

Leicester
City Council

Democratic and Civic
Support
City Hall
115 Charles Street
Leicester
LE1 1FZ

15 November 2016

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 24 NOVEMBER 2016 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

Monitoring Officer

AGENDA

- 1. LORD MAYOR'S ANNOUNCEMENTS**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on 6 October 2016 are available to view at:

<http://www.cabinet.leicester.gov.uk:8071/documents/g7619/Printed%20minutes%20ThursdayOct-2016%2017.00%20Council.pdf?T=1>

Copies are also available from Democratic Support on (0116) 454 6350 or
Committees@leicester.gov.uk

4. STATEMENTS BY THE CITY MAYOR/EXECUTIVE

5. PETITIONS

- Presented by Members of the Public
- Presented by Councillors
- Petitions to be debated
 - 5.1 Belgrave Library
 - 5.2 Adventure Playgrounds

6. QUESTIONS

- From Members of the Public
- From Councillors

7. MATTERS RESERVED TO COUNCIL

- 7.1 Procurement of the Council's External Audit Contract by Public Sector Audit Appointments Ltd (PSAA)
- 7.2 Council Tax Reduction Scheme
- 7.3 Leicester Youth Justice Plan 2016-2017

8. REPORTS OF SCRUTINY COMMITTEES

- 8.1 Scrutiny Annual Report 2015/16

9. REPORT OF THE AUDIT AND RISK COMMITTEE

- 9.1 Annual Report of the Audit and Risk Committee to Council Covering the Municipal Year 2015-16

10. EXECUTIVE AND COMMITTEES

- To note any changes to the Executive
- To vary the composition and fill any vacancies of any Committee of the Council

11. NOTICES OF MOTION

12. ANY OTHER URGENT BUSINESS

Fire & Emergency Evacuation Procedure

- The Council Chamber Fire Exits are the two entrances either side of the top bench or under the balcony in the far left corner of the room.

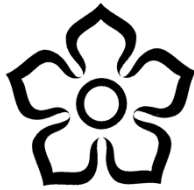
- In the event of an emergency alarm sounding make your way to Town Hall Square and assemble on the far side of the fountain.
- Anyone who is unable to evacuate using stairs should speak to any of the Town Hall staff at the beginning of the meeting who will offer advice on evacuation arrangements.
- From the public gallery, exit via the way you came in, or via the Chamber as directed by Town Hall staff.

Meeting Arrangements

- Please ensure that all mobile phones are either switched off or put on silent mode for the duration of the Council Meeting.
- Please do not take food into the Council Chamber.
- Please note that Council meetings are web cast live and also recorded for later viewing via the Council's web site. Tweeting in formal Council meetings is fine as long as it does not disrupt the meeting. Will all Members please ensure they use their microphones to assist in the clarity of the web-cast.
- The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. In accordance with government regulations and the Council's policy, persons and press attending any meeting of the Council open to the public (except Licensing Sub Committees and where the public have been formally excluded) are allowed to record and/or report all or part of that meeting. Details of the Council's policy are available at www.leicester.gov.uk or from Democratic Support. If Members of the public intend to film or make an audio recording of a meeting they are asked to notify the relevant Democratic Support Officer in advance of the meeting to ensure that participants can be notified in advance and consideration given to practicalities such as allocating appropriate space in the public gallery etc.

The aim of the Regulations and of the Council's policy is to encourage public interest and engagement so in recording or reporting on proceedings members of the public are asked:

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



Leicester
City Council

WARDS AFFECTED
All Wards

COUNCIL

24th November 2016

**PETITIONS FOR DEBATE BY FULL COUNCIL – BELGRAVE LIBRARY AND
BELGRAVE LUNCH CLUB**

REPORT OF THE MONITORING OFFICER

1. INTRODUCTION

A petition has been received which asks the City Council to withdraw any plan to close the Belgrave Library and move the facility to Belgrave Neighbourhood Centre and to withdraw plans to alter the lunch club provision at Belgrave Neighbourhood Centre.

The Council's Petitions' Scheme (adopted in September 2014) states that any petition that receives 1,500 or more valid signatures, the lead petitioner may ask that it be subject to a debate at Full Council. The lead petitioners have indicated that they wish their petition to be subject to a debate.

A count of the unverified petition indicates that 6,126 people have signed the petition however the Council does not verify numbers of signatories once the 1500 threshold is reached.

2. RECOMMENDATIONS

Council is recommended to consider the petition and make any recommendations in accordance with the Petitions' Scheme.

3. REPORT

The petition received from Belgrave Lunch Club Committee and the Belgrave Network has met the criteria of 1,500 signatures of people who have provided an address in Leicester of where they live, work or study. The petition is in the following terms:

"We the undersigned firmly oppose Leicester City Council's plan to:

- 1) Close down the Belgrave Library with the intention of moving it to the Belgrave Neighbourhood Centre. There is no room for books, computers, tables and other resources inside the Belgrave Neighbourhood Centre and*

this will mean downscaling of the services. Both buildings are regularly and heavily used. Belgrave library is an invaluable resource for the pupils and families of local schools. Access to high quality literature is particularly essential during this period economic hardship. Losing Belgrave Library will have a massively damaging impact on the education and future life chances of the young people in the area.

- 2) Alter the provision of meals for the lunch club members. The kitchen at the Belgrave Neighbourhood Centre is adequate to provide freshly cooked and culturally appropriate vegetarian meals for the elderly, disabled and diabetic members of the lunch club. Members are paying £4.20 per plate per day. This lunch club is vitally important for the vulnerable and lonely elderly people who come and socialise at the centre.*
- 3) We strongly oppose Leicester City Council's plan to close the Belgrave Library and to relocate it to the Belgrave Neighbourhood Centre.*

The lead petitioners have been invited to speak on their petition for five minutes to be followed by a Councillor debate for a maximum of 15 minutes.

Following the debate, the Council can decide how to respond to the petitions and may decide to:

- Recommend to the Executive to either take or not take the action the petition requests.
- Recommend to the Executive a different course of action as a result of the debate.
- Commission further investigation into the matter, for example by a relevant committee.

Following the Council meeting the petition organisers will receive written confirmation of this decision.

The Director of Environmental and Neighbourhood Services has provided some background information below:

Response to Belgrave Petition

The Transforming Neighbourhood Services programme is scoped to identify different ways of organising how services are delivered within the neighbourhoods of the city of Leicester, with a view to reducing the costs of delivery by around 30% while maintaining the quality of the services.

The programme approach is to consider each of 6 geographical areas in turn to identify methods by which the service delivery model can be transformed through opportunities to co-locate services and make better use of the assets available.

The services in scope of the programme are:

- Neighbourhood Services including libraries and community centres
- Leicester Adult Skills & Learning Service
- Neighbourhood based customer services
- Youth Centres

The petition has arisen from a consultation exercise which puts forward proposals which would save 30% of the running costs of a range of council buildings in the North East of the city. The area covers Belgrave, Rushey Mead, Troon, Humberstone & Hamilton and Thurncourt wards.

The background to the project is that a saving is necessary due to severe reductions in the budget available to the city council from the government. The principle behind the exercise is to prioritise the protection of local services offered rather than focussing on retaining all of the council buildings in the area.

The North East is the fourth area of the city which has been subject to the process within the Transforming Neighbourhood Services project. In each area, an initial public engagement period is undertaken before proposals are developed and for consultation.

The public engagement exercise was undertaken in the North East area between 6 June – 17 July 2016. The aim was to show the need for change and to gather suggestions from the local community about possible ways in which solutions to the financial challenge can be met.

Proposals for the north east area were developed based on feedback from the engagement findings and service and buildings data collected. A consultation was held on the proposals between 12 September – 23 October 2016.

A number of proposals were made for the two buildings in the Belgrave ward, Belgrave Library and Belgrave Neighbourhood Centre. The proposals included those referred to in the petition:

- Consider moving Belgrave Library into Belgrave Neighbourhood Centre
- Change lunch club provision to free up some of the kitchen space for more community use. A basic kitchen facility will be in place for community group use.
- Explore a range of options for disposal of any surplus buildings

Other proposals for the Belgrave buildings are:

- Consider moving adult learning classrooms to Belgrave Neighbourhood Centre to deliver more English language and other classes
- Redecorate some areas of Belgrave Neighbourhood Centre including the main hall
- Review room hire arrangements to free up more space for additional activities and to increase income
- Install library and customer self-serve terminals
- Explore car parking controls to improve availability for centre users

The proposal to amalgamate the library and Neighbourhood Centre in Belgrave is similar to those which have been considered in other parts of the city and have led to the development of multi-service centres. The rationale for the proposal is that the buildings are very close to one another and that by refocussing services, it may be possible to bring them together in a single building.

The proposal around the lunch club is to aim to find a new way of delivering the service at the centre at less cost while releasing more space for other groups to use and to accommodate more services in the buildings.

There has been a substantial response to the consultation exercise across the north east area and particularly in the Belgrave ward. There have been 1,436 completed questionnaires and around 780 people have attended meetings. All of the responses are currently being considered before an executive decision for the area as a whole is made by the City mayor and Executive. Both of these ideas are proposals and no decision has been made on the North East as yet. However an early indication has been given that Belgrave Library will not be relocated to Belgrave Neighbourhood Centre.

4. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

4.1. Financial Implications

The petition submitted relates to proposals that form part of the wider Transforming Neighbourhood Services Programme. The programme has financial savings attached to it and options being proposed will have financial consequences. Any alternative options considered will have to assess the impact on the delivery of savings expected to be achieved.

Alison Greenhill, Director of Finance, 374401

4.2 Legal Implications

There are no direct legal implications arising from this report. Any legal implications which may arise out of the substantive issue will be considered as part of any subsequent Executive decision.

Kamal Adatia, City Barrister and Head of Standards, 371401

5. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph References Within the Report
Equal Opportunities	N	
Policy	N	
Sustainable and Environmental	N	
Crime and Disorder	N	
Human Rights Act	N	
Elderly/People on Low Income	N	
Corporate Parenting	N	

Health Inequalities Impact	N	
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6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

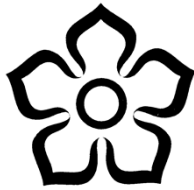
None

7. CONSULTATIONS

None.

8. REPORT AUTHOR

Matthew Reeves
Senior Democratic Support Officer.



Leicester
City Council

WARDS AFFECTED
All Wards

COUNCIL

24th November 2016

PETITIONS FOR DEBATE BY FULL COUNCIL – SAVE OUR PLAYGROUNDS

REPORT OF THE MONITORING OFFICER

1. INTRODUCTION

A petition has been received which asks the City Council to withdraw the proposed cuts to the nine adventure playgrounds around the city.

The Council's Petitions' Scheme (adopted in September 2014) states that any petition that receives 1,500 or more valid signatures, the lead petitioner may ask that it be subject to a debate at Full Council. The lead petitioner has indicated that they wish their petition to be subject to a debate.

The lead petitioner has advised that in excess of 14,000 people have signed the petition however the Council does not verify numbers of signatories once the 1500 threshold is reached.

2. RECOMMENDATIONS

Council is recommended to consider the petition and make any recommendations in accordance with the Petitions' Scheme.

3. REPORT

Officers have verified that the petition received from Leicester Playfair meets the criteria of 1,500 signatures of people who have provided an address in Leicester of where they live, work or study. The petition is in the following terms:

"We the undersigned are petitioning Leicester City Council to withdraw the proposed cuts to the nine Adventure Playgrounds. This petition is by Leicester Playfair, representing Braunstone Adventure Playground (AP), Woodgate AP, Goldhill AP, The Whatcabin, St. Andrews Play Association, Highfields AP, New Parks AP, Northfields Playbarn and Mowmacre Young People's Play Development Association."

The lead petitioners have been invited to speak on their petition for five minutes to be followed by a Council debate for a maximum of 15 minutes.

Following the debate, the Council can decide how to respond to the petitions and may decide to:

- Recommend to the Executive to either take or not take the action the petition requests.
- Recommend to the Executive a different course of action as a result of the debate.
- Commission further investigation into the matter, for example by a relevant committee.

Following the Council meeting the petition organisers will receive written confirmation of this decision.

The Strategic Director for Education and Children's Services has provided some background information below:

Background Information to Petition

The city council's financial position is exceptionally severe, as a result of the Government's spending cuts. The grant received from the Government has fallen by almost 50% since 2010 (after allowing for inflation) and further cuts have been announced for the next three years. When the budget was set in February 2016, we estimated we would need to make further cuts of £55m by 2019. This is on top of the £100 million of savings we have already made. At the same time, we are having to find more money to pay for services where costs are rising.

The cost of looking after vulnerable children, for instance, has risen substantially, as has the cost of providing care to a growing, elderly population.

Over the past six months, we have been working closely with the early help managers to draw up proposals for where savings could be made. Children's Services have been asked to achieve £5 million by April 2018. On reviewing these proposals, the Executive felt that this could not be achieved and reduced the amount to £4 million, this means that the £1 million will need to be found elsewhere. No decision has been made about any of the proposals as they are subject to a 12 week consultation process which ends on the 6th December.

