



Leicester
City Council

MEETING OF THE OVERVIEW SELECT COMMITTEE

DATE: THURSDAY, 3 DECEMBER 2015

TIME: 5:30 pm

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

Members of the Committee

Councillor Singh (Chair)

Councillor Dempster (Vice-Chair)

Councillors Dr Barton, Chaplin, Cleaver, Dawood, Grant, Dr Moore, Newcombe, Patel, Porter, Senior, Shelton, Thomas and Willmott

Youth Council Representatives

To be advised

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

For Monitoring Officer

Officer contacts:

Jerry Connolly (Scrutiny Policy Officer)

Julie Harget (Democratic Support Officer),

Tel: 0116 454 6357, e-mail: julie.harget@leicester.gov.uk

Leicester City Council, Granby Wing, 3rd Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

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Further information

If you have any queries about any of the above or the business to be discussed, please contact:

Julie Harget, Democratic Support Officer on 0116 454 6357. Alternatively, email julie.harget@leicester.gov.uk, or call in at City Hall.

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

PUBLIC SESSION

AGENDA

NOTE:

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

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

3. CHAIR'S ANNOUNCEMENTS

4. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting of the Overview Select Committee held on 15 October 2015 have been circulated and the Committee will be asked to confirm them as a correct record.

5. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING

6. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE

The Monitoring Officer to report on any questions, representations or statements of case received.

7. PETITIONS

The Monitoring Officer to report on any petitions received.

8. TRACKING OF PETITIONS - MONITORING REPORT [Appendix A](#)

The Monitoring Officer submits a report that updates Members on the monitoring of outstanding petitions. The Committee is asked to note the current outstanding petitions and agree to remove those petitions marked 'Petitions Process Complete' from the report.

9. QUESTIONS FOR THE CITY MAYOR

The City Mayor will answer questions raised by members of the Overview Select Committee on issues not covered elsewhere on the agenda.

10. REPORT OF THE FINANCE TASK GROUP [Appendix B](#)

The Committee will be asked to receive the Report of the Finance Task Group which will consider the following finance reports:

- Revenue Monitoring Report Period 6, 2015-16 (Appendix B1)
- Capital Monitoring Report Period 6, 2015-16 (Appendix B2)
- Review of Treasury Management Activities 2015-16 - April to September – (Appendix B3)
- Income Collection: April to September 2015 Report (Appendix B4)

The meeting of the Finance Task Group will be held on Wednesday 25 November 2015, after the agenda is published and the minutes of that meeting will be circulated as soon as they become available.

Task Group minutes on the meeting held 25 November 2015 are now attached (Appendix B5)

11. SCRUTINY COMMISSIONS' WORK PROGRAMMES [Appendix C](#)

a) To receive and endorse the following Scoping Documents:

- 1) Primary Care Workforce Review Scoping Document (Health and Wellbeing Scrutiny Commission) (Appendix C1);
- 2) The Impact of Betting Shops on Local Communities within Leicester Review Scoping Document (Neighbourhood Services and Community Involvement Scrutiny Commission) (Appendix C2)

12. OVERVIEW SELECT COMMITTEE WORK PROGRAMME [Appendix D](#)

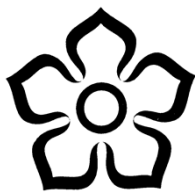
A work programme for the Overview Select Committee is attached. The Committee is asked to consider this and make comments and/or amendments as it considers necessary.

13. CORPORATE PLAN OF KEY DECISIONS

Appendix E

Members are asked to consider and comment on the Corporate Plan of Key Decisions.

14. ANY OTHER URGENT BUSINESS



Leicester
City Council

WARDS AFFECTED
All Wards - Corporate Issue

Appendix A

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Overview Select Committee

3 December 2015

Tracking of Petitions - Monitoring Report

Report of the Monitoring Officer

1. Purpose of Report

To update Members on the monitoring of outstanding petitions.

2. Recommendations

The Committee is asked to note the current outstanding petitions and to agree to remove those petitions marked 'Petition Process Complete' from the report.

3. Report

The Committee is responsible for monitoring the progress and outcomes of petitions received within the Council. An Exception Report, showing those petitions currently outstanding or for consideration at the current Overview Select Committee meeting is attached.

The Exception Report contains comments on the current progress on each of the petitions. The following colour scheme approved by the Committee is used to highlight progress and the report has now been re-arranged to list the petitions in their colour groups for ease of reference:

- **Red** – denotes those petitions for which a pro-forma has not been completed within three months of being referred to the Divisional Director.
- **Petition Process Complete** - denotes petitions for which a response pro-forma has sent to the relevant Scrutiny Commission Chair for comment, subsequently endorsed by the Lead Executive Member and the Lead Petitioner and Ward Members informed of the response to the petition.
- **Green** – denotes petitions for which officers have proposed a recommendation in response to a petition, and a response pro-forma has been sent to the relevant Scrutiny Commission Chair for comment, before being endorsed by the Lead Executive Member.

- **Amber** – denotes petitions which are progressing within the prescribed timescales, or have provided clear reasoning for why the three-month deadline for completing the response pro-forma has elapsed.

In addition, all Divisional Directors have been asked to ensure that details of **all** petitions received direct into the Council (not just those formally accepted via a Council Meeting or similar) are passed to the Monitoring Officer for logging and inclusion on this monitoring schedule.

4. Financial, Legal and Other Implications

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

5. Background Papers – Local Government Act 1972

The Council's current overall internal process for responding to petitions.

6. Consultations

Staff in all teams who are progressing outstanding petitions.

7. Report Author

Graham Carey
Democratic Services Officer
Extn. 376356

Date Petition referred to Divisional Director	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Cttee)	Lead Divisional Director	Current Position	Scrutiny Chair Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Status
28/04/2015	Mr M Lakhani	Petition requesting the Council to relieve the burden of a high commercial rent for a charity and place of worship.	(p)	353	Rushey Mead		Mark Lloyd	There has been several previous contacts between the group and the City Mayor, Keith Vaz MP and Ward Councillors who have sought guidance from Investment as to the legal relationship between the City Council and the tenant. Officers, Ward Cllrs and representatives of the charity met on the 11th August at which time various commercial and community options were discussed. It is proposed that as the group freely entered into a commercial lease any revision of that agreement should not be to the detriment of the value to the City. The Council remains open to further discussions based on commercial terms on either the freehold or leasehold of the site.	Pro-forma returned by Scrutiny Chair who is content with the response.	12 November 2015	PETITION PROCESS COMPLETE
06/08/2015	Peter Bisson	Petition requesting a Residential Parking Zones be introduced in Aylestone Park and those streets affected by dangerous and careless parking on match days.	(p) e-petition	13	Saffron		Andrew L Smith	The request will be added to database of requests for residential parking which is used in the decision making process to determine which areas have significant parking problems and where there is a demand for residents' parking. The City Mayor will continue to consult with Ward Members to help determine the need and priorities for future parking schemes. The Council will also be looking at various parking issues in the Aylestone area next year including Cricket ground parking, and pavement parking. Residents' parking options will also be included in this brief.	Pro-forma returned by Scrutiny Chair who is content with the response.	02 November 2015	PETITION PROCESS COMPLETE
28/08/2015	Mags Lewis	Petition requesting the Council to introduce a 20 mph speed restrictions outside St John the Baptist School, Clarendon Park.	(p) e-petition & paper petition	E-Petition 30 Paper Petition 260 Total 290	Castle		Andrew L Smith	It is proposed to take account of the the wishes of the petitioners when the 20 mph zone programme is reviewed next year.	Pro-forma returned by Scrutiny Chair who is content with the response.	11 November 2015	PETITION PROCESS COMPLETE
14/08/2015	Mrs C Kettle	Petition requesting additional parking on Queensferry Parade	(p)	12	Eyres Monsell		Andrew L Smith	It is proposed is to include this scheme in the three year LEW priority programme being developed between Eyres Monsell housing officers and the highways department.	Pro-forma sent to Scrutiny Chair 2 November 2015.		GREEN

RED - Pro-forma not completed within 3 months of being referred to Divisional Director

PETITION PROCESS COMPLETE - Scrutiny Chair commented on Pro-forma, Lead Executive Member signed off response and final letter sent to Lead Petitioner.

GREEN - Lead Executive Member consulted on proposed response and Pro-forma sent to Scrutiny Chair

AMBER - Petition response progressing within 3 months of being referred to Divisional Director

Date Petition referred to Divisional Director	Received From	Subject	Type - Cncr (C) Public (P)	No. of Sig	Ward	Date Receipt Reported to Council (C) / Committee (Cttee)	Lead Divisional Director	Current Position	Scrutiny Chair Involvement	Date of Final Response Letter Sent to Lead Petitioner	Current Status
6/10/2015-4	Cllr Porter	Petition opposing the proposed speed ramps and speed humps on Middleton Street.	(c)	176	Aylestone	Cllr Porter presented to Council 8 October 2015	Andrew L Smith	The inclusion of Middleton Street in the 20mph programme was supported at a Ward Community Meeting in October 2012. Public consultation took place in August/September 2013 and there was a 37% response rate. 64% of respondents were in favour of the proposed 20 mph zone and the Record of Decision was formally signed and published on 12 November 2013. The scheme was advertised in the Leicester Mercury and two objections were considered by the Planning and Development Committee in September 2014. The updated scheme was reported to a well attended Ward Meeting on 28 September and no adverse comments were received. The Police support the 20mph zone, given measured traffic speeds on the Road, but not without traffic calming measures.	Pro-forma sent to Scrutiny Chair 2 November 2015.		GREEN
27/08/2015	Mr D Tailor	Petition requesting a one way system on Doncaster Road.	(p)	252	Belgrave		Andrew L Smith	Sent to Divisional Director			AMBER
6/10/2015-5	Cllr Khote	Petition requesting action against speeding traffic in Copdale Road, Clumber Road and Crown Hills Avenue.	(c)	109	North Evington		Andrew L Smith	Sent to Divisional Director			AMBER
6/10/2015-3	R Reid	Petition requesting the Council to take action to improve the safety of pedestrians from vehicles leaving Evington Park car park onto The Common.	(p)	19	Evington	Cllr Bajaj presented to Council 8 October 2015.	Andrew L Smith	Sent to Divisional Director			AMBER
6/10/2015-2	Mrs S Vashanti	Petition requesting the Council to introduce a 20 mph speed limit and speed cushions in Davenport Road	(p)	58	Evington	Cllr Bajaj presented to Council 8 October 2015.	Andrew L Smith	Sent to Divisional Director			AMBER

RED - Pro-forma not completed within 3 months of being referred to Divisional Director

PETITION PROCESS COMPLETE - Scrutiny Chair commented on Pro-forma, Lead Executive Member signed off response and final letter sent to Lead Petitioner.

GREEN - Lead Executive Member consulted on proposed response and Pro-forma sent to Scrutiny Chair

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6/10/2015-1	J Reid	Petition to improve the condition of the pavements in Grocot Road, Hextall Road and Blundell Road	(p)	11	Evington	Cllr Bajaj presented to Council 8 October 2015.	Andrew L Smith	Officers have asked the Lead Petitioner to contact them to arrange a meeting to discuss the footway condition issues. No response has yet been received. However a planned maintenance scheme is due to start in November relaying the paving in Grocot Road. Hextall Road and Blundell Road could be considered for inclusion in future years works programmes.			AMBER
10/09/2015	Cllr Byrne	Petition requesting the Council to take action against Anti-Social Behaviour at Hambledon Green	(p)	20	Abbey		John Leach	Sent to Divisional Director			AMBER
28/09/2015	Gemma Vincent-Waite	Petition requesting the Council to provide a safe and natural play area at Castle Hill Country Park.	(p)	386	Beaumont Leys	Cllr Waddington presented to Council 8 Oct 2015.	John Leach	Sent to Divisional Director			AMBER
29/10/2015	Mr S Sharma Rushey Fields Residence Association	Petition requesting CCTV cameras in Rushey Fields Park and at the junction of Gypsy Lane and Harrison Road.	(p)	573	Rushey Mead	Cllr Patel to present to Council on 26 November 2015.	Andrew L Smith	Sent to Divisional Director			AMBER
11/11/2015	Mr D Haslett	Petition requesting the Council to refuse any further refugees and assylum seekers until there are no homeless people living on the streets of Leicester.	e-petition	5	All Wards		Miranda Canon/ Ann Branson	Sent to Divisional Director			AMBER
18/11/2015-1	Mr H Taheri	Petition requesting metal railing and alleyway gate with metal fencing be installed on Grove Road, Spinney Hills.	(p)	60	Wycliffe		John Leach	Sent to Divisional Director			AMBER

RED - Pro-forma not completed within 3 months of being referred to Divisional Director

PETITION PROCESS COMPLETE - Scrutiny Chair commented on Pro-forma, Lead Executive Member signed off response and final letter sent to Lead Petitioner.

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18/11/2015-2	Cllr Porter	Petition requesting the Council to remove the 254/7 buse Lanes on Lutterworth Road and Aylestone Road or amend the bus lane restrictions to Monday - Friday at peak periods only.	e-petition	682	Aylestone	Cllr Porter to present to Council 26 November 2015.	Andrew L Smith	Sent to Divisional Director			AMBER
19/11/2015-1	Mr B Dodds	Petition requesting the Council to carry out urgent remodelling and re-surfacing (not repairs) of the carriageway between Darlington Road and the Heathley Park traffic lights (Westbound) of the carriageway	(p)	30	Beaumont Leys	Cllr Rae Bhatia to present to Council 26 November 2015.	Andrew L Smith	Sent to Divisional Director			AMBER
19/11/2015-2	Mr K Sharma	Petition requesting the Council to provide bench next to the bus stop outside of Evington Leisure Centre.	(p)	39	Evington		Andrew L Smith	Sent to Divisional Director			AMBER
23/11/2015	Cllr Porter	Petition requesting the Council to install bollards to stop Marsden Lane and Sanvey Lane being used as rat-runs.	(p)	88	Aylestone	Cllr Porter to present to Council 26 November 2015.	Andrew L Smith	Sent to Divisional Director			AMBER

RED - Pro-forma not completed within 3 months of being referred to Divisional Director

PETITION PROCESS COMPLETE - Scrutiny Chair commented on Pro-forma, Lead Executive Member signed off response and final letter sent to Lead Petitioner.

GREEN - Lead Executive Member consulted on proposed response and Pro-forma sent to Scrutiny Chair

AMBER - Petition response progressing within 3 months of being referred to Divisional Director



Revenue Budget Monitoring – Period 6, 2015/16

Executive meeting date: 19th November 2015

Overview Select Committee date: 3rd December 2015

Lead director: Alison Greenhill

Useful information

- Ward(s) affected: All
- Report author: Simon Walton
- Author contact details: Ext 37 4053

1. Summary

This report is the second in the monitoring cycle for 2015/16, which highlights the pressures being faced by the current year's budget.

Given the scale of Government funding cuts, departments are inevitably under pressure to provide services with less funding.

As was the case at period 4, the key issues to date are:

- a) Service pressures in Adult Social Care. The position remains as reported at period 4;
- b) Pressures arising from growth in the number of children's placements, and difficulties in recruiting social workers. These pressures can be contained within the departmental budget for 2015/16, but are being reviewed as part of the budget preparation for 2016/17. The pressures are currently growing;
- c) In-year cuts to public health grant, which were announced in the chancellor's July budget. A cut of £1.6m has now been imposed by the Department of Health.

Looking beyond 2015/16, towards the 2016/17 budget strategy, whilst the managed reserves strategy previously adopted means that the Council will be able to balance the budget in that year, the medium term outlook looks increasingly difficult. The pressures being experienced in 2015/16 illustrate how government funding cuts are starting to bite, reducing flexibility to deal with emerging problems. Making spending cuts, then living within reduced budgets, will become increasingly difficult over the next four years, and there will be a strong emphasis on ensuring we have appropriate systems of control; together with the ability to take rapid action to bring spending within budget when new problems emerge.

2. Recommendations

2.1 The Executive is recommended to:

- Note the emerging picture detailed in the report.

2.2 The OSC is recommended to:

- Consider the overall position presented within this report and make any observations it sees fit.

3. Supporting information including options considered:

The General Fund budget set for the financial year 2015/16 was £274.8m.

Appendix A details the performance of General Fund services against the current budget.

Appendix B provides more detailed commentary on the forecast position for each area of the Council's operations.

Appendix C provides information on the forecast year end balances of the Council's earmarked reserves.

4. Financial, legal and other implications

4.1 Financial & Legal implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, Ext 37 4001

4.2 Climate Change and Carbon Reduction implications

This report is solely concerned with financial issues.

4.3 Equality Impact Assessment

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

4.4 Other Implications

Other implications	Yes/No	Paragraph referred
Equal Opportunities	No	-
Policy	No	-
Sustainable & Environmental	No	-
Crime & Disorder	No	-
Human Rights Act	No	-
Elderly/People on low income	No	-
Corporate Parenting	No	-
Health Inequalities Impact	No	-

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

5. Background information and other papers.

Report to Council on the 25th February 2015 on the General Fund revenue budget 2015/16.

Period 4 Monitoring report and minutes of OSC Finance Task Group presented to OSC on 15th October 2015.

