destitution and its impact on local communities.

Leicester is a welcoming and inclusive city and wants to join those local authorities (Liverpool, Bristol, Sheffield, Oxford, Glasgow, Leeds and Bradford) petitioning the Home Secretary to relieve the suffering of people seeking sanctuary and especially those people who have yet to be granted leave to remain in the UK.

Leicester City Council approves the following actions:

1. Write on behalf of Leicester City Council to the Minister of State for Immigration questioning Government policies that force asylum seekers into destitution; expressing concern over the low level of support available to asylum seekers; seeking a change of policy to allow local authorities to assist refused asylum seekers who are in danger of falling into destitution; asking that

such asylum seekers should be able to work to support themselves if they have been waiting for more than 6 months for their cases to be resolved; and demanding that local authorities should be permitted to provide emergency provision to refused asylum seekers as to other homeless people.

2. Ask Leicester's MPs to support the spirit of this motion, to raise the matter in the House of Commons, and to support a change in current laws regarding asylum applications by removing restrictions on local authorities in the support they can provide to destitute asylum seekers.

3. Leicester City Council officers to produce a report summarising existing support for asylum seekers available in Leicester including housing, training, education, and legal advice open to vulnerable asylum applicants.

4. Leicester City Council to join the national campaign "Still Human, Still Here" (a coalition of 60 organisations, including several city councils, the Church of England and Catholic Archbishop Conferences, Crisis, Oxfam, and the Red Cross, who are proposing practical solutions to ending the destitution of refused asylum seekers in the UK.)

5. Leicester City Council to seek further support for this motion and action via the Local Government Association and by encouraging other Councils in the UK to join us on this issue."

9. ANY OTHER URGENT BUSINESS

Please Note:

The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. If you wish to film proceedings at a meeting please let us know as far in advance as you can so that it can be considered by the Chair of the meeting who has the responsibility to ensure that the key principles set out below are adhered to at the meeting.

Key Principles. In recording or reporting on proceedings you are asked:

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

Thursday, 20 March 2014

20 March 2014

MATTERS RESERVED TO COUNCIL

6.1 PAY POLICY STATEMENT 2014/15

A copy of the report is attached.

The Council is recommended to approve the Council's Pay Policy Statement for 2014/15.

6.2 CAPITAL PROGRAMME 2014/15

A copy of the report is attached.

The Council is recommended to approve a Capital Programme 2014/15, subject to any amendments recommended by the City Mayor.

**Sir Peter Soulsby
City Mayor**

Executive Report

Pay Policy Statement 2014/15

Decision to be taken by: Full Council on 20th March, 2014

Lead director: Miranda Cannon



City Mayor

Useful information

- Ward(s) affected: None
- Report author: Miranda Cannon, Director of Delivery, Communications and Political Governance
- Author contact details: 37 0102
- Report version number: 1

1. Summary:

Section 38 of the Localism Act 2011 places a requirement on all local authorities to prepare and publish a Pay Policy Statement for each financial year from 2012/13 onwards in order to achieve public accountability, transparency and fairness in the setting of local pay. The Statement must be approved by Full Council and published by 1 April each year.

This report seeks approval of the Council's Pay Policy Statement for 2014/15.

2. Recommendations:

That Council approves the Pay Policy Statement 2014/15.

That Employees Committee will continue to act on behalf of Full Council as the Remuneration Committee in relation to matters concerning policy on senior pay, and will specifically consider any salary packages in excess of £100,000 and any severance packages in excess of £100,000.

3. Supporting information including options considered:

The Pay Policy Statement is required to focus on the pay of senior staff and to set this in the context of the pay of the wider workforce. The Statement must cover the Council's approach to a number of elements of pay for senior staff including salary scales, any performance related pay, bonuses or additional elements of pay, termination payments and approach to pensions. Similar information must be included in relation to the wider workforce and the remuneration of the lowest paid employees must be specified. The form of the statement is, therefore, laid down to a large degree.

After approval by Full Council in March each year, the Pay Policy Statement must be published on the Council's website for public scrutiny. The intention is to ensure that Members consider how they pay their senior staff and can justify their policy on senior pay in the light of potential public scrutiny. The Statement for 2014/15 is the third to be published by the Council.

The Council's Pay Policy Statements, for 2012/13 and 2013/14, contained details of the outcomes of the review of senior management which was undertaken in 2012. Now that the revised senior management structure has been in place for a significant period of time, reference to the details of the review has not been included in the Pay Policy Statement for 2014/15. Additionally, reference to the Mayoral model has been amended to reflect that the model is now 'business as usual'. Information about the

review and reference to the Mayoral model remains available on the Council's website via the Pay Policy Statements for 2012/13 and 2013/14.

The Pay Policy Statement for 2014/15 has been updated to include relevant information about Public Health staff from the PCT following the transfer in April 2013. It also includes information on the post of the Director of Adult Social Care, Health and Housing, and the current interim arrangements for the post of Strategic Director of Education and Children's Services and any subsequent appointments that have been, or are due to be made.

At its meeting in March 2013, Full Council approved the continued use of the Employees Committee as a Remuneration Committee in the context of consideration of matters concerning policy on senior pay. This is reflected in the 2014/15 Policy Statement.

The 2014/15 Policy Statement also reiterates the decision to raise the Council's minimum wage to the 'Living Wage' which was recently increased to £7.65 per hour.

4. Details of Scrutiny

The document is essentially a statement of existing policy. The 2012/13 and 2013/14 Pay Policy Statements were approved by Full Council and remain available for public scrutiny on the Council's website.

5. Financial, Legal and Other Implications

5.1 Financial Implications

The Pay Policy Statement sets out the framework for the Council's employees' pay with a particular focus on senior staff (Head of Paid Service and Directors) in the context of the wider workforce. There are no new financial implications arising from this report, the funding of pay having been considered as part of the 2014/15 budget.

Jon King
Accountant
Ext: 374043

5.2 Legal Implications

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. This document must set out the Council's approach to the remuneration of chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of chief officers and employees who are not chief officers. In preparing a Pay Policy Statement local authorities must have regard to any guidance issued or approved by the Secretary of State. Guidance was issued by the Department for Communities and Local Government initially in November 2011 and supplementary guidance was issued in February 2013. Each year's Pay Policy Statement must be approved by Full Council before it comes into force.

Paul Atreides
Principal Solicitor, Employment Law
Ext: 29 6368

Reviewed by Hayley McDade on 18th February 2014
Solicitor
Legal Services
Ext: 37 1431

5.3 Climate Change and Carbon Reduction Implications

No climate change implications.

5.4 Equality Impact Assessment

No equality impact assessment has been carried out on the Pay Policy Statement itself as it is a statement of existing policy. It is planned to conduct an equal pay audit during 2014/15.

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

No other implications.

6. Background information and other papers:

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'

'Localism Act: Pay Policy Statements – Guidance for Local Authority Chief Executives'

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act – Supplementary Guidance'

7. Summary of appendices:

Proposed Pay Policy Statement 2014/15

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

No.

9. Is this a “key decision”?

No.

Leicester City Council

Pay Policy Statement 2014/15

1.0. Introduction and Purpose

- 1.1 Section 38(1) of the Localism Act 2011 requires all local authorities in England and Wales to produce and publish a Pay Policy Statement for each financial year from 2012/13 onwards. Leicester City Council published its initial Pay Policy Statement on 1st April 2012. The principle behind this requirement is to increase transparency and accountability in local approaches to public sector pay, particularly in respect of senior staff by enabling public scrutiny.
- 1.2 As specified in the Act, this requirement does not extend to schools and therefore, the Statement does not include school based employees.
- 1.3 Leicester City Council's Pay Policy Statement is set out in accordance with the mandatory requirements of the Localism Act and also takes account of The Code of 'Recommended Practice for Local Authorities on Data Transparency' and the supplementary guidance issued in February 2013 . It sets out information on the council's Pay and Conditions of Service for its chief officers and the wider workforce.
- 1.4 The Pay Policy will enable communities to access the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. In addition, it will ensure that policies on pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.
- 1.5 The Pay Policy Statement is approved by the authority's Full Council and is published on the Council's website so that members of the local community have access to it.
- 1.6 The Act recognises that each local authority has the right to determine its own policy towards pay in order to address local priorities, the local market place and its own economic circumstances. However the requirement for the Pay Policy Statement to be approved by Full Council, and encouragement to councils to set up Remuneration Committees to oversee pay policy, involve councillors having a significant role in determining pay. At Leicester City Council, decisions on terms and conditions are made by Employees Committee or the Executive. The Employees Committee serves as the Remuneration Committee.

Context

- 2.1 Leicester City Council is a unitary authority serving the largest city in the East Midlands region with a population of 329,839¹. The Council spends around £1 billion each year. It is the largest employer in the city with a current total workforce of 11,550 full time equivalents and a headcount of 15,860. The Council operates under a Mayoral model of governance.
- 2.2 The Council provides a comprehensive set of local authority services to the population of the city encompassing schools, social services, environmental services, highways, economic regeneration, planning, libraries, museums, revenues and benefits, housing, parks and open spaces amongst others.
- 2.3 Due to the effect of Government cutbacks, plans have been made to reduce spending by £85m per year between 2010/11 and 2014/15. It is forecast that a further £60m per year will be required by 2017/18. The continued cutbacks have led to 163 redundancies in the last financial year and will lead to further redundancies in 2014/15 and beyond as organisational reviews take place to ensure the Council's services are aligned to the needs of the local community.
- 2.4 In 2013/14, the Council became responsible for the delivery of public health services. Some new responsibilities are mandatory, whilst others are to be applied in response to local need. In practice, the Council has wide discretion to discharge its duties as it sees fit. To enable the Council to deliver its responsibilities, a ring-fenced grant of £22m will be received in 2014/15. In April 2013, responsibility for public health commissioning and promotion transferred from Primary Care Trusts (PCTs) to local authorities. The statutory transfer placed a new duty on local authorities to promote the health of their population and as a result, 24 Public Health staff transferred to the Council. Those colleagues continue to be employed on NHS terms and conditions which differ to those of the Council. For this reason some or all of this pay policy statement may not apply to those public health staff whose pay may fall under the definition of chief officer.
- 2.5 Following the senior management review in 2012, the new structure and reduced pay bands have been successfully embedded. There are now 1 Chief Operating Officer, 3 Strategic Director and 16 Divisional Director posts in the revised senior management structure. The pay protection arrangements in place during 2013/14 expired in January 2014.
- 2.6 A key requirement of the Act is to set senior pay in the context of pay of the wider workforce, and specifically its lowest paid staff. The pay of most staff covered by this Pay Policy is governed primarily by a pay structure and associated terms and conditions of service which were implemented in March 2011 for all staff covered by the National Joint Council for Local Government Services (c12,173 staff by headcount).