Proposal

Current situation

There are currently ten adventure playgrounds that provide a range of indoor and outdoor supervised play activities for children aged 5 – 15. These are run by different service providers who each separately receive a nominal grant allocation (totalling £1.1 million) from the council each year towards the running costs for services provided. The council owns all of the land and

buildings that the provision operates from with the exception of one provider and is responsible for the external repairs and maintenance.

Proposed option

The proposal is to implement a gradual reduction in the grant, starting in Spring 2017, leading to an eventual total recurring reduction of 50% (£550,000) by 2020. The council will work with adventure play providers to determine initial and eventual reduction levels, help them source alternative funding, expand their current range of services and support staff and volunteers with new skills training. The transfer of buildings to adventure playgrounds' ownership is also being considered.

Consultation process undertaken

There is a comprehensive communications plan in place. We are currently mid-way through consultation which started on the 14th September and will end on the 6th December. The methodology applied has been as follows:

- Online questionnaire
- Paper booklet questionnaire
- Forum discussions (Forum events/ meetings for parents using services, staff affected by proposals, stakeholders and young people's groups targeting hard to reach groups where there are representative forums already in place eg) Young carers
- Stakeholder events held at Voluntary Action Leicestershire
- Toolkit with background information developed to support group responses
- Individual meetings with services/ organisations/ community groups on request

All consultation responses are recorded and will be analysed to inform the post consultation decision report.

4. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

4.1. Financial Implications

The council's spending review programme plans to deliver significant savings in order to meet the expected budget gap of £55m in 2019/20. The programme includes a review of children and young people's services and within the scope of services to be considered for review includes adventure playgrounds.

Alison Greenhill, Chief Finance Officer, 374001

4.2 Legal Implications

There are no direct legal implications arising from this report. Any legal implications which may arise out of the substantive issue will be considered as part of any subsequent Executive decision.

5. OTHER IMPLICATIONS

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

6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

None

7. CONSULTATIONS

None.

8. REPORT AUTHOR

Matthew Reeves
Senior Democratic Support Officer.

MATTERS RESERVED TO COUNCIL

7.1 PROCUREMENT OF THE COUNCIL'S EXTERNAL AUDIT CONTRACT BY PUBLIC SECTOR AUDIT APPOINTMENTS LTD (PSAA)

A report is submitted seeking approval for procurement of the Council's external audit contract by Public Sector Audit Appointments Ltd.

The item is to be considered by the Audit and Risk Committee on 16 November 2016 and a minute extract from this meeting will be available in advance of the meeting.

Council is asked to approve the procurement of the external audit contract by Public Sector Audit Appointments Ltd (PSAA) following a sector led procurement option.

7.2 COUNCIL TAX REDUCTION SCHEME

A report is submitted asking the Council to adopt a Council Tax Reduction Scheme for 2017/18.

The item is to be considered by the Special Meeting of the Neighbourhood Services Scrutiny Commission on 16 November 2016 and a minute extract from this meeting will be available in advance of the meeting.

The City Mayor's recommendation to Council in relation to this decision will also be circulated in advance of the meeting.

Council is asked to:

- (1) Consider the recommendation of the Executive and to adopt a scheme; and
- (2) State that it is minded to approve the appropriate level of funding for discretionary relief when it considers the budget.

7.3 LEICESTER YOUTH JUSTICE PLAN 2016-2017

The Leicester City Youth Justice Plan 2016-2017 is submitted to Full Council.

Council is asked to:

- (1) To note and agree the Leicester City Youth Justice Plan for 2016/17.
- (2) To note the review of progress and agree the priorities in the report; and
- (3) To bring forward the timetable for the Youth Justice Plan for 2017/18 to April 2017.

Sir Peter Soulsby City Mayor



Leicester
City Council

WARDS AFFECTED: ALL

7.1

**Audit and Risk Committee
Council**

**16 November 2016
24 November 2016**

**Procurement of the Council's External Audit Contract by Public Sector
Audit Appointments Ltd (PSAA)**

Report of the Director of Finance

1. Purpose of Report

To provide the Committee with an update on the process to appoint the Council's external auditors. Approval to proceed to procurement will then be sought from Council.

2. Summary

Since 1 April 2015 the Council has had its external audit provided by KPMG. KPMG was appointed through Public Sector Audit Appointments Ltd (PSAA) and had a contract up to and including the financial year 2016/17, later extended to cover the financial year 2017/18. The Council now needs to appoint its own independent external auditors for the next five year period, before 31 December 2017.

3. Recommendations

The Committee is recommended to:

- 3.1 Receive the report and note its contents.
- 3.2 Make any recommendations or comments it sees fit either to the Executive or Director of Finance.

Council is recommended to approve the procurement of the external audit contract by Public Sector Audit Appointments Ltd (PSAA) following a sector led procurement option.

4. Report

- 4.1 The Audit Commission (an independent public corporation that existed between 1 April 1983 and 31 March 2015) was replaced by Public Sector Audit Appointments Ltd (PSAA), National Audit Office, Financial Reporting Council and Cabinet Office in April 2015. A new local audit framework came into effect from 1 April 2015.
- 4.2 This framework included provision for those audit functions, previously delivered by the audit commission itself, to be moved to the private sector. This left Councils free to appoint their own independent external auditors from a more competitive and open market. This was intended to save council taxpayers' money and decentralise power.
- 4.3 The process of audit provision and delivery is overseen by the National Audit Office (NAO). The NAO is independent of government and the auditor of central government bodies. The NAO is, therefore, well placed to provide the oversight role for the audit of local government and health. Combined with its existing functions, the oversight role enables the NAO to report to Parliament on the quality of audit across the local government and health sectors, and on the economy, efficiency, effectiveness and productivity of these sectors.
- 4.4 On the 1 April 2015, contracts were already in place for local government external audit appointments that covered audits up to and including the financial year 2016/17. These contracts had an option to extend for a maximum of three years, up to and including the financial year 2019/20. Earlier this calendar year the Government decided that for local government bodies the contracts would be extended by one year, thus incorporating the financial year 2017/18.
- 4.5 Save as where the Sector Led Procurement Option is taken (as explained below) the new regulations require the Council to have an Audit Panel, which will be responsible for recommending who the external auditor should be. This Panel must include a majority of independent (i.e. not elected) members and have an independent Chair.
- 4.6 The Council, therefore, will need to appoint an external auditor to commence from the 2018/19 financial year – to comply with the regulations the new auditors need to be appointed by 31 December 2017. This means that the procurement exercise would need to start sometime between March and September 2017, with an Audit Panel being established early in 2017.

- 4.7 There are five procurement options available to the Council:
- Re-appoint the incumbent auditor for a short period. This would delay 'market testing' and avoid a 'rush to market' as large numbers of authorities undertake procurement exercises;
 - Stand Alone Tendering – we run our own procurement process.
 - Combined Procurement – we join together with one or more neighbouring authorities to undertake collective procurement.
 - Existing Frameworks – we use one of the many government or public sector frameworks; and,
 - Sector Led Procurement – our preferred and recommended option.
- 4.8 Following earlier discussion on this matter with the Audit and Risk Committee, when the 'pros and cons' of each of the options above were debated and considered, it was sector led procurement that appealed most. The new audit legislation allows for a sector-led body (referred to as a 'specified person' in the Regulations) to undertake a bulk procurement process. This option provides an administratively easy route and will, most likely, have the greatest element of specialist audit procurement expertise. It also provides good purchasing power, although with a little less autonomy than some other options, but should afford easier management of potential auditor independence issues than other combined procurement approaches. It is the most similar option to the current arrangements.
- 4.9 The Committee is requested to endorse this choice and Council will be requested to approve this.

5. Financial, Legal Implications

5.1 Financial Implications

The Council has an annual budget for audit fees of £200,000. We would want the procurement exercise to deliver some savings and will advise PSAA accordingly.

Mark Noble, Head of Finance (Financial Strategy), ext. 37 4041

5.2 Legal Implications

Present information indicates that pursuing the sector led procurement option would not require the Council to appoint an audit panel whereas the other options require the Council to appoint, consult with and follow the advice of its appointed audit panel in relation to its proposals for selecting and appointing a local auditor.

Prior to accepting the PSAA Ltd's invitation, legal services and procurement will need to review a copy of the PSAA Ltd's invitation and terms of reference and a copy of the PSAA Ltd's procurement documents.

Subject to the above, the Audit and Risk Committee should note that the Local Audit (Appointing Person) Regulations 2015 require the need for approval from full Council to accept an invitation from PSAA Ltd to appoint an external auditor on behalf of the Council.

Nilesh Tanna, Solicitor Commercial, Property and Planning, ext 37 1434

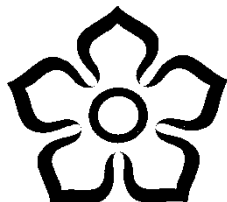
6. Other Implications

7.

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Risk Management	Yes	All of the paper.

Report Author/Officer to contact:

Tony Edeson, Head of Internal Audit and Risk Management - 37 1621
3 November 2016



Leicester
City Council

WARDS AFFECTED: ALL WARDS

COUNCIL

24 November 2016

COUNCIL TAX REDUCTION SCHEME

REPORT OF THE DIRECTOR OF FINANCE

1. Purpose of Report

- 1.1 The purpose of this report is to ask the Council to adopt a council tax reduction scheme (CTRS) for 2017/18.
- 1.2 The Council may decide to leave the current scheme unchanged, or adopt an alternative scheme. Two alternative options are described in this report, which would be less generous than the current scheme. These options have been the subject of public consultation.
- 1.3 Alternatively, the Council may wish to leave the current scheme unchanged, and agree to consult on options again next year (after Government cuts have bitten further).

2. Summary

- 2.1 The CTRS is a scheme of discounts for council taxpayers on low incomes. The cost of these (estimated to be £21m in 2017/18, if the current scheme remains unchanged) is met from the Council's General Fund budget. Around 35,000 taxpayers receive such a discount.
- 2.2 Since 2013/14, each local authority has been required to adopt its own CTRS (a national scheme of council tax benefit applied before that year). The Council's scheme was approved in January 2013. In order to make any material changes to the approved scheme, legislation requires that a full public consultation must be conducted.
- 2.3 The council has faced, and continues to face, unprecedented cuts to its grant funding. When the budget for 2016/17 was approved, there was a forecast gap between current spending plans and estimated income in 2019/20, amounting to £55m per year. The Council is systematically reviewing its spending (the "spending review programme") with a view to achieving

savings. A less generous CTRS would contribute to the savings the council has to make.

- 2.4 Changes to the CTRS are not the only ways in which we can increase council tax income. Since April 2013, we have used the flexibility given by the Government to charge more tax on empty dwellings. These measures included removal of the discount on second homes (previously 10%) and the exemption on vacant dwellings subject to major repair works or structural alterations. In addition, the exemption on vacant and substantially unfurnished properties was reduced from six months to one month and a premium of 50% is charged on properties that are empty (and unfurnished) for two years or more. This has helped raise additional revenue to manage financial pressures and supported the council's empty homes strategy, to potentially increase housing supply.
- 2.5 The council must approve a council tax reduction scheme by 31 January 2017 for implementation in 2017/18.

3 Recommendations

- 3.1 The Executive is asked to recommend a scheme to the Council.
- 3.2 The Executive is asked to include in its recommendation to the Council an appropriate amount for discretionary relief, being:

If Option One is recommended	£500,000
If Option Two is recommended	£625,000
If Option Three is recommended	£750,000

- 3.3 Dependent on the decision of the Council, the Executive is asked to include the appropriate amount for discretionary relief in the proposed 2017/18 budget in due course.
- 3.4 The Council is asked to consider the recommendation of the Executive, and to adopt a scheme.
- 3.5 The Council is asked to state that it is minded to approve the appropriate level of funding for discretionary relief when it considers the budget.

4 Background

- 4.1 The Welfare Reform Act 2012 imposed a duty on billing authorities to design and introduce CTRS schemes for working age households.
- 4.2 At the same time as local authorities were placed under a duty to design schemes, the Government cut the available funding.

- 4.3 The legislation requires the Council to adequately protect vulnerable groups. The Council has a discretionary relief fund of £500,000 per annum, operating in tandem with the pre-existing Discretionary Housing Payment scheme.
- 4.4 Following public consultation, the Council chose to adopt a scheme in 2013/14 with the following features:
- A maximum award of 80% of the full tax, meaning that all working-age tax payers need to pay a minimum of 20% of their bill;
 - No second adult rebate for working-age customers;
 - Capped awards for claimants with properties in tax band C or above, at the amounts which would be awarded if the property had been in band B;
 - A de minimis award, with no CTRS being awarded if entitlement is below this level (currently £3.70 per week);
 - No awards to those with capital (savings) in excess of £6,000.
- 4.5 This scheme was considerably less generous than the previous national scheme, under which claimants could receive 100% of the full tax in benefit.
- 4.6 Those of pension age were protected from the changes by law, retaining the same assessment and 100% maximum award as before. In 2015/16, 38% of our caseload was pension age.