6. Summary of appendices:

Appendix A – P6 Budget Monitoring Summary;

Appendix B – Divisional Narrative – Explanation of Variances;

Appendix C – Earmarked Reserves Forecast Year End Balances at Period 6

7. Is this a private report?

No

**GENERAL FUND REVENUE BUDGET
BUDGET MONITORING SUMMARY 2015/16 - PERIOD 6**

	Current Budget for Year	Forecast Outturn at Period 06	Forecast Variance over (under) spend
	£000	£000	£000
Local Services and Enforcement	26,164.4	26,163.6	(0.8)
Culture & Neighbourhood Services	15,848.2	15,849.1	0.9
Planning, Transportation & Economic Development	18,030.4	18,030.4	0.0
City Centre	554.5	554.5	0.0
Property Services	9,787.7	9,787.7	0.0
Departmental Overheads	789.7	789.6	(0.1)
Housing Services	4,916.8	4,616.7	(286.9)
City Development and Neighbourhoods	76,091.7	75,791.6	(300.1)
Adult Social Care	88,219.6	92,361.2	4,141.6
Health Improvement & Wellbeing	16,207.0	16,207.0	0.0
Strategic Commissioning & Business Development	838.5	838.5	0.0
Learning Quality & Performance Services	8,537.1	8,537.1	0.0
Children, Young People & Families	49,081.3	49,081.3	0.0
Departmental Resources	(4,340.0)	(4,340.0)	0.0
Education & Children's Services	54,116.9	54,116.9	0.0
Delivery Communications & Political Governance	6,571.0	6,571.0	0.0
Financial Services	12,532.5	12,422.9	(109.6)
Human Resources	3,873.9	3,873.9	0.0
Information Services	10,196.4	9,746.4	(450.0)
Legal Coronial & Registrars	2,173.3	2,152.8	(20.5)
Corporate Resources and Support	35,347.1	34,767.0	(580.1)
Housing Benefits (Client Payments)	527.6	527.6	0.0
Total Operational	270,509.9	273,771.3	3,261.4
Corporate Budgets	7,935.4	5,635.4	(2,300.0)
Capital Financing	14,055.2	14,055.2	0.0
Total Corporate & Capital Financing	21,990.6	19,690.6	(2,300.0)
Public Health Grant	(24,600.0)	(24,600.0)	0.0
Contribution Reserves	6,906.8	6,906.8	0.0
TOTAL GENERAL FUND	274,807.3	275,768.7	961.4

Outturn Divisional Narrative – Explanation of Variances

Corporate Resources and Support

1. Finance

- 1.1. The Financial Services Division is forecasting an underspend of £109k, due to vacancies in the Accounting Teams ahead of an organisational review, and this will go in to the divisional earmarked reserve in order to meet future transformation costs.

2. Human Resources & Workforce Development

- 2.1. Human Resources & Workforce Development is forecasting a balanced budget at present, although some spending review savings required for 2016/17 may be delivered early which could lead to an underspend being reported later in the year.

3. Information Services

- 3.1. Information Services are forecasting an underspend of £450k, due to vacancies over and above achieving savings of £600k required by the IT Services review. This will go into earmarked reserves to meet the cost of future infrastructure renewal. Total savings of £2.4m are required from this review in due course.

4. Delivery Communications & Political Governance

- 4.1. The Delivery, Communications and Political Governance Division is forecasting a balanced budget after finding spending review savings of £500k. Further spending review savings required for 2016/17 may be delivered early which could lead to an underspend being reported later in the year.

5. Legal, Registration & Coronial Services

- 5.1. The Legal, Coronial & Registrars Division is forecasting a net underspend of £21k.
- 5.2. Legal Services is forecasting an underspend of £209k. £116k relates to managed vacancies, £74k relates to additional Land Charges income due to a continued upturn in the housing market and £19k relates to income generated by Information Governance by selling their services to an external client.
- 5.3. Coronial & Registrars are forecasting an overspend of £188k due to an increased workload, primarily from Deprivation of Liberty Safeguarding (DoLS) orders.

City Development and Neighbourhoods

6. Planning, Transportation and Economic Development

- 6.1. The Division is forecasting a balanced outturn on a net budget of £18m.

7. Culture and Neighbourhood Services

- 7.1. The Culture and Neighbourhood Services Division is forecasting a balanced outturn on a net budget of £15.8m.
- 7.2. A balanced outturn is currently forecast within Sports Services; however this remains particularly sensitive to income generation, which continues to be under pressure against the £5.3m budget, and also to responsive maintenance costs.

8. Local Services and Enforcement

- 8.1. The Division is forecasting a balanced outturn on a net budget of £26.1m. There are pressures amounting to over £200k; the main reasons for this are that the income at the new household waste recycling centre at Gypsum Close is less than budgeted due to lower initial take up, together with the impact of an increase in landfill tax rates upon waste disposal. The Bereavement Services' income budget of £3.2m may prove to be under pressure as the year progresses, due to the opening of new crematoria in the County. The Service is also absorbing additional expenditure with respect to tree work. The Division is reviewing all costs to seek to contain these pressures but if this is not fully possible, then funding is available in the departmental reserve.

9. Property Services

- 9.1. The Division is forecasting a balanced outturn on a net budget of £9.8m.

10. City Centre

- 10.1. The City Centre Director is forecasting to remain within the budget of £555k.

11. Housing Services

- 11.1. The General Fund Housing service is forecasting an underspend of £287k. The movement of £13k since Period 4 is attributable to an increase in hostel rent income.
- 11.2. Vacancies across the service awaiting recruitment will result in in-year savings of £80k. Occupancy rates in the Council's homelessness service accommodation are

higher than budget, hence Housing Benefit income of £3.0m is forecast compared to the budget of £2.8m.

12. Housing Revenue Account

- 12.1. The Housing Revenue Account (HRA) is a ring-fenced income and expenditure account relating to the management and maintenance of the Council's housing stock.
- 12.2. At period 6, the forecast for the HRA is an underspend of £0.35m (disregarding revenue used for capital spending, which is described in the capital monitoring report). Vacancies in the first part of the year which have not been filled have resulted in an underspend of £0.1m. The other £0.2m is as a result of ongoing efficiencies which will be reflected in the phase 2 spending review.

Adult Social Care

13. Adult Social Care

- 13.1. The financial pressures on Adult Social Care budgets continue in 2015/16. The growth in the population of our city and the increasing needs of our service users as they live longer has meant a significant increase in the number of Council funded care packages over a period of time. This is a pattern which has been experienced across the country.
- 13.2. The service has continued to find savings through a variety of measures: for example increased preventative work, promoting independence through more use of Independent Living and Extra Care instead of residential care and increased use of Enablement and Reablement.
- 13.3. The unit costs of care provided by Adult Social Care in Leicester compare favourably with similar local authorities and so too does the mix of provision.
- 13.4. The Council forecasts growth in the number of care packages each year when it sets the budget, based on population estimates. An additional sum to represent demographic growth has been added to the budget every year. Nonetheless, actual numbers are volatile, and increasing demand over a number of years has resulted in a shortfall between the annual cost of all current care packages and the available budget. The gap currently stands at £6m, which is 7% of the available budget. One-off departmental funds have been used in previous years to address budget shortfalls, and this will also be the case in 2015/16. This will reduce the expected shortfall to £4m. The General Fund budget for 2015/16 includes a contingency for general pressures of £3m: on current forecasts, this contingency will be exhausted. The impact in future years will be addressed as part of budget planning for 2016/17.

- 13.5. We now have in place more sophisticated means of tracking service user numbers and package costs throughout the year than has previously been the case. This will allow us to monitor growth in service users and changes to packages, both planned and unplanned. As a result we will be able to evaluate the progress of our savings initiatives and our assumptions on growth from increased need and rising population.
- 13.6. This monitoring will be done in aggregate but also, more importantly, at a locality level so that Care Management Team Leaders are better able to understand expenditure pressures and therefore better able to control budgets in their local area.
- 13.7. The Chancellor's announcement regarding the National Living Wage (£7.20 per hour in 2016/17, rising to an estimated £9.35 by 2020 for people aged 25 and over) will have a significant impact on the care sector. Most care workers are paid the minimum wage, which is currently £6.50 rising to £6.70 from 1 October. Care providers have written to the Chancellor to warn that they will need additional funding as they cannot absorb the increased costs of the new Living Wage rates from 1 April 2016. Equally local authorities are not in a position to pay higher fees to care providers to compensate them without additional funding. The Government has said it will make a statement in November regarding this issue, as part of the Spending Review announcements.
- 13.8. The Government has also announced that the policy of capping care costs for self-funders and changing the means testing thresholds will be deferred until 2020. The Government has not confirmed whether it will claw back grant funding allocated to local authorities for set up costs associated with these funding reforms.

Health Improvement & Wellbeing

14. Health Improvement and Wellbeing

- 14.1. The Department of Health announced in June that there would be an in year reduction in Public Health Grant, and they have now carried out a consultation on the method by which the cuts would be implemented. The services provided by this division are almost entirely funded by public health grant, and will therefore bear the brunt of reductions nationally. Nationally, key services at risk include smoking initiatives, obesity and sexual health.
- 14.2. The Department of Health has announced it will impose a reduction of £1.6m (6.2%) in our grant (which has been reflected in Appendix A). The Service has an earmarked reserve of £0.6m, which will be used to offset the funding cut. This means that further in-year savings of £1m are required in order to breakeven for the year across a range of contracts and these have now been identified.

Education and Children's Services

15. Education and Children's Services

- 15.1. The Department is forecasting an outturn in line with the budget.
- 15.2. The two main financial issues for the Department remain the numbers of looked after children (LAC) and the continued use of agency social work staff.
- 15.3. There are currently 608 LAC compared with 545 at the beginning of the financial year. A significant number of the children requiring placements are very vulnerable and some have very complex behaviours including self-harm. As a result there has continued to be an increase in the number of very expensive external residential placements which now stands at 37, compared to 33 at the start of the year and 25 in 2014. Not only has there been an increase in the overall numbers but the service has also had to move particularly difficult cases to even more specialist and therefore expensive provision.
- 15.4. The service has also seen an increase in agency foster care placements because of the difficulty in finding in-house carers for the age group coming into care. Currently we have 58 placements compared to 44 at the start of the year.
- 15.5. It is not clear why we have seen this level of increase in LAC numbers particularly in those where behaviours are complex and therefore expensive to place. The nature of these cases means that there is less likelihood of moving the child to lower cost provision. Discussions with the local judiciary regarding the applications for care orders being presented at the Family Court confirm that care thresholds are being applied appropriately and have not been reduced.
- 15.6. Based on current LAC numbers the overall placement budget will be overspent by £2.9m. If the current rate of new placement continues unabated and we are unable to 'step down' any current cases to less expensive provision, we will incur an additional £1.5m resulting in a total overspend on placements of £4.4m.
- 15.7. The other major issue relates to the difficulty in recruiting fully qualified social workers and the resulting continued reliance on more expensive agency staff. Due to the shortage in the market for fully qualified staff the service has recruited newly qualified social workers instead. We are using our existing ASYE (Assessed and Supported Year in Employment) framework in order to develop our own fully experienced social work staff.
- 15.8. This will necessitate the continued use of agency staff into 2016/17 as newly qualified social workers have restricted caseloads and can only deal with children in need cases. This is a medium term solution. The additional level of agency staff in

2015/16 is forecast to cost an additional £1.9m more than the existing staffing budget.

- 15.9. Both of these issues totalling £6.3m together with other one off post Ofsted improvement work, will be funded this year using one off reserves and other funds and as a result the Department is forecasting to break-even. The increased looked after children costs, the workforce issue and other ongoing Ofsted improvement related costs are being looked at as part of the budget setting process for 2016/17.

16. Schools

- 16.1. The main financial issue for schools relates to the increasing number of in-year applications for school places, and this has both capital and revenue implications. The revenue implications arise where we have to provide additional funding to schools from money set aside from the Dedicated Schools Grant to compensate them for additional costs. We have maximised the number of new places on roll at October 2015 (when the pupil census takes place), but we do not receive DfE funding where new places are taken up later in the year.

Revenues & Benefits and Corporate Items

17. Housing Benefits (Client Payments)

- 17.1. Whilst the cost of Housing Benefits is almost entirely met by government grant, the expenditure can be volatile with a number of uncertainties and risks associated with this. Uncertainties include the level of grant clawback by the DWP as prior years' claims are audited, and the Council's success in recovering overpayments made (to the extent that these exceed the available budget). Most overpayments are made as a result of delays in the Council being informed of changes in circumstances.
- 17.2. The service is currently forecasting to remain within budget.

18. Council Tax

- 18.1. The collection fund is a statutory account which the Council is required to maintain to manage Council tax and Non-Domestic Rates (NDR). This account contains all the transactions of the Council in relation to its role as Billing Authority, including collection of Non-Domestic Rates and Council Tax, and the distribution of the income received to the Government, the Police Authority, the Fire Authority and the authority's own General Fund.
- 18.2. The Council, as part of budget setting, estimates the amount of any surplus or deficit for the year. The estimate for this year is £4.8m, of which our share is £4.0m. This will be offset against our budget requirement for next year. The surplus has arisen

due to growth in the number of properties and the reduction in certain council tax discounts.

19. Business Rates

- 19.1. Mid-year estimates show us to be within our budgeted (£50.5m) share of rates income. There still, however, remains the uncertainty over potential losses from appeals made by ratepayers against their rateable value. These are made to, and resolved by, the Valuation Office Agency (not the Council). The Council has set aside an overall amount of £9.6m against such losses but at this stage it is difficult to predict the final position at year end.

20. Corporate Items

- 20.1. The corporate budgets cover the Council's capital financing costs, items such as audit fees, bank charges and levies.
- 20.2. Given the difficult financial climate, recent budgets continue to include a general contingency of £3m to help the Council manage both anticipated and unforeseeable risks. It is anticipated that this sum will be fully required to support the position within Adult Social Care outlined above.
- 20.3. Since setting the budget, additional spending review savings have been approved, principally Corporate Resources, Technical Services and IT. In addition to ongoing savings, these reviews made savings in 2015/16 budgets amounting to 2.3m. These sums will be available to offset pressures in corporate budgets.

Earmarked Reserves

1. Forecast use of earmarked reserves in 2015/16 – commentary

- 1.1. A forecast for the use of earmarked reserves has taken place as at period 6. These forecasts are shown in the table below.
- 1.2. It is important to note that several of these reserves have restrictions on their use or are supporting existing commitments, and sums which could be used for different purposes are limited.
- 1.3. The forecast £44m of ring-fenced reserves in the table below represent amounts that are restricted for schools' use under statute and amounts which are governed by agreements signed between the Council and NHS partners.
- 1.4. The Corporate reserves (with a year-end forecast of £98m) are committed as follows:
 - 1.4.1. The Capital Reserve balance is committed to fund the approved capital programme. The final balance will depend upon year-end financing decisions, and whether expenditure is financed by the reserve or capital grant.
 - 1.4.2. The Building Schools for the Future reserve (BSF) is made up of the Financing element, which is held to fund the BSF programme and is contractually committed, and the Lifecycle Costs element, which represents amounts committed to schools to support the BSF programme.
 - 1.4.3. The Severance reserve exists to meet the redundancy and other severance costs arising as the Council adapts to the planned reductions in government funding over future financial years
 - 1.4.4. The Insurance Reserve supports the Council's self-insurance arrangements
- 1.5. The remaining forecast £16m are reserves held by departments for specific purposes approved by members at the time of their creation.

2. Forecast use of earmarked reserves in 2015/16 – figures

	Year end balance 31st March 2015 £'000	Net Change in 2015-16 £000s	Forecast balance 31st March 2016 £'000
<u>Ring-fenced Reserves</u>			
DSG not delegated to schools	19,803	-	19,803
Schools' Balances	18,518	(3,820)	14,698
NHS Joint Working Projects	5,802	(606)	5,196
School Capital Fund	3,632	(750)	2,882
Schools Buy Back	1,014	379	1,393
Total ring-fenced	48,769	(4,797)	43,972
<u>Corporate reserves</u>			
Budget Strategy - Managed Reserves	34,029	6,907	40,936
Building Schools for the Future	24,316	(5,000)	19,316
Capital Reserve	15,792	(5,792)	10,000
Severance	10,495	(1,000)	9,495
Insurance Fund	8,813	-	8,813
Service Transformation Fund	7,086	(4,314)	2,772
Welfare Reform Reserve	5,027	-	5,027
Energy Reduction Reserve	2,862	(1,200)	1,662
Total corporate	108,420	(10,399)	98,021
<u>Other</u>			
Childrens Services Funds	3,873	(3,424)	449
Financial Services divisional reserve	2,891	(1,120)	1,771
Adult Social Care Budget Pressures	2,000	(2,000)	-
Channel Shift Reserve	2,000	-	2,000
City Development & Neighbourhoods	1,855	(1,455)	400
Looked After Children Placements Reserve	1,525	(1,525)	-
IT Reserves	1,521	288	1,809
Strategic Initiatives	1,043	-	1,043
Surplus Property Disposal Reserve	1,000	-	1,000
Preventing Homelessness	899	(74)	825
Housing divisional reserve	790	-	790
Social Care Replacement IT System	747	(300)	447
Economic Action Plan	736	(19)	717
Outdoor Gyms Reserve	727	(5)	722
HR divisional reserve	689	(65)	624
Individual Electoral Registration	637	(18)	619
Improvements to Health & Wellbeing Reserve	610	(568)	42
Markets Reserve	500	(300)	200
Legal Services Divisional Reserve	480	(134)	346
Highways Maintenance	418	(50)	368
City Council Elections	400	(300)	100
Delivery Communications & Political Governance	338	(234)	104
Housing-related Support Reserve	331	-	331
Other - Miscellaneous reserves	2,872	(1,623)	1,249
Total other	28,882	(12,926)	15,956
TOTAL EARMARKED RESERVES	186,071	(28,122)	157,949



Capital Budget Monitoring – Period 6, 2015/16

Decision to be taken by: City Mayor

Executive meeting date: 19th November 2015

Overview Select Committee date: 3rd December 2015

Lead director: Alison Greenhill

Useful information

- Ward(s) affected: All
- Report author: Ernie Falso
- Author contact details: ernie.falso@leicester.gov.uk

1. Summary

The purpose of this report is to show the position of the capital programme for 2015/16 at the end of Period 6.