2.7

¹ Source: Office of National Statistics Census 2011

3 Scope and Definitions

3.1 This Pay Policy Statement covers all Leicester City Council employees except those employed in schools, apprentices and casual workers.

3.2 The Statement includes policies on:

- a) The level and elements of remuneration for Chief Officers
- b) The remuneration of lowest paid employees
- c) The relationship between the remuneration of Chief Officers and other officers
- d) Other aspects of Chief Officer remuneration

3.3 Remuneration in the context of the Localism Act is defined widely to include salary, bonuses, performance related pay, allowances, fees, benefits in kind and contractual arrangements relating to any possible future severance payments.

3.4 The definition of Chief Officer includes Head of Paid Service*, Strategic Directors and Divisional Directors.

*The Council no longer has a post of Chief Executive but is still legally required to have a Head of Paid Service.

3.5 The Council's senior management structure is made up of the following posts:

- Head of Paid Service x 1
- Strategic Director x 3
- Divisional Director x 16

The current senior management structure can be found here <http://www.leicester.gov.uk/your-council-services/council-and-democracy/senior-management-team/>.

3.6 The policy for each group is set out in the following sections.

4 Senior Pay

4.1 Head of Paid Service

Under the Mayoral Model, the Council retains a statutory role of Head of Paid Service. The salary range for this post is £123,231 - £127,485 pa (two incremental points) which reflects the reduced scope and size of the responsibilities under this model compared with those of the former Chief Executive role for which the salary range was £147,737 - £189,102. There are no additional performance, bonus or ex gratia payments applicable to this role.

The pay protection arrangements for the post of Head of Paid Service expired in January 2014.

4.2 Strategic and Divisional Directors

In 2012, there was a review of Strategic and Divisional Directors pay which resulted in a reduction of the maxima of the salary ranges as shown in the table below. At the time of updating this statement the pay scale for Chief Officers remains the same as 2013/14.

| Post | Current | Previous |
|-----------------------------|----------------|-----------------|
| Strategic Directors | £110,484 | £110,484 |
| | £114,735 | £114,735 |
| | £118,983 | £118,983 |
| Divisional Directors | £76,725 | £76,725 |
| | £79,674 | £79,674 |
| | £82,626 | £82,626 |
| | £85,575 | £85,575 |

The two year-pay protection arrangement previously in place for some Strategic and Divisional Directors expired in January 2014 and this has resulted in a significant reduction in pay for these Directors.

The post of Strategic Director, Adult Social Care, Health and Housing previously covered on a secondment basis has now been recruited to, whilst the post of Strategic Director, Children's Services is currently being covered under an interim arrangement. There are currently 1 Strategic and 2 Divisional Director posts vacant and recruitment to these posts is currently underway.

Appendix 1 details each Chief Officer's substantive salary range and current salary.

The conditions of service for Strategic and Divisional Directors are in accordance with the Joint Negotiating Committee for Chief Officers Agreement and the local terms and conditions which apply to other staff. Directors do not receive performance related pay, bonuses, benefits in kind or any other additional payments. Those who so wish may have access to workplace car parking at a cost of £870 pa, deducted through a salary sacrifice arrangement, this arrangement is also in place for the wider workforce.

Officers at this level are expected to work those hours necessary to fulfil their duties without additional pay. They receive no additional payments for overtime, standby etc.

4.3 Placing on Grades and Incremental Progression

Appointments to both Strategic and Divisional Director grades are normally made on the minimum point of the salary range, unless an appointee is already on a higher salary in which case placing on the grade will reflect this. The only other factor normally taken into account is market forces where necessary. However, market supplements above the grade of the post are not normally awarded at this level. Decisions on placement within the grade are normally taken by the most senior manager involved in the selection process, who may consult the relevant Assistant Mayor if required.

Progression through the grade is by one increment on 1st April each year, subject to satisfactory performance, until the maximum of the grade is reached.

4.4 Fees

The only Chief Officer who receives fees is the Returning Officer who receives payment in line with the guidelines supplied by the Electoral Commission. The Returning Officer is the Director of Delivery, Communications and Political Governance.

4.5 Termination Payments

The Council's policy on termination payments is the same for all staff.

Redundancy payments are based on the number of weeks' pay staff are entitled to in accordance with statute, with reference to their age and length of service, using an actual week's pay. The Council does not pay enhanced redundancy payments for any staff under the Discretionary Payments Regulations.

In terms of early retirement, the Council's normal position is not to top up pension benefits but it will consider requests to do so on a case by case basis. This approach applies to all staff – there are no special arrangements for senior staff. However, the Council reserves the right to enter into settlement agreements for staff in exceptional circumstances.

Where the cost of redundancy pay plus the capital cost associated with the early release of pension is £60k or more, early retirement is subject to approval by the Head of Paid Service and the Director of Delivery, Communications and Political Governance in consultation with the City Mayor.

The Council has provisions for flexible retirement and for early retirement on compassionate grounds where the employee needs to provide care for a family member for two years or more. The Council does not award additional membership under Regulation 12.

4.6 Comparison of Senior Pay with Similar Authorities

Geographically, the nearest unitary councils are Derby, Nottingham and Coventry City Councils. A comparison of Leicester's chief officers salary ranges against the salary ranges for similar posts in these authorities is shown in the table below. It should be noted that actual posts and structures vary between authorities and none of these other City Councils is a Mayoral authority. For this reason no comparative salaries are included for Head of Paid Service (as the other Councils have a Chief Executive).

| Authority | Top tier – Strategic Directors | Second tier – Divisional Directors |
|-------------------|---|---|
| Leicester | £110,484 - £118,983 | £76,725 - £85,575 |
| Nottingham | £120,000 - £144,653 | £66,765 - £89,017 |
| Derby | £108,084 - £118,890 | £67,689 - £79,983 |
| Coventry | £90,462 - £124,295 | |

The comparison table shows that Leicester has a lower maximum salary for both tiers than Nottingham and Coventry. At present, due to the ongoing insecurity of employment caused by public sector cut-backs, this may not prove a major issue in terms of retention. However, in light of the expiration of pay protection for those staff previously in receipt of this, retention may now become an issue in some cases. Much will depend on the state of the employment market for senior roles and the nature of the role occupied.

4.7 Value for Money

One of the key issues underlying the requirement to produce a Pay Policy Statement is consideration of whether senior pay levels represent value for money. What do officers provide in return for these levels of remuneration?

Leicester is a large unitary authority spending over £1 billion each year. It has a workforce of 15,860 headcount, (full time equivalent 11,550 in total and a headcount of 7778 / 6306 full time equivalent non-school staff). Both Strategic and Divisional Directors have significant responsibilities for the delivery of the services under their control using the workforces and budgets they are responsible for. They advise the City Mayor and elected members on council decisions and on the future direction of the authority, guide major projects, plan and deliver a wide range of council services, are responsible for the effective performance of their service area, lead on complex changes, make tough day to day decisions on 'doing more with less' in an extremely challenging economic environment of cut-backs and commission services from others.

Most are responsible for large numbers of staff or manage highly complex technical areas with smaller staff complements. The numbers of staff managed are included in Appendix 1. Some senior roles hold statutory responsibilities, such as the Head of Paid Service, Section 151 Officer role (in

charge of the council's finances) and the Monitoring Officer role, or responsibilities for safeguarding vulnerable adults or children.

Strategic Directors, with the City Mayor and the Executive, are responsible for setting out a strategic vision for the way forward for the service areas under their control and providing clear leadership to the organisation. Strategic Directors also provide effective management for their departments. Some senior roles focus around partnership working and relationship management with external partners to integrate strategy, maximise effective use of resources or to facilitate or deliver shared agenda.

Strategic Directors are responsible for overseeing large departments and Divisional Directors manage the divisions within departments. The size of budgets varies according to the nature of the service. Details of divisional budgets are attached at Appendix 2.

The job descriptions for all these roles are available at <http://www.leicester.gov.uk/PayPolicyandDirectorsJD> . The management competencies for Divisional Directors are set out in Appendix 3.

5 The Wider Workforce

- 5.1 Senior pay needs to be set in the context of the pay policy in relation to the rest of the workforce. The Council's current pay structure for all staff covered by the National Joint Council for Local Government Services and the Joint Negotiating Committee for Local Authorities Craft and Associated Employees results from a pay and grading review which was implemented in March 2011, with effect from 1st July 2010. The structure, which covers the majority of non-schools staff including Heads of Service, has 15 grades – see Appendix 4. The grading of jobs is determined through job evaluation, using a scheme which is compliant in terms of equal pay for equal value principles. The top salary is £61,757 pa.
- 5.2 Each grade has four increments apart from Grade 1 which has six. Employees are normally appointed to the minimum point of the grade and progress through the grade by one increment on 1st April each year, subject to satisfactory performance, until the maximum of the grade is reached. Sometimes, for market reasons, employees are appointed above the minimum point. Accelerated increments may also be awarded for exceptional performance.
- 5.3 The lowest salary in the structure – the minimum point of Grade 1 – is £12,266 pa or £6.35 per hour. On 1 April 2013, the Council adopted the 'Living Wage' resulting in a minimum hourly rate of £7.45. This was recently increased to £7.65 which equates to an annual salary of £14,759. This is paid via a supplement to all employees on points 1 to 7 of the pay scale, a total of 1,109 by headcount (of which 579 are in schools) – approximately 7% of the total workforce.

5.4 The Council offers a wide range of training courses and post-entry qualification training to assist staff to progress in their careers. Managers are encouraged to develop career ladders linked to achieving relevant competencies, work of the relevant level and financial provision being available. The staff and management competencies developed in 2011 are attached at Appendix 3.

5.5 The following local provisions for staff remain in place for certain posts:

- Overtime payment at plain time or time and a third
- Payment at time and a third for work at night, on Saturday and on Sunday
- Payment at time and a third plus time off in lieu for work on a bank holiday
- Standby allowance of £100 per week

The above represents an overall reduction in the level of allowances previously paid enabling the new basic pay to be affordable. Full details of the relevant terms and conditions of service resulting from the pay and grading review can be found here <http://www.leicester.gov.uk/your-council-services/council-and-democracy/key-documents/conditions-of-service/>.

5.6 Market Pay

Sometimes job evaluation results in a salary range which is below the market rate for a particular role. Where managers find difficulty with recruitment and retention because of this they may put forward a business case to the Market Pay Working Group which considers both this and independent market pay data in determining whether it is appropriate to award a market supplement. Market supplements are based on lower, median or upper quartile market pay data figures (or a level between these values) depending on the evidence and are reviewed every two years.

5.7 In addition to those staff covered by the pay and conditions described above a small proportion of the non-schools workforce is covered by national pay scales for teachers, educational improvement professionals; educational psychologists, young people's/community service managers and youth and community workers.