5 Options

- 5.1 In partnership with Leicestershire County Council and the district councils, an exercise was carried out to consult the public on possible changes to the CTRS scheme. The options we consulted on were as follows:

Option 1: No change to the current scheme. The scheme adopted would continue to have the features described above.

Option 2: Working age charge payers will receive a maximum award of 75% of their council tax liability. All other features of the current system would remain unchanged (and pensioners would not be affected). This option will save an estimated £0.7m per year compared to the current scheme, assuming the Council tax increases in 2017/18 in line with the budget strategy.

Option 3: Working age charge payers will receive a maximum award of 70% of their council tax liability. All other features of the current system would remain unchanged (and pensioners would not be affected). This option will save an estimated £1.5m compared to the current scheme.

- 5.2 Respondents were also asked to provide their opinion on other ways the Council could achieve savings.
- 5.3 The district councils posed the same questions, with additional questions particular to each.

6 Consultation outcomes

- 6.1 Consultation took place from 4th August to 28th September, a period of eight weeks. Questionnaires were available for completion online, at libraries, at customer service centres and at a number of participating local community and advice agencies. Council staff attended numerous awareness events across the city to explain and encourage participation. There was a press release, and information was included in council tax reminders and notifications issued during the consultation period (directly reaching approximately 37,000 households).
- 6.2 In total, there were 570 responses to the consultation. This is relatively strong in comparison with other participating councils – which ranged from 21 for North West Leicestershire to 436 for Blaby. However, it amounts to only 0.4% of households in the city.
- 6.3 Of the 570 responses received:
- 532 were from city residents;
 - 23 were from local voluntary and community organisations;
 - 11 were from local businesses;
 - 4 were from non-city residents.
- 6.4 Of the 532 city resident responses:
- 516 provided a home postcode in Leicester;
 - 253 also provided a work postcode in Leicester;
 - 145 (25% of respondents) stated they were members of households currently receiving a CTRS award – representing just 0.4% of all claimants
 - 304 (55% of respondents) stated they were members of households currently paying the full council tax charge.
- 6.5 In summary, from a low response rate, 50% of local residents supported option one (no change). The other 50% were split more or less evenly between option 2 and option 3. Perhaps unsurprisingly, there was a significant difference of opinion between households receiving CTRS, and those who did not. 71% of those responding from the former group supported option one; this fell to 42% in the second group. 50% of local businesses and organisations also supported option one. A fuller analysis is provided at Appendix A.
- 6.6 It is not known at this point which option(s) other districts will adopt.
- 6.7 Appendix B provides more information about authorities requiring a minimum contribution of more than 20%, which may assist the Executive in considering options 2 and 3.
- 6.8 An Equality Impact Assessment (EIA) has been completed and can be found at Appendix C. This assesses the impact in conjunction with other changes arising from the Government's welfare reform agenda. The EIA identifies these households most likely to suffer hardship as predominantly lone parents, the disabled, and those on welfare benefits.

- 6.9 In 2013/14, the council introduced a discretionary relief fund of £0.5m to support vulnerable households contributing to their council tax for the first time, and who would struggle to pay their council tax. If options 2 or 3 are adopted, the Executive may wish to increase the sum available.
- 6.10 If the Council decides to adopt option one, we may wish to adopt this as a temporary (holding) position, and review in 12 months' time. The budget for 2017/18 will be balanced (although any saving made in 17/18 will be held in reserves and used to reduce the cuts burden in a later year). Government funding is, however, being progressively reduced, and the outlook beyond 2017/18 is increasingly severe. This course of action would require a further public consultation, and we are unable to decide on the likely shape of any new scheme prior to this.

7. Details of Scrutiny

- 7.1 The recommendation by the Executive will be presented to the Neighbourhood Service and Community Involvement Scrutiny Commission on 16 November 2016. The Commission's comments will be represented at Full Council on the 24 November 2016 alongside the report.

8. CTRS Equality implications (Irene Kszyk)

- 8.1 An Equality Impact Assessment (EIA) has been completed and can be found at Appendix C. This assesses the impact in conjunction with other changes affecting household finances. In summary, the main impact will fall on those who are (and will continue to be) most reliant on state welfare support. These households will see their finances squeezed through a combination of the increase in council tax payable, anticipated inflation for basic household items (particularly food), and the continuing impact of the Government's welfare reforms.
- 8.2 There are two main factors for consideration when considering equalities: the deprivation experienced in the city (Leicester is ranked 21st in England in terms of indices of multiple deprivation); and diversity in terms of protected characteristics – age, disability, sex, race, religion or belief, pregnancy or maternity, sexual orientation, and gender reassignment (as well as responsibilities of carers which need to be taken into consideration).
- 8.3 Of the city's 134,000 households, 35,000 receive CTRS support on the basis of their assessed need. Around one third of these are pensioner households who are eligible for 100% support; and two thirds are of working age, who must contribute at least 20% of their council tax bill.
- 8.4 These working age households will be either in low paid work or out of work, and will also be reliant upon social security benefits which in turn are subject to various welfare reforms introduced by the Government resulting in reduced household discretionary income over time.

- 8.5 Sheffield Hallam University in their March 2016 study on welfare reform has estimated that these reforms will, by 2020-21, result in an average compound loss of £490 per annum for each working age adult in Leicester. Their study indicates that different types of households will experience disproportionate impacts: those worst affected are likely to be couples with 2 or more children (with a total loss of £1,450 per annum by 2020-21), couples with 1 child (with a loss of £900 per annum), lone parents with children (with a loss of between £1,750-£1,400 per annum), and single persons of working age (£250 per annum). Therefore, over the next 4 years, there will be increased pressure on low income household incomes in the city as a result of the Government's welfare reforms. Disabled people reliant on benefits have had their incomes substantially reduced as a result of welfare reforms already introduced, and will continue to be affected by the next tranche of reforms.
- 8.6 While the economic climate has been relatively stable with virtually no inflation over the past year, the EU referendum decision in June has created some economic uncertainty in the country. Inflation has risen to 1.0% (CPI September 2016) following the fall in value of the pound, and is anticipated to increase to around 3% over the next year, adding further pressures to household incomes and their ability to purchase essential household utilities and items such as food.
- 8.7 As social security benefits get further squeezed and households with low incomes become more vulnerable to short-term financial crises, the importance of the local welfare safety net provided by local authorities in the form of discretionary support payments becomes more critical as the Government has in effect devolved this function to them.
- 8.8 The January 2016 House of Commons Works and Pensions Committee report on 'The local welfare safety net' is critical of the Government's approach and calls for a more robust and co-ordinated approach to sufficiently protect services, including crisis welfare in deprived areas, that can cope with future economic downturns. Therefore, locally it is important to consider the value of the council's available discretionary funds (Discretionary Housing Payments, Council Tax Discretionary Relief and the Community Support Grant) as a key mitigating action to help households experiencing financial crises (used together holistically as a safety net with a supportive advice, personal budgeting support and signposting provision for claimants).
- 8.9 Our Public Sector Equality Duty requires us to consider the impact of our proposals and their effect on different protected characteristics.
- 8.10 In regard to those who receive CTRS support, pensioners (protected characteristic of age) eligible for support are not required to make the minimum contribution of 20% as set out by Government guidelines. Therefore working age claimants are disproportionately affected by any changes.
- 8.11 There is a disproportionate take up of CTRS by white people (60%) compared to the city's population (51%), indicating that race is another equalities consideration.

- 8.12 Disabled residents have their disability benefits disregarded as a source of income when calculating DHP and CTDR support, which therefore lowers their actual income threshold and potential requirement for contribution.
- 8.13 Single person households are disproportionately represented in their take up of CTR. Moving into work/increasing their working hours would mitigate the increased demand on their incomes with the introduction of Option 2 or 3.
- 8.14 Low income families and lone parents are less able to make up any household income shortfalls arising from the introduction of Options 2 or 3 because of the increased costs they have to bear for raising children and the decreased flexibility they have, particularly mothers, in moving into work/increasing their working hours, and would be disadvantaged by reductions in their household incomes by the introduction of these two options.
- 8.15 As mentioned above, discretionary funding (DHP, CTDR and CSG) mitigates some economic hardship experienced by residents – which is the only welfare safety net available to them. Disabled residents; carers and lone parents; those affected by the bedroom tax, local housing allowance levels, and benefit cap, have all been supported through the discretionary funding which is available to the council.

9. Financial Implications (Mark Noble)

- 9.1 Council tax is a major source of income to the Council, for which £94m was budgeted in 2016/17. This is broadly calculated as follows:

	£m
Dwellings – full charge	134
Exemptions – mainly students	(9)
Single Persons' Discounts	(10)
Council Tax Reduction Scheme	(21)
TOTAL	94

- 9.2 Prior to 2013/14, council tax benefits were payable to low income householders, and could amount to 100% of the tax due. In effect, council tax was paid on their behalf by the DWP.
- 9.3 In 2013/14, local council tax reduction schemes replaced council tax benefit. The way in which awards are reflected in the tax charge also changed – instead of making a full charge which is paid by the DWP, council tax charges are now discounted. Thus, the council receives less council tax income than it used to do. In 2017/18, assuming the Council increases tax by 4% as indicated in the budget strategy, council tax discounts will reduce tax income by an estimated £21m if the current scheme remains unchanged. Similarly, the police and fire authorities receive less income.
- 9.4 Money was included in the council's finance settlement for 2013/14 to reflect the loss of income, but the amount provided was £3m less than would have been required to maintain the former scheme. Since that time, funding for

discounts has been an integral part of the council's revenue support grant, which has itself been subject to substantial reductions. It is no longer meaningful to seek to identify a level of support from the Government for council tax reduction schemes: schemes are best perceived as simply one of the council's obligations for which we receive (ever reducing) general government support.

- 9.5 The current scheme requires all taxpayers to pay at least 20% of their charge. This offsets the overall loss of council tax income.
- 9.6 At the time the budget was approved in February 2016, it was estimated that the Council would need to save £55m per year, by 2019/20, to balance the budget in that year. This figure has been reduced by spending review savings achieved since February, 2016, and at the time of writing the budget for 2017/18 is being prepared. It is too soon to provide an updated estimate, but it is inevitable that a significant gap between current levels of spending and estimated resources in 2019/20 will continue to exist by the time the Council sets the budget for 2017/18. On current estimates, even if we make the maximum savings expected from the spending review programme and from a review of employees' terms and conditions, it is believed that there will still be a deficit of £10m to £20m per year to close by 2019/20.
- 9.7 A decision to change the scheme will need to balance the inevitable difficulties which would be caused by requiring the city's poorest taxpayers to pay more, with the need for additional savings to balance the council's budget.
- 9.8 It is difficult to estimate how much the Council would save by adopting options two or three, because this depends on how many people are entitled to support at any one time. Over the last few years, the cost of the CTRS has been falling. Future demand will depend on the strength of the economy and any changes to individual eligibility arising from the Government's welfare reforms. The financial impact will also depend on the level of our council tax at any one time. However, based on a snapshot of the caseload at the beginning of November, and assuming this remains constant, the saving in 2017/18 is estimated to be as follows (also assuming council tax increases by 4% in line with the budget strategy):
- (a) Option 2: £0.7m;
 - (b) Option 3: £1.5m.
- 9.9 Savings will also be achieved by the police and fire authorities, but at much lower amounts.
- 9.10 The Council sets aside £0.5m in the budget each year for discretionary relief. Should a decision be made to increase this amount, it will offset the additional income in the table above.
- 9.11 In setting its budgets, the Council assumes that a certain amount of council tax will not get collected, and will eventually be written off. In 2016/17, 2.25% was set aside for this: the allowance applies to all debt, including that which has been reduced by CTRS awards. The figures above implicitly assume that

2.25% of any extra debt raised as a consequence of changing the CTRS scheme will not be collectable. Whilst common sense suggests that a higher percentage is more likely, experience of CTRS to date does not provide evidence for this. In practice, debt reduced by awards is more likely to be in arrears, but continues to be collected (albeit it at a slower pace). Council tax arrears can be collected for many years after the year to which they relate, and the CTRS scheme is too new to assess where we will eventually end up in terms of collection. There is also a relationship between arrears and discretionary relief. Nonetheless, it would be sensible to assume that some of the additional income from options 2 and 3 will in due course be written off (over and above the assumed 2.25%).

10. Legal Implications (Kamal Adatia)

- 10.1 The actual making or revising of the Council Tax Reduction Scheme is a matter for Full Council, in accordance with the Local Government Finance Act 1992 (as revised by the 2012 Act). The Scheme in Leicester needs to be re-made before 31 January 2017.
- 10.2 The Council has a duty under the Equality Act 2010 to have “due regard” to the need to eliminate unlawful discrimination of people sharing protected characteristics which are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, or sexual orientation. There is also a duty to promote equality of opportunity and foster good relations between those sharing a relevant protected characteristic and those who do not do so. This is commonly referred to as the “Public Sector Equality Duty” (PSED). Members must therefore bear in mind this duty to have “due regard” when deciding upon which option to pursue, and will be guided by the attached Equality Impact Assessment in this task. It is important to bear in mind that compliance with the PSED does not of itself entail an obligation to avoid or eliminate any negative impacts of any of the proposals. Negative impacts may (or may not) be inevitable, if, for example, the proposals to decrease the maximum award are endorsed. Some consideration of available mitigating measures would assist in demonstrating both a “regard” for the relevant impacts, and a conscientious grappling with the impacts that a less generous scheme entails.
- 10.3 If Option 1 is pursued with an express promise to reconsider the scheme for 2018/19 then this will create a binding duty to re-consult and re-make a Scheme by 31 January 2018.