This is the second report of the financial year and further reports will be presented as the year progresses.

2. Recommendations

The Executive is recommended to:

- Note the level of expenditure of £53.4m at Period 6;
- Note the current level of spend (32%) of the £165.3m approved programme.
- Approve additional spend of £250k on the Ashton Green scheme as detailed in Appendix D, para 2.21 of this report
- Transfer the provision of £366k for investment in free school meals to a policy provision as detailed in Appendix B, para 5.2 of this report

The OSC is recommended to:

- Consider the overall position presented within this report and make any observations it sees fit.

3. Report/Supporting information including options considered:

The 2015/16 Capital Programme was approved by Council on January 22nd 2015.

The programme will be monitored on the basis of the 2015/16 approved programme. The appendices B, C, D & E attached to this report provide further detail for each Strategic Director's area of responsibility.

The approved programme included:

- Schemes classified as 'immediate starts', which required no further approval to commence; and
- A number of separate 'policy provisions' which would not be released until specific proposals have been approved by the executive.

This report only monitors policy provisions to the extent that spending approval has been given.

Spending is monitored against the amounts originally approved for each scheme in 2015/16, regardless of any slippage or budget re-profiling subsequently reported.

4. Financial, legal and other implications

4.1 Financial & Legal Implications

This report is solely concerned with financial issues.

Alison Greenhill, Director of Finance, 37 4001

4.2 Climate Change and Carbon Reduction Implications

This report is solely concerned with financial issues.

4.3 Equalities Implications

No Equality Impact Assessment (EIA) has been carried out as this is not applicable to a budget monitoring report.

4.4 Other Implications

Other implications	Yes/No	Paragraph referred
Equal Opportunities	No	-
Policy	No	-
Sustainable & Environmental	No	-
Crime & Disorder	No	-
Human Rights Act	No	-
Elderly/People on low income	No	-
Corporate Parenting	No	-
Health Inequalities Impact	No	-

No other implications are noted as this is a budget monitoring report, and therefore no policy changes are proposed.

5. Background information and other papers:

Capital Budget 2015/16 presented to Council on 22nd January 2015

Capital Outturn 2014/15 presented to Overview Select Committee on 9th July 2015

Capital Monitoring Report for Period 4 2015/16 presented to Overview Select Committee on 15th October 2015

6. Summary of appendices:

Appendix A - Period 6 Financial Position of Capital Programme 2015/16

Appendix B - Summary of Adult Social Care Projects

Appendix C - Summary of Children's Services Projects

Appendix D - Summary of City Development and Neighbourhoods Projects

Appendix E - Summary of Corporate Resources Projects

7. Is this a private report

No

8. Is this a "key decision"?

No

9. If a key decision please explain reason

N/A

Strategic Director	Division	Approved Programme 2015/16	Spend to end of Period 6	Forecast Reprofilling into 2016/17	Forecast Year End Slippage	Forecast Year End Savings / (overspends)	Percentage of Spend compared to Approved programme (Excluding Underspend)
		£000	£000	£000	£000	£000	%
Adult Social Care	Adult Social Care	1,669.0	195.0	-	400.0	-	12%
Children's Services	Schools	20,424.0	8,876.0	3,000.0	-	-	43%
	Schools (BSF)	7,500.0	3,089.0	-	-	-	41%
	Children's Social Care & Safeguarding	296.0	1.0	-	-	-	0%
	Young People's Services	597.0	134.0	-	-	-	22%
City Development & Neighbourhoods	Planning, Transportation and Economic Development	50,418.0	12,914.0	6,215.0	615.0	200.0	26%
	Culture & Neighbourhood Services	730.0	667.0	-	-	-	91%
	Local Services and Enforcement	2,047.0	257.0	-	350.0	230.0	14%
	Investment Division	9,196.0	1,421.0	2,026.0	700.0	-	15%
	Housing General Fund	3,298.0	1,249.0	400.0	-	-	38%
	Housing Revenue Account (HRA)	28,348.0	10,852.0	1,400.0	622.0	50.0	38%
	LLEP (accountable body)	38,168.0	13,528.0	-	-	-	35%
Corporate Resources	Financial Services	2,000.0	-	1,775.0	-	-	0%
	Information Services	689.0	197.0	-	-	-	29%
	TOTAL	165,380.0	53,380.0	14,816.0	2,687.0	480.0	32%

Adult Social Care Projects

1. Summary

- 1.1. The projects comprising the Adult Social Care Capital programme have spent £0.2m at the end of period 6.

2. Adult Social Care

- 2.1. The table below summarises the £1.7m approved Capital Programme for Adult Social Care.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
ICT Investment - Phase 2	539.0	130.0	-	100.0	-	24%
Social Inclusion	414.0	13.0	-	-	-	3%
Early Prevention and Intervention	100.0	50.0	-	-	-	50%
Improvement to Hastings Road Day Centre	435.0	2.0	-	300.0	-	0%
Anchor Centre	181.0	-	-	-	-	0%
Total	1,669.0	195.0	-	400.0	-	12%

- 2.2. The following three schemes have also been approved, but not included in the above table. Due to current flux in the care market, the opportunity to consider alternative approaches, and the potential availability of right to buy receipts to support extra care, it is proposed to take stock as part of the preparation of the capital programme for 2016/17.

Project	Approved £000
Intermediate Care Facility	6,700.0
Extra Care	1,250.0
Special Dementia Care Centre	1,800.0
Total	9,750.0

- 2.3. ICT investment is for the development of the new Social Care IT system, Liquidlogic, which went live during April 2014. Phase 2 commenced in April 2014 and this is the second year of the project to make further enhancements to the system. There will be slippage of £100k for mobile working into 2016-17, because of a decision by Programme Board to delay this due to other priorities.
- 2.4. Social Inclusion covers a range of projects to provide access for disabled people to enable them to access universal services, including community centres, libraries, leisure centres and other public services. The majority of the work relates to the adaptation of toilet facilities, to include the provision of specialised equipment. Schemes due to commence include Abbey Park Education Centre, Adult Education Centre, Age UK, Haymarket Bus Station, Market Hall, Outdoor Pursuits Centre, Saffron Lane Sports Centre, National Space Centre and The Emerald Centre. Feasibility studies have been completed for four of the larger schemes which are expected to be completed by the financial year end. Completion of feasibility studies and final costs are awaited for the remaining schemes.

- 2.5. Early Prevention and Intervention involves provision of Assistive Technology and telecare through purchase of AT stock, installation and staff support, with the aim of promoting independence and reducing package costs.
- 2.6. Improvements are being made to Hastings Road Day Centre by utilising and expanding the use of the building to accommodate more teams and a resource hub for service users and their carers. There may be some slippage to the programme as further consideration is being given to the scheme proposal. This will be revisited at Period 9.
- 2.7. The Anchor Centre site needs major refurbishment. Currently plans are on hold pending decisions about the future of the site. A bid for funding from Public Health England is being put together.

3. Policy Provisions

- 3.1. At the end of Period 6 there were no policy provisions for Adult Social Care still awaiting formal approval for allocation to specific schemes.

Children's Services Projects

1. Summary

- 1.1. The projects comprising the Children's Services Capital programme have spent £12.1m at the end of Period 6.
- 1.2. This equates to 42% of their approved capital programme of £28.8m.
- 1.3. The Children's Service Capital Programme is reported, for monitoring purposes, in three distinct sections, schools (£20.4m), the Building Schools for the Future programme (£7.5m) and non-schools (£0.9m).

2. Schools

- 2.1. The table below summarises the £20.8m approved Capital Programme for Children's Services Schools Programme and the related expenditure.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Basic Need Works (Phase 1)	8,480.0	1,607.0	2,000.0	-	-	19%
Basic Need Works (Phase 2)	6,335.0	4,146.0	-	-	-	65%
Targeted Basic Need - Kestrels' Field	5,570.0	3,109.0	1,000.0	-	-	56%
Reactive School Maintenance	9.0	8.0	-	-	-	89%
Individual School Access Needs	30.0	6.0	-	-	-	20%
Total	20,424.0	8,876.0	3,000.0	-	-	43%

- 2.2. The main schemes remaining in the Basic Need Works Phase 1 programme include Wolsey House, Whitehall and Caldecote Primary schools. Caldecote was completed in September and Whitehall will complete by the end of December. Wolsey Primary school is due to complete in October 2016, hence the re-profiling of £2m of total scheme costs to 2016/17. Each of these schools provided an additional 30 reception places in readiness for September 2015 as planned.

Phase one also includes a provision to complete rectification works at Eyres Monsell.

- 2.3. The Basic Need Programme Phase 2 programme includes works at St Mary's Fields Primary, Christ the King Catholic Primary and Hope Hamilton Primary.
 - 2.3.1. St Mary's Fields Primary School works includes the addition of a new junior block linked to the existing infant school to allow for an expansion of age range and to become an "all through" primary school. The main works are complete with pupils taking up the additional places from September 2015.
 - 2.3.2. Christ the King Primary School works includes re-modelling part of the old West Gate School to allow for an increase of 40 reception places. These new places were available from the start of the new term in September 2015.

- 2.3.3. Hope Hamilton Primary School works are an expansion of the school on its existing site to increase reception places by 15 from September 2015. This was completed on time.
- 2.4. The Kestrels' Field Primary School scheme will create an additional 60 places across all years. It is a £6.9m scheme funded through a combination of £3.9m from the Department of Education and £3.0m from the Council. The first phase of the works is expected to be completed by November 2015. The second phase of the works, to reconfigure the existing Primary School site to become the new infant block, will be completed by September 2016. £1m of the scheme cost will be spent in 2016/17.
- 2.5. Reactive Maintenance was an annual provision for small capital maintenance works in schools and other buildings. There is a small budget available this year that was re-profiled from 2014-15.
- 2.6. Individual School Access Needs was an annual provision for reactive works at schools that require specific modifications or equipment due to pupil disability. There is a small budget available this year that was re-profiled from 2014-15.

3. Building Schools For The Future (BSF)

- 3.1. The BSF programme is progressing well. Actual expenditure of £3.1m has been incurred this year up to the end of Period 6.
- 3.2. The current works are largely on schedule, and the programme is expected to be completed largely on time, although some residual construction and snagging works will continue during the autumn.
- 3.3. Payments for the BSF construction programme are made at the point at which milestones in the building of each school are reached.

4. Non-Schools

- 4.1. The table below summarises the £1.0m approved Capital Programme for Children's Services directly controlled projects.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Contact Centre Refurbishment	100.0	-	-	-	-	0%
Children's Home Refurbishment	196.0	1.0	-	-	-	1%
Children's Centre Maintenance	32.0	14.0	-	-	-	44%
Adventure Playgrounds & Youth Centres	34.0	7.0	-	-	-	21%
Early Years - Two Year Old Entitlement	531.0	113.0	-	-	-	21%
Total	893.0	135.0	-	-	-	15%

- 4.2. A decision notice has been published to authorise the use of £740k of policy provisions to fund an enhanced programme of works at contact centres and children's homes over a three year period. £296k of this is planned to be spent in 2015/16.

- 4.2.1. The St Andrew's Family Contact Centre scheme will improve space and facilities for parents and children whilst also providing space for training and other meetings.
- 4.2.2. Children's homes will be refurbished and improved, with works to be carried out at Barnes Heath, Dunblane Avenue, Netherhall and Tatlow Road.
- 4.3. The Children's Centre Maintenance scheme is a provision to cover refurbishments and small capital maintenance works.
- 4.4. The Adventure Playgrounds & Youth Centres scheme is a provision to cover refurbishments and small capital maintenance works.
- 4.5. The Two Year Old Entitlement scheme provides resources to private, voluntary and independent providers to enable them to expand their provision to accommodate and provide the two year old free entitlement and enable the Council to meet its statutory obligations. Providers are continuing to bid for the remaining funds.

5. **Policy Provisions**

- 5.1. There are four policy provisions for Children's Services projects.

Service Area		Amount £000
Schools	New Primary School Places	4,939.0
	Planned School Maintenance	7,207.0
	Children's Services	10,000.0
	Investment in Free School Meals	366.0
Total		22,512.0

- 5.2. The provision for free school meals has been transferred to policy provisions, to enable the sum required to be considered in the round with schools' maintenance requirements. Assessment of schools' condition is currently taking place.

City Development and Neighbourhoods' Projects**1. Summary**

- 1.1 The projects comprising the City Development and Neighbourhoods' Capital Programme have spent £40.9m at the end of Period 6. This equates to 31% of their approved capital programme of £132.2m.
- 1.2 Excluding the LLEP grants programme (which is managed by the LLEP) and savings, this equates to 29% of the approved programme.
- 1.3 The City Development and Neighbourhoods programme is split into seven distinct areas, as shown in the following table:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Planning, Transportation and Economic Development	50,418.0	12,914.0	6,215.0	615.0	200.0	26%
Culture and Neighbourhood Services	730.0	667.0	-	-	-	91%
Local Services and Enforcement	2,047.0	257.0	-	350.0	230.0	14%
Investment Division	9,196.0	1,421.0	2,026.0	700.0	-	15%
Housing General Fund	3,298.0	1,249.0	400.0	-	-	38%
Housing Revenue Account (HRA)	28,348.0	10,852.0	1,400.0	622.0	50.0	38%
Total (Excluding LLEP)	94,037.0	27,360.0	10,041.0	2,287.0	480.0	29%
Leicester & Leicestershire Enterprise Partnership (LLEP)	38,168.0	13,528.0	-	-	-	35%
Total (Including LLEP)	132,205.0	40,888.0	10,041.0	2,287.0	480.0	31%

2. Planning, Transportation and Economic Development

2.1 The table below summarises the current approved projects relating to Planning, Transportation and Economic Development.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Haymarket Bus Station	6,785.0	1,586.0	-	-	-	23%
Transport Improvement Works	9,769.0	1,532.0	1,278.0	-	-	16%
Street Lighting Replacement	5,534.0	2,280.0	-	-	-	41%
Highways Maintenance	2,672.0	455.0	-	400.0	-	17%
Local Environmental Works	635.0	16.0	-	215.0	-	3%
Flood and Watercourse Management	300.0	70.0	-	-	-	23%
Parking Pay and Display Machines	397.0	347.0	-	-	-	87%
Jubilee Square	244.0	-	-	-	-	0%
Cathedral Gardens	427.0	383.0	-	-	-	90%
City Centre Street Improvements	5,271.0	969.0	2,580.0	-	-	18%
Townscape Heritage Initiative	585.0	14.0	485.0	-	-	2%
Friars' Mill	4,074.0	3,084.0	-	-	-	76%
Leicester Market Redevelopment	1,876.0	551.0	800.0	-	-	29%
St George's Church Yard (S106)	40.0	4.0	-	-	-	10%
Architectural and Feature Lighting	140.0	19.0	-	-	-	14%
Leicester Strategic Flood Risk / Access Programme	1,500.0	46.0	-	-	-	3%
Waterside	7,500.0	525.0	1,072.0	-	-	7%
Leicester Food Park	70.0	2.0	-	-	-	3%
Retail Gateways	233.0	80.0	-	-	-	34%
Business Development Grants	1,100.0	568.0	-	-	200.0	63%
Ashton Green	250.0	113.0	-	-	-	45%
Traffic Signalling - LED Replacement	966.0	269.0	-	-	-	28%
Christmas Decorations Replacement	50.0	1.0	-	-	-	2%
Total	50,418.0	12,914.0	6,215.0	615.0	200.0	26%

2.2 The Haymarket Bus Station is the key contributor to achieving greater use of buses in Leicester and significantly improving the service quality. A new bus station building is being constructed, increasing the number of bus stands from eleven to twenty three. The Charles Street/Belgrave Gate junction is being remodelled, together with extensive public realm improvements. The junction has been commissioned and paving works for improved public realm are well advanced. The glass screen and construction of the new concourse are progressing well, with the main steel frame complete, brickwork well advanced and internal cladding works 90% complete. The scheme is expected to complete by Easter 2016 and 100% spend is expected to be achieved against the budget.

2.3 Transport Improvement Works include:

2.3.1 Congestion and Carbon Strategies (budget £4.36m).

The majority of the funding this year (£4.2m) is for construction of Phase 1 of the Leicester North West A50 corridor improvements, which started on site in July and is currently on programme. The scheme is largely funded through the Local Growth Fund and is promoted jointly with Leicestershire County Council. The majority of costs will be incurred in the second half of the financial year.