6 Relationship of Senior Pay to the Pay of the Wider Workforce

The Hutton Report on Fair Pay recommended that local authorities should publish the ratio of top earner to the median earner in the authority (excluding schools staff and apprentices). At Leicester City Council the ratio, based on a median salary of £21,519, was 6.5:1 in 2013/14. The ratio based on top earner's salary of £127,485 to median earner's salary of £21,734 is 5.87:1 for 2014/15. The Council monitors and updates this ratio each year in its Pay Policy.

7 Pension Issues

- 7.1 All staff belonging to the Local Government Pension Scheme (LGPS) make contributions to the scheme based on their salary level as illustrated below:

| LGPS Contribution Band (with effect from 1 April 2013) | Salary Range | Contribution Rate |
|--|-------------------|-------------------|
| 1 | £0-£13,700 | 5.5% |
| 2 | >£13,701-£16,100 | 5.8% |
| 3 | >£16,101-£20,800 | 5.9% |
| 4 | >£20,801-£34,700 | 6.5% |
| 5 | >£34,701-£46,500 | 6.8% |
| 6 | >£46,501-£87,100 | 7.2% |
| 7 | More than £87,100 | 7.5% |

- 7.2 The Council makes employer's contributions to the scheme at a current rate of 18.7%.
- 7.3 The Council's approach to termination payments is set out in paragraph 4.5 and is the same for staff at all levels.
- 7.4 If a former employee in receipt of a pension rejoins the Council pension is not normally abated except where the employee has been granted added years. In this case if new earnings plus existing pension exceed previous salary, then abatement applies.

8 Disclosure

This Pay Policy Statement will be published on the Council's website. The Council already publishes details of all staff in scope of this Policy Statement paid above £58,200.

9 Review

The Pay Policy Statement will be updated annually as required by the Localism Act.

Chief Officers Salaries

| Name | Post Title |
|-----------------------------|--|
| Head of Paid Service | |
| MR ANDREW KEELING | Chief Operating Officer |
| Strategic Directors | |
| MR FRANCIS JORDAN | Strategic Director City Dev & N'Hoods |
| MS DEBORAH WATSON | Strategic Director Adult Social Care & Health |
| INTERIM AGENCY COVER | Strategic Director Childrens Services |
| Divisional Directors | |
| MR KAMAL ADATIA | City Barrister & Head of Standards |
| MS ANN BRANSON | Director of Housing |
| MS TRACY REES | Director Care Services & Commissioning |
| MRS PAMELA CRAIG | Director Information & Customer Access |
| MS RUTH LAKE | Director of Adult Social Care & Safeguard |
| MR ANDREW SMITH | Director Planning Transport & Econ Dev |
| MS MARGARET ANNE LIBRERI | Director of Learning Services |
| MRS MIRANDA CANNON | Director Delivery Comms & Political Gov |
| MS ELIZABETH BLYTH | Director Culture & Neighbourhood Serv' |
| MR ANDY SMITH | Director Childrens Soc Care & Safeguardi |
| MR MARK LLOYD | Director of Investment |
| MRS ALISON GREENHILL | Director of Finance |
| MS SARAH HARRISON | City Centre Director |
| VACANT | Director of Young People's Services |
| VACANT | Director of Environmental & Enforcement Services |
| MR RODNEY MOORE | Divisional Director of Public Health |

Appendix 1

| Salary Range | | Employees (FTE) | | Current Salary |
|--------------|---------|-----------------|---------|----------------|
| Minimum | Maximum | Central | Schools | |
| 123,231 | 127,485 | 6314 | 5245 | 127,485 |
| 110,484 | 118,983 | 1591 | | 118,983 |
| 110,144 | 110,144 | 2028 | | 110,144 |
| 110,484 | 118,983 | 1649 | 5245 | N/A |
| 79,674 | 85,575 | 78 | | 62,447 |
| 79,674 | 85,575 | 993 | | 85,575 |
| 79,674 | 85,575 | 449 | | 85,575 |
| 79,674 | 85,575 | 314 | | 85,575 |
| 79,674 | 85,575 | 561 | | 85,575 |
| 79,674 | 85,575 | 297 | | 85,575 |
| 79,674 | 85,575 | 400 | | 85,575 |
| 79,674 | 85,575 | 245 | | 85,575 |
| 79,674 | 85,575 | 423 | | 85,575 |
| 79,674 | 85,575 | 811 | | 85,575 |
| 79,674 | 85,575 | 199 | | 82,626 |
| 79,674 | 85,575 | 424 | | 82,626 |
| 63,945 | 68,853 | 2 | | 68,853 |
| 79,674 | 85,575 | 430 | | N/A |
| 79,674 | 85,575 | 661 | | N/A |
| 85,535 | 85,535 | 15 | | 85,535 |

Divisional & Departmental Budgets 2014/15

APPENDIX 2

| | £000s |
|--|------------------|
| Environmental & Enforcement Services | 26,320.1 |
| Culture & Neighbourhood Services | 15,251.2 |
| Planning, Transportation & Economic Development | 20,754.5 |
| City Centre | 485.7 |
| Property Services | 7,113.1 |
| Departmental Overheads | 855.0 |
| City Development & Neighbourhoods Total | 70,779.6 |
| | |
| Adult Social Care & Safeguarding | 65,957.4 |
| Care Services & Commissioning | 24,269.3 |
| Housing | 5,610.7 |
| City Public Health & Health Improvement | 13,453.0 |
| Public Health grant income | (21,995.0) |
| Adult Social Care & Housing | 87,295.4 |
| | |
| Young People's Support | 19,611.7 |
| Learning Services | 5,031.1 |
| Children's Social Care & Safeguarding | 36,542.9 |
| Adult Skills & Learning Service | (889.5) |
| Departmental Resources | (6,593.3) |
| Education & Children's Services | 53,702.9 |
| | |
| Delivery, Communications & Political Governance | 11,565.00 |
| Financial Services | 8,616.60 |
| Information Services | 8,237.10 |
| Legal Services | 2,048.10 |
| Corporate Resources | 30,466.80 |
| | |
| GRAND TOTAL | 242,244.7 |



Leicester City Council Staff Competencies

| | |
|--|---|
| 1. Driving Out Inequalities | 4. Having a Customer Focus |
| <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 1.1 Recognises the contribution that a diverse workforce makes to the business 1.2 Values the views and opinions of all colleagues. 1.3 Treats others fairly and with respect 1.4 Recognises and reports all forms of discrimination 1.5 Ensures that all needs of all individuals are appropriately prioritised | <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 4.1 Puts the customer at the centre of the business 4.2 Learns from own and others' experiences and from customer complaints 4.3 Presents a positive image of self and the Council 4.4 Uses plain and simple language in all situations 4.5 Communicates in ways that helps others understand 4.6 Gives customers timely and correct information |
| 2. Delivering Quality Services | 5. Joining up What We Do |
| <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 2.1 Works flexibly and adapts to accommodate the pace of change 2.2 Delivers services 'right first time' 2.3 Develops service in response to customer feedback 2.4 Contributes ideas for service improvement 2.5 Works actively to develop skills and knowledge | <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 5.1 Works collaboratively with service users, partners and colleagues 5.2 Keeps up to date with Council developments and changes to policies and procedures 5.3 Commits to supporting own manager by working to agreed objectives 5.4 Identifies opportunities for working more effectively together 5.5 Challenges traditional ways of working |
| 3. Delivering Outcomes | 6. Being Sustainable in Everything We Do |
| <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 3.1 Takes responsibility for own performance. 3.2 Understands own contribution to delivering council priorities 3.3 Demonstrates effective team working in order to achieve objectives | <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 6.1 Embraces personal environmental responsibility 6.2 Works to support carbon reduction initiatives 6.3 Actively challenges unnecessary consumption of resources |



The LCC Management Competencies

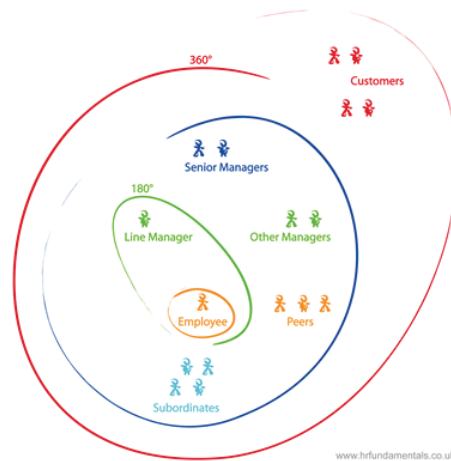
The principles applied to the Staff Competencies are also to be found in the application of the Management Competencies.

The managerial competencies are more detailed reflecting their role in the Council and their impact upon staff. These competencies are cumulative, with senior managers expected to meet competencies at their own level and below.

The general range statement on the left is further illustrated by the three different levels of management. These are indicative statements. and assessment should be made in the round.

Discretion by the reviewing manager allows him/her to bring a focus to the discussion, by concentrating on those aspects of the individual's observed performance that demand attention, rather than systematically addressing every item in the respective lists of performance criteria. This approach allows the full set of competencies to be **tailored** to each individual, whilst still applying the same framework performance standards.

Management Competencies



| Competency Framework for Leicester City Council Managers | Team Manager (All operational managers) | Head of Service (inc. Service Managers) | Divisional Director |
|--|--|---|--|
| Competency description | Performance criteria within a team | Performance criteria within a service | Performance criteria across a division |
| <p>M1 Managing people performance</p> <ul style="list-style-type: none"> • Manages individual and team performance to achieve objectives • Understands and consistently applies all HR and organisational policies and procedures • Ensures a fair, equal and consistent approach towards all people | <ul style="list-style-type: none"> • Establishes performance objectives for the team • Informs, listens, supports and motivates the team • Gives due praise and reward for good performance • Empowers others • Guides and develops team members • Supports and evaluates their learning • Responds positively to differences between team members • Challenges inadequate performance or unacceptable behaviour • Takes unpopular decisions in the interests of the organisation • Provides stimulating, lively and enthusiastic approach to work. • Manages time effectively • Delegates effectively and appropriately | <ul style="list-style-type: none"> • Promotes equality and diversity policies and contributes to equality review processes • Uses devolved authority, delegation of work and special projects to develop and motivate staff • Takes responsibility for handling more complex people problems • Guides his/her managers in handling more complex people issues • Ensures that HR policies are applied fairly and consistently • Ensures conflicts between staff are tackled appropriately • Manages his/her managers and staff effectively to maximise performance against objectives • Sets example of effective leadership to his/her team | <ul style="list-style-type: none"> • Builds an effective management team through cohesive relationships • Provides clear direction and inspiration to managers and staff to facilitate achievement of results • Engenders positive culture of responsibility and accountability • Uses power and authority fairly and equitably • Sets example of collaborative working across divisional boundaries to achieve corporate goals • Ensures corporate approach within division • Ensures effective communications within division |
| <p>M2 Delivering service excellence</p> <ul style="list-style-type: none"> • Challenges and improves ways of working in the commissioning context - Analyse, Plan, Do, Review • Plans service delivery, sets and monitors performance targets and manages risks • Manages business processes to ensure | <ul style="list-style-type: none"> • Translates Service Plans into team plans, using these to manage and monitor work • Collaborates with other services. Identifies and implements customer focused improvements. • Ensures team understands and works | <ul style="list-style-type: none"> • Contributes to divisional service plan and develops plan for own operational area. • Drives joined up working process and performance improvements • Takes ownership of service performance | <ul style="list-style-type: none"> • Provides a strategic commissioning lead • Leads service planning process, ensuring alignment to corporate and community priorities • Ensures compliance with corporate planning and budget timetable. |