11. Environmental Implications (Mark Jeffcote)

- 11.1 A reduction in the disposable income of low income households in the city could result in an increase in fuel poverty. An increase in fuel poverty can result in households using less fuel but it also reduces the ability of households to invest in energy conservation measures.
- 11.2 The Home Energy Team can advise and support vulnerable households through initiatives such as Health Through Warmth.

- 11.3 Food poverty is met through the Council's Community Support Grant scheme. The Council's Food Bank, as part of this scheme, diverts food being sent to landfill.

12. Other Implications

- 12.1 None

13. Appendices

Appendix A – CTRS Consultation Response (Summary)

Appendix B – Current national and local data on CTR schemes

Appendix C – CTRS and wider welfare reform Impact Assessment

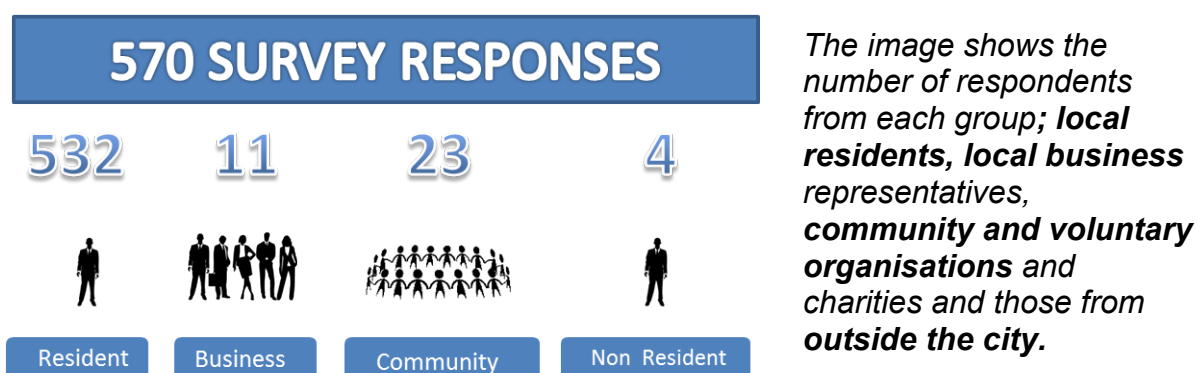
14. Report Author: Alison Greenhill

Appendix A:
CTRS consultation analysis (summary)

Leicester's Council Reduction Scheme (LCTRS) Consultation results 16/17

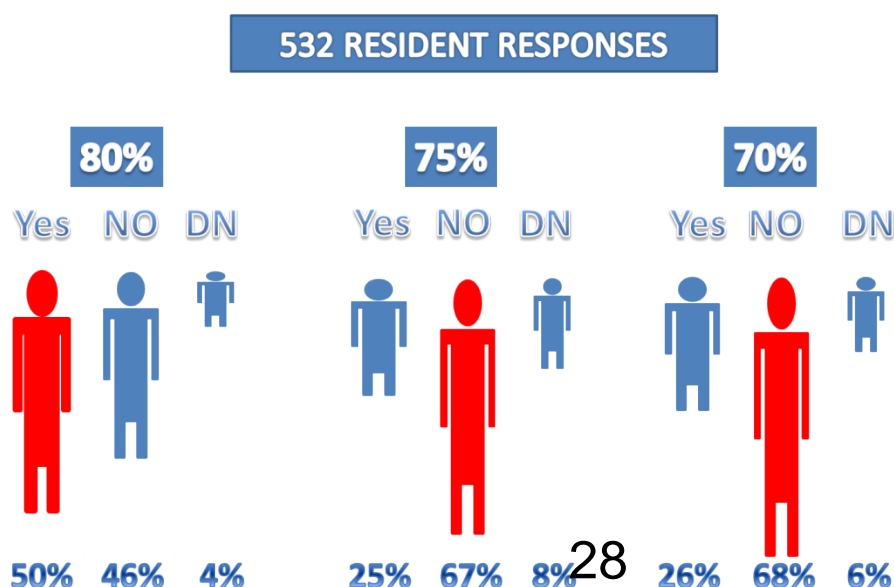
Leicester's most recent LCTRS consultation took place in 2012, and the current scheme has been in place since April 2013. Due to financial constraints, the Executive are now reviewing the scheme's operation and expenditure. Three options are being considered for 2017/18: **Option 1**, to retain the current scheme requiring residents to contribute at least **20%** of their council tax bill; **Option 2**, to increase this contribution to **25%**; and **Option 3**, to increase it to **30%**. Residents were also asked for alternative suggestions to amend the scheme or to make savings.

The consultation lasted for eight weeks from **4 August to 28 September 2016**. The survey could be accessed online, in paper from libraries and community centres, or at thirteen outreach locations at which regular public engagement events were held.



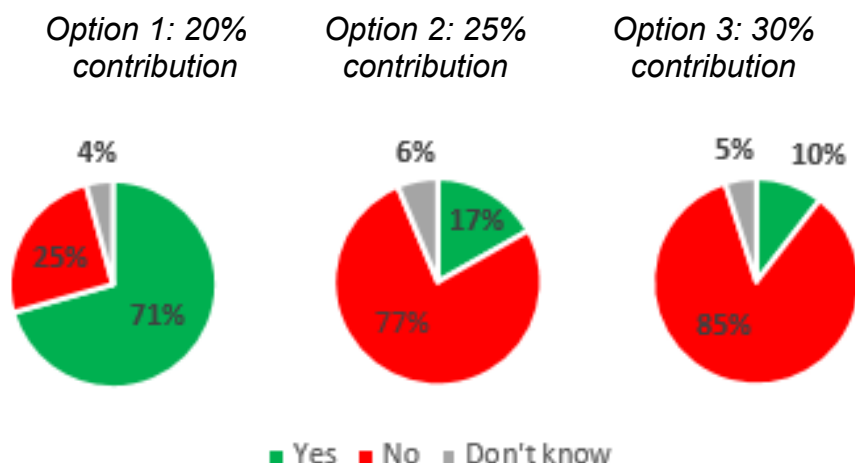
Of local residents responding to the consultation:

- The average **age** of a respondent was **44** – under-25s were underrepresented (4% compared to 19% of the working-age population)
- For **ethnicity**, white British respondents overrepresented (61% to 45% of the population);
- **Religion, sexual orientation, gender and disability** were evenly represented;
- **Household composition** was fairly representative overall – bias in favour of the working-age population (90%) is likely a result of the proposed changes not affecting pensioners;
- **516** provided a home postcode in Leicester – postcodes **LE2 to LE5** were evenly represented, with less participants resident in the city centre (**LE1**);
- **253** also provided a work postcode in Leicester – more than half worked in the city centre (**LE1**), with smaller numbers employed at postcodes **LE2 to LE5**.



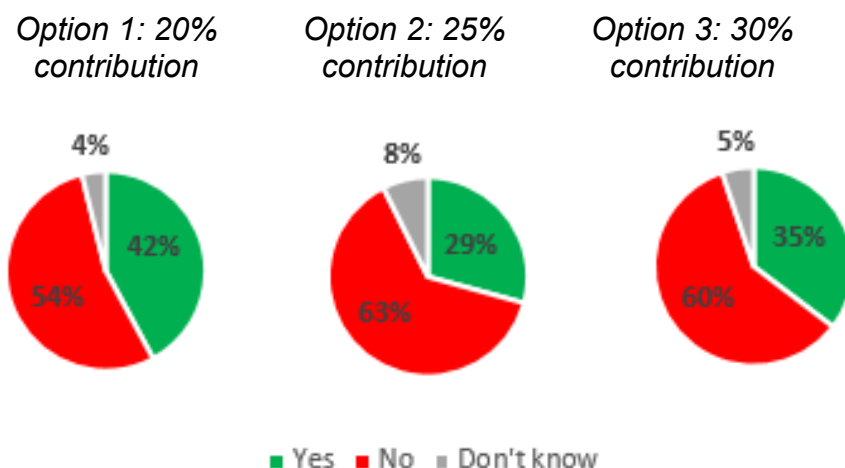
The image shows the preferences of the 532 Leicester residents that responded to the survey (DN- Don't Know).

For respondent households receiving CTR:



145 respondents stated that they were members of households currently receiving discounts under the CTRS – they were much more likely to support retaining the current scheme.

For respondent households paying full Council Tax:



304 respondents stated that they were members of households paying full Council Tax – they were more likely to support changing the scheme and adopting either a 25% or a 30% minimum payment.

The most popular comments made were;

- **Staffing and salaries** should be reduced further across the Council (particularly for those in the most senior roles)
- There are **too many redevelopments** in the City, including roadworks, buildings, monumental projects and aesthetic features.
- Take a more stringent approach to **Housing Benefit fraud**.
- Those that would be affected by any change **stated** that they would have to **compromise essential items** such as **food, heating and items for children** in order to meet the costs. There was also an emphasis on the significant impact that existing welfare reforms had on low income households.
- **Collecting an increase** in Council Tax from low income households could be **difficult** as the money becomes increasingly difficult to find. Some respondents even stated they would **refuse to pay** the increase.



Appendix B: ***The current national and local Council Tax Reduction schemes***

1. National overview

1.1 From April 2016, only 41 councils nationally (out of 326) are continuing to provide

the levels of support available under the former Council Tax Benefit system for working age households, down from 58 in April 2013.

1.2 The most common change councils have made from the former CTB system has been to introduce a “minimum payment” which requires everyone to pay at least some council tax regardless of income. From April 2016, 259 (80% of authorities) schemes include a minimum payment, up from 250 in April 2015, 245 in April 2014 and 229 in April 2013.

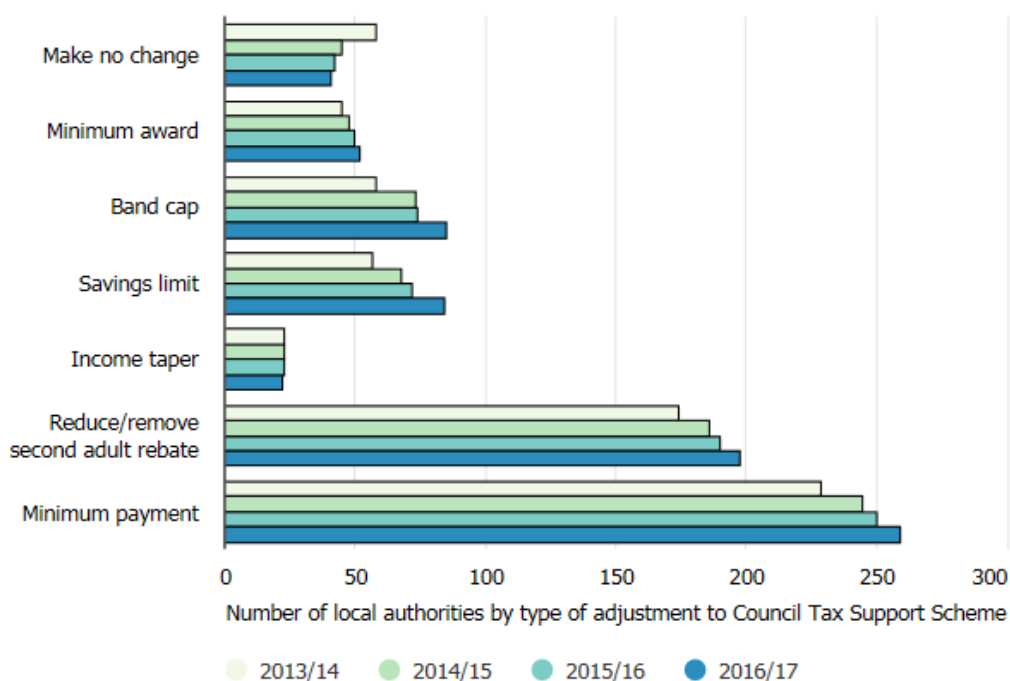
1.3 The average minimum payment levied has increased from 14.7% of council tax liability in 2013 to 17.7% in 2016. 20% (67) of authorities already require a minimum payment of over 20%. The highest of these is Kettering, requiring 45% minimum payment. These include local authorities with pockets of high deprivation, such as Stoke-on-Trent and Barnsley. From the available data, there is only a weak correlation between minimum payment levels and collection rates indicative of increased enforcement action.

1.4 The table below shows the 67 councils requiring minimum payments which exceed 20%. These schemes are as at April 2016. Political control is highlighted as **31 Conservative**; **22 Labour**; and 14 No Overall Control.