2.3.2 Accessibility Strategy (budget £3.12m):

- a) North City Centre Access Improvement Project (budget £2.87m). This will help to connect the city centre with existing and proposed communities at Belgrave and Abbey Meadows, together with new development sites at Belgrave Circle and the new Community Sports Arena on Charter Street. The majority of costs will be incurred in the second half of the financial year. Works are well advanced at Memory Lane and Charter Street, and a new bridge crossing the Grand Union Canal from Charter Street to Abbey Park is expected to commence in the New Year.
- b) Level Access at Bus Stops (DDA Requirements). The works are on track for completion this financial year.

2.3.3 Active Travel and Road Safety. This provides funding for a programme of schemes, including:

- a) Welford Road Cycleway Scheme. A proposed cycleway between Newarke Street and Lancaster Walk and is due to be consulted upon, with a potential start in early 2016.
- b) 20 mph Schemes. Schemes this year include: St Mary's Fields Infant School (complete, speed surveys to be carried out to assess effectiveness of "signs only" on some streets); Woodstock Primary School area (currently being constructed); Aylestone Village (completed); and Mowmacre Hill Primary School area (public consultation complete). Schemes at preliminary design stage include Downing Drive area, Highfields and North Evington Amendment, Merrydale Schools, Folville Junior School, Keyham Lane, Fosse Primary School and Bloomfield Road area.
- c) Legible Leicester. A range of improvements to signing and infrastructure are planned. The new city boundary sign replacement signs are due to be on site by Christmas.

2.4 Street Lighting Replacement. This remains on programme for completion this financial year and most streets will be completed by Christmas 2015. Some 27,000 lanterns have now been replaced with new LED units.

2.5 Highways Maintenance includes:

2.5.1 Principal and Primary Roads. The carriageway between the A50 Groby Road and Glenfield Road islands will be resurfaced in conjunction with the Leicester North West A50 improvement scheme, together with works to the traffic islands. This scheme will straddle the financial year end and the financing will need to be managed alongside the Local Growth funding for the improvement scheme. Hence £500k is re-profiled into 2016/17.

- 2.5.2 General Treatment and Footways. The programme is targeted at asphalt carriageway maintenance works where the deterioration in road surfaces is most evident. Funds have also been ring-fenced to address dangerous concrete roads, failed road humps and to undertake footway schemes. Surface dressing of a number of roads was completed over the summer.
- 2.5.3 Bridge Programme. The funds are being used to supplement scheme maintenance opportunities and local ward maintenance priorities.
- 2.5.4 Traffic Signal Renewals. Sites completed include Dominion Road/Charnor Road; Hastings Road/Brighton Road; Melton Road/Oakland Avenue; and Stonesby Avenue/Glenbourne Road.
- 2.6 Local Environmental Works. The schemes carried forward from 2014/15 are progressing. Following a series of ward member briefing sessions with the City Mayor, the 2015/16 £450k policy provision was released by the City Mayor in September 2015. While most schemes are going ahead, some need to be slipped to 2016/17 due to scheduling of works and the time needed for design and consultation.
- 2.7 Flood and Watercourse Management. A joint strategy is progressing under the lead direction of the Environment Agency. Feasibility study works for Holbrook and Gilroes Brook flood mitigation options have progressed. The Northfields surface water management scheme is awaiting Severn Trent Water approval for the construction of additional highway drainage features. The gully replacement programme is progressing well. The procurement of four replacement rubbish screens to ordinary watercourses is currently being let.
- 2.8 The Castle Street Pay & Display Parking Scheme opened for public use in June 2015.
- 2.9 The Jubilee Square and Cathedral Gardens projects are complete and the settlement of the final accounts is underway.
- 2.10 City Centre Street Improvements. This involves the delivery of pedestrian and cyclist improvements to key city centre streets.
 - 2.10.1 Phase 1: Applegate, King Street, Hotel Street/St Martins, St Nicholas Circle Phase 1, Castle Gardens Ramp and Harvey Walk demolition are complete. St Nicholas Circle is on programme to be complete by November 2015.
 - 2.10.2 Phase 2: Rutland Street is anticipated to complete early in the New Year. The design for Belvoir Street is complete and officers are carrying out further engagement with stakeholders.
- 2.11 Townscape Heritage Initiative. Some £1.1m is being received from the Heritage Lottery Fund. The project is in the delivery phase and projects will include owner and developer contributions. The scheme has been largely re-profiled into 2016/17 and later years, reflecting the need to reach agreement with private building owners over improvement projects.
- 2.12 Friars Mill. The project involves the restoration and conversion of Friars Mill to managed business units. An ERDF grant of £3.9m was secured and the balance is from Council funds. Good progress continues and the scheme should be completed in the New Year.

- 2.13 Leicester Market Redevelopment. The demolition of the old Market Hall phase is complete and plans for further works are being consulted on. The nature and timing of these will affect 2015/16 spend, which has been re-profiled.
- 2.14 St. George's Churchyard. The project consists of improvements to the churchyard, including repairs and public realm works. Details of the scheme are currently being re-evaluated and it is hoped that works will commence early in 2016. The amount in 2015/16 relates to the feasibility study stage of the project.
- 2.15 Architectural and Feature Lighting. This will deliver a city-wide architectural and feature lighting strategy along with a pilot scheme. The pilot scheme lighting designs are complete, planning / listed / church faculty consents are being secured and orders have been placed for lighting equipment. Further funding to deliver the pilot scheme was approved by the City Mayor in October 2015.
- 2.16 Leicester Strategic Flood Risk / Access Programme. This programme is fully funded through Local Growth Funding and will provide access and environmental improvements to the canal and river corridor, delivered by the Council, the Canal and River Trust and the Environment Agency. A number of projects are progressing through design and feasibility stages and the majority of costs will be incurred in the second half of the financial year.
- 2.17 Waterside Strategic Regeneration Area. To date expenditure is substantially on fees relating to the planning, land acquisition and delivery strategy. The programme is largely funded by Local Growth Funds and significant spend is expected later in the year on land acquisitions.
- 2.18 Leicester Food Park. All the units are now let and the final accounts remain to be settled.
- 2.19 Retail Gateways. The programme is designed to support independent shop owners in the main gateway and regeneration areas. The profiling of spend is dependent upon property owners being in a position to agree and facilitate the work.
- 2.20 Business Development Grants include:
- 2.20.1 Enterprising Leicester: This scheme is funded from the European Regional Development Fund and provides grants of up to £25k to small and medium sized businesses to improve their productivity and increase employment. Over 130 businesses have been supported, with the remaining grant allocations to be processed this year.
- 2.20.2 Broadband – Business Vouchers: This is funded by Broadband Delivery UK (BDUK) as part of their national programme. Grants of up to £5k are available to SMEs in Leicester and Leicestershire to improve their broadband connectivity. Some 200 SMEs have been supported.
- 2.21 Ashton Green. Designs are progressing about off-site highway works and green infrastructure, with works anticipated to start on site in early 2016. The sale of the second six hectare (6ha) phase of employment land has been secured. Morris Homes are engaged in pre-application planning discussions with the Council and aim to start on site in spring/summer early 2016, delivering 100 family homes. To support this work, it is recommended that an additional £250k of expenditure is approved, to be funded by prudential borrowing, this borrowing to be repaid using the anticipated capital receipts from sales of land at the site.
- 2.22 Traffic Signalling – LED Replacement. Work is on schedule, with substantial completion predicted by Christmas.

- 2.23 Christmas Decorations Replacement. This includes the refurbishment of Gallowtree Gate frames with new garlands and festoons, the replacement of festoons on Churchgate, the provision of new garlands and LED lighting on Humberstone Gate and the refurbishment of the “Christmas Greetings” message on the front of the Town Hall.

3. Leicester & Leicestershire Enterprise Partnership

- 3.1 The table below summarises the current approved projects relating to the Leicester & Leicestershire Enterprise Partnership, for which the Council is the accountable body.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Growing Places Fund	4,000.0	3,705.0	-	-	-	93%
Regional Growth Fund Round 3	3,231.0	3,131.0	-	-	-	97%
Regional Growth Fund Round 4	6,582.0	6,492.0	-	-	-	99%
Loughborough Science & Enterprise Park	200.0	200.0	-	-	-	100%
MIRA Technology Park Enterprise Zone	425.0	-	-	-	-	0%
Local Growth Fund	23,730.0	-	-	-	-	0%
Total	38,168.0	13,528.0	-	-	-	35%

- 3.2 The Growing Places Fund (GPF) is a revolving fund which advances loan funding for new development across city and county areas. Spend is largely dependent on participation of private sector beneficiaries and approval by the LLEP, and therefore difficult to predict. Currently forecasting £4m in this financial year.
- 3.3 The Regional Growth Fund (RGF) round 3 programme funded by DCLG was completed by the deadline of 30th June 2015. Total funds allocated £7.8m. At the present, the jobs created or safeguarded total 1,390, well above the target of 1,248.
- 3.4 The RGF round 4 programme funded by DCLG is on-target to exceed both job creation (744) and private sector investment (£53m) over the lifetime of the fund to April 2016. Presently, jobs created and safeguarded stand at 766. The associated ERDF Catalysing Growth programme has assisted 97 businesses to improve, ahead of the 64 target.
- 3.5 As part of the City Deal, £2m was allocated to the LLEP for the Loughborough University Science & Enterprise Parks (LUSEP) project. As the accountable body for LLEP, the Council receives the funds. A grant payment of £1.8m was paid to the Loughborough University last financial year and the remaining £0.2m paid in June 2015.
- 3.6 £425k is the second half of a capital grant to MIRA Ltd in respect of the MIRA Technology Park Enterprise Zone. It will pay for employment and skills support, business development personnel and marketing including key improvements to the website. This will be funded by present and future business rates uplift within the Zone.
- 3.7 As part of the Local Growth Fund (LGF) 2015/16 allocation, £12.5m has been allocated to four Council projects, namely the Leicester A50 North West Corridor improvements, the North City Centre Access Investment Programme, Strategic Flood Risk Management and the Waterside Strategic Regeneration Area. In addition, the LLEP has earmarked some £11.2m for projects led by external partners from the Local Growth Fund. Projects have incurred spend, but had not been reclaimed from the LLEP at the end of Period 6 and hence no spending is shown in the table above. This expenditure will appear in due course when funds are transferred.

- 3.8 Spend of Local Growth Fund monies is incurred when funds are paid to partner organisations to support the agreed projects, and is thus dependent on the timescales for the commencement of these projects. The majority of spend will occur later in the year or in the next financial year as projects get underway, hence the estimated re-profiling of budget into next year.

4. Culture & Neighbourhood Services

- 4.1 The table below summarises the current approved projects in Culture and Neighbourhood Services.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
City Centre Heritage Interpretation Panels	70.0	7.0	-	-	-	10%
Charter Street Community Arena	660.0	660.0	-	-	-	100%
Total	730.0	667.0	-	-	-	91%

- 4.2 Heritage Interpretation Panels are being installed to provide residents and visitors with heritage information and images relating to key sites. The second tranche of research has been progressed and a further 40 panels in total will be delivered during 2015/16, of which 15 will be in neighbourhood areas (historic villages). The project is progressing well and 10 Panels have already been installed in the City Centre sites.
- 4.3 The Community Sports Arena will provide a new home for the Leicester Riders Basketball Club and be available for community use. It will be owned and operated by the Leicester Community Sports Arena Ltd. The £660k provision in 2015/16 is the balance of the £1.5m grant by the Council and has been paid over in full. The development is a catalyst to the regeneration of the wider area and work on site is progressing well. The arena is on track for completion in early 2016.

5. Local Services and Enforcement

- 5.1 The table below summarises the current approved projects in Local Services & Enforcement.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Household Waste Recycling Centre	81.0	4.0	-	-	-	5%
Park Plant and Equipment	430.0	-	-	-	230.0	0%
Public Conveniences	393.0	40.0	-	-	-	10%
Allotments Infrastructure	290.0	112.0	-	-	-	39%
Victoria Park Gates	453.0	24.0	-	350.0	-	5%
Investment in Play	400.0	77.0	-	-	-	19%
Total	2,047.0	257.0	-	350.0	230.0	14%

- 5.2 The Household Waste Recycling Centre is now fully operational. The remaining funding relates to the retention due to the contractor, which will be paid this year.
- 5.3 The Parks Plant and Equipment budget is provided to purchase replacement items of grounds maintenance equipment with an initial purchase value of over £5k per item. Each purchase will be funded via prudential borrowing with a five year repayment plan. The bulk of the expenditure is programmed for the final quarter, following a competitive procurement exercise

with delivery to coincide with the 2016 grass cutting season. The Parks and Equipment replacement programme has been reviewed and is now showing a saving of £230k.

- 5.4 Following an extended consultation and procurement exercise, orders have been placed to commence the work on refurbishment of the Cossington Street toilets, together with new toilet facilities at Evington Park and Watermead Country Park. Subject to winter weather conditions, it is anticipated that the works will be completed by the end of March 2016.
- 5.5 Work is progressing on the allotment infrastructure with more work commissioned and completed on a number of sites. Fencing works have been completed at Reservoir allotments, Sandhurst Road and Gwendolen Gardens, along with driveway repairs and associated works at Whittier Road. Security work has completed at the Beaumanor Road, Glenfield Road, Gwendolen Road and Reservoir allotments. Car park and driveway repairs have been undertaken at Groby Road and Blakenhall Road. Further security, roadway and drainage works are planned across a number of other sites. The £290k allocation will be spent in 2015/16 as per forecast.
- 5.6 The gates to Victoria Park were installed in the 1930s and are an integral part of the park's history. In recent years they have been steadily deteriorating in condition, especially the Peace Walk gates on Lancaster Road leading up to the War Memorial. This project involves restoration works to these gates, alongside a bigger programme of events and activities looking at the history of not only Victoria Park, but other parks and cemeteries across the City. The Council has been awarded a grant of £502k from the Heritage Lottery Fund to meet most of the costs. Works to the gates are expected to start in late 2015 and continue into 2016/17, hence the slippage in the table. The restoration works will complement the City Council's planned Centenary Walk project at the park, which aims to undertake regeneration work around the historic park lodges and car park areas.
- 5.7 Investment in play will deliver new play equipment to number of sites including Onslow Street, Uppingham Road Gardens, Western Park, Cossington Street, Victoria Park, Ryder Road and Fosse Recreation Ground. Detailed design work has been completed on four of the sites (Onslow Street, Uppingham Road Gardens, Western Park & Monks Rest Gardens) and equipment has been delivered ready for installation. Overall the programme is on schedule to deliver by March 2016.

6. Investment Division

6.1 The table below summarises the current approved projects in the Investment Division.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
City Centre Office Accommodation	4,014.0	916.0	-	700.0	-	23%
20-40 New Walk (IBM)	3,826.0	2.0	2,026.0	-	-	0%
Property Maintenance	250.0	250.0	-	-	-	100%
Heritage Properties	40.0	36.0	-	-	-	90%
Great Central Railway Design	65.0	-	-	-	-	0%
LED Lighting Pilot	194.0	19.0	-	-	-	10%
6-8 St Martins Façade	20.0	-	-	-	-	0%
Purchase of Vaughan College	309.0	-	-	-	-	0%
Vehicle Replacement Programme	478.0	198.0	-	-	-	41%
Total	9,196.0	1,421.0	2,026.0	700.0	-	15%

6.2 The city centre office accommodation project supports the relocation of staff from Greyfriars to more suitable accommodation, as well as the final completion of the refurbishment of city centre office accommodation and clearing the New Walk site.

6.3 IBM has been attracted to Leicester as a major inward investor. The Council is to undertake improvement works to a Council owned property at 20-40 New Walk, which will be leased to IBM as their new city home. Works are due to commence on site in December 2015, with completion by May 2016. The scope of works has however recently increased as IBM has asked the Council to include their internal fitting-out in its main works contract. Hence the total scheme value has been increased from £2.965m to £4.791m, with the increase of £1.826m to be fully funded by IBM. Due to the anticipated timing of the signing of the lease, spending of circa £1.8m is anticipated this year, with the balance in the early part of 2016/17.

6.4 The £40k budget for Heritage Properties is the final payment for works completed at Hansom Hall.

6.5 The Great Central Railway in partnership with the National Railway Museum, the Heritage Lottery Fund and the Council plans to deliver a £15m railway museum at the Leicester North Station. The Council has financially supported the scheme design and the acquisition of allotment plots to release land.

6.6 A pilot LED lighting scheme is being implemented in five operational buildings, to demonstrate how this approach can be used to accelerate energy saving measures across the wider estate. The buildings are LCB Depot, Sulgrave Road depot, the Central Lending Library, Cossington Street Sports Centre and Belgrave Neighbourhood Centre. The LCB Depot work is complete; the remaining four sites will be completed by end of the year.

6.7 £309k was budgeted to purchase Vaughan College from Leicester University. Ownership of the freehold interest, which has now transferred, presents an opportunity for the Council to both secure its land holding adjacent to the Jewry Wall (part of the Roman Town's public baths) and promote continued investment in the site. The purchase will also further protect museum exhibits which in the past have suffered damage through water ingress due to lack of repair of the college building.