| Competency Framework for Leicester City Council Managers | Team Manager (All operational managers) | Head of Service (inc. Service Managers) | Divisional Director |
|--|---|--|--|
| Competency description | Performance criteria within a team | Performance criteria within a service | Performance criteria across a division |
| efficiency and effectiveness. <ul style="list-style-type: none"> • Understands cost, time and value for money principles and practice • Sets and works to agreed budgets • Manages assets effectively • Manages information to achieve the best outcomes | to support corporate activities <ul style="list-style-type: none"> • Ensures team members capture and share information appropriately | <ul style="list-style-type: none"> • Anticipates issues and the likely impact on the service • Promotes customer-focused culture • Turns strategic goals into service and team plans • Ensures the availability of quality information to services | <ul style="list-style-type: none"> • Challenges service(s) in context of emerging/best practice • Applies value based approach to work • Sets clear and consistent priorities for division and delivery expectations • Provides strategic direction for the management of information across divisions |
| M3 Managing money and resources <ul style="list-style-type: none"> • Manages resources to optimise delivery of services • Understands, and works within LCC Financial and EMAS regulatory framework • Recognises the responsibility associated with the use of public finance • Appreciates the reasons for focussing on driving down costs | <ul style="list-style-type: none"> • Manages effectively within reduced budgets • Controls budgets and the financial implications of other resources • Understands value and cost and uses budgetary information to make good financial decisions • Evaluates costs, benefits and risks when making decisions | <ul style="list-style-type: none"> • Plans change, taking account of impact on organisation • Assesses and manages risks • Delivers service to budget • Reviews and evaluates 'whole life' costs of projects • Demonstrates commercial awareness and associated business acumen | <ul style="list-style-type: none"> • Applies financial rules and sets budget • Provides critical challenge to test financial integrity and sustainability of key projects |
| M4 Leading change <ul style="list-style-type: none"> • Leads, manages and implements sustainable change directly or through the effective use of others | <ul style="list-style-type: none"> • Promotes and implements change positively and realistically • Influences changes in others by being a role model • Understands the needs of the job • Secures co-operation from the team • Understands reactions to change and | <ul style="list-style-type: none"> • Determines priorities during period of change • Plans the change in line with organisational protocols • Ensures benefits of change are realised | <ul style="list-style-type: none"> • Leads on complex change • Champions and sponsors change • Sets a clear compelling vision and purpose for change • Demonstrates ability to lead and complete difficult and unpopular changes in the interests of the |

| Competency Framework for Leicester City Council Managers | Team Manager (All operational managers) | Head of Service (inc. Service Managers) | Divisional Director |
|--|--|---|---|
| Competency description | Performance criteria within a team | Performance criteria within a service | Performance criteria across a division |
| | <ul style="list-style-type: none"> responds with empathy. Keeps staff involved during change | | organisation, as needed |
| M5 Engaging with the community <ul style="list-style-type: none"> Actively listens, influences and works positively with colleagues, Councillors, partners, community groups and the general public to achieve the Council's objectives Makes a positive impact and gains agreement by using a variety of methods to convey information, advice or concepts | <ul style="list-style-type: none"> Communicates in a way that is easily understood by others Listens to feedback from individuals and community groups Uses appropriate ways to convey information to diverse audiences Encourages others to communicate effectively | <ul style="list-style-type: none"> Identifies and engages with hard to reach groups Engages with community leaders on matters of policy Manages within a strategic framework for community involvement ensuring appropriate resources are available | <ul style="list-style-type: none"> Balances the needs of hard to reach groups with that of the wider community Responds effectively to identified community needs within available resources Predicts future needs of the community Presents logical and well-structured arguments on complex topics to wide audiences, influencing and handling challenges confidently Ensures essential messages passed to elected members appropriately |
| M6 Develops talent <ul style="list-style-type: none"> Acquires, applies and provides guidance to others on relevant functional knowledge. Utilises expertise in others effectively Keeps up to date with changes in area of expertise and continuously develops own functional knowledge and skills | <ul style="list-style-type: none"> Provides regular supervision and appraisal Coaches effectively where appropriate Uses the full potential of staff Seeks out ways to improve own learning and that of others | <ul style="list-style-type: none"> Promotes a learning culture Ensures the practical resourcing of development across the service Actively supports all appropriate forms of development e.g. mentoring, coaching etc Demonstrates an organised commitment to developing talent | <ul style="list-style-type: none"> Champions the development of staff Seeks innovative ways to improve learning. Responsive to the development needs of hard to reach groups within the organisation Sponsors effective talent management within division |
| M7 Working with partners <ul style="list-style-type: none"> Understands, sets up and manages a | <ul style="list-style-type: none"> Supports the Council's approach and culture of partnering as a way to | <ul style="list-style-type: none"> Seeks opportunities for partnering and promotes them to management and | <ul style="list-style-type: none"> Leads on development of key partnerships where needed |

| Competency Framework for Leicester City Council Managers | Team Manager (All operational managers) | Head of Service (inc. Service Managers) | Divisional Director |
|--|--|--|---|
| Competency description | Performance criteria within a team | Performance criteria within a service | Performance criteria across a division |
| <p>variety of ways of delivering service through others, such as procurement, informal and formal partnerships, joint ventures and outsourcing</p> <ul style="list-style-type: none"> • Collaborates with external organisations to deliver mutually beneficial outcomes | <p>improve and deliver services</p> <ul style="list-style-type: none"> • Develops working relationships with partners • Contributes to development of practices that support partnership working • Promotes partnership internally | <p>others</p> <ul style="list-style-type: none"> • Manages and works collaboratively with partners to meet mutual objectives • Uses influence and authority to drive partnering activities forward. • Negotiates with partners to achieve a win/win solution • Looks for opportunities to work with other services | <ul style="list-style-type: none"> • Maintains market awareness of market and possible partnering opportunities • Maintains overview of divisional activities and the interactions with partners • Seeks strategic partnerships and exploits them to meet Council objectives. • Engages the trust and confidence of partners in the achievement of corporate priorities |
| <p>M8 Solving problems and being creative</p> <ul style="list-style-type: none"> • Takes appropriate initiatives, anticipates and resolves problems systematically by fact finding, analysis and considering options to come up with realistic and achievable solutions • Thinks laterally, using flair and imagination to develop and implement improvements • Makes informed decisions, engaging and involving others as appropriate | <ul style="list-style-type: none"> • Identifies cause, generates options and makes decisions • Encourages discussion and is open to new ways of working • Learns from mistakes • Provides feedback and encourages others to contribute ideas | <ul style="list-style-type: none"> • Breaks down complex situations into achievable components and effective solutions • Demonstrates original thinking to develop ideas • Encourages innovation and is open to ideas from all | <ul style="list-style-type: none"> • Makes difficult decisions on strategic/corporate matters and deals with implications with confidence |
| <p>M9 Strategic working and political awareness</p> <ul style="list-style-type: none"> • Develops and applies the strategic agenda of the council and/or | <ul style="list-style-type: none"> • Applies corporate governance policies • Understands and applies basics of | <ul style="list-style-type: none"> • Manages issues of trust between officers, members and partners • Thinks ahead to avoid pitfalls and | <ul style="list-style-type: none"> • Considers wider influences at all times • Manages politically sensitive situations with tact and diplomacy, responding to |

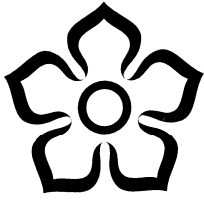
| Competency Framework for Leicester City Council Managers | Team Manager (All operational managers) | Head of Service (inc. Service Managers) | Divisional Director |
|---|--|--|--|
| Competency description | Performance criteria within a team | Performance criteria within a service | Performance criteria across a division |
| <p>service by understanding the bigger picture and through joined up working</p> <ul style="list-style-type: none"> • Understands and manages the expectations of, and is accountable to Councillors and customers • Understands the role of politics and politicians | <p>officer and member codes of conduct</p> <ul style="list-style-type: none"> • Relates to service and corporate aims of the authority • Ensures activities are within scope of responsibility of position held • Liaises in appropriate and timely ways with colleagues and elected members, to ensure shared and accurate knowledge | <p>ensure senior mgt. is kept informed</p> | <p>and supporting members</p> <ul style="list-style-type: none"> • Relates to national and local strategic drivers, using these to formulate corporate thinking • Regularly makes effective decisions that involve political considerations. |
| <p>M10 Project and programme management</p> <ul style="list-style-type: none"> • Organises own work and that of others to meet project and/or programme objectives | <ul style="list-style-type: none"> • Manages small work-based projects • Understands recommended LCC standards for small projects • Plans ahead, taking responsibility through to completion • Sets priorities and allocates tasks to team effectively • Monitors work and progress | <ul style="list-style-type: none"> • Co-ordinates multiple small work based projects and ensures their effective management • Represents service effectively on programme and project boards • Understands LCC Programme and Project Management standards and ensures these are applied in practice • Deals effectively with problems/obstacles affecting successful completion of projects • Monitors plans and prepared to change direction if needed | <ul style="list-style-type: none"> • Owns and directs medium and major programmes and projects. • Leads and chairs programme and Project Boards • Understands LCC programme and project management standards and ensures these are applied in practice. • Understands project interdependencies and their impact • Evaluates results and shares learning • Sponsors and leads service and corporate projects |
| <p>M11 Using technology</p> <ul style="list-style-type: none"> • Utilises technology for own work • Supports others in their use of technology • Harnesses the potential of technology to improve service delivery | <ul style="list-style-type: none"> • Guides and trains others on the use of all appropriate technology • Recommends the use of technology to improve service. • Ensures online information is up to date and accurate | <ul style="list-style-type: none"> • Ensures the strategic application of technology to improve the service • Sets the standard across the service for ICT usage | <ul style="list-style-type: none"> • Ensures divisional strategies are consistent with ICT standards • Ensures self and HOS are aware of ICT standards • Promotes e-government agenda in organisation |