Local authority	Minimum payment	Local authority	Minimum payment
Kettering	45.00%	Leeds	25.00%
Medway	35.00%	Luton	25.00%
Barnsley	30.00%	North Devon	25.00%
Castle Point	30.00%	North East Lincolnshire	25.00%
Harrow	30.00%	North Hertfordshire	25.00%
Peterborough	30.00%	Rutland	25.00%
South Tyneside	30.00%	South Holland	25.00%
Stoke-on-Trent	30.00%	Southampton	25.00%
Surrey Heath	30.00%	Southend-on-Sea	25.00%
Wakefield	30.00%	Spelthorne	25.00%
Wandsworth	30.00%	Tameside	25.00%
Northampton	29.00%	Tamworth	25.00%
Rochford	28.00%	Thurrock	25.00%
Blackpool	27.10%	Torbay	25.00%
Hyndburn	27.00%	Torridge	25.00%
Barking and Dagenham	25.00%	Walsall	25.00%
Basildon	25.00%	Welwyn Hatfield	25.00%
Boston	25.00%	West Berkshire	25.00%

Bradford	25.00%	Worthing	25.00%
Bromley	25.00%	North Somerset	24.50%
Central Bedfordshire	25.00%	Braintree	24.00%
Cheshire East	25.00%	Harlow	24.00%
Cheshire West and Chester	25.00%	Waltham Forest	24.00%
Cornwall	25.00%	Chelmsford	23.00%
Dacorum	25.00%	Sheffield	23.00%
Ealing	25.00%	Fylde	22.70%
East Lindsey	25.00%	York	22.50%
East Riding of Yorkshire	25.00%	Bath and North East Somerset	22.00%
East Staffordshire	25.00%	Mid Sussex	22.00%
Enfield	25.00%	West Lancashire	22.00%
Epping Forest	25.00%	Wirral	22.00%
Hillingdon	25.00%	Wolverhampton	22.00%
King's Lynn & West Norfolk	25.00%	Halton	21.60%
		Telford and Wrekin	21.00%

1.5 Along with a minimum payment, councils can also introduce other restrictions. The graph below shows the number of councils that have introduced a particular change. Elements already introduced in Leicester and increasing in takeup nationally are a minimum award, band cap, savings limit and the removal of second adult rebates.



1.6 Some authorities are in the process of considering changes to their schemes to make them less generous, and we have information from some. Proposals include

increasing minimum payments (Derby), restricting disregards (Wakefield), restrictions on protected vulnerable groups, and requiring engagement with jobseeking support (Leeds).

2. Local Picture

2.1 Our consultation ran in partnership with the County & District councils, consulting on the same core options across the county.

2.2 Most participating County authorities also elected to consult on aligning their scheme with Housing Benefit, and introducing band caps, minimum payments and reduced capital allowances as Leicester has already done. Melton also elected to consult on enforcing jobseeking requirements. Current schemes in the county are as follows:

Local authority	Maximum award	Working-age 2nd Adult Rebate?	Maximum award capped at?	Minimum award?	Capital limit?
Leicester City Council	80%	Removed	Band B	£3.70	£6,000
Blaby District Council	85%	Removed	No cap	No minimum	£16,000
Charnwood Borough Council	85%	Removed	No cap	No minimum	£16,000
Harborough District Council	85%	Removed	No cap	No minimum award	£16,000
Hinckley and Bosworth Borough Council	88%	Removed	No cap	No minimum award	£16,000
North West Leicestershire District Council	85%	Removed	No cap	No minimum award	£16,000
Melton Borough Council	88%	Removed	No cap	No minimum award	£16,000
Oadby & Wigston Borough Council	85%	Removed	No cap	No minimum award	£16,000



Appendix C:

The Council Tax Reduction Scheme 2017/18 and wider welfare reform Impact Assessment

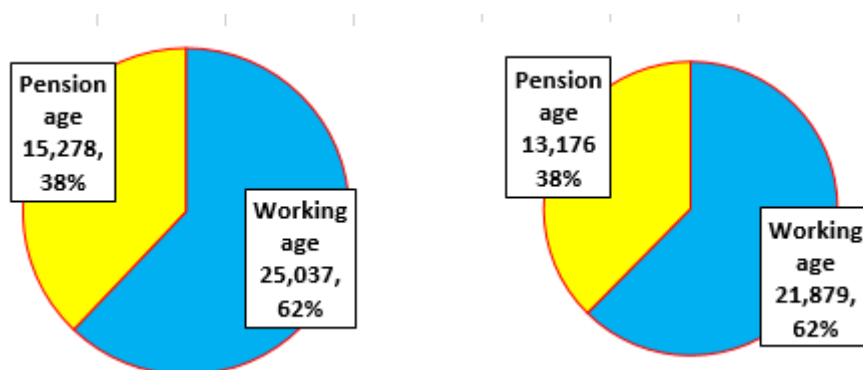
1. Overview

On 1 April 2013, the Government abolished Council Tax Benefit and councils were

required to design local Council Tax Reduction Schemes. At the same time funding was cut, and rolled into general support to local authorities (which has subsequently been cut severely, and continues to be cut).

This has led to schemes being less generous than council tax benefit. However, the Government protected pensioners from any changes.

There are 134,120 (01/10/2016) chargeable properties in the City. The number of customers in receipt of CTRS is 35,055 (01/10/2016). Of these, working age customers number 21,879; pension age customers number 13,176. The chart below shows the caseload, which has fallen since 2013/14:



2013/14 caseload*

2016/17 caseload*

**figures based on a snapshot on 1 April 2013 and 1 April 2016 respectively.*

The key features of the government reforms to council tax support were that:

- The level of council tax reduction for pensioners was protected, as regulations require all local schemes to include a national prescribed framework of rules and eligibility for pensioners which replicate the previous council tax benefit scheme.
- In relation to working age people there are a few prescribed requirements dealing with procedural and administrative matters; but other than that, local authorities were given freedom to set their own criteria for council tax reduction.

2. Current arrangements in Leicester

Council tax reduction under our current scheme is limited to 80% of council tax liability, meaning working age people are charged at least 20% of their full council tax.

3. Consultation on 2017/18 CTRS Options

Due to reduced government funding, the Council is looking for ways to save money. (Financial cuts facing the Council are discussed in the main report). An amended

CTRS could contribute to the overall savings required, and therefore three options were consulted on:

1. Keep the Council Tax Reduction Scheme the same as it is now (choosing to make savings elsewhere);
2. Limit the Council Tax Reduction to 75% of council tax liability;
3. Limit the Council Tax Reduction to 70% of council tax liability.

The purpose of this assessment is to assess, three years on, the impact that the Council's Local Council Tax Reduction Scheme (CTRS) and wider Welfare Reforms have had since 2013 (and will have) on different groups who are protected under the Equality Act and to ensure that the Council has met its public sector equality duty in the design of its 2017/18 Scheme.

4. Summary of the Council's Current Scheme

The Council's scheme contains the following elements:

1. a maximum eligible reduction of 80% of the total tax due; and
2. the application of a maximum amount of Council Tax fixed at Band B of the Council's Council Tax charges.

In addition to the above primary delivery elements of the model, the Council's scheme also contain the following features:

3. the amount of capital held by the claimant may not exceed £6,000;
4. the previous scheme for Second Adult Rebate was discontinued for working age households;
5. the minimum amount of benefit which will be payable was set at £3.60 per week.
6. The disability premiums held within Council Tax Benefit legislation were retained to financially support disabled households.
7. childcare income disregards were retained to support working households remain in work.
8. income from war widows' pensions continued to be disregarded to support this vulnerable group.

The only changes made subsequently have been:

- an annual increase in the minimum amount of Benefit which will be payable (£3.75 in 2017/18); and,
- amendments required in line with changes to Housing Benefit and Universal Credit legislation.

5. Who is affected by the proposal and how?

All working age households are required to contribute towards their council tax bill. The impact of options 2 and 3 will be an increase in minimum weekly payments as follows (based on 16/17 tax):

	Option 2 (75%)	Option 3 (70%)
Band A minus	£0.85	£1.71
Band A	£1.03	£2.05
Band B and all higher bands	£1.20	£2.39

Because awards are capped at the band B rate, increases in minimum payments at higher bands will be the same as those in band B.

In terms of the effect on individual claimants:

- (a) For claimants on the maximum possible discount (76% of total caseload), options 2 and 3 would cost them precisely the amounts shown in the tables above;
- (b) For almost all other claimants, the loss will be less than this, with the amount each loses being proportionate to their current award; and, under option 3 being twice the amount they would lose under option 2;
- (c) For a very small number of households (around 77 under option 2 and a further 50 under option 3), losses would be greater. This is because their current entitlement is so low that a reduction would push them under the de minimis level (and hence they would get nothing). The maximum losses incurred would be £3.94 per week (option 2) or £4.23 (option 3).

Note that the above calculations show the effect options 2 and 3 would have had, had they been applicable in 2016/17. The actual outcomes will be based on the tax set for 2017/18 (including the police and fire precepts), and the 2017/18 de minimis level.

6. Risks on household incomes over the coming year

Changes to council tax support can be considered in combination with other changes affecting household income. The main risks to household incomes over the coming year are inflation, and the impact on low income households dependent on social security benefits of continuing Government welfare reforms. One such reform is the freezing of benefit (against inflationary increases) until 2020. Another significant initiative will be the lowering of the household benefit cap from £26,000 per year to £20,000 for couples/lone parents with children, and from £18,200 to £13,400 for single persons.

The August 2016 forecast by the Bank of England anticipates a CPI inflation rate of 2.4% in the third quarter of 2018, arising from the drop in value of the pound. Some industry sources expect an increase of up to 5% in food prices over the next year. Because food takes up a larger proportion of low income household expenditure, and their income levels have been squeezed by the Government's welfare reforms (ASDA tracker, June 2016), increases in food prices will have the most significant impact on these households.

Another area of cost increase could be fuel and oil, as a result of the decision by OPEC to reduce its supplies to the energy markets. Costs rose by 6% in September 2016 as result of this decision alone. It is likely we will see increases in fuel and energy costs over time as a result of this OPEC decision.

Incomes of households reliant on social security benefits continue to be squeezed with the Government's continued implementation of the welfare reform programme. The chart below gives an indication of anticipated decreases in household incomes by 2020/21, as a consequence of post 2015 welfare reforms:-

Couple – one dependent child	£900 pa
Couple – two or more dependent children	£1,450 pa
Lone parent – one dependent child	£1,400 pa
Lone parent – two or more dependent children	£1,750 pa
Single person working age household	£250 pa

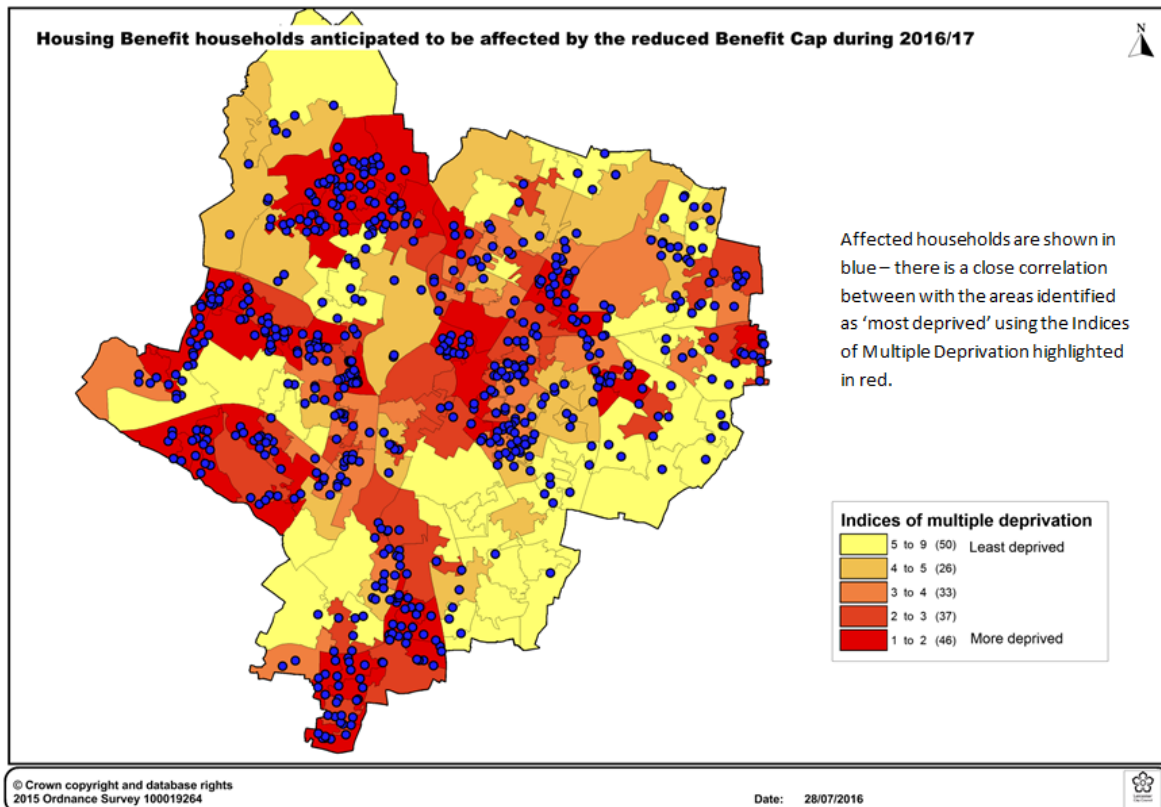
Source: Centre for Regional Economic and Social Research/Sheffield Hallam University report: "The uneven impact of welfare reform – the financial losses to places and people" (March 2016).