- 6.8 The £20k for 6-8 St Martin's is to carry out feasibility options and studies to inform future use/development, which are likely to be completed at the beginning of the 2016.
- 6.9 The Vehicle Replacement Programme is the replacement of City Council fleet, which in 2015/16 includes replacement of four applied street sweepers, gritters, cranes and a hydraulic platform lift. The spending is funded by Prudential Borrowing and the total has been increased to reflect these purchases. The replacement cycle for most vehicles has been increased to 12 years from 7, thus significantly reducing the current spending on replacements.

7. Housing Services

- 7.1 The table below summarises the £31.1m approved Capital Programme for Housing Services and the related expenditure. Revenue finance for the HRA programme will be £0.1m less than budget.

Programme Area	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Decent Homes	17,480.0	8,133.0	1,100.0	-	-	47%
Business Investment	1,410.0	332.0	300.0	-	-	24%
Environmental and Improvement Works	8,896.0	2,346.0	-	163.0	50.0	27%
Increasing Affordable Housing	562.0	41.0	-	459.0	-	7%
Total HRA	28,348.0	10,852.0	1,400.0	622.0	50.0	38%
General Fund Activities	3,298.0	1,249.0	400.0	-	-	38%
Total Housing	31,646.0	12,101.0	1,800.0	622.0	50.0	38%

- 7.2 Decent Homes (£17.5m) provides for works to kitchens and bathrooms, central heating and boilers, rewiring and other improvements to tenants' homes.
- 7.2.1 In addition to the reported spend, at the end of Period 6 some £1.4m of Decent Homes work had been completed but had either not been invoiced or the invoices were still being processed.
- 7.2.2 Refurbishment of the St Peters Tower Blocks is now in its second year and is due for completion in March 2016. Work on Clipstone House is due to be complete by the end of October. Work on Gordon House will follow but the majority of this will not be until 2016/17, thus there will be a re-profiling of £0.5m into 2016/17.
- 7.2.3 Some £442k of the Door Entry Replacement budget is re-profiled into 2016/17 as new schemes await a completed fire risk assessment. Additionally, £158k of the Window & Doors budget is re-profiled as programmed work cannot take place until the properties become void due to access problems.
- 7.3 Business Investment (£1.0m) includes the new housing information system, the digital upgrade to the housing CCTV network, the installation of trackers in the housing fleet and the roll out of mobile devices for the craft workforce.
- 7.3.1 Go live for the Northgate Housing system is now expected in January. The financial impact of the later than planned go live is being assessed and will be reported at period 9.

- 7.3.2 The project board for the CCTV digital upgrade has recently been set up. It is expected that the HRA's contribution of £0.3m will now not be required until 2016/17. The spending has been re-profiled.
- 7.3.3 Phase 2 of installing trackers to housing fleet vehicles will be completed this year and will fully spend the budget.
- 7.3.4 The mobile working project will roll out 392 new and replacement devices to craft operatives this year. The forecast is to fully spend the budget.
- 7.4 The programme for Environmental and Improvement Works (£8.8m) covers a range of schemes across the city. These include:
 - 7.4.1 Environmental works on estates (£1.9m) is forecasting full spend. The programme includes 94 separate schemes across the city to make improvements to facilities and communal areas used by tenants. These include a comprehensive external painting programme and improvements to communal areas, phase 2 external improvements to Liberty Road flats in New Parks (now complete), various resident parking improvements and renewal of concrete paths in Humberstone.
 - 7.4.2 Disabled adaptations (£1.2m) funds adaptations to the homes of HRA tenants, such as installing walk in showers, grab rails, lifts and ramps. It also includes adapting vacant bungalows that will be let through HomeChoice to people on the Housing Register waiting for wheelchair accessible homes. The scheme is demand led and it is expected the full £1.2m will be spent this year.
 - 7.4.3 Phase 2 of the demolition of the Eyres Monsell Exchange shopping parade and flats is due in 2017. £60k has been set aside to fund this work, however some work may be required in the interim once shop units and flats become vacant when it is possible to undertake early preparatory work.
 - 7.4.4 Safety Works and Fire Risk Works are largely demand led schemes and at present the forecast is to spend fully spend the approved budget of £1.1m.
 - 7.4.5 Energy initiatives to improve 1,100 homes with low energy efficiency ratings are underway. The solution to address each home is specific to each property and we are working with tenants to implement improvements. The current forecast is to fully spend the approved budget of £0.5m.
 - 7.4.6 Walkways (£0.2m) and Waylighting (£0.4m) will fully spend this year. Work to improve the condition of elevated walkways will have largely completed this year. By the end of year over half of waylighting on the estates will have been replaced with energy efficient fittings.
 - 7.4.7 A list of proposed sites for new playground equipment (£0.1m) is currently being consulted on.
 - 7.4.8 Supporting Neighbourhood Hubs – Saffron will be completed in December when the Eyres Monsell and STAR offices transfer. There are currently no further proposals this financial year, resulting in a £50k saving.
 - 7.4.9 Loft Insulation. Whilst surveys are being carried out at properties initially requesting the scheme, several tenants are subsequently deciding to opt for the work to be carried out

by other private contractors whom they have contacted. This will result in slippage of £163k into 2016/17.

- 7.5 The conversion of Lower Hastings Street hostel into general needs housing and supported housing is now expected to start in 2016. Procurement is underway to appoint a joint contractor for the conversion of both Loughborough Road hostel and Lower Hastings Street hostel. The exact start on site date is not yet known. Spend of £41k to date relates to architectural services carried out. Slippage of £459k is currently forecast.
- 7.6 The forecast spend for the General Fund Capital Programme will be £0.4m less than budget, which is re-profiled into 2016/17. Actual spend at period 6 is £1.2m.
- 7.6.1 Disabled Facilities Grants (£2.4m) provides grants to owner occupiers to make small adaptations to their home. The scheme will allocate the full budget this year, however spend is forecast to be £0.4m less than budget as recipients of allocations have six months to complete the work and claim the grant. It is proposed to re-profile £0.4m into 2016/17.
- 7.6.2 Repayable Home Repair Grants (£0.2m) are available for low income private homeowners to make essential improvements to their property. The budget will be fully spent this year.
- 7.6.3 The match funding scheme to encourage private sector landlords to install loft insulation will fully spend this year. The Street-Scene Improvements scheme (£50k) will install around 50 new alley gates and fund new infills and fencing and repairs to existing gates. However, since Period 4 an additional £40k funding has been provided by Community Safety for Street Scene Improvements meaning a revised spend of £90k.

8. **Policy Provisions**

- 8.1 At the end of Period 6 a number of policy provisions for City Development & Neighbourhoods projects still awaited formal approval for allocation to specific schemes.

Service Area	Project	Amount £000
Planning, Transportation and Economic Development	Economic Action Plan Phase 2	8,779.0
	Ashton Green Infrastructure	1,640.0
Local Services & Enforcement	Replacement Allotment Infrastructure	125.0
	New Public Conveniences	500.0
Property Services	Property Maintenance	1,700.0
Housing Revenue Account	New Affordable Housing	3,040.0
	New HRA Schemes	800.0
Total		16,584.0

- 8.2 The £500k policy provision for new public conveniences has since been released. This will be used for the replacement of the existing toilet block at Belgrave Road and the refurbishment of toilet facilities at the Abbey Park café pavilion.

Corporate Resources Projects

1. Summary

- 1.1. The projects comprising the Corporate Resources Capital programme have spent £0.2m of their approved capital programme of £2.7m.
- 1.2. The following table shows the split of the capital programme by division:

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
Financial Services	2,000.0	-	1,775.0	-	-	0%
Information Services	689.0	197.0	-	-	-	29%
Total	2,689.0	197.0	1,775.0	300.0	-	7%

2. Financial Services

- 2.1. The procurement of a corporate Finance and HR/payroll system is required due to current contracts expiring. Work to select the new supplier(s) is well underway.

3. Information Services

- 3.1. The table below summarises the £0.7m approved Capital Programme for Information Services.

Project	Approved £000	Spend £000	Profiling £000	Slippage £000	Saving £000	% Spent
UNIX Server Replacement	197.0	197.0	-	-	-	100%
ICT Data Storage Replacement	390.0	-	-	-	-	0%
ICT Firewall	102.0	-	-	-	-	0%
Total	689.0	197.0	-	-	-	29%

- 3.2. The Unix database platform has been replaced as planned.
- 3.3. The ICT equipment used to store the Council's data is at the end of its life. The existing equipment was procured in 2008/09, and would usually have a lifespan of 5 years. £390k has been provided for this. It is hoped that contract award and purchase will take place by late November 2015, with a view to commencement of the installation of the new solution in December 2015, with completion of the project March 2016.
- 3.4. £102k has been provided to replace the current ICT firewall, which protects the Council's data from malicious attack. Again, the current equipment is at the end of its useful life. ICT have commenced the implementation of the first components of the new firewall infrastructure, and this due for completion in November 2015. The remainder of the infrastructure requirements will then be implemented following a formal tender exercise, and it is currently anticipated that the project will be completed by March 2016.



Leicester
City Council

WARDS AFFECTED:
ALL WARDS (CORPORATE ISSUE)

Appendix B3

OVERVIEW SELECT COMMITTEE

3rd December 2015

REVIEW OF TREASURY MANAGEMENT ACTIVITIES 2015/16

Report of the Director of Finance

1. Purpose of Report

- 1.1 This report reviews how the Council conducted its borrowing and investments during the first six months of 2015/16.
- 1.2 2015/16 has seen continued economic growth in the UK and elsewhere. However, within the Eurozone, whilst economic and financial tensions have eased many underlying issues remain to be resolved.
- 1.3 A reduction in the rate of growth of the world economy has been a major contributor to the fall in the price of oil and other commodities and this has helped keep inflation rates low in the UK and push back the date at which commentators see UK interest rates rising. At the same time the US economy has shown robust growth which many commentators see as likely to lead to an increase in interest rates there, possibly as early as December. The impact of such an increase is difficult to predict, but there is a risk that there may be an adverse knock-on effect on emerging economies.
- 1.4 Overall the position presented is of one where major economies of the World are at, or near to turning points and where the exceptional measures (such as “quantitative easing”) put in place in response to the 2008 financial crisis and its aftermath may end, and may well be reversed, except perhaps in the Euro Zone. Such turning points can create turbulence in the financial markets as investors switch investments.
- 1.5 We continue to monitor the impact of the “bail in” requirements for major depositors to inject funds into banks which are running into trouble introduced earlier in the year. This is further discussed below.

2. Summary

- 2.1 Treasury Management is the process that ensures that the Council always has enough cash to make the payments that are necessary for its operations, and this involves both borrowing and investment. The Council’s borrowing totals some £240 million; and during 2015/16 to date its investments varied from below £189 million to over £240 million depending on circumstances.

- 2.2 The Council has a prudent approach to treasury management. It does not borrow more than it needs; generally preferring to use cash balances as an alternative to borrowing. In recent years we have not needed to borrow at all. It only lends to very strong banks and this discipline is enforced by maintaining a regularly updated list of who we will lend to. A particularly cautious approach has been adopted during the recent economic difficulties.
- 2.3 The report commences with an overview of treasury management, including loans and investments at key dates. It then reviews the credit worthiness of investments and implementation of our strategy, provides outcomes on key performance measures and concludes by reviewing compliance against limits set by the Council.

3. **Recommendations**

- 3.1 Members of the Overview Select Committee are recommended to note the report and make any comments to the Director of Finance and the Executive as they wish.

4. **Overview of Treasury Management**

Main elements of Treasury Management

- 4.1 There are two main elements to treasury management. The first is managing our borrowings which have been taken out to finance capital expenditure. Most capital schemes are now financed by grant, and only a limited number of schemes of local significance are financed by borrowing. In the past the Government expected us to borrow but allowed for the cost of borrowing in our grant settlement and we still have a lot of debt which was taken to meet this capital expenditure.
- 4.2 Historic debt can sometimes be restructured to save money, i.e. repaying one loan and replacing it with another and this is always given active consideration. In recent years, Government rule changes have normally made this prohibitively expensive.
- 4.3 The revenue budget approved by the Council for each financial year includes provision for the interest payable on this borrowing. It also includes a provision for repaying the borrowing over a number of years (broadly speaking over the economic life of the assets acquired).
- 4.4 The second element is cash management which involves managing the Council's investments to ensure the optimum amount of money is in the bank account on a day-to-day basis – so that there is enough money on the account to cover the payments made on the day but no more (cash held on the bank account earns negligible interest).
- 4.5 The Council has substantial investments but this is not “spare cash”. Some comes from grants received in advance of expenditure and from reserves held for designated purposes. It also includes money set aside to repay debt but which has not been used to repay debt due to the punitive charges referred to above.
- 4.6 There is a provision for interest earned on investments in the Council's revenue budget.

Treasury Management Policy and Monitoring

- 4.7 The activities to which this report relates were governed by the Treasury Strategy for 2015/16 which was approved by the Council on 22nd January 2015. This establishes an outline plan for borrowing and investment. The strategy is drawn up in the light of the Council's expected

borrowing requirements, its expected cash balances, the outlook for interest rates and the credit worthiness of the banks with whom the Council might invest its cash balances.

- 4.8 A twice-yearly report is submitted to your Committee reviewing the treasury activity undertaken in the year. This report is the mid-year report for 2015/16

Loans and Investments at Key Dates

- 4.9 Table 1 below shows the loans (money borrowed by the Council) and investments (money invested by the Council) at 31/03/2015 and 19/11/2015. The rates shown are the averages paid and received up to 31/03/2015 and 19/11/2015.
- 4.10 It can be seen that the level of gross debt (total loans borrowed) is unchanged at a level of £239m. No new loans have been borrowed and no debt restructuring has taken place.
- 4.11 Investments have increased by £46m from £165m to £211m. This movement is broadly in line with expectations – cash balances at year-end are often low and subsequently increase in the new financial year.

Table 1- Loans & Investments

	Position at 31/03/2015 Principal £M	Average Rate	Position at 19/11/2015 Principal £M	Average Rate
Long Term Fixed Rate Loans				
Public Works Loan Board (PWLB)	134	4.2%	134	4.2%
Market & Stock	9	7.0%	9	7.0%
Variable Rate Loans				
Bank Loans	96	4.4%	96	4.4%
Gross Debt	239	4.4%	239	4.4%
Investments				
Banks and Build Soc	60		78	
Other Local Authorities	88		108	
Government Debt	9		-	
Management Office				
Government Treasury Bills	8		5	
Money Market Funds	-		20	
Total Investments	165	0.4%	211	0.4%
NET BORROWING	74		28	

5. Credit Worthiness of Investments

- 5.1 2015/16 showed increasing signs of economic recovery within the UK economy and within the world economy. Within the euro zone the overall picture was one of economic recovery with the impact varying from country to country and with this recovery taking place against a background of continuing risks within the euro zone.
- 5.2 The governments of the largest world economies, including the UK, have implemented measures to make banks less likely to fail but also to reduce the impact on the financial system and on tax payers if they do fail. The measures for dealing with a failing bank see investors who have lent or deposited money taking significant losses before there is any tax payer support (“bail in”). Our assessment of risk is based both on the risk that banks fail (as measured by credit ratings) and also on the level of losses that we might face should the banks fail (or more likely require capital support to prevent failure)
- 5.3 These developments were reflected in the Council’s approach to managing credit risk in its Treasury Strategy for 2015/16. It has adopted a cautious stance over the whole period covered by this report and has only directly lent to strong UK banks, other local authorities and the UK Government (either indirectly through the Debt Management Office or directly through the purchase of short-dated loans known as treasury bills).
- 5.4 The position remains under review. One factor is that other regulatory developments are continuing to require or push banks towards greater financial robustness in terms of their liquidity (their ability to sustain large outflows of cash) and capital strength (their ability to absorb losses). Another matter currently under review are the measures that will be put in place to require banks to “ring fence” bank deposits from other more risky activities. One consequence of this is that banks are reviewing the range of bank deposit products that they offer, and the interest paid. The Council, for its part, will review the impact of such changes on the security of its investments and receives advice on this matter from its treasury advisors.
- 5.5 The Council has an indirect exposure to non-UK banks through its investment in money market funds. At the time of preparing this report one fund is invested in, but we are looking to open a further 2-3 funds. Money market funds are like “unit trusts” but rather than investing in company shares these funds investment in interest bearing investments such as bank deposits. When we open such funds they are vetted to ensure that they have strong investment and risk management processes to ensure a high level of credit worthiness in the underlying investments, and we receive advice from our treasury advisor, Arlingclose. Investing in this way helps manage credit risk by having a high level of diversification amongst the underlying banks and institutions to whom money is lent.

6. Implementation of Borrowing & Investment Strategy

- 6.1 The strategy approved by Council for 2015/16 envisaged using cash balances instead of borrowing, and this strategy has been adhered to.
- 6.2 Given that the Council continues to have a high level of investments active consideration is given to the possible early redemption of a limited amount of debt. This, however, is not straightforward as debt repayment usually involves the payment of a premium. The level of such premiums payable in 2015/16 is too high for premature debt redemption to be viable.