Local Government Pay Grade Structure 2013-2014

Appendix 4

| LG Band | SCP | Annual £ |
|-------------------------------|------------|---------------------|
| 1 | 1 | 12266.00 |
| | 2 | 12435.00 |
| | 3 | 12614.00 |
| | 4 | 12915.00 |
| | 5 | 13321.00 |
| | 6 | 13725.00 |
| 2 | 7 | 14013.00 |
| | 8 | 14880.00 |
| | 9 | 15189.00 |
| | 10 | 15598.00 |
| 3 | 11 | 15882.00 |
| | 12 | 16215.00 |
| | 13 | 16604.00 |
| | 14 | 16998.00 |
| 4 | 15 | 17333.00 |
| | 16 | 17980.00 |
| | 17 | 18638.00 |
| | 18 | 19317.00 |
| 5 | 19 | 19817.00 |
| | 20 | 20400.00 |
| | 21 | 21067.00 |
| | 22 | 21734.00 |
| 6 (1 month notice) | 23 | 22443.00 |
| | 24 | 23188.00 |
| | 25 | 23945.00 |
| | 26 | 24892.00 |
| 7 (2 month notice) | 27 | 25727.00 |
| | 28 | 26539.00 |
| | 29 | 27323.00 |
| | 30 | 28127.00 |
| 8 (2 month notice) | 31 | 28922.00 |
| | 32 | 29528.00 |
| | 33 | 30311.00 |
| | 34 | 31160.00 |
| 9 (2 month notice) | 35 | 32072.00 |
| | 36 | 33128.00 |
| | 37 | 33998.00 |
| | 38 | 34894.00 |
| 10 (3 month notice) | 39 | 35784.00 |
| | 40 | 36676.00 |
| | 41 | 37578.00 |
| | 42 | 38422.00 |

| | | |
|-------------------------------|----|----------|
| 11 (3 month notice) | 43 | 39351.00 |
| | 44 | 40254.00 |
| | 45 | 41148.00 |
| | 46 | 42032.00 |
| 12 (3 month notice) | 47 | 43,102 |
| | 48 | 44,173 |
| | 49 | 45,239 |
| | 50 | 46,312 |
| 13 (3 month notice) | 51 | 47,478 |
| | 52 | 48,651 |
| | 53 | 49,814 |
| | 54 | 50,985 |
| 14 (3 month notice) | 55 | 52,263 |
| | 56 | 53,550 |
| | 57 | 54,840 |
| | 58 | 56,119 |
| 15 (3 month notice) | 59 | 57,468 |
| | 60 | 58,863 |
| | 61 | 60,294 |
| | 62 | 61,757 |



Leicester
City Council

Council

20th March 2014

Capital Programme 2014/15

Report of the Director of Finance

1. Purpose

- 1.1 The purpose of this report is to ask the Council to approve a capital programme for 2014/15.
- 1.2 The Housing Revenue Account capital programme has already been approved, but is restated in this report; additionally the report recommends that the HRA programme is subject to the same rules regarding scheme approvals and variations as the rest of the programme.

2. Summary

- 2.1 Capital expenditure is incurred on works of lasting benefit and is principally paid for by grant and the proceeds of asset sales (capital receipts). Money can also be borrowed for capital purposes, but the scope for this is limited as borrowing affects the revenue budget.
- 2.2 Traditionally, the Council has approved three year capital programmes. However, with the onset of the economic downturn in 2008 and subsequent Government spending cuts, shorter planning horizons have been adopted. The last programme (approved on 29th March, 2012) covered two years; this proposed programme is for one year, with some commitments extending into 2015/16.
- 2.3 Since the 2012/13 to 2013/14 capital programme was set, the City Mayor has approved an Economic Action Plan, which is making significant investment in the regeneration of the city. This capital programme is complementary to the Economic Action Plan, and consists almost entirely of investment in the city's neighbourhoods. A £51m programme is

proposed, including provision for elderly care, schools re-building and neighbourhood improvements. Taken together with the HRA programme, this constitutes new investment of £77m.

2.4 The capital programme is split into two parts:

- (a) “immediate starts”, being schemes which have authority to commence once Council has approved the programme. These are fully described in this report;
- (b) “policy provisions”, where the purpose of funding is defined but money will not be released until specific spending proposals have been approved by the Executive. Clearly, there is less detail about these schemes than there is about immediate starts.

2.5 This report makes proposals for new spending. Some capital expenditure will, however, be incurred in 2014/15 arising from earlier capital programme approvals; the most significant of these is an estimated £15m to be incurred on the first phase of building works to create new primary school places, and the continuation of “Building Schools for the Future” at secondary and special schools across the city.

3. **Recommendations**

3.1 The Council is asked to:

- (a) approve the capital programme described in this report and summarised at Appendix Two, subject to any amendments proposed by the Mayor;
- (b) reallocate the following resources from the previous programme, in order to use them (for the same overall purposes) in the new programme:-
 - New Primary Schools Places (£9.508m)
 - School Maintenance (£6.288m)
 - Adult Care Transformation (£4.231m);
- (c) for those schemes designated immediate starts, delegate authority to the lead director to commit expenditure, subject to the normal requirements of contract procedure rules and finance procedure rules;
- (d) delegate authority to the City Mayor to determine a plan of spending for each policy provision; and to commit expenditure up to the maximum available;
- (e) agree that any capital receipts arising from the sale of former elderly persons’ homes or (if these become available) day centres be applied for the purposes of the

corporate programme (to offset the significant cost of new investment in adult social care services);

- (f) for the purposes of finance procedure rules:
- Determine that service resources shall consist of service revenue contributions; and government grants/third party contributions ringfenced for specific purposes;
 - Designate the highways maintenance programme as a programme area within which the director can re-allocate resources to meet operational requirements;
 - Designate the following schemes as a single programme area: transport programme management, road safety schemes, local contribution to major transport schemes, improving bus services, transport network improvements and level access at bus stops.
- (g) determine that the City Mayor may increase any scheme in the programme, or add a new scheme to the programme, subject to a maximum of £10m corporate resources.
- (h) for the avoidance of doubt, determine that the City Mayor may commit funds for the Haymarket Bus Station scheme, funds for which form part of policy provisions;
- (i) determine that the City Mayor may reduce or delete any capital programme provision, subject to a maximum of 20% of scheme value for “immediate starts”; and may transfer any “policy provision” to the “immediate starts” category;
- (j) delegate to directors, in consultation with the relevant assistant mayor, authority to incur expenditure in respect of policy provisions on design and other professional fees and preparatory studies, but not any other type of expenditure;
- (k) note the Housing Revenue Account capital programme, shown at Appendix Four, which was approved by the Council in February;
- (l) agree that the recommendations above shall (where the context permits) apply to the HRA programme, and that the HRA programme shall be divided into immediate starts, policy provisions and programme areas as shown at Appendix Four.

4. **Key Policy Issues**

4.1 The key concern of capital planning is to deliver strategic objectives and meet (as far as is achievable) a level of need which considerably exceeds available resources.

4.2 A key objective of the previous capital programme was regeneration – both of the city centre and neighbourhoods. This continues to be the case. The Economic Action Plan

approved in November, 2012, provided funding of £13.5m for projects in the first phase. Funding of £26m has subsequently been made available for the second phase. Schemes in the EAP have generated substantial external funding, amounting to £22m in 2013. The principal source of this funding is ERDF grant.

- 4.3 The capital programme contained in this report is almost exclusively focussed on neighbourhood works, including £16.8m for new primary school places, £8m for elderly care and £2m for disabled facilities grants. The Housing Revenue Account programme, which was approved by Council in February, includes investment of £25m on tenants' homes and surrounding estates.
- 4.4 A major policy issue is the need to plan additional school places, which are required because of the rising birth rate. This was partially addressed in the previous capital programme, and a programme of works to create 380 reception places was approved on 2nd April, 2013 (most of this work will in fact take place in 2014/15). There remains in the current capital programme a policy provision of £9.5m, which will be "topped up" in this programme to create a £17m provision for up to 190 further reception places. Release of this money will be dependent on schemes being approved by the Executive. Additionally, Forest Lodge School will be re-built by the Department for Education under the Priority School Building Programme; additional grant of £3.9m has been received to expand the existing Kestrel Fields Primary School; and a new free school (Falcons Primary) will open in the city. The totality of this investment since 2012/13 is expected to create 700 reception places, equivalent to nearly 5000 primary places in total. The need for new places, however, is kept under continual review as population projections fluctuate. In particular, a time will come when the population bulge reaches secondary age, creating additional demand at this level. The Government has recently announced further funding for 2015/16 and 2016/17.
- 4.5 Investment in adult care is essential to maximise the independence of vulnerable people, to address the historic over reliance on residential care, and to prevent unnecessary admission and re-admission to hospital. The programme provides £1.25m to support a partnership arrangement to build a new extra care facility. £6.7m is to be set aside for the development of purpose built intermediate care facilities, funded partly from a £4.2m provision in the current programme, and partly from new monies.
- 4.6 The key objective of transport planning is to address the accessibility of the city centre to public transport, which is also connected to the rising population. A key project is to extend and develop the Haymarket Bus Station; this report recommends that £3.2m be set aside from the Government's integrated transport grant for 2014/15. Together with funding already set aside for the Economic Action Plan and £3.5m from Government "Pinch Point" funding, it is envisaged that a £13.5m scheme will be submitted for approval.
- 4.7 Investment will be required to support the Council's Spending Review Programme, which is aiming to reduce revenue spending as a consequence of Government grant cuts. A fund of

£6m was set up as part of the 2013/14 budget strategy. Consequently, such schemes are not included in the capital programme.

4.8 Additionally, there remains a need to address maintenance requirements for both operational property and the roads/footways network.

5. **Resources**

5.1 For control purposes, the Council has split resources into corporate and service resources.

5.2 Directors have authority to add schemes to the programme, provided they are funded by service resources, up to an amount of £250,000. This provides flexibility for small schemes to be added to the programme without a report to the Executive. In this programme, most resources are designated as corporate resources.

5.3 The resources available (or expected) to fund the capital programme consist primarily of government grant. Most grant is unringfenced, and the Council can spend it on any purpose it sees fit. However, some grant comes with an expectation that it will be used for the purposes of the department granting it. (For control purposes, the latter grants are treated as corporate resources).

5.4 The rest of this section describes the resources available to the Council. A full schedule of resources is shown at Appendix One.

5.5 An estimated £4.5m of uncommitted resources will be carried forward from previous programmes. This has arisen from a review of spending and resources carried out when the 2012/13 outturn was reported.

5.6 A sum of £20m of resources committed to the 2013/14 capital programme is now being used to support the 2014/15 programme. This is because the money supported schemes which have now been extended and are shown (in their entirety) in this report.

5.7 Capital receipts of £4.4m are assumed to be available to finance the capital programme. Most of this arises from forecast land sales. However, the sum also includes proceeds from the sale of the Council's shares in Leicester BSF Company 2 Ltd; and Leicester BSF Company 1 Ltd. These companies were set up to progress the PFI schemes within BSF, and the Council made an initial investment which has now been realised.