Local DWP data has indicated that 810 households claiming Housing Benefit will be affected by the reduced benefit cap, each losing an average of almost £4,000 per year, or over £75 per week. Those vulnerable groups most likely to be affected have the following protected characteristics:

- Nearly three quarters of the potentially affected households will be lone parents – 40% are lone parents with five or more children;
- 82% of the projected affected claimants are female;

- 41.3% of the total caseload are BME (Black and Minority Ethnic), with a disproportionate impact on black households;
- 14% are already subject to the current, higher cap and will see household income further reduced.

The location of these households across the city as a whole is indicated in the map below:



7. Risks offset by current trends

The above risks are offset by the improved employment rates in the city and the recent boost given to low income earners through the introduction of the National Living Wage.

NOMIS figures for the city’s working age population (June 2016) indicated that there are 159,000 economically active residents in the city, of whom 6.6% are unemployed. As of February 2016, there were 32,000 working age benefit claimants (14.0% of the city’s working age population of 229,000), with 25,000 of these in receipt of out of work benefits. The working age population is inclusive of all protected characteristics.

There has been a continuing decrease in the percentage of the working age population unemployed in Leicester (NOMIS), down from June 2015, 7.7%; June 2014, 11.8%; and June 2013, 13.9%.

The ONS has reported (October 2016) an increase in low wages as a result of introduction of National Living Wage. The lowest earning 5% of full time workers were paid 6.2% more in 2016 than 2015. The median weekly pay for part-time staff, generally those working 30 hours per week or less, increased by 6.6%.

8. Overall impacts

Some household incomes will be hit hard as a result of the cumulative impact of various potential welfare reforms, alongside the anticipated inflationary increases on basic household necessities such as food and fuel. Other lower income households may be able to weather inflationary increases if their wage levels keep above inflation.

9. Mitigating actions

For residents likely to experience short term financial crises as a result of the cumulative impacts of the above risks, the Council has a range of mitigating actions in place. These include: funding through Council Tax Discretionary Relief, Discretionary Housing Payments; the council's work with voluntary and community sector organisations to provide food to local people where it is required – through the council's or partners' food banks; and through schemes which support people getting into work (and include cost reducing initiatives that address high transport costs such as providing recycled bicycles). The recommendations to this report suggest more money should be set aside for hardship if options 2 or 3 are adopted.

It should be noted that CTDR is funded from the general fund and is directly focussed on mitigating the financial impact of the losses experienced by some households. The council has undertaken awareness campaigns to promote CTDR both to the general caseload and protected groups particularly where recovery against council liability is sought. The Council works in partnership with the Social Welfare Advice sector in the City who have assisted the council to re-design the applicant route and eased the evidence requirement to support claims.

Analysis of the characteristics of CTDR recipients compared to the overall HB/CTR caseload demonstrates that it has been targeted successfully to assist vulnerable households who have experienced hardship as a result of welfare reforms, which have to date disproportionately penalised childless single people reliant on welfare benefits:

- 99% of households receiving CTDR were working age;
- CTDR households were four times more likely to be reliant on Jobseeker's Allowance, twice as likely to be reliant on Employment & Support Allowance and 50% more likely to be reliant on Income Support than the overall HB/CTR caseload;
- CTDR households were 50% more likely to have at least one income indicative of disability than the overall HB/CTR caseload;

- CTDR households were more likely to be single, and less likely to have children than the overall HB/CTR caseload;
- Gender and ethnicity were broadly proportionate to the overall caseload.

10. What protected characteristics are affected?

The chart below, describes how each protected characteristic is likely to be affected by options 2 or 3. The chart sets out known trends, anticipated impacts and risks; along with mitigating actions available to reduce negative impacts.

Protected characteristics	Impact of proposal:	Risk of negative impact:	Mitigating actions:
Age	<p>Changes to the Council Tax Reduction Scheme will only affect the working age population.</p> <p>Those residents reaching state pension age on 1 April 2017 will be treated under a nationally prescribed scheme, and will be eligible for a reduction of up to 100% of tax.</p> <p>Age demographics of claimants are broadly similar. The majority of those affected would be between 25-44 years old if either Option 2 or Option 3 were chosen.</p>	<p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.</p>	<p>Providing a safety net in the form of discretionary relief for those experiencing financial hardships are a main mitigating action. (This is used holistically as a safety net together with supportive advice, personal budgeting support and signposting provision for claimants).</p> <p>Ensuring that face-to-face support, home visits, paper forms and appropriate support continues to be available to support the primary online receipt route for discretionary awards. Ensuring that vulnerable customers are able to access the service is key.</p> <p>Promoting applications for Council Tax Discretionary Relief and other discretionary schemes through advice agencies and organisations.</p> <p>Ensuring that Social Welfare Advice, support with jobs and skills; and, personal budgeting support is available to empower customers to improve their circumstances.</p>

Disability	<p>Maximum award recipients (those currently receiving 80% awards) are more likely to be receiving Employment Support Allowance (disabled or too sick to work) or have another indicator of household disability – 51% as opposed to 48% of the overall caseload.</p> <p>The proportion of those with disabilities who would lose their award altogether is far lower than the average caseload, however – only 18% of those affected under Option 2, or 19% of those affected under Option 3.</p>	<p>Maximum award recipient who are receiving ESA are also significantly less likely to be in employment or self-employment.</p> <p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.</p>	<p>We have carefully considered the impact of the governments cuts and have make provision in our CTDR scheme to provide elements of protection for certain groups of people. The council recognises the barriers disabled people face and seeks to assist them by disregarding Disability Living Allowance, Attendance Allowance, Personal Independence Allowance and all armed forces compensation income from the Veterans and Members of the Armed Forces.</p> <p>We will continue to apply all disabled premiums within the calculation of the Applicable Amount.</p> <p>Applications for an additional exceptional hardship payment will be considered in line with our responsibilities under section 13a (1)(c) of the Local Government Finance Act 1992 for those severely disabled people who cannot afford to pay the proposed 20, 25 or 30% element of their council tax charge before council tax reduction is calculated.</p> <p>We consider a claimant is also</p>
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			<p>regarded as financially vulnerable for CTDR if the claimant is a disabled adult living in supported living accommodation who has carers and is unable to work due to their health.</p> <p>We will promote the CTDR scheme through communications activity, advice agencies and organisations.</p> <p>For the purpose of assessing CTDR and DHPs, DLA and PIP is not taken into account as income following the case of Hardy v Sandwell (2015)</p> <p>We consider that Council Tax Discretionary Relief will be available to any vulnerable applicant based on personal and financial circumstances.</p> <p>Our CTDR scheme regards as financially vulnerable the claimant or partner when they are in receipt of Employment Support Allowance (ESA), and get the support component.</p> <p>A claimant whose property is adapted for the wellbeing of a disabled person living in that property can have their council tax reduced through a</p>
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			disabled persons reduction by one band below that which the property falls under. For Band A properties the charge is reduced by 1/9 th of the band D value.
Gender Reassignment	No disproportionate impact identified from existing data/national trends.		
Marriage and Civil Partnership	No disproportionate impact identified from existing data/national trends.		
Pregnancy and Maternity	May be facing reduced income due to maternity leave/statutory maternity pay.	The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.	<p>Promote pregnant and nursing women being aware of and accessing Council Tax Discretionary Relief scheme through advice agencies, GP surgeries and maternity wards.</p> <p>The Council's recovery and enforcement policies provide for door-step collection from pregnant women, including actions to be taken to not place women under any additional stress.</p>
Race	Whilst information on the ethnicity of claimants has only been recorded on 56% of claimants, the majority group is white.	<p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.</p> <p>Risk of indirect discrimination,</p>	<p>Increased engagement with advice agencies who offer direct language translation.</p> <p>Improved engagement with community support groups will expand awareness of the Council Tax Discretionary Relief Scheme among the city's different BME communities.</p>

		<p>potentially as a result of language difficulties or lack of awareness of the schemes involved within their communities.</p> <p>The issues in relation to enforcement of unpaid tax for households in which there is limited understanding of English.</p>	Employment of the Council's Recovery and Enforcement policies and procedures.
Religion or Belief	No disproportionate impact identified from existing data/national trends.		
Sex	The caseload demonstrates that women will account for a larger proportion of the affected groups. They will account for 55% of those affected if the scheme were to change to Option 3 and 57% if the scheme were to change to Option 2.	<p>National research indicates the financial vulnerability of women in relation to economic and welfare reform impacts, particularly female lone parent households.</p> <p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.</p>	<p>The Council's Recovery and Enforcement policies and procedures describe actions which are and are not acceptable for collection of tax from single women. The procedures include processes for identifying and managing recovery from vulnerable women or women who may be at risk of violence in the event of collection of tax due.</p> <p>Council Tax Discretionary Relief Scheme notes that financially vulnerable groups include households where the claimant or a household member has suffered domestic violence, and is being supported by accredited local schemes to remain in permanent accommodation or move into permanent accommodation (inclusive of forced marriages).</p>

Sexual Orientation	No disproportionate impact identified from existing data/national trends.		
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Additional mitigating action: for all of the above, where the sum calculated cannot be paid, the completion of an income and expenditure form will be required. Both current expenditure and debts will be taken into account when calculating repayments. The income and expenditure form has been devised by the Fair Debt Task Group.

1. Equality implications/obligations	
Which aims of the Public Sector Equality Duty (PSED) are likely be relevant to the proposal? In this question, consider both the current service and the proposed changes.	
	Is this a relevant consideration? What issues could arise?
Eliminate unlawful discrimination, harassment and victimisation How does the service ensure that there is no barrier to access for anyone with a particular protected characteristic (as set out in our PSED) with needs that could be addressed by that service?	The exclusion of pensioners from the CTRS (protected characteristic of age) has been imposed by the Government as a feature of the scheme. Application for CTRS support is open to all city residents and is based on their individual circumstances, irrespective of their protected characteristic. The criteria for assessment have been assessed from an equalities perspective to ensure they are not discriminatory or unreasonable.
Advance equality of opportunity between different groups How does the proposal/service ensure that its intended outcomes promote equality of opportunity for users? Identify inequalities faced by those with specific protected characteristic(s).	The availability of the CTRS provides financial support to those households who would otherwise not be able to manage payment of the total tax, and the net charge makes a contribution to the overall budget (which meets the costs of council services aimed at meeting priority and statutory local need). The provision of council services, in turn, promotes equality of opportunity between different groups as evidenced

	<p>by service outcomes that improve people's quality of life; and, for many, being able to achieve their life chances/opportunities.</p> <p>A specialist welfare benefits advice service helps meet access needs for those with literacy, numeracy, language and disability needs who may struggle with applications forms. Direct help and support with access to crisis funding can be made at point of contact with our Social Welfare Advice provider. The online CTRS/DHP/CTDR forms enable remote access which support workers and agencies can assist with. This, together with additional face to face and free access support, promotes equality of opportunity of those in need of financial support. They are consequently more able to report their personal circumstances as evidence of need, and improve the likelihood of receiving discretionary support based on that need. A holistic approach is considered with every discretionary support application in order to minimise the overall impacts of welfare reform.</p>
<p>Foster good relations between different groups Does the service contribute to good relations or to broader community cohesion objectives? How does it achieve this aim?</p>	<p>The aim of fair and accessible discretionary (hardship) schemes aids in fostering good relations between different groups, challenging potential perceptions of bias or exclusion of those who have not been successful in the past. Commitment to direct face-to-face contact, promotion and explanation of the scheme to customers and improved information campaign targeting stakeholders (including support agencies and community groups) aids customer support. The discretionary scheme 'safety net' is promoted both internally and externally to social welfare advice partners and citizens. Close working relationships with the DWP have enabled the training of work coaches in the jobcentre to understand the discretionary funds available to help customers affected.</p>



Leicester City Youth Justice Plan 2016-17

Full Council – 24 November 2016

Lead director: Frances Craven

Useful information

- Ward(s) affected: All Wards
- Report author: David Thrussell
- Author contact details: 37 1672
- Report version number: v2

1. Summary

It is the duty of each local authority, after consultation with partners to formulate and implement an annual youth justice plan setting out:

- How youth justice services in their area are to be provided and funded; and
- How the Youth Offending Team (YOT) will be composed and funded; how it will operate, and what functions it will carry out.

The statutory youth justice plan must be submitted to the Youth Justice Board (YJB) and published annually by 30 September. The youth justice plan is approved by the local Young Offender Management Board and submitted to the Youth Justice Board.