7. Other Sources of Capital Finance

7.1 Major assets are funded primarily by grant or capital receipts. The acquisition of smaller assets such as vehicles and computer equipment can be financed by borrowing or leasing and a comparison is made in order to choose the option that is most cost effective. During the period under review, leasing has not been used, and assets have been bought outright.

8. **Key Performance Measures**

8.1 The most important performance measures are the rate of interest on the Council's borrowings, the timing of borrowing decisions, the timing of decisions to prematurely repay debt and the return on investments. The second and the third of these do not apply because no new loans have been borrowed and no existing loans have been prematurely repaid.

8.2 The Council is a member of a benchmarking club: the latest data is for the second quarter of 2015/16. The average rate of interest on investments for members of that club is 0.82%. The Council's own rate is lower: 0.50%. This difference in performance can be attributed in part to the average authority investing for longer periods. As at 30th September 2015 the average maturity of our investments was 112 days whereas the group average was 177 days.

8.3 The implementation of our 2015/16 strategy has increased the average maturity of our investments. As at 30th September 2014 the average maturity of our investments was 81 days and the figure as at 30th September 2015 stood at 122 days, some 41 days higher. At the date of drafting this report the average maturity was 113 days.

8.4 The rate of interest on investments at the date of drafting this report is 0.6% which is 0.2% higher than the 0.4% rate on investments at 31st March 2015 and in the year to date. This increase is mainly due to the lengthening of maturity described above. We will continue to lengthen the maturity of our investments, subject to satisfactory investment opportunities being presented. Despite this it is likely that the next benchmarking results will show that the return on our investments is lower than that of the average authority with this difference being attributable to our cautious approach to credit risk. In particular a lot of our investments are, and will remain with, other local authorities.

8.5 There is a relationship between the credit rating of an investment and its return – generally the higher the credit rating the lower the return and visa-versa. As well as receiving information from the benchmarking club we also receive benchmarking data from our Treasury Advisors. We have reviewed this data and discussed it with our advisors who advise that we have struck an appropriate balance between risk and reward. They also support the approach of seeking higher returns by continuing to increase the average maturity of our investments.

8.6 The current low interest rate environment is forecast to continue for a number of years (although interest rates are expected to rise slowly) and this consideration will feed into the review as to whether cash balances should be used repay existing long-term, fixed rate, debts.

8.7 Higher investment returns are available if higher credit risk is accepted. However, the trade-off between risk and reward was considered when investment strategies were set for 2015/16 and in the current economic climate continues to be a most important consideration. The "return of the principal" is considered more important than the "return on the principal", that is our primary concern is to ensure that the funds invested will be repaid on time and in full. This remains our approach during the current financial year.

9. **Use of Treasury Advisors**

9.1 The Council are advised by Arlingclose Ltd. They advise on all aspects of treasury management but their main focus is on providing advice on the following matters:

- the creditworthiness of banks
- the most cost effective ways of borrowing
- appropriate responses to Government initiatives
- technical and accounting matters.

10. **Compliance with the Council's Treasury Strategy**

10.1 As required by the statutory borrowing framework, the Council is required to set a number of prudential limits and indicators, and is encouraged to supplement these with local indicators when appropriate. These limits are set annually and can be found within the budget and Treasury Strategy.

10.2 For the operational implementation of the Council's Treasury Management Strategy the most important limits and indicators that need to be monitored throughout the year are:

- The authorised limit – the maximum amount of borrowing that the Council permits itself to have outstanding at any one time
- The operational limit – a lower limit to trigger management action if borrowing is higher than expected.
- The maximum proportion of debt that is fixed rate.
- The maximum proportion of debt that is variable rate.
- Limits on the proportion of debt maturing in a number of specified time bands
- Limits on sums to be invested for more than 364 days

10.3 These limits are monitored, and have been complied with.

11. **Financial and Legal Implications**

11.1 This report is solely concerned with financial issues. Kamal Adatia, Legal Services has been consulted as Legal Advisor and there are no legal issues.

14. **Other Issues**

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

15. **Background Papers**

- 15.1 The Council's Treasury Management Strategy - "Treasury Strategy 2014/15" – Council 23rd January 2014. The Council's Treasury Policy Document – "Framework for Treasury Decisions" – Council 29 March 2012.

16. **Consultation**

- 16.1 Arlingclose Ltd (the Council's Treasury Management advisers).

17. **Author**

- 17.1 The author of this report is David Janes, Treasury Manager, on extension 37 4058.

Alison Greenhill
Director of Finance.



Income Collection April – September 2015

Decision to be taken by: N/A

Executive meeting date: 19th November 2015

Overview Select Committee date: 3rd December 2015

Lead director: Alison Greenhill

Useful information

■ Ward(s) affected: All

■ Report author: Jon King, Accountant

■ Author contact details: X374043 and Jon.King@leicester.gov.uk

1. Summary

This report is a requirement of our governance arrangements. The report details progress made in collecting debts raised by the Council during the first six months of 2015-16, together with debts outstanding and brought forward from the previous year. It also sets out details of debts written off under delegated authority that it has not been possible to collect after reasonable effort and expense.

The headline collection rates for both NNDR and Council Tax are slightly below those achieved at the same point last but they are expected to improve back to a level close to 2014-15 full year rates. For other income, the level of older debt has fallen since the beginning of the year. Overpaid Housing Benefit debt continues to rise.

Figures shown in this report need to be seen in the context of the total amount of income (i.e. credit and cash) collected by the Council each year, which amounts to approximately £0.4bn.

2. Recommendation

OSC are asked to note the contents of the report and make any recommendations it sees fit to the Executive.

3. Supporting Information

Appendices A and B to this report provide the main supporting information to this report.

4. Financial, legal and other implications

4.1 Financial implications

The report details the current collection and write-off levels of sums payable to the City Council.

4.2 Legal implications

The report includes details of action taken to pursue certain debts through the courts. Jeremy Rainbow – Team Leader/Senior Legal Officer x371435

4.3 Climate Change and Carbon Reduction implications

No climate change implications.

4.4 Equality Impact Assessment

The Council has to make every effort to collect its due debts. The Council has adopted a Fair Debt Collection policy to encourage debtors in difficult financial circumstances to make arrangements to pay within their means.

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

None

5. Background information and other papers:

Finance Procedure Rules

Fair Debt Collection Policy

Background information is given in Appendix A

6. Summary of appendices attached:

Appendices A & B – Background information, detailed collection performances and schedule of write-offs.

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

No

1. **Background Information & Purpose of Report**

- 1.1 The Council collects approximately £0.4bn worth of income every year. This is in respect of a wide variety of services and from a wide variety of individuals and organisations. Some is collected from businesses (i.e. Business rates), some from every household (i.e. Council Tax), some from tenants of the Council's houses, and from numerous other sources including charges for the use of Council facilities, commercial rents from factory units, adult care charges, the recovery of overpaid Housing Benefit, parking fines and charges to schools and other public sector bodies for services provided.
- 1.2 Some income is collected at the point of sale as cash or credit/debit card payments. The rest is subject to an invoice being raised by the Council for an amount due (whether payable as a one-off sum or periodically through the year).
- 1.3 This report, which is a requirement of the Council's Finance Procedure Rules, details progress made in collecting debts raised by the Council during the first half of 2015/16.

2. **Summary**

- 2.1 On the 30th September 2015 the Council's debt outstanding figure stood at £149m. The increase from the end of 2014-15 reflects the inclusion of Council Tax and NNDR debt for the full year, even though income is collected over the course of 12 months. Collection performances for both NNDR and Council Tax are slightly down on those at the same point last year, nevertheless it is anticipated that the full year performances will be very close to those for 2014-15.
- 2.2 The level of "Other Income" debt over twelve months old has fallen from £6.5m at the beginning of the year to £6.25m. Levels of overpaid Housing Benefit debt have continued to increase.
- 2.3 The Council has a Fair Debt Collection policy to encourage debtors in difficult financial circumstances to make arrangements to pay within their means.

3. **Collection Data**

- 3.1 Detailed collection performances are included in the main body of the report. The headlines are summarised in the following table;

Income Type	Performance
Non Domestic Rates	56.28% of the 2015-16 debt had been collected by the 30 th September 2015. This compares to 56.45% for the same period in 2014-15. (This placed us 6 th out of 11 comparator authorities)
Council Tax	53.42% of the 2015-16 debt had been collected by the 30 th September 2015. This compares to 53.99% for the same period in 2014-15. (This placed us 7 th out of 11 comparator authorities).
Other Income	Debts over 12 months old amounted to £6.25m @ 30 th September 2015 – this compares to £6.5m @ 31 st March 2015

3.2 The headline values of debt brought forward, raised, collected, written-off and carried forward at the year-end are shown below;

Income Type	Debts brought forward @ 1/4/2015 £m	Amounts raised 2015-16 £m	Amounts collected £m	Amounts written off £m	Debts outstanding @ 30/9/2015 £m
Non Domestic Rates	6.526	103.589	(58.286)	(0.481)	51.348
Council Tax	12.047	106.293	(58.384)	(0.434)	59.522
Summons Costs (for NDR and CT)	1.028	0.921	(0.474)	(0.055)	1.420
Housing Benefit Overpayments	13.193	4.016	(2.042)	(0.118)	15.049
Council House Rents – Current Tenant Arrears	1.538	44.3	(44.13)	0	1.708
On and Off-Street Car Parking and other traffic fines (Penalty Notices)	0.987	1.266	(0.836)	(0.272)	1.145
Other Income	22.542	41.782	(44.878)	(0.535)	18.911
Totals	57.861	302.167	(209.03)	(1.895)	149.103

*For NDR and Council tax new debts are net of reliefs, credit adjustments, discounts and benefits. Amounts written off are net of adjustments, dividends received in respect of bankruptcy or liquidation debts previously written off. The amounts listed in Appendix B are gross write-offs.

3.3 The report focuses on the collection performance of each main category of debt.

3.4 If a debt is irrecoverable after reasonable effort and expense has been made then it should be written off in accordance with Finance Procedure Rules. This report contains details of debts written off by income category and by reason at Appendix B.

4. Collection Performance details

4.1 NonDomesticRates

4.1.1 National non-domestic rates (NNDR) or business rates are collected from businesses by councils. The amount collected is based on the rateable value of individual business properties and a nationally set rate in the pound. Currently 50% of business rates are paid to Government to be redistributed. 50% are retained locally (of which 1% is due to the Combined Fire Authority and 49% is kept by the City Council). Our collection performance directly affects the finances of the City Council.

4.1.2 There are approximately 12,000 business premises in Leicester City. Rates due for 2015-16 amount to £104.9m and together with arrears brought forward of £6.0m mean that £110.9m is due for collection from 1/4/2015.

4.1.3 A key measure of the Council's effectiveness in collecting this tax is the percentage of debt collected in the year in which it is raised (i.e. the percentage of the 2015/16 business rates actually paid before 30th September 2015). As at 30th September 2015, the collection rate for the year was 56.28%. This compares with 56.45% in 2014-15 and 58.35% in 2013-14. The slight drop probably reflects the continuing take-up of payment by 12 instalments rather than 10. For 2014/15 the full year collection rate "recovered" to exceed that of 2013/14.

- 4.1.4 In relation to our benchmarking group of authorities, the collection performance to September 2015 placed us 5th out of 10.
- 4.1.5 In respect of earlier years' charges £1.817m was collected and together with debt reductions (due to rateable value adjustments) and the writing off of irrecoverable debt, there was an overall reduction from £5.973m in April 2015 to £5.082m.
- 4.1.6 During the year £0.487m (including costs) has been written off. The values and reasons for write off are detailed in Appendix 1 of the report.
- 4.2 Council Tax
- 4.2.1 Council Tax is the means by which local citizens contribute to the net cost of council services. One bill is issued to each home in the City and is based on the valuation band (eight in all) the property has been assessed in. In total the amount required from Council Tax represents approximately 25% of the Council's Net Budget requirement.
- 4.2.2 Council Tax collection performance needs to be seen in the context of the new Council Tax support scheme, which the Government required us to introduce in 2013/14, and which replaced council tax benefit. In the past, council tax benefit was calculated based on a claimant's tax and income. Maximum benefit payable was 100% of the tax bill.
- 4.2.3 The new scheme is less generous, and the maximum council tax support receivable by working age claimants is 80% of the total tax charged.
- 4.2.4 There are now over 132,000 domestic properties in Leicester City. Council Tax due for 2015-16 is approximately £107.7m and together with arrears brought forward of £11.6m mean that £119.3m was due for collection from 1/4/2015.
- 4.2.5 The amount of debt due to be collected at the same time last year, including the arrears brought forward was £112.9m. This increase is as a result of an overall increase in Council Tax of 2%, additional properties in the city, plus the impact of the council tax support scheme described above.
- 4.2.6 As with Non Domestic Rates, a key measure of the Council's effectiveness in collecting this tax is the percentage of debt collected in the year in which it is raised. The collection rate target for the year was set at 95.0%, which reflects the difficulties some tax payers face. As at 30th September 2015, 53.42% of the debt due for the current financial year had been collected. The rate compared to 53.99% for 2014-15. Since the abolition of Council Tax Benefit from 1st April 2013 half year collection rates have fallen due to a deliberately lengthened recovery process with extra reminders– this has “slipped” some income into the second half of the year. We anticipate that the full year collection rate will be close to that for 2014-15.
- 4.2.7 In relation to our benchmarking group of authorities, the collection performance for the year as at 30th September 2015 placed us 6th out of 10. Within our recovery process, we have put in safeguards to protect the most vulnerable.
- 4.2.8 In respect of earlier years' charges, £2.512m has been collected since 1st April 2015 and together with changes in customer liability and the writing off of

debts the overall debts have been reduced from £11.582m to £9.558m.

4.2.9 For 2015/16 a total of 132,300 dwellings were billed for Council Tax. 48,936 reminders have been issued to non-payers and 15,333 summonses were subsequently issued (17,112 in 2014-15 for the same period). 6,365 cases were referred to Enforcement Agents (Bailiffs) for collection (7,336 in 2014-15) in relation to outstanding debts for all years.

4.2.10 The Council has service level agreements with all enforcement agencies it uses and these contain codes of conduct in line with "The Taking Control of Goods Regulations 2013". These regulations supplement part 3 of the "Tribunals, Courts and Enforcement Act 2007" by making detailed provision for operation of the procedure which enforcement agents must follow when seeking to take control of goods and selling them to recover a sum of money. The Council's dedicated court team liaise with the enforcement agents on a daily basis and quarterly review meetings are held to ensure that they adhere to the regulations and associated guidance.

4.2.11 So far during the financial year £0.484m (including costs) has been written off. The values and reasons for write off are detailed in Appendix B of the report.

4.3 Court Summons Costs

4.3.1 Costs are added to all local taxation bills when liability orders or other court orders are issued for non-payment. A set rate for costs is determined by the courts and reviewed each year. These are then collected with the local tax in question but are monitored separately. The level of outstanding costs as at 30th September 2015 was £1.420m.

4.4 Overpaid Housing Benefit

4.4.1 The main cause of Housing Benefit overpayments are delays in recipients telling the Council of changes in their circumstances. The Council reminds recipients of their obligations in this respect in all letters sent out. Overpaid Housing Benefit is difficult to collect.

4.4.2 Previously, Overpaid Housing Benefit has been included in two lines in the summary report ("OHB" and as part of the total of "Other Income"). This report aggregates all OHB debt onto one line for greater transparency.

4.4.3 Between 1st April and 30th September 2015 a total of £4m of new overpayments have been identified and a total of just over £2m of debt collected. In addition £118k of write-offs has occurred. With the £13.2m of debt brought forward from last year this left just over £15m of debt outstanding at 30th September 2015

4.4.4. £5m of this debt is subject to deductions from on-going benefit. £6.9m has been invoiced and is subject to recovery action, with a further £3.16m being subject to invoicing in the near future.

4.4.5 The following table shows the age of the invoiced debt;

Age Category	£000s
0 to 6 months old	1,602
7 to 9 months old	1,565
10 to 12 months old	282
Over 12 months old	3,416
Total	6,865

4.4.6 The Overpaid Housing Benefit debt that has been invoiced is being reviewed to identify those individual debts that can be collected via an attachment to a prescribed benefit, Direct Earnings Attachment or via Third Party Debt Orders which permit the freezing of bank accounts to force payment.

4.5 Housing Rents

4.5.1 The City Council manages approximately 21,300 tenancies across the City. Most tenants are on low income and current indications are that 64.84% of tenants are on full or partial Housing Benefit. This equates to approximately £0.970m per week being paid directly to the Council in Housing Benefit payments.

4.5.2 For those tenants not on full Housing Benefit (approx. 14,491), rent payments are due weekly in advance and for 50 weeks of the year (i.e. there are two “rent free” weeks).

4.5.3 Universal Credit (UC) will commence roll out in January 2016, initially for single (childless) people with new claims and changes of circumstances. There is currently no indication of the timetable to migrate existing claimants and families to UC. As individuals are moved onto the new arrangements, all those tenants of working age who currently receive full Housing Benefit will need to pay their rent themselves. Some vulnerable people will still be able to have their Housing Costs element paid direct to the landlord.

4.5.4 The ultimate sanction for non-payment of rent is eviction. From April to September 2015, 28 evictions for rent arrears took place. This compares to a total of 51 evictions made during the same period in 2014.