5.8 £20.0m of Government grant has been included in the resources schedule. The table below shows the grant notified for 2014/15 and compares this with 2013/14. The subsequent paragraphs provide some commentary:

| | 2013/14 | 2014/15 |
|----------------------------------|----------------|----------------|
| | <i>£000</i> | <i>£000</i> |
| Education – Basic Need | 7,338 | 7,338 |
| Education – Free School Meals | 0 | 882 |
| Education – Maintenance | 4,488 | 3,659 |
| Integrated Transport | 3,037 | 4,271 |
| Highways Capital Maintenance | 2,200 | 1,936 |
| Additional Transport Maintenance | 399 | 200 |
| Social Care | 846 | 863 |
| Disabled Facilities Grant | 847 | 867 |
| Total | 19,155 | 20,016 |

5.9 Education grants are provided by the DfE and awarded in respect of (but not ringfenced to):

- (a) “Basic Need”, for the provision of new school places;
- (b) Maintenance of existing premises.

5.10 Additionally in 2014/15, £882,000 has been provided for infrastructure required to deliver the Government’s new commitment to free school meals for 5-7 year olds.

5.11 A two year allocation amounting to £14.676m has been awarded for Basic Need for 2013/14 and 2014/15, which we have notionally split over 2 years. Additionally, we have received notification of further sums for 2015/16 and 2016/17 of £6.6m and £6.9m respectively.

5.12 Allocations for education maintenance have fallen by 18% compared to 2013/14.

5.13 Education resources exclude the Building Schools for the Future programme at secondary and special schools. Work has now started at all schools in the programme, and is expected to be complete by 2015/16 (apart from certain IT expenditure). All spending and funding for BSF is included in the 2013/14 capital programme.

5.14 Transport resources include resources intended for integrated transport, and highways capital maintenance totalling £6.2m. In addition to the main allocation for maintenance included in the preceding table, one-off funding was announced in the 2012/13 Autumn Statement amounting to £399,000 in 2013/14 and £200,000 in 2014/15. The Government has ringfenced the use of this money (unlike the majority of transport funding). This report proposes that the majority of the Integrated Transport monies are set aside for the Haymarket Bus Station improvements.

- 5.15 From 2015/16, around half the monies for integrated transport (nationally) will be paid through the new Single Local Growth Fund. SLGF monies will be paid to local enterprise partnerships.
- 5.16 The government allocates capital grant for social care, which is not ringfenced. This grant has increased from £846,000 in 2013/14 to £863,000 in 2014/15. From 2015/16, the Government plans to add this allocation to the amount available for the Better Care Fund, the use of which will need to be negotiated with the NHS.
- 5.17 Disabled Facilities Grant is ringfenced and will increase slightly to £867,000. This funding stream will also be included within the Better Care Fund from 2015/16 onwards, but the Government's latest indications suggest that they would expect to see money continue to be spent on disabled adaptations.
- 5.18 In addition to grant, a limited amount of borrowing is proposed to support the capital programme. This consists of £2m for vehicles and parks equipment, which continues the practice of previous years (borrowing being cheaper than leasing). In addition, borrowing of £300,000 has been included towards a dog kennelling scheme (see paragraph 7 below). The cost of borrowing is charged to the relevant service over the economic life of the assets purchased.

6. **Proposed Programme – Immediate Starts**

- 6.1 This section of the report describes those schemes which can commence without any further approval. The whole programme is summarised at Appendix Two.
- 6.2 This part of the programme includes £837,000 for enhancements to the new **case management system** (Liquidlogic), which is being implemented in April 2014. The system will support both adults' and children's client records. The enhancements will provide additional functionality in respect of:
- (a) implementing mobile working, which will reduce time taken travelling to bases, thereby enabling professionals to spend more time with clients;
 - (b) improving security systems, to enable data to be shared between systems;
 - (c) supporting integrated payment functions;
 - (d) supporting the assessment of self-funders, which will be required from 2015/16.
- 6.3 £1.7m is provided for **Disabled Facilities Grant**. This enables continuation of a programme to adapt the homes of disabled people, to provide them with access to essential facilities. Provision of disabled facilities grants (DFG) is a legal duty, and (when combined with a further £0.3m which has slipped from 2013/14), £1.7m provides sufficient funding to

deal with approximately 250 cases. All recipients of DFG are low income owner occupiers, or housing association tenants. There is presently a waiting list of slightly over 300 unallocated cases, which is stable. This programme is supported by £867,000 of grant provided by the Government for this purpose – from 2015/16, this grant will be transferred to the new Better Care Fund as discussed above. The implications of this for future spending are currently unclear.

- 6.4 £50,000 is being made available for **compulsory purchase of empty homes**. This enables the Council to purchase properties that have been vacant for more than 18 months, where owners are not willing or able to bring them back into use. Once purchased, empty homes are sold to purchasers on condition that they are improved and re-occupied. The sale proceeds are generally sufficient to meet the Council's cost of purchase: the £50,000 funds additional incidental costs.
- 6.5 £50,000 is provided for the **landlord insulation scheme**: this is a continuation of funding for a programme of discretionary grants to landlords, to improve the energy efficiency of privately let homes. Grants are paid on a 50:50 basis, with a maximum grant amount of £2,000 (average £1,250). Private tenants have no practical way of getting help to install insulation, and they (not the landlords) are responsible for the utility bills.
- 6.6 £100,000 is provided for the **re-payable home repair grants** scheme. This continues funding for a programme of discretionary grants to home owners on low income. Eligible works include those to deal with health hazards, and to improve properties towards the "decent homes" standard applied to the maintenance of council housing. Grants are fully re-payable on sale or transfer of ownership, but this is often many years after the initial grant. Average grants are £5,000 to £6,000 each.
- 6.7 Provision of £50,000 is made for **street scene/environmental improvements**. This provides continuation of funding for a programme of work delivered in conjunction with street wardens, at the request of environmental health officers and others. The money is used to carry out improvements such as repairing walls and fences, re-bedding coping stones, and replacing dislodged bricks. £25,000 has specifically been included to increase the funding required for alleyway improvements. The extent of work will depend on what is needed on individual streets.
- 6.8 A provision of £300,000 has been made for **allotment infrastructure**. Leicester's 2001 allotment strategy initiated an improvement programme, funded by the disposal of identified allotment land. This funding ceased in 2007, and there remains a list of outstanding works which relate to site security, footpaths and roadways within the allotment sites. Rather than continuing to patch roadways, a programme of reconstruction will eventually reduce revenue expenditure.

- 6.9 Provision of £750,000 is made for **plant and equipment in parks**. This is a routine equipment replacement programme, which is funded by prudential borrowing on the grounds that it is cheaper than leasing.
- 6.10 £405,000 is provided for **public convenience improvements**. Of this:
- (a) £210,000 will provide public toilets at Watermead Park;
 - (b) £120,000 will provide for new toilets at Evington Park; currently, the public toilets are located within the house, and are therefore only accessible when the house is open;
 - (c) A further £75,000 makes provision for improvements and essential water hygiene works at a small number of street toilets.
- 6.11 £280,000 is provided for **transport programme management**. This money will fund staff costs, air quality monitoring systems, and traffic surveys relating to developing and managing transport programmes and projects. Monitoring is essential to generate the evidence base for strategic planning, decision making, and preparation of bids for funding. The staff funded by this money manage the capital programme, prepare briefs, commission accident investigations, work with other authorities on core strategies, and help prepare bids for Government funding.
- 6.12 £270,000 is provided for **road safety schemes**, which includes the implementation of priority 20 mile per hour schemes which have identified by ward councillors.
- 6.13 £300,000 is provided as a **local contribution to major transport schemes**. This is an estimated amount, to contribute towards business case development for future major transport schemes including the A6 and A50 corridor projects. A forecast £16m will be included in the new Single Local Growth Fund for major transport schemes, and scheme business cases will need to be prepared before the money can be accessed.
- 6.14 £100,000 is provided to **improve bus services**. The bid is to design and implement minor schemes to remove “pinch points” on the highway network that significantly delay buses, and to prepare designs for larger schemes. Where possible, it would include introducing restrictions on peak time bus lanes to 24 hours per day. Funding for the larger schemes will be from a mixture of sources such as the future Single Local Growth Fund (which will be held by the Leicester and Leicestershire Enterprise Partnership), future Integrated Transport allocations and surplus bus lane enforcement monies. The design work is needed to help secure funds from the future Single Local Growth Fund and have scheme(s) ready to be funded from various sources. Potential future schemes are the A5199 corridor project for possible construction in 2015 to 2017, and the Humberstone Road Quality Bus Corridor for possible construction in 2016 to 2018.

- 6.15 £60,000 is provided for **transport network performance improvements**. This involves on-going development of the urban traffic control system to improve the efficiency of the highway and transport network. Expenditure forms a rolling programme of minor works. It will be spent on new “SCOOT” traffic control systems on the junctions of Queens Road/Victoria Park Road, Queens Road/Clarendon Park Road, Ethel Road/Wakerley Road, and Green Lane Road/Coleman Road; upgraded SCOOT regions on Welford Road and Humberstone Road; new automatic number plate recognition systems on Narborough Road; upgraded communications; and new CCTV on the junction of St. Barnabas Road/Uppingham Road.
- 6.16 It is planned to spend £170,000 on **level access at bus stops**. In total, there are 1665 bus stops in the city, and 171 still require level access to comply with the Disability Discrimination Act (for which the deadline is 2017).
- 6.17 £2m is included for **highways capital maintenance**. This is an annual planned programme of major highway maintenance works and improvements; and includes works to roads, footways, bridges, street lighting and traffic signal installations. A breakdown of the outline programme is shown at Appendix Three. Members are asked to note that the highways maintenance programme is defined as a “programme area” for the purposes of finance procedure rules, which permits the director to reallocate resources to meet operational requirements. In practice, this enables him to reallocate resources during the year to reflect progress on individual works.
- 6.18 £215,000 is provided for **flood defence and watercourse improvements**. Leicester is a national flood risk area, with over 36,000 properties at risk from flooding, and is classed as one of the top five risk areas in England and Wales. We now have a statutory duty to develop and implement a local strategy to manage flood risk. The money will be spent on a continuing programme of hydrological modelling and data collection, scheme feasibility assessment, and design and construction of flood defence projects on an area by area basis. Money is also set aside to match fund grants from the Environment Agency (river projects) and Severn Trent Water Authority (sewer improvements); and for watercourse improvements.
- 6.19 For completeness, Appendix Two includes the cost of the **Housing Revenue Account** programme which has already been approved. Full details are shown at Appendix Four. The HRA programme is almost entirely met from HRA revenue, with the exception of the new build programme which will be funded by borrowing (to be repaid from new rents).