The document is the youth offending partnership's main statement of purpose and sets out its proposals to prevent offending by children and young people. The plan shows not only what the YOT will deliver as a service, but how strategic links with other supporting initiatives will be developed and maintained.

The youth justice plan should be read in conjunction with other relevant multi-agency plans including the Children and Young People's Plan, Safer Leicester Partnership Plan and Office of Police and Crime Commissioner (OPCC) Policing Plan. The youth justice plan is supported by a more detailed operational YOS improvement plan overseen by the Head of Service, who reports to the Young Offender Management Board.

The youth justice plan is required to address the areas of performance, structure and governance, resources, value for money, partnership arrangements and risks to future delivery. The plan takes into account local performance issues, lessons from previous full joint and YOS thematic inspections, together with any Serious Incidents.

2. Recommendations.

Council is asked to:

- To note and agree the Leicester City Youth Justice Plan for 2016/17.

- To note the review of progress and agree the priorities in the report.
- To bring forward the timetable for the Youth Justice Plan for 2017/18 to April 2017.

3. Supporting information

The Leicester City Youth Justice Plan for 2016/17 is attached as Appendix One.

4. Financial, legal and other implications

4.1 Financial implications

The 2016/17 budgeted and forecast expenditure and financing for the Youth Offending Service is summarised in Appendix Two of the Youth Justice Plan contained within this report.

Martin Judson
Head of Finance
Education & Children's Services

Tel: 37 4101

5.2 Legal implications

Following consultation with relevant partner agencies, section 40 of the Crime and Disorder Act 1998 requires Leicester City Council formulate and implement an annual Youth Justice Plan setting out:

- a) How youth justice services in the area will be provided and funded; and
- b) How the youth offending team is to be composed and funded, how it will operate and what functions it will carry out.

The plan must then be submitted to the Youth Justice Board and published.

Katherine Jamieson

Solicitor
For City Barrister and Head of Standards Legal Services, Leicester City Council

Tel: 0116 4541452 (external)
Tel: 371452 (internal)

5.3 Climate Change and Carbon Reduction implications

There are no significant climate change implications resulting from the attached report.

Duncan Bell

Senior Environmental Consultant, Environment Team, Leicester City Council Ground Floor, Phoenix House, Leicester LE1 6RN

Telephone: 0116 454 2249 (37 2249)

5.4 Equalities Implications

The report does include the staffing profile and describes the diversity of staff that reflects the diversity of the city's population. From the perspective of meeting our Public Sector Equality Duty aims, the Youth Justice Plan sets out priority activities (in the Performance Overview section) that seek to promote equality of opportunity for young offenders by reducing the adverse impacts they are likely to experience through involvement with the criminal justice system; and by achieving these outcomes and enabling young offenders to take part in city and community life, contribute to improved good relations between different groups of people.

The report does not include analysis of the protected characteristics of young people served by the Youth Offending Team. However, young offender characteristics are tracked through national monitoring and local reporting through the quarterly Young Offender Management Board performance report and these do inform service practice. In very small cohorts for priorities such as reducing the use of custody, there is a real risk of identification based on protected characteristics such as ethnic profile.

The attention paid to tracking the protected characteristics of young offenders ensures that the service does not discriminate against any service user on the basis of who they are.

Irene Kszyk, Corporate Equalities Lead, ext. 37 4147

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

None

6. Background information and other papers:

Youth Justice Plans: YJB Practice Note for Youth Offending

Partnerships Modern Youth Offending Partnerships – Guidance on

Effective Youth Offending Team Governance in England, Ministry of

Justice, 2014

National Standards for Youth Justice Services, 2013

Crime and Disorder Act, Section 40, 1998

7. Summary of appendices:

Appendix A: Youth Justice Plan

2016/17

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

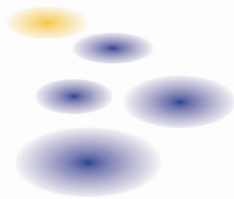
No

9. Is this a “key decision”?

No

10. If a key decision please explain reason

N/A



Leicester City **youth** Offending Service

Leicester City Youth Justice Plan 2016 - 2017

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Introduction

The aims of Leicester Youth Offending Service (YOS) are to prevent youth offending and reduce re-offending and the use of custody for young people. This is achieved through working in partnership to deliver services that ensure young people are safeguarded, the public and victims of crime are protected, and those who enter the criminal justice system are supported with robust risk management arrangements. Our aim is to intervene early to provide help and support to young people and reintegrate them into their local communities without offending.

The YOS participated in a Full Joint Inspection in 2016. The inspection showed that Leicester City YOS is performing satisfactorily or good in all key areas. Leadership, management and partnership of the YOS were judged as effective. The Full Joint Inspection made five recommendations which are incorporated into an Improvement Action Plan that should be read in conjunction with the Youth Justice Plan.

This Plan supports a range of associated partnership strategies including the Leicester Children and Young People's Plan, Police and Crime Plan, the Safer Leicester Partnership Plan, together with individual agencies strategic plans.

We are working closely with our partners in the criminal justice system to ensure resources are effectively targeted at the minority of young people who are repeat offenders and responsible for the majority of youth crime.

We have continued to invest in our integrated offender management arrangements with funding support through the Police and Crime Commissioner as part of our successful Deter Young Offender Strategy. We have reviewed the Out of Court Disposal Panel to enable the YOS to identify and intervene earlier with young people at risk of crime and anti-social behaviour.

The YOS are active partners in the Troubled Families Programme. Phase Two of the Programme has ensured that support continues to be provided to families involved in offending through integrated early help family support, as part of the local early help offer.

The local Multi Systemic Therapy (MST) Team continues to be successful in engaging both young people at risk of custody and young people at risk of entering the care system. Inspectors noted the use of the Multi-Systemic Therapy approach is showing some good early results. We have launched a new MST Standard Team and a Child Adolescent Neglect (CAN) Team in 2016 as part of our ongoing commitment to vulnerable children and young people.

The YOS continues to work in partnership to support victims of youth crime and to reassure local communities and young people about the consequences of crime and anti-social behaviour through local Joint Action Groups and the Safer Leicester Partnership. Our local restorative justice practices were celebrated as part of restorative justice week and the YOS are working with partners to support the identification and support for victims of youth crime.

The YOS is making an important contribution to realising our ambition for all our children and young people of raising aspiration and attainment, reducing health inequalities and improving wellbeing. We also recognise the need to continue to invest in earlier interventions to ensure our most vulnerable young people continue to receive support to address their substance misuse, generic and mental health needs.

The YOS has improved levels of young people's engagement in individually tailored assessment and support programmes. Inspectors noted that children and young people were overwhelmingly positive about the support they received from workers, who were persistent and tenacious in their attempts to engage them and understand how their life experiences contributed to offending, risk to others and their vulnerability.

We have continued to deliver a residential programme for repeat high risk young offenders jointly supported by the Office of the Police and Crime Commissioner (OPCC) and in partnership with local voluntary youth sector providers. We have also taken steps to strengthen the reporting of learning from serious incidents and recommendations through the Local Safeguarding Children's Board.

Inspectors found strengths in the way that children and young people are engaged by the YOS and about the support they receive to access education, training and employment. Youth crime prevention interventions continue to involve the youth service working with local secondary schools, to identify and support young people who are at risk of involvement in crime, anti-social behaviour or exclusion through targeted early intervention.

Targeted individual advice and guidance continues to be offered to our vulnerable young people who are not in education, training or employment and local rates of ETE engagement for young people known to YOS remain in the top quartile nationally. The Connexions Service is also working with economic regeneration partners to ensure that Education, Training and Employment for young offenders remain a priority as new provision is developed.

We are working with the newly elected Police and Crime Commissioner to ensure that the YOS is as a key contributor to the priorities of the Police and Crime Plan to support high risk first time entrants and repeat young offenders.

The local Joint Strategic Needs Assessment for children and young people has been revised in 2016, and young people who are first time entrants and at risk of offending are a target group in the current needs analysis. This will inform future commissioning and delivery priorities for young people at risk of involvement in crime and anti-social behaviour.

Performance Overview

We continue to prioritise preventing youth offending, reducing re-offending and the use of custody for young people as local performance indicators. The impact of the YOS performance and its contribution to wider safeguarding and public protection responsibilities are monitored and reported through the local Children's Trust Board, Safeguarding Children Board and MAPPA Strategic Board.

The YOS has continued to refine its performance management reporting arrangements to better improve understanding of impact and outcomes and to inform the Young Offender Management Board in response to the Full Joint Inspection recommendations. The YOS continues to work with the YJB to refine our diagnostic tools to provide a sharper focus on understanding of performance in respect of reoffending.

Systems for improved monitoring of high risk offenders and young people involved in anti-social behaviour have been improved together with 'deep dive' analysis by the Young Offender Management Board into areas of challenging performance including reducing reoffending, Looked After Children, generic health needs of young people known to YOS, custodial sentencing and young offenders Speech, Language and Communication Needs.

YOS performance is reported through The Safer Leicester Partnership and Reducing Re-offending Board where shared priorities exist to reduce overall crime and anti-social behaviour. Reducing First Time Entrants and re-offending by young people is a priority of the Children and Young People's Plan, overseen by the Leicester Children's Trust Board.

The YOS continues to contribute towards regional and national improvement agendas supported by YJB Quarterly Performance Monitoring reports.

Reducing First Time Entrants (FTE) Performance 2015/16

- There have now been sustained reductions in FTEs in the last seven years. Leicester has continued to see a reduction in the number of First Time Entrants (FTE) and the rate of reduction is greater than the national rate.

Reducing First Time Entrants (FTE) Priorities for 2016/17

- To re-commission and support evidence based youth crime prevention activity as part of a more integrated 0-19 early prevention strategy.
- To further reduce the numbers of young people entering the criminal justice system, in partnership with other local agencies through more integrated and targeted youth support.
- To reduce the frequency and seriousness of re-offending by first time entrants and to improve earlier identification and assessment of first time entrants, including young people subject to court orders.
- To deliver progress against the recommendations from the HMI Full Joint Inspection published in May 2016 as part of the YOS Improvement Action Plan.

Reducing Reoffending Performance for 2015/16

- The percentage of young people supervised by the YOT that re-offend was 39.2% which is a slight drop on the previous year but higher than the national average of 37.9%.
- The YOS has higher than average national rates for young people reoffending on pre court and first tier orders whilst re-offending by young people subject to custodial sentences is lower than the national rate.
- Re-offending by young people known to the Troubled Families and MST programmes is lower than the national average.
- Whilst the number of young people supervised by the YOT has decreased, there has been a continued increase in the frequency of offending each year. Using the latest national comparator data covering period October 2013 and September 2014, Leicester's rate for re-offending is higher than the midlands and national figure.

Reducing Reoffending Priorities for 2016/17

- To reduce overall levels of re-offending and better understand effectiveness of programmes and disparity in local re-offending rates.
- To reduce the frequency and seriousness of re-offending by young people known to YOS at all levels including pre court and first tier interventions.
- To further improve reductions in reoffending by repeat young offenders, including young people at risk of custody and young people leaving custody.
- To complete a diagnostic of reoffending rates by young people in collaboration with the YJB and to monitor an improvement plan to reduce levels of re-offending.

Reducing the Use of Custody Performance 2015/16

- The YOS has higher than average national rate for the use of custody although this is a relatively small cohort receiving custodial sentences in 2015-16.
- There has been a consistent reduction in the use of custodial sentencing in the previous two years although the most recent quarter has seen a small spike in custodial sentencing.

Reducing the Use of Custody Priorities for 2016/17

- To further reduce the use of remands to youth detention accommodation and custodial sentencing for all young people including children looked after.
- To continue to work with partners to further develop robust processes for the identification remand cases and the full cost of remand placements, together with suitable community based alternatives to remand.
- Ensure young people who are subject to custodial remands or sentencing are appropriately safeguarded and their risk of harm to themselves and others is managed appropriately.

Engaging in Education, Training & Employment (ETE) Performance 2015/16

- The YOS has increased ETE engagement by young people who offend from under 60% to nearly 80% over the last six years. This level of ETE engagement is in excess of national, family group and regional comparators and places the YOS performance in the top quartile nationally.
- The high level of ETE engagement with young people known to YOS has been maintained despite the challenging economic climate and rising youth unemployment and has been sustained through close partnership working with Education Welfare and Connexions Services.

Engaging in Education, Training & Employment (ETE) Priorities for 2016/17

- To further reduce the numbers of young people who are not in full time Education, Training & Employment (NEET) and known to YOS.
- To improve the targeting of ETE support for high risk entrants and repeat offenders.
- To increase the use of trained volunteer mentors, YOS advocates, and Connexions Personal Advisors, to support young people to successfully engage and remain in Education, Training & Employment.

Structure & Governance

The YOS is positioned within the Education and Children's Department of the Local Authority. The YOS Manager is Head of Service for Early Help and Specialist Services, which includes a portfolio of services including the Youth Offending Service, Youth Service, Connexions, Education Welfare Service and Multi Systemic Therapy. This approach supports earlier identification of families with multiple and complex needs together with increased opportunities for more targeted work with children and families at risk of poor outcomes or involved in crime and anti-social behaviour. The Head of Service for the YOS is managed by the Director for Children, Young People and Families, who reports directly to the Director for Children's Services (DCS).