4.5.5 For 2015-16 the average rent increase was 2.2%. This led to a gross rent debit of £44.3m for the first six months of the year. Arrears brought forward were £1.538m and therefore the total collectable debt for the period was £45.84m. After the deduction of Housing Benefit (£25.6m) this left £20.24m to collect. Of this £18.53m has been collected.

4.5.6 Arrears at the end of September 2015 stood at £1.708m. This is an 8.8% decrease from the arrears at the same point in 2014 of £1.873m

4.6 Other Income

4.6.1 The Council's Business Service Centre is responsible for collecting most of the other sources of Council income. Other income includes sums charged for various services such as adult social care, cemeteries and crematorium, and commercial rents for Council owned property. It also includes the recovery of

debts owed for things like former council tenant rent arrears. Because substantial sums can also be invoiced for land/property sales and for the transfer of pooled budget funds from the NHS to the Council the level of debt outstanding at any point in time is volatile.

4.6.2 Overall levels of debt outstanding for other income at 30th September 2015 were £3.6m lower than at the beginning of the financial year. The total number of invoices raised during the first half of 2014-15 was 16,820.

4.6.3 The level of debt over 12 months old has decreased from £6.5m to £6.25m. The breakdown of debt over 12 months old is as follows;

Debt Type	Amount
Adult Care	£1.187m
Council Housing – mainly recoverable repair costs	£948k
Property	£441k
Private Sector Housing - works in default subject to land charge	£432k
Building Safety	£329k
Right to Buy	£262k
Former Tenant Arrears	£192k
All other services	£2.460m
Total	£6.251m

4.6.5 These debts are being enforced as follows;

Enforcement Stage	Amount
With Legal Services	£4.29m
With BSC – Exchequer Team - Adult Social Care debt	£1.18m
Subject to payment plans in BSC – Exchequer Team	£304k
With BSC – Exchequer Team	£243k
Subject to Land Charges in BSC – Exchequer Team	£160k
Being pursued by IC (through HM Courts & Tribunal Service)	£74k
Total	£6.251m

4.6.6 The Income Collection team continues to enforce in its own right, high volume, low complexity debt via the HM Courts & Tribunal Service using Money Claim Online, a faster, secure method of expediting debt with reduced court fees for both debtor and applicant. This is used when all other collection options have been exhausted.

4.6.7 During the first six months of the year £535k of debt has been written-off.

4.6.8 The above debts are recorded on the Council's Accounts Receivable (AR) system. For residential care clients a deferred payment scheme exists for residential care charges – this limits how much has to be paid whilst the client is in care – the difference between the amount paid and that chargeable accrues over time and is subject to a charge on their property. Debts are not raised for this until the care service being provided ceases. As at 30th September 2015 a total of £1.532m was outstanding and related to 89 clients which is additional to the above sums.

4.7 On and Off-Street Parking and Bus Lane Enforcement Fines

4.7.1 The Council runs eight “pay and display” car parks in the City with a total of 1,537 spaces. In addition there are approximately 1,300 “pay and display” on-street parking spaces. Penalty Charge Notices (PCNs) are issued by enforcement officers for both on street and off street parking charge evasion, as well as for illegal parking (e.g. parking on yellow lines).

4.7.2 PCNs are handed to drivers or fixed to the windscreens of cars and include details of how payment should be made. Two nationally set rates apply (£50 and £70), based on the seriousness of the offence. If payment is made within 14 days, a 50% discount applies (i.e. the fine reduces to £25 or £35) and the ‘debt raised’ amount is reduced accordingly. The figures for parking PCNs for the year are as follows;

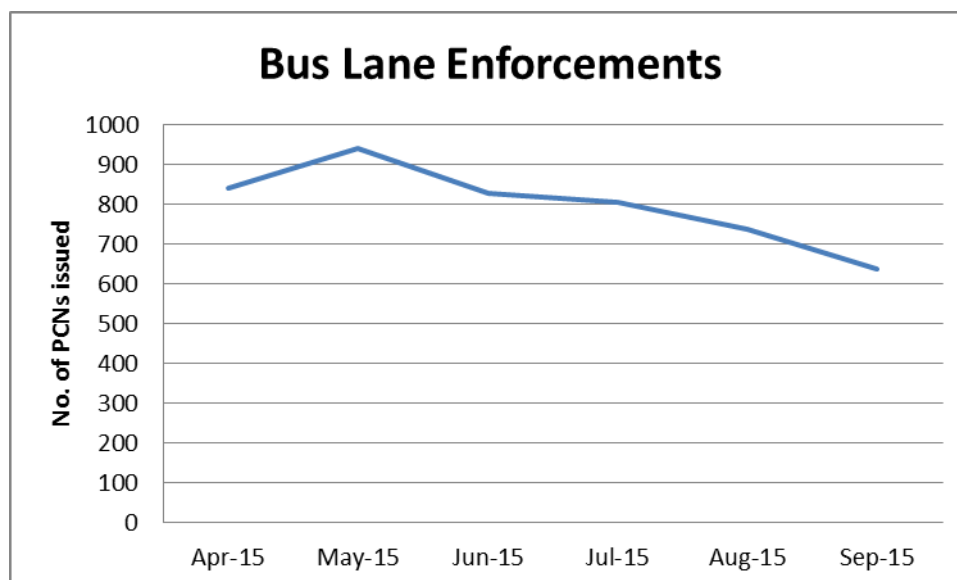
Brought forward £000	Debt raised £000	Debts collected £000	Debts written off £000	Carried forward £000
833	1,070	(692)	(194)	1,017

4.7.4 Of the tickets issued since 1st April 2015 70.6% had been paid by the 30th September 2015 (this is the first inclusion of this collection performance – it will be used to benchmark future performance).

4.7.5 Bus Lane Enforcement is carried out in two locations, Charles Street and Causeway Lane. Fines are levied at the rate of £60, which is discounted to £30 if paid within 14 days.

Brought forward £000	Debt raised £000	Debts collected £000	Debts written off £000	Carried forward £000
154	195	(144)	(78)	127

4.7.6 Of the tickets issued since 1st April 2015 61.53% had been paid by the 30th September 2015 (this is also the first inclusion of this collection performance). The chart below shows the numbers issued since April 2015.



The figures will have been affected by the Haymarket Bus Station construction contract but they show a continuing downward trend in the number of contraventions.

- 4.7.7 Write-off values for both Car Parking and Bus Lane Enforcement fines are at the full (non-discounted) rate and will include court and recovery fees. As a result although the percentage of tickets written off is under 20%, the recorded value is disproportionately higher.

5. Consultations

- 5.1 Revenues & Benefits Services and the Business Services Section are both part of Financial Services. Housing, Legal Services and the Traffic Management Service have supplied the remaining information and have been consulted in the preparation of this report.

Appendix B

Schedule of Debts Written off Under Delegated Authority – 2015-16 (first six months)

Debt Type / Location →	Council Tax (Including Costs)		Non Domestic Rates (Including Costs)		Income Collection, Overpaid HB and Former Tenant Arrears, and Car Parking/BLE fines		Total	
Reason for Write Off ↓	No.	Value £	No.	Value £	No.		No.	Value £
Unable to Trace	1,548	339,671.07	25	124,725.51	2,721	279,715.12	4,294	744,111.70
Deceased – No Assets	88	26,199.28	0	0	552	216,246.35	640	242,445.63
Insolvent / Bankrupt/ Liquidated	165	43,731.87	70	403,783.01	92	29,750.48	327	477,265.36
All recovery options exhausted / irrecoverable at reasonable expense	355	49,027.85	24	20,418.33	1,634	352,572.48	2,013	422,018.66
In prison	21	2,568.31	0	0	0	0	21	2,568.31
Statute barred	0	0	0	0	122	46,845.51	122	46,845.51
Remitted by the Court	1	5,501.01	0	0	0	0	1	5,501.01
Totals	2,178	466,699.39	119	548,926.85	5,121	925,129.94	7,418	1,940,756.18

Overview Select Committee (OSC) Finance Task Group – 2015/16 Period 6 **25th November 2015, 5.30pm. Room 3.06, City Hall**

Present:

Cllr Baljit Singh, Chair of Task Group
Cllr Dr Susan Barton
Cllr Vi Dempster
Cllr Rory Palmer, Deputy City Mayor
Mark Noble, Head of Finance
Alistair Cullen, Principal Accountant

Apologies:

City Mayor
Alison Greenhill, Director of Finance
Cllrs Chaplin, Cleaver, Dawood, Newcombe, Senior, Shelton

1. Income Collection Report

- 1.1. Cllr Singh noted that overall performance was good. He noted the growth in overpayment of Housing Benefit and questioned the reason for this. Mark Noble explained that most overpayments arose as a result of delay or failure on the part of benefit recipients to inform the Council of changes in circumstances.
- 1.2. Cllr Singh highlighted the report's comments on some of the enforcement measures open to the Council to reclaim overpayments, and queried if enough was being done. Mark Noble clarified that the more serious measures were for the hardest to collect debts and were a last resort. Cllr Palmer noted that the actions taken had to be, and were, consistent with the fair debt policy that is in place. Cllr Singh re-emphasised the need to be robust in collecting these debts. Mark Noble noted that additional resource was being put into the service to improve performance.
- 1.3. Cllr Dempster suggested that there could be more information in the report on the actions being proactively taken by the Council. She also noted that preventing debt from arising was better than having to recover it, and posed the challenge of whether there was more that could be done to communicate the impact of delays, and the consequences for individuals, to try and encourage people to inform the Council about changes quickly.
- 1.4. Cllr Palmer accepted this point and agreed to look further at possible communications strategies. Members noted the importance of tone, advising that the right tone could be effective by making clear the Council's wish to help people avoid getting into debt, rather than appearing accusatory. Cllr Palmer suggested that co-ordinating with partner organisations would also be important.
- 1.5. Cllr Singh acknowledged that other areas of collection performance were faring well.

2. Revenue Monitoring Report

- 2.1. Mark Noble introduced the report and noted that the biggest changes from Period 4 were around the numbers of looked-after children (LAC) and the confirmation of in-year cuts to the Public Health Grant.
- 2.2. Cllr Singh enquired about the overall comments section of the report, particularly in respect of the 'ongoing difficulties' in living within reduced means. Mark Noble explained that as cuts got deeper, they were harder to implement. Cllr Palmer explained that managing costs was only part of the equation alongside managing demand, which was less within the Council's control.
- 2.3. Mark Noble noted that authorities across the sector were struggling with the same issues and some had predicted that they would in due course not be able to meet statutory responsibilities. Cllr Singh asked about the robustness of the Council's financial plans and Mark Noble assured him that the Council's financial strategy was sound, but that pressures outside of the Council's control would continue to grow.
- 2.4. Cllr Barton noted the consistent overspends in Adult Social Care between years. Cllr Palmer commented that pressures had increased year-on-year, and the overspends were driven by new demand over and above that already budgeted for. He also noted that other cities were facing similar pressures that were becoming visible in their reporting. Decisions on any additional funding would have to be taken in the wider context and that whilst more funding may be part of the solution, it could only be one part of it. He noted that greater analysis of information and management practice was also important and efforts were being made in this area.
- 2.5. Written questions from Cllr Cleaver were tabled and Cllr Palmer agreed to respond in writing.
- 2.6. Cllr Dempster expressed the view that the Council could learn from other areas of the country in terms of adult social care transformation and enquired what was considered best practice nationally and what was being done to move towards this.
- 2.7. Cllr Palmer assured members that work on transformation was being carried out and was imperative because many of the transformation solutions were not only better financially for the Council but also better for the client, and more ambitious for their futures and needs. This often involved challenge for Council staff to think more creatively about the tools at their disposal for meeting people's needs in a more cost effective way.
- 2.8. Cllr Singh noted that the financial position needed to be kept at the centre of the meeting's focus and enquired about the decision to allocate the corporate contingency to the overspend in Adult Social Care. Mark Noble noted that the contingency was forecast to be used in this way but this would formally be decided by the Executive when the year-end position was clear. Cllr Singh expressed the hope that the use of this contingency should act as a catalyst for further actions in this area.

- 2.9. Cllr Palmer noted that work on the budget strategy would seek to address the challenges raised.
- 2.10. Cllr Singh enquired about the increasing numbers of LAC and expressed concern that Children's Services needed to undertake further work on their service model and solutions for cost pressures because of the increase in numbers. Mark Noble noted that an additional £1.5m had been forecast in 2015/16 for an increase of 60 placements over current levels.
- 2.11. Cllr Dempster acknowledged that there was a national issue in this area affecting other authorities, but suggested that the Council seemed to be affected disproportionately and had to look at the specific reasons why this was the case.
- 2.12. Cllr Singh noted that further information on the breakdown of costs would be helpful. Cllr Dempster suggested that a specific task group to look at the issues behind the increases in LAC numbers would assist in exploring why the Council faced a disproportionate increase compared to the national picture.
- 2.13. Cllr Dempster enquired about the sources of funding used to manage the underlying overspends in Children's Services. Mark Noble confirmed that the department was forecasting that it would use the totality of its reserves including sums specifically set aside in 2014/15 to manage LAC pressures.

3. Capital Monitoring Report

- 3.1. Cllr Singh enquired about the recommendation to move funds to policy provisions in respect of free school meals. Mark Noble confirmed that the re-release of the funds from policy provisions would be a matter for the City Mayor. He outlined that the reason behind this was the opportunities presented by combining works on catering facilities with other maintenance works to achieve better value and less disruption.
- 3.2. Cllr Singh enquired about the decision to take stock of the intermediate care schemes within ASC. Cllr Palmer explained that capital investments were being reviewed to ensure they provided the best outcomes both for care needs and the revenue budget position.
- 3.3. Cllr Singh enquired about what had changed to prompt the review of these schemes. Cllr Palmer outlined the data that had become available following the introduction of intermediate care services over the last year or so. He also noted that the recent changes in both political and officer oversight of the service meant that it was an appropriate time to take stock to ensure that senior leaders were comfortable that the best schemes, when seen in the overall context, were being taken forward.

4. Treasury Management Report

- 4.1. The Treasury Management report was considered and noted.

Leicester City Council Scrutiny Review

‘Primary Care Workforce’

Scoping document for completion by Members

October 2015

Background to scrutiny reviews

Determining the right topics for scrutiny reviews is the first step in making sure scrutiny provides benefits to the Council and the community.

This scoping template will assist in planning the review by defining the purpose, methodology and resources needed. It should be completed by the Member proposing the review, in liaison with the lead Director and the Scrutiny Manager. Scrutiny Officers can provide support and assistance with this.

In order to be effective, every scrutiny review must be properly project managed to ensure it achieves its aims and delivers measurable outcomes. To achieve this, it is essential that the scope of the review is well defined at the outset. This way the review is less likely to get side-tracked or become overambitious in what it hopes to tackle. The Commission's objectives should, therefore, be as SMART (Specific, Measurable, Achievable, Realistic & Time-bound) as possible.

The scoping document is also a good tool for communicating what the review is about, who is involved and how it will be undertaken to all partners and interested stakeholders.

The form also includes a section on public and media interest in the review which should be completed in conjunction with the Council's Communications Team. This will allow the Commission to be properly prepared for any media interest and to plan the release of any press statements.

Scrutiny reviews will be supported by a Scrutiny Officer.

Evaluation

Reviewing changes that have been made as a result of a scrutiny review is the most common way of assessing the effectiveness. Any scrutiny review should consider whether an on-going monitoring role for the Commission is appropriate in relation to the topic under review.