7. **Policy Provisions**

- 7.1 This section of the report describes the policy provisions, being those parts of the capital programme for which plans will be developed and approved by the City Mayor. They are included on the spending summary at Appendix Two.
- 7.2 A provision of £8.45m has been set aside for **adult social care**. Whilst the sum is a provision, for subsequent commitment by the City Mayor based on a business case, it has been calculated with reference to the following elements:
- (a) £1.25m for additional extra care provision. This is intended to make a contribution to the cost of new self-contained flats, where care and support can be provided on site, in return for nomination rights. Similar schemes have been entered into already, where service users are nominated to schemes at Danbury Gardens and the Wolsey Building; a further development by ASRA at Abbey Mills is due to open in 2014. The City Council would need to provide land free of charge, and £1.25m would “gap fund” a scheme of approximately 50 to 70 flats (unlocking around £7m of investment in total);
 - (b) £6.7m for intermediate and short term care. This is a high level estimate of the amount required to deliver 60 intermediate care beds, replacing services currently offered in elderly persons’ homes. Intermediate care is a short term intervention, aimed at promoting independence and maintaining an individual in their own home; intervention is normally limited to 6 weeks. The replacement provision would incorporate “household” style units of en-suite bedrooms, community facilities, assessment facilities, an assistive technology suite, exercise room, and dementia friendly gardens. Of the total estimated amount, £4.2m is already available in the current programme (£1.2m of which is funded by the NHS). Additional funding required therefore amounts to £2.5m;
 - (c) £0.5m provides for any capital costs arising from the ASC transformation programme.
- 7.3 The above represents substantial additional investment in adult social care. However, the cost is expected to be offset by the sale of former elderly person’ homes (valued at approximately £1.8m); and former day care centres if these are released once consultation concludes. The receipts, some of which may be received in 2014/15, will contribute to the corporate capital programme but have not currently been anticipated.
- 7.4 £125,000 is provided for **replacement allotment infrastructure**, should this be required to accommodate a new Great Central Railway museum.
- 7.5 £400,000 is provided for **investment in play**. This is envisaged as being the first contribution to an annual rolling programme, which will create new play facilities in the City

(and compensate for services lost due to revenue budget cuts). The money will be released on the basis of a scheme by scheme business case, but it is expected that the first use will be a new water play facility at Abbey Park, utilising the old paddling pool site and surrounds.

- 7.6 £600,000 has been included for a **stray dog kennelling facility**. Local authorities have a statutory duty to seize and kennel stray dogs in their area for up to 7 days, and may then dispose of any that are not claimed by their owners. The Council employs its own dog warden to seize stray dogs, but has traditionally contracted a kennel provider to care for strays and dispose of any unclaimed dogs. In recent years, the Council has found it difficult to procure a suitable local long-term provider and costs have increased significantly. Work is taking place to investigate the provision of our own facility, which may also provide an opportunity to generate income by offering the service to other local authorities and the public. An appropriate site will need to be located. If a facility is provided, it is envisaged that 50% of the cost will be met by prudential borrowing, funded by the department (recognising that the scheme helps avoid future revenue cost). Should this strategy not be adopted, £300,000 will become available for other uses.
- 7.7 A provision of £1.25m has been made for the **vehicle replacement programme**. Like the provision for plant and equipment in parks, this is a routine replacement programme which is funded by borrowing on the basis that this is cheaper than leasing. However, fleet management is currently under review – this sum is therefore included in policy provisions rather than immediate starts, to be released when the review is complete and an optimum fleet size has been established. Should less vehicles be required than present numbers, a saving will be made.
- 7.8 £400,000 is provided for the **local environmental works** programme. This is an annual planned programme which addresses local neighbourhood issues such as residential parking, local safety schemes, pedestrian routes and crossings, shopping precincts, community lighting and lay-bys. A programme is being prepared for Executive approval, based on priorities identified through ward member consultations.
- 7.9 It is proposed that £3.245m is added to the existing policy provision for the **Economic Action Plan**. This is, essentially, a “top slice” of the Government grant allocation for local transport in 2014/15, and will be used to part fund the Haymarket Bus Station improvement scheme if this goes ahead. The remainder of the scheme cost is already available, partly from Government “Pinch Point” funding and partly from money already set aside for the Economic Action Plan. Should the scheme not go ahead, it will be released for other priority transport works.
- 7.10 A provision of £1.7m is provided for a continuing programme of **property maintenance**. This is an annual programme, and has been used in previous years to make significant reductions in asbestos and water hygiene related needs. The emphasis now is primarily on

fire risk reduction works. The money will not be spent until a programme is submitted to the Executive.

7.11 The programme adds £7.338m to the existing policy provision for **basic need**. The basic need programme is designed to increase primary school places; taken together with the existing policy provision, £16.8m will be available for the second phase of this programme. A detailed programme of works to provide up to 190 reception places will be submitted to the Executive, and the money will not be released until this is done.

7.12 Monies received for **free school meals** have been put into a separate policy provision pending a decision on what works are required to implement the Government's new commitment.

7.13 £3.6m is to be added to the existing policy provision for **schools capital maintenance**. When taken together with the current policy provision, £9.9m is now available for this work. The money will not be released until a business case has been approved by the Executive.

8. **Equality Assessment**

8.1 People across the range of protected characteristics will benefit from the improved public good presented within the 2014/15 Capital Programme. Some proposals will positively benefit specific protected characteristics:

- (a) provision of new intermediate and short term care facilities will benefit elderly (age) and disabled people with targeted support to meet their specific needs;
- (b) the provision of additional primary school places and proposed investment in play will benefit children (age) in their ongoing development and learning;
- (c) disabled facilities grants for home adaptations will improve living standards for disabled people in their homes;
- (d) the ongoing programme of level access bus stops improves access for disabled people using public transport.

9. **Sustainability Assessment (Mark Jeffcote, Environment Team)**

9.1 There are a number of existing processes in place to assess the sustainability implications of council projects.

9.2 The Council's standard project management methodology must be followed by all medium and major projects. The planning stage of the methodology requires a sustainability impact assessment. The Environment Team must be consulted directly on the assessment where the project includes:

- a substantial amount of construction;
- substantial use of transport;
- the generation of energy;

- the significant procurement of energy intensive equipment (eg. ICT); and
- a major focus on food, catering or textiles.

9.3 All executive reports require authors to contact the Environment Team for an assessment and statement of the climate change and carbon reduction implications for inclusion in the report.

9.4 The individual projects that result from the 2014-15 capital programme will therefore each receive an appropriate sustainability assessment through the above. However, also provided below is a RAG overview based on currently available information:-

| | RAG | Comment |
|---|--------|--|
| Immediate Starts | | |
| Care management system enhancements | Green | Mobile working should result in more effective trip planning and reduced mileage. |
| Disabled facilities grants | Yellow | |
| Empty homes purchase programme | Green | Housing improvements generally result in improved energy efficiency. |
| Landlord insulation scheme | Green | The project helps to improve the energy efficiency of properties rented to private tenants. |
| Repayable home repair grants | Green | The grants contribute to the provision of “decent homes” and help address health hazards for home owners on low incomes. |
| Street scene environmental improvements | Green | This programme of work improves the environment/street scene in local neighbourhoods. |
| Allotment infrastructure | Green | Improvements to allotment infrastructure promote local food growing and enhance these green spaces for people and wildlife. |
| Plant and equipment in parks | Yellow | The replacement programme should ensure that the plant and equipment purchased has minimal environmental impact during manufacture and operation. |
| Public convenience improvements | Yellow | Water and energy conservation technologies should be a consideration in these projects. |
| Transport programme management | Green | The monitoring proposed (air quality, traffic surveys) is important for the strategic work necessary to deliver a more sustainable transport system. |
| Road safety schemes | Yellow | Road safety schemes create a safer environment for walking and cycling and can therefore result in less car use. However, they can also result in reduced fuel efficiency and increased emissions. |
| Local contribution to major transport schemes | Green | The aim of the local transport plan is to promote more sustainable forms of transport and reduce congestion. However, each scheme should be assessed separately. |
| Improving bus services | Green | Improvements to the highway network for buses will increase the appeal of the bus as an alternative to the car. |
| Transport network performance improvements | Green | More efficient operation of the transport network will increase fuel efficiency and reduce emissions. |
| Level access at bus stops | Green | The provision of level access at bus stops will increase the appeal of the bus as an alternative to the car. |
| Highways maintenance programme | Yellow | A properly maintained highway will help reduce congestion, increase fuel efficiency and reduce emissions. |

| | RAG | Comment |
|--|--------|--|
| Flood defence and watercourse improvements | Green | Flood defence and watercourse improvements are necessary to ensure that the City adapts to the predicted impacts of climate change. |
| Policy Provisions | | |
| Adult Social Care | Red | The construction of new buildings will increase energy use and carbon dioxide emissions in the City. The emissions will be partly off-set through the closure of the current provision. Discussions have already commenced to ensure that the buildings are built to high environmental standards. |
| Replacement allotment infrastructure | Yellow | The protection of allotment infrastructure is important to promote local food growing and wildlife. The new Great Central Railway museum should be built to high environmental standards. |
| Investment in Play | Yellow | The rolling programme should ensure that the new play facilities purchased have minimal environmental impact. |
| Stray dog kenneling facility | Red | The construction of a new facility will increase energy use and carbon dioxide emissions in the City. The new kennelling facility should be built to high environmental standards to reduce the impact. |
| Vehicle replacement programme | Green | The vehicle replacement programme ensures that the vehicle fleet contains more fuel efficient, less polluting vehicles. |
| Local environmental works | Green | This programme of work improves the environment in local neighbourhoods. |
| Economic Action Plan | Green | Improvements to the Haymarket Bus Station will increase the appeal of the bus as an alternative to the car. |
| Property maintenance provision | Green | Fire risk reduction works will help reduce the possibility of environmental impact associated with building fire. |
| Primary school places – Basic need | Red | Increasing the size of the primary school estate will increase energy use and emissions. Primary schools make up one sixth of the council's carbon footprint. Works should be completed to high environmental standards, but also further carbon dioxide emissions reduction initiatives will be needed in primary schools during the operational phase. |
| Investment in Free School Meals | Yellow | Providing school meals uses energy and the Council needs to consider its approach from the perspective of the environmental impact. |
| School capital maintenance | Green | The schools capital maintenance programme will include improvements to insulation, heating and water and electrical systems. This will improve energy efficiency and reduce emissions. |

9.5 In conclusion, none of the provisions in the programme are considered to be particularly detrimental. The biggest impact is likely to come through the increase in the primary school estate.

9.6 It should also be noted that it is always possible to identify ways of reducing the sustainability impact of a project when the nature of the project and the delivery are considered in detail. This even applies to those projects that have been rated “green” above.