For further information please contact the Scrutiny Team on 0116 4546340

To be completed by the Member proposing the review		
1.	Title of the proposed scrutiny review	Primary Care Workforce
2.	Proposed by	Councillor Lucy Chaplin, Chair, Health and Wellbeing Scrutiny Commission
3.	Rationale Why do you want to undertake this review?	<p>With reports stating that a third of GPs in the UK plan to retire in the next five years it is important to consider what the impact will be at a local level and how it can be addressed. It has also been reported that there is a shortage of practice nurses.</p> <p>It has also come to commission's attention that the city's universities have exceptional facilities and courses for medical students and great nursing colleges, yet we have an issue in retaining these students in the city. The commission is keen to understand why this is the case and what the plans are to find solutions to this.</p> <p>Given the importance of having a strong primary care workforce to deliver Better Care Together, sustaining the workforce is vital.</p>
4.	Purpose and aims of the review What question(s) do you want to answer and what do you want to achieve? (Outcomes?)	<p>The commission aims to establish what the current situation in the city is with regards to primary care workforce and how it may look in the future.</p> <p>It is hoped the following outcomes will be established:</p> <ul style="list-style-type: none"> • An understanding of what the issues are with the primary care workforce for the future. • An understanding of why medical students are not staying in the city once they have qualified. • An understanding of training relating to practice nurses. • Identifying how the universities and health services can work together to address issues. • Consider what future models may look like for primary care workforce planning. • Make recommendations to help achieve a plan that can be adopted locally.
5.	Links with corporate aims / priorities How does the review link to corporate aims and priorities? http://citymayor.leicester.gov.uk/delivery-plan-2014-15/	<p>The City Mayor's Delivery Plan has a section specifically to promote 'A Healthy and Active City'.</p> <p>The aims within this include reducing health inequality and promoting good public health which will be linked to the outcomes of this review.</p>

6.	Scope Set out what is included in the scope of the review and what is not. For example which services it does and does not cover.	The review will take evidence from universities and health partners on the relationship between these agencies to retain students and ensure sustainability in the workforce. The review will also want to identify what the current situation is and whether local solutions can be found. The focus of the review will particularly look at GP's and practice nurses.
Develop a draft Project Plan to incorporate sections seven to twelve of this form		
7.	Methodology Describe the methods you will use to undertake the review. How will you undertake the review, what evidence will need to be gathered from members, officers and key stakeholders, including partners and external organisations and experts?	The commission would like to identify the following: <ul style="list-style-type: none"> • What is the current situation in the city? • What partnerships are currently in place between the universities and Health Services? • How can the city retain medical students? • What are the current plans to ensure a sustainable primary care workforce? • Is there anything else that can be done to support health services and universities?
	Witnesses Set out who you want to gather evidence from and how you will plan to do this	Potential witnesses may include: <ul style="list-style-type: none"> • Local universities • Local Nursing Colleges • Relevant Health Partners (CCG, LPT etc) • Adult Skills and Learning, LCC • Public Health Team • Executive Leads for Public Health and Jobs and Skills • Also happy to take written representation from members of the public.
8.	Timescales How long is the review expected to take to complete?	October Scoping document to be agreed at 29 th October meeting. November - February <ul style="list-style-type: none"> • Take evidence from partners • Task Group meetings. • Draft findings and conclusions to be established. March The final review report to be agreed at 10 th March meeting.
	Proposed start date	October 2015
	Proposed completion date	March 2016

9.	Resources / staffing requirements Scrutiny reviews are facilitated by Scrutiny Officers and it is important to estimate the amount of their time, in weeks, that will be required in order to manage the review Project Plan effectively.	It is expected the Scrutiny Officer will support the whole review process by capturing information at the meetings, facilitating the people to give evidence and writing the initial draft of the review report based on the findings from the review.
	Do you anticipate any further resources will be required e.g. site visits or independent technical advice? If so, please provide details.	There may be site visits to areas that are identified as best practice.
10.	Review recommendations and findings To whom will the recommendations be addressed? E.g. Executive / External Partner?	It is likely the review will offer recommendations to the Council's Executive and may include some recommendations to Health Partner's such as the CCG.
11.	Likely publicity arising from the review - Is this topic likely to be of high interest to the media? Please explain.	It is hoped that this review will raise media interest.
12.	Publicising the review and its findings and recommendations How will these be published / advertised?	There will be a review report which will be published as part of the commission's papers.
13.	How will this review add value to policy development or service improvement?	It is hoped the outcomes of the review will support Health partners to determine an adequate plan for retaining medical students in the city and ensuring sustainability of the city's primary care workforce.
To be completed by the Executive Lead		
14.	Executive Lead's Comments The Executive Lead is responsible for the portfolio so it is important to seek and understand their views and ensure they are engaged in the process so that Scrutiny's recommendations can be taken on board where appropriate.	

To be completed by the Divisional Lead Director		
15.	Divisional Comments Scrutiny's role is to influence others to take action and it is important that Scrutiny Commissions seek and understand the views of the Divisional Director.	
16.	Are there any potential risks to undertaking this scrutiny review? E.g. are there any similar reviews being undertaken, on-going work or changes in policy which would supersede the need for this review?	
17.	Are you able to assist with the proposed review? If not please explain why. In terms of agreement / supporting documentation / resource availability?	
	Name	
	Role	
	Date	
To be completed by the Scrutiny Support Manager		
18.	Will the proposed scrutiny review / timescales negatively impact on other work within the Scrutiny Team? (Conflicts with other work commitments)	With the review taking place over a number of months it will allow sufficient time to gather information in relation to this review without impacting on other areas of work.
	Do you have available staffing resources to facilitate this scrutiny review? If not, please provide details.	The review can be adequately support by the Scrutiny Team.
	Name	Kalvaran Sandhu, Scrutiny Support Manager
	Date	16 th October 2015

Leicester City Council Scrutiny Review

**‘THE IMPACT OF BETTING SHOPS ON
LOCAL COMMUNITIES WITHIN LEICESTER**

17th November 2015

To be completed by the Member proposing the review		
1.	Title of the proposed scrutiny review	The impact of betting shops and associated businesses on communities within Leicester
2.	Proposed by	Cllr Mohammed Dawood
3.	Rationale Why do you want to undertake this review?	<p>State what prompted the review e.g. media interest /public feedback / new legislation / performance information.</p> <p>The commission is aware of growing concern about the impact of betting (and associated alcohol) outlets on local communities in the city. The recent review of licensing policy within the city, and the work on toolkits which are being developed to measure and assess the impact of gambling and alcohol on communities, particularly vulnerable ones has also given reason to investigate the impact of these outlets in Leicester.</p>
4.	Purpose and aims of the review What question(s) do you want to answer and what do you want to achieve? (Outcomes?)	<p>Defining clearly the key questions that the review is seeking to answer is critical to setting a clear scope and approach. E.g. it could be that the commission wants assurances that the service is delivering to a specific community or wants to assess the impact of a change in service.</p> <ul style="list-style-type: none"> • To establish the relationship between gambling and alcohol establishments and their location within communities, particularly vulnerable communities, within the city • To assess the impact of such establishments with communities across the city in terms of health, family stability, local economy and antisocial behaviour. • To prepare a framework which can assess the above impacts and allow members, officers and other agencies to make decisions and recommendations which protect and improve potentially vulnerable communities, homes and individuals • Make recommendations based on the conclusions drawn from the review to the Executive.
5.	Links with corporate aims / priorities How does the review link to corporate aims and priorities? http://citymayor.leicester.gov.uk/delivery-plan-2013-14/	<p>A healthy and active city Providing care and support Our children and young people</p>

6.	<p>Scope Set out what is included in the scope of the review and what is not. For example which services it does and does not cover.</p>	<p>It is hoped that the review will achieve the following aims:</p> <ul style="list-style-type: none"> • Identify locations of venues which have gambling licences both within the city centre and communities away from the centre. • Identify locations of fixed odds betting terminals, both within premises licensed for gambling and other locations (for example premises licensed for alcohol) • Consult with local and city agencies about the impact of gambling on individuals and within communities. • The council's licensing policy for gambling is outside of the scope but the policy which is designed to protect vulnerable individuals will be assessed for its effectiveness and the way in which it is policed by licence-holders.
Develop a draft Project Plan to incorporate sections seven to twelve of this form		
7.	<p>Methodology Describe the methods you will use to undertake the review.</p> <p>How will you undertake the review, what evidence will need to be gathered from members, officers and key stakeholders, including partners and external organisations and experts?</p>	<p>A task group will be set up to take evidence from witnesses and oral and written evidence will be taken.</p> <p>Witnesses will include police, probation and council community safety officers to assess whether gambling and alcohol abuse may be related and reinforcing issues</p> <p>Evidence to assess the economic and social impact of gambling will be taken from housing estate management staff, where appropriate, internal debt management staff and external agencies such as Citizens' Advice. Church and other community organisations will also be asked to provide evidence.</p> <p>National specialist evidence relating the issue of gambling licensing and the impact of gambling on communities will be taken from: Specialist advisors (Heather Wardle of GeoFutures, who is working with Manchester and Westminster Councils) Waltham Forest Council (interested in the issue) and the Local Government Association</p>
	<p>Witnesses Set out who you want to gather evidence from and how you will plan to do this</p>	<p>See the attached project plan and above.</p>
8.	<p>Timescales How long is the review expected to take to complete?</p>	<p>Review is anticipated to be ready for the March 2016 Neighbourhoods Scrutiny Commission</p>
	Proposed start date	November 2015
	Proposed completion date	February 2016

9.	Resources / staffing requirements Scrutiny reviews are facilitated by Scrutiny Officers and it is important to estimate the amount of their time, in weeks, that will be required in order to manage the review Project Plan effectively.	It is anticipated that the review can be incorporated within the existing resources of the Scrutiny Policy team. Around 15 days' of officer time is estimated to be required.
	Do you anticipate any further resources will be required e.g. site visits or independent technical advice? If so, please provide details.	Visits within the city may be undertaken as part of this review
10.	Review recommendations and findings To whom will the recommendations be addressed? E.g. Executive / External Partner?	Recommendations will be made to the: The executive Council partners Licence holders The Local Government Association
11.	Likely publicity arising from the review - Is this topic likely to be of high interest to the media? Please explain.	This topic is unlikely to have a high media profile. This could change depending on the nature of evidence arising during the course of the task group's work.
12.	Publicising the review and its findings and recommendations How will these be published / advertised?	To be included in the Project Plan
13.	How will this review add value to policy development or service improvement?	The review will explore the relationship between commercial activities and the health, welfare and community safety of residents in both the city centre and other communities.
To be completed by the Executive Lead		

14.	Executive Lead's Comments The Executive Lead is responsible for the portfolio so it is important to seek and understand their views and ensure they are engaged in the process so that Scrutiny's recommendations can be taken on board where appropriate.	To come
To be completed by the Divisional Lead Director		
15.	Divisional Comments Scrutiny's role is to influence others to take action and it is important that Scrutiny Commissions seek and understand the views of the Divisional Director.	The extent and effectiveness of gambling policy in Leicester is limited by the national legislative framework. However, we wish to assist the inquiry, including ensuring that any results can be used to good effect.
16.	Are there any potential risks to undertaking this scrutiny review? E.g. are there any similar reviews being undertaken, on-going work or changes in policy which would supersede the need for this review?	
17.	Are you able to assist with the proposed review? If not please explain why. In terms of agreement / supporting documentation / resource availability?	We are able to assist with the proposed review.
	Name	John Leach
	Role	Divisional Director
	Date	5 th November 2015
To be completed by the Scrutiny Support Manager		
18.	Will the proposed scrutiny review / timescales negatively impact on other work within the Scrutiny Team? (Conflicts with other work commitments)	The review will be supported by an SPO and will draw on support from other members of the team, therefore there won't be a negative impact on the work of the team.

	Do you have available staffing resources to facilitate this scrutiny review? If not, please provide details.	Yes, the SPO should be able to adequately support this review.
	Name	Kalvaran Sandhu
	Date	28 th October 2015

Overview Select Committee
Work Programme 2015 – 2016

Meeting Date	Topic	Actions Arising	Progress
3 rd Dec 15	<ul style="list-style-type: none"> Tracking of petitions: monitoring report Questions for the City Mayor Report of the Finance Task Group Scoping documents from Health and Wellbeing Scrutiny Commission and Neighbourhood Services and Community Involvement Scrutiny Commission 		
28 th Jan 16	<ul style="list-style-type: none"> Tracking of petitions: monitoring report Questions for the City Mayor Corporate complaints, original report, update sent to Audit and Risk Committee (2nd December) and minutes from that meeting. Child poverty review Workforce representation 		
24 th Mar 16	<ul style="list-style-type: none"> Tracking of petitions: monitoring report Questions for the City Mayor Spending Reviews update Council Budget (arising from December government spending settlement). 		
To be programmed	<ul style="list-style-type: none"> Council procurement: consideration of draft of social value policy 		

Leicester City Council

CORPORATE PLAN OF KEY DECISIONS

On or after 1 December 2015

What is the plan of key decisions?

Each month, the Council publishes a forward plan to show all the key decisions, which are currently known about, that are intended to be taken by the Council's Executive (City Mayor, Deputy City Mayor and Assistant City Mayors) over the next few months. Each plan runs from the first of each month.

What is a key decision?

A key decision is an executive decision which is likely:

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

In addition to the key decisions, the City Mayor and the Executive also take other non-key decisions. Details of these can be found at

www.cabinet.leicester.gov.uk/mgdelegateddecisions.aspx?bcr=1

What information is included in the plan?

The plan identifies how, when and who will take the decision and in addition who will be consulted before the decision is taken and who to contact for more information or to make representations.

The plan is published on the Council's website.

Prior to taking each executive decision, please note that the relevant decision notice and accompanying report will be published on the Council's website and can be found at www.cabinet.leicester.gov.uk/mgdelegateddecisions.aspx?bcr=1

Corporate Plan of Key Decisions

On or after 1 December 2015

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1. A place to do business

What is the Decision to be taken?	MANAGEMENT OF FUNDS AS ACCOUNTABLE BODY TO THE LEICESTER AND LEICESTERSHIRE ENTERPRISE PARTNERSHIP Decision to ratify allocations and variations
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	proposed by the Leicester and Leicestershire Enterprise Partnership.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	The proposals will have been developed by the LLEP.
Who can I contact for further information or to make representations	corin.crane@leicester.gov.uk

What is the Decision to be taken?	MARKET REDEVELOPMENT PROJECT Decision to approve funds to progress the market redevelopment project – to be funded as part of the Economic Action Plan and through external grant funding.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Market development proposals subject to public consultation and also through the planning applications process.
Who can I contact for further information or to make representations	Andrewl.smith@leicester.gov.uk

What is the Decision to be taken?	WATERSIDE REGENERATION AREA Resolution to make a compulsory purchase order for land and rights within the Waterside Regeneration Area. A decision to be taken based on the information provided and for consideration and decision.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Waterside land owners have been consulted through the planning consultation exercises.
Who can I contact for further information or to make representations	Louise.Seymour@leicester.gov.uk

2. Getting about in Leicester

None during the current period.

3. A low carbon city

None during the current period.

4. The built and natural environment

What is the Decision to be taken?	RELEASE OF THE PROPERTY MAINTENANCE PROVISIONS 2015/16 To approve a programme of planned significant maintenance, replacements and improvements to a range of Council buildings. The value is £1.7million.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	
Who can I contact for further information or to make representations	Mark.lloyd@leicester.gov.uk

What is the Decision to be taken?	VICTORIA PARK CENTENARY WALK PHASE 2 To approve phase 2 of the Victoria Park Centenary Walk scheme. Value of the scheme is £1.86million.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	
Who can I contact for further information or to make representations	Brian.Stafford@leicester.gov.uk

5. A healthy and active city

None during the current period.

6. Providing care and support

None during the current period.

7. Our children and young people

What is the Decision to be taken?	OPTIONS APPRAISAL FOR NURSERY EDUCATION SETTINGS
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Apr 2016
Who will be consulted and how?	
Who can I contact for further information or to make representations	Jackie.Difolco@leicester.gov.uk

8. Our neighbourhoods and communities

What is the Decision to be taken?	COUNCIL HOUSE BUILDING AND USE OF HRA RESERVE FUND Proposals for building new council houses, using Right to Buy receipts and borrowing from within the HRA.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	There will be local consultation on each site selected.
Who can I contact for further information or to make representations	Simon.Nicholls@leicester.gov.uk

What is the Decision to be taken?	AFFORDABLE HOUSING PROGRAMME ANNUAL REVIEW: 2015/19 Annual review of affordable housing programme, reporting on progress from all sources. (Council house building, housing association development, HCA funding, etc.).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Housing Scrutiny Commission.
Who can I contact for further information or to make representations	Simon.Nicholls@leicester.gov.uk

What is the Decision to be taken?	INDIVIDUAL METERS FOR DISTRICT HEATING TENANTS To consider options for installing individual heating meters for homes connected to the Council's district heating system. This report will consider financing options.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	The Tenants and Leaseholders Forum.
Who can I contact for further information or to make representations	simon.nicholls@leicester.gov.uk

What is the Decision to be taken?	HEATING AND TENANT AND LEASEHOLDER CHARGES To decrease the heat and hot water charges for tenants and leaseholders, by 10% and review it annually, and change the service charge to leaseholders to reflect the cost of
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	delivering the service.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Jan 2016
Who will be consulted and how?	The Tenants and Leaseholders Forum
Who can I contact for further information or to make representations	simon.nicholls@leicester.gov.uk

What is the Decision to be taken?	MANDATORY CREDIT UNION ACCOUNTS AND DIRECT DEBITS To propose, that it becomes a condition of tenancy, for new Council tenants to pay their rent by direct debit.
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Tenants Forum and Housing Scrutiny Commission.
Who can I contact for further information or to make representations	vijay.desor@leicester.gov.uk

9. A strong and democratic council

What is the Decision to be taken?	REVENUE BUDGET MONITORING 2015/16 PERIOD 6 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

What is the Decision to be taken?	CAPITAL MONITORING 2015/16 PERIOD 6 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Dec 2015
Who will be consulted and how?	Overview Select Committee – date to be advised.
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

What is the Decision to be taken?	REVENUE BUDGET MONITORING 2015/16 PERIOD 9 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Feb 2016
Who will be consulted and how?	Overview Select Committee – date to be advised.
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

What is the Decision to be taken?	CAPITAL MONITORING 2015/16 PERIOD 9 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Feb 2016
Who will be consulted and how?	Overview Select Committee – date to be advised.
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

What is the Decision to be taken?	REVENUE OUTTURN 2015/16 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Jun 2016
Who will be consulted and how?	Overview Select Committee – date to be advised.
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

What is the Decision to be taken?	CAPITAL OUTTURN 2015/16 Decisions consequential to the monitoring of expenditure in 2015/16 (if any).
Who will decide?	City Mayor/Executive
When will they decide?	Not before 1 Jun 2016
Who will be consulted and how?	Overview Select Committee – date to be advised.
Who can I contact for further information or to make representations	Alison.Greenhill@leicester.gov.uk