10. **Overall**

10.1 The proposed programme is over-committed by £230,000, which is not a cause for concern.

11. **Financial and Legal Implications (Mark Noble/Beena Adatia)**

11.1 This report is exclusively concerned with financial matters. With regard to the recommendations, there are no direct legal implications. There will be legal implications with regard to the individual schemes, and client officers should take early legal advice. In accordance with the Council's constitution, the capital programme requires the approval of the full Council.

11.2 The revenue implications of the proposed programme as a whole are insignificant, but members' attention is drawn to the following:

- (a) the proposed water play facility at Abbey Park is expected to result in ongoing revenue costs of £15,000 p.a.;
- (b) the intermediate care facility should help divert people away from long-term residential care or admission into hospital and thus result in revenue savings.

11.3 There are only two potential uses of borrowing in the programme. Borrowing results in a revenue cost arising from interest and debt repayment:

- (a) to finance vehicles and equipment, as a cheaper alternative to leasing (the total borrowing costs will be £0.4m per year if the full programmed amount is spent);
- (b) To finance a new dog kennelling facility on a "spend to save" basis, if this goes ahead (the total borrowing costs would be approximately £27,000 per year).

11.4 On this basis, it is considered that borrowing is affordable, sustainable and prudent.

12. **Other Implications**

| Other Implications | | |
|-------------------------------|-----|---|
| Equal Opportunities | Yes | Paragraph 8. |
| Policy | Yes | The capital programme is part of the Council's overall budget and policy framework, and makes a substantial contribution to the delivery of Council policy. |
| Sustainable and Environmental | Yes | Paragraph 9. |
| Crime and Disorder | No | |
| Human Rights Act | No | |
| Elderly/People on Low Income | Yes | A number of schemes will benefit elderly people and those on low income. |

Mark Noble
 Head of Financial Strategy
 4th March 2014

| Capital Programme 2014/15 - Resources | | APPENDIX ONE |
|---|--------|---------------------|
| | {£000} | {£000} |
| Resources B/F | | 4,500 |
| Sums already included in the 2013-14 Programme | | |
| Education Basic Need existing policy provision | 9,508 | |
| Education Maintenance - existing policy provision | 6,288 | |
| Social Care - existing policy provision | 4,231 | |
| | | 20,027 |
| Receipts | | |
| Land Sales | 2,525 | |
| Sale of Shares | 1,300 | |
| Council Housing Right to Buy | 584 | |
| | | 4,409 |
| Capital Grant - Unringfenced | | |
| Education Basic Need 2014-15 | 7,338 | |
| Investment in Infant School Meals 2014-15 | 882 | |
| Education Maintenance 2014-15 | 3,659 | |
| Integrated Transport | 4,271 | |
| Highways Capital Maintenance | 1,936 | |
| Social Care | 863 | |
| Capital Grant - Ringfenced | | |
| Disabled Facilities Grant | 867 | |
| Transport Maintenance - Additional | 200 | |
| | | 20,016 |
| Prudential borrowing (self funding) | | |
| Vehicle and Parks Equipment | | 2,000 |
| Dog Kenneling | | 300 |
| TOTAL RESOURCES | | 51,252 |
| TOTAL EXPENDITURE | | 51,482 * |
| Shortfall | | 230 |
| <i>* Note excludes HRA which is self-financed</i> | | |

| <u>Capital Programme 2014/15 - Spending</u> | | | | <u>APPENDIX TWO</u> |
|--|--------------|--------------|---------------|-------------------------------------|
| | 14/15 | 15/16 | Total | Responsible Director |
| | £000 | £000 | £000 | |
| <u>Immediate Starts</u> | | | | |
| Care Management System enhancements | 387 | 450 | 837 | Adult Social Care, Health & Housing |
| Disabled Facilities Grants | 1,700 | | 1,700 | Service Director Housing |
| Empty homes purchase programme | 50 | | 50 | Service Director Housing |
| Landlord insulation scheme | 50 | | 50 | Service Director Housing |
| Repayable home repair grants | 100 | | 100 | Service Director Housing |
| Street scene environmental improvements | 50 | | 50 | Service Director Housing |
| Allotment infrastructure | 300 | | 300 | City Development & Neighbourhoods |
| Plant and equipment in Parks | 500 | 250 | 750 | City Development & Neighbourhoods |
| Public convenience improvements | 405 | | 405 | City Development & Neighbourhoods |
| Transport programme management | 280 | | 280 | City Development & Neighbourhoods |
| Road Safety Schemes | 270 | | 270 | City Development & Neighbourhoods |
| Local contribution to major transport schemes | 100 | 200 | 300 | City Development & Neighbourhoods |
| Improving bus services | 100 | | 100 | City Development & Neighbourhoods |
| Transport Network Performance Improvements | 60 | | 60 | City Development & Neighbourhoods |
| Level access at Bus Stops | 170 | | 170 | City Development & Neighbourhoods |
| Highways Maintenance Programme | 2,000 | | 2,000 | City Development & Neighbourhoods |
| Flood Defence and Watercourse Improvements | 215 | | 215 | City Development & Neighbourhoods |
| Total Immediate Starts | 6,737 | 900 | 7,637 | |
| <u>Policy Provisions</u> | | | | |
| Adult Social Care | | | 8,450 | |
| Replacement Allotment Infrastructure | | | 125 | |
| Investment in Play | | | 400 | |
| Stray Dog Kenneling Facility | | | 600 | |
| Local Environmental Works | | | 400 | |
| Vehicle replacement programme | | | 1,250 | |
| Additional provision for the Economic Action Plan | | | 3,245 | |
| Property Maintenance Provision | | | 1,700 | |
| New Primary School Places - Basic Need | | | 16,846 | |
| Investment in Infant Free School Meals | | | 882 | |
| School Capital Maintenance | | | 9,947 | |
| Total Policy Provisions | | | 43,845 | |
| TOTAL SPEND | | | 51,482 | |
| Housing Revenue Account (memo) | | | 25,513 | |
| TOTAL - ALL CAPITAL SCHEMES | | | 76,995 | |

Proposed Highways Maintenance Programme

| <u>Description</u> | <u>Cost £000's</u> | <u>Notes/Schemes</u> |
|--|-------------------------------|---|
| Principal Roads | 250 | New Parks Way £200k; Welford Road £50k |
| Classified Non-Principal Roads | 130 | Saffron Lane £60k; Coleman Road £70k |
| Unclassified Neighbourhood Roads | 100 | Focus on local neighbourhood priorities, e.g. – Nansen Road; Tamerton Rd; Shakerdale Rd; Stokes Drive; Ibbotston Ave; Tatlow Rd; Birkenshaw Rd |
| Carriageway Patching & Resurfacing | 100 | Key Commuter Routes; e.g. Narborough Road (link to bus pinch point under railway bridge); Beaumont Leys Lane; Gipsy Lane junction with Catherine Street; Loughborough Road (Windsor Ave to Portsmouth Road) |
| Carriageway Surface Dressing Programme | 150 | Surface treatment to seal road surface following patching works in 2013/14 (approx. 30 streets) |
| Carriageway Joint Sealing Programme | 25 | Prevention of water ingress and onset of potholes (approx. 8 streets) |
| Footway Slurry Sealing Programme | 50 | Pre-patching and surface treatment to perished macadam footways |
| Concrete Carriageway Repairs | 75 | Reconstruction/replacement of failed and dangerous concrete bays: e.g. Halifax Drive; Downing Drive |

| | | |
|--|--------------|--|
| Road Hump Replacements | 50 | Reconstruction/replacement of failed block paved road humps and speed cushions: Hillsborough Road (residual works); Arbour Road; Harrison Road. |
| Footway Relays and Reconstructions | 100 | Focus on local neighbourhood priorities, e.g. footways in Knighton Ward; Thurncourt Ward; Spinney Hills Ward (St. Matthews) |
| Strategic Bridge Deck Maintenance & Replacements | 500 | Middleton Street river and canal bridges, or Highway Road bridge or Bennion Road subway (linked to cycleway scheme). Preparatory design works for Abbey Park Road bridge, etc. |
| Bridge Improvement & Maintenance Works | 200 | Parapet replacements, structural maintenance works & technical assessment review project |
| Traffic Signal Installations Renewals | 150 | Glenfield Road/Green Ring Way; Glenfrith Way/Groby Road roundabout; Braunstone Ave/Winchester Road; Welford/York; Gypsy/Harrison; Dysart/Orchardson; Welford Road/Regent Road |
| Lighting Column Replacements | 40 | Replace 50 dangerous columns |
| Vehicle Activated Signs | 10 | Ward member priorities |
| Management & Support | 70 | Strategic asset management development, data analysis and reporting |
| TOTAL | 2,000 | |

Approved Housing Revenue Account Programme

| | 2014/15 |
|---|----------------|
| | £k |
| 1. <u>Immediate Starts</u> | |
| <u>Decent Homes Programme Area:-</u> | |
| Kitchens & Bathrooms | 6,300 |
| Central Heating Boiler Replacements | 3,500 |
| Rewiring | 2,400 |
| Re-roofing | 295 |
| Structural Works/Damp Proof Courses | 400 |
| Soffits & Fascia | 500 |
| New Central Heating | 200 |
| Condensation Initiatives | 400 |
| Window & Door replacement | 250 |
| Door Entry Systems – upgrades | 350 |
| Door Entry Systems – new | 100 |
| <u>Business Investment Programme Area:-</u> | |
| E Communications for the Repairs Service (Mobile Working) | 230 |
| Technological Advancements | 100 |
| CCTV renewal | 300 |
| <u>Environmental and Improvement Works Programme Area:-</u> | |
| St Peter's Tower Block Refurbishment | 1,320 |
| Environmental Works/Communal Area Improvements | 1,028 |
| Disabled Adaptions | 1,400 |
| Supported Housing Improvements | 100 |
| LeicesterCare Alarms | 10 |
| General Safety Works | 520 |
| Fire Risk Works (Communal Works) | 400 |
| Exchange Redevelopment | 200 |
| Waylighting | 150 |
| Elevated Walkways | 250 |
| Neighbourhood Transformation | 100 |
| Playground Equipment | 50 |
| Investment in shops | 50 |
| Concrete Paths renewal | 100 |

APPENDIX FOUR

| | 2014/15 |
|--|----------------|
| | £k |
| Braunstone 3-bed to 2-bed conversion | 300 |
| Energy initiatives to ensure minimum SAP of 75 | 500 |
| Loft insulation | 150 |
| | |
| <u>Other Schemes (not programme areas) :-</u> | |
| Affordable Housing Programme | 2,210 |
| Lower Hastings Street hostel conversion | 500 |
| | |
| Total Immediate Starts | 24,663 |
| | |
| 2. <u>Policy Provisions</u> | |
| Additional environmental works | 500 |
| Match Funding for ECO (External Wall Insulation) | 350 |
| | |
| Total Policy Provisions | 850 |
| | |
| TOTAL HOUSING REVENUE ACCOUNT | 25,513 |