Governance arrangements for YOS reside with a multi-agency Young Offender Management Board (YOMB) chaired by the Strategic Director for Education and Children (DCS). The YOMB has senior officer level representation from statutory services including Police, Health and the National Probation Service. (Appendix One) Following the full joint inspection additional representation from Public Health and the Connexions Service has been added to the strategic management board. The YOMB meets on a quarterly basis where performance and finance reports are presented by the Head of Service, to inform strategic decisions and resource allocation.

Young Offender Management Board reports include quarterly analysis of performance against key national and local youth justice indicators, audit and self-assessment activity, Serious Incident reporting, National Standards audits and quarterly YJB monitoring reports. The YOMB revised its performance management framework in 2015 to take into account the revised Modern Youth Offending Partnership Guidance.

The YOS Manager is a member of the MAPPA Strategic Board and the Local Children's Safeguarding Board for reporting and monitoring lessons from Serious Incidents and Serious Case Reviews. The YOS Manager is a member of the Early Help Strategy Group which is a sub group of the Local Children's Safeguarding Board.

The YOS are members of both the Reducing Re-offending Board which supports Integrated Offender Management arrangements for young people and adults, and a Looked After Children Project Board, supporting transitions 16-24 year olds in the criminal justice system.

Resources and value for money

The YJB Youth Justice Grant allocation focusses on innovation and service improvement and supports the YOS improvement plan reviewed by the Young Offender Management Board. This ensures resources continue to be prioritised in areas where there are risks to future delivery and performance. Service improvement activity in 2016 has been supported by the YJB through a local re-offending toolkit to provide a more detailed understanding of local re-offending rates.

Funding contributions from statutory partners in Health and the National Probation Service are confirmed for 2016/17. The OPCC has confirmed 2016/17 funding for YOS for both core police activities and to support work with high risk entrants and repeat offenders. In addition the OPCC has provided partnership funding for work with Troubled Families and young people at risk of domestic violence and child sexual exploitation. A table containing the financial, staffing and in kind contributions made by local partners is contained in Appendix Two.

YOS business planning for 2016/17 will need to take into account the national review of the youth justice system and any options for future remodelling of the service will be overseen by the YOMB Chair through an integrated Targeted Youth Support Remodelling Board.

The YOS successfully launched ASSET Plus in late 2015 and has commissioned a replacement Management Information System for 2017.

The YOS is appropriately resourced by seconded warranted Police Officers, Probation Officers employed by the National Probation Service, and an education specialist managed within the Education Welfare Service. YOS are working with the CAMHS service to better understand the emotional health and wellbeing needs of young people known to YOS. The YOS are working with the Leicester Clinical Commissioning Group and stakeholders to ensure that the local CAMHS Transformation Needs includes the support needs of young people known to YOS. Additional YOS resources include dedicated Educational Psychologist time and a dedicated Education, Training and Employment Personal Advisor surgery from the Connexions Service.

The YOS has a diverse workforce that reflects the diversity of the local communities that it serves. The entire YOS workforce is employed on a permanent basis, there are no agency employees, and all frontline YOS Officers are professionally qualified.

The YOS works with a wide range of volunteers reflecting the diversity of Leicester's communities. Volunteers and permanent staff are trained in restorative justice. A structure chart including the full YOS staffing establishment is contained in Appendix Three.

Partnership Arrangements

The YOS is fully integrated into local partnership planning arrangements for both children and young people and criminal justice services. There are regular joint meetings with key partners including the Police, Courts, Health (Public Health and Clinical Commissioning Group) and Probation (NPS) to support the delivery of shared strategic priorities.

The YOS Manager or YOS Service Manager is represented on the following key strategic partnerships:

- Leicester Children's Trust Board (LCTB)
- Local Safeguarding Children's Board (LSCB)
- Early Help Strategy Group
- Safer Leicester Partnership (SLP)
- Multi Agency Public Protection Arrangements Strategic Board (MAPPA)
- Reducing Re-offending Board (RRB)
- Children and Adolescent Mental Health Service (CAMHS) Multi Agency Partnership
- Young Adult Transitions Board
- Multi Systemic Therapy Strategic Board (MST)

The YOS co-commissions youth crime prevention programmes with the Office of the Police and Crime Commissioner (OPCC) that focus on preventing re-offending by high risk entrants to the youth justice system and repeat high risk offenders. This includes jointly commissioned work with local voluntary sector youth service providers that support national indicator performance and outcome measures jointly monitored by the OPCC.

The YOS are partners in the Troubled Families and Multi Systemic Therapy Team and re-offending by young people known to the programmes is lower than the national average.

Accommodation is included as part of all intervention planning by case managers for any young person made subject to a custodial sentence or remanded to Youth Detention Accommodation. Every young person who is made subject to a custodial sentence or made subject to Youth Detention Accommodation is allocated a Youth Advocate. The focus of the advocate work is to deliver and enable access for support with health, family, education, training and employment and accommodation.

All young people subject to custodial sentences are reviewed by multi agency panel including Connexions, CAMHS and substance misuse, and parenting workers to ensure that young people's safeguarding, risk of harm, welfare and mental health needs are appropriately assessed. Parenting support is provided to all young people in custody and their families throughout the custodial sentence to plan and support reintegration into the community.

Risks to future delivery

A challenge for the YOS is to maintain continuous improvement in the context of any proposed national changes to the Youth Justice System arising from the Taylor Review. Additional risks to future service delivery arise from reduced government and partnership funding.

Local pressures on council funding are mirrored across the strategic partnership and the YOS is working with partners to develop a sustainable delivery model moving forward, that reflects shared strategic priorities and reduced income.

The YOS is working with strategic partners through the YOMB to ensure that national changes to the criminal justice system through Police, HM Courts and Probation services are managed appropriately and address risk, public protection and safeguarding priorities for young people.

The YOS has submitted an Improvement Action Plan following the Full Joint Inspection undertaken in 2016 and this has informed service priorities for 2016/17. The YOS continues to focus on areas of performance improvement related to management of risk of harm, safeguarding and better understanding health needs and improving health outcomes for young people. A detailed improvement action plan has been submitted to the YJB and is monitored on a quarterly basis.

Priorities for 2016/17

- To implement the recommendations from the Full Joint Inspection report published in May 2016.
- To review the existing model of service delivery taking into account the findings of the Taylor Review and responding to local reductions in the numbers of young people entering the youth justice system.
- To further improve the quality of assessments and effectiveness of YOS interventions to reduce re-offending, including a better understanding of speech, language and communication needs of young people known to YOS.
- To ensure that young people who are known to YOS as children in need or in need of protection including from Child Sexual Exploitation, are identified, safeguarded and their cases escalated where appropriate.
- To ensure a partnership approach is maintained to prevent offending and further reduce reoffending by children and young people.
- To reduce the number of children looked after who enter the criminal justice system and to further reduce the number of young people subject to remands and custody.
- To better understand the emotional health and wellbeing needs of young people known to YOS to improve their physical and mental health.

Appendix One

Leicester City YOS – Young Offender Management Board (YOMB) 2016/17

Name	Organisation
Frances Craven	Strategic Director, Children's Services, Leicester City Council (Chair YOMB)
Caroline Tote	Divisional Director, Children's Services, Social Care and Early Help, Leicester City Council
Sian Walls	Chief Inspector, Leicestershire Police
Charlotte Dunkley	Deputy Head, Leicester, Leicestershire and Rutland (Midlands), National Probation Service
Mel Thwaites	Associate Director of Children and Families, Clinical Commissioning Group
Clare Mills	Lead Commissioner, Public Health, Leicester City Council
Julia Conlon	Service Manager, Connexions Service & Targeted Youth Support, LCC
David Thrussell	Head of Service, YOT Manager, Early Help and Specialist Services, Leicester City Council
Karen Manville	Service Manager, Youth Offending Service
Martin Judson	Head of Finance, Education and Children's Services

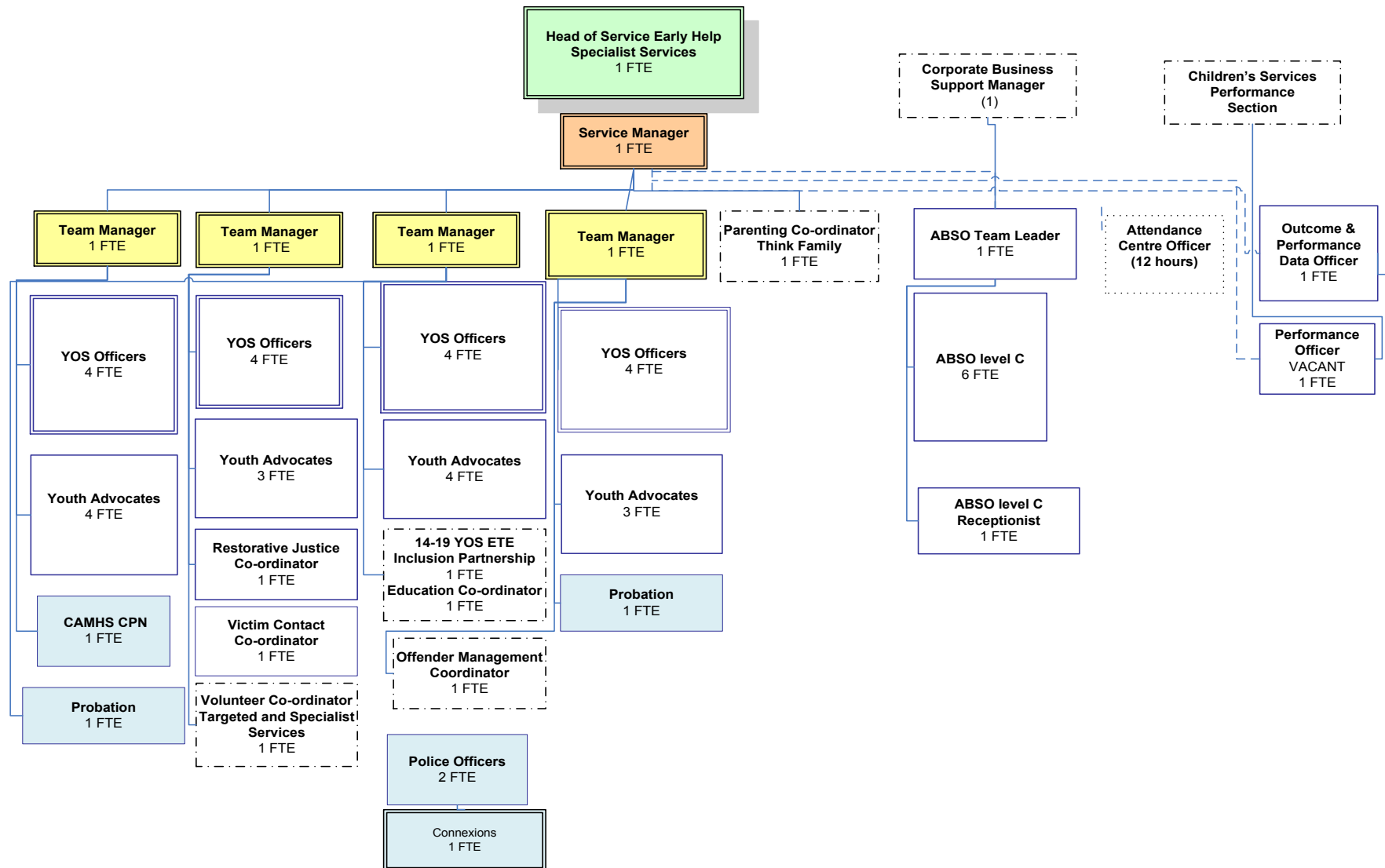
Appendix 2

YOS BUDGET 2016/17

Agency	Staffing costs (£)	Payments in kind – revenue (£)	Other delegated funds (£)	Total (£)
Local authority*	1,216,169	447,107		1,663,276
Police Service	84,964		84,466	169,430
National Probation Service	98,516		40,250	138,766
Health Service	86,858		57,100	143,958
Police and crime commissioner**	21,309			21,000
YJB Good Practice Grant	625,364		26,542	651,906
Other***				
Total	2,133,180	447,107	208,358	2,788,645

Appendix 3

Leicester City Youth Offending Service (2016)



Appendix 4

Leicester City Youth Offending Service Composition (2016)

Protected characteristic:		Number	% of total staff
Gender	Male	28	47
	Female	32	53
Ethnicity	White	37	62
	Asian	15	25
	Black	6	10
	Dual heritage	2	3

REPORT OF SCRUTINY COMMITTEES

8.1 SCRUTINY ANNUAL REPORT

Councillor Baljit Singh submits a report that provides an overview of the activities of the Council's Scrutiny Committee & Commissions 2015-2016.

A copy of the full report is attached, along with the relevant minute extract from the Overview Select Committee held on 3rd November 2016.

Council is asked to note the work of scrutiny in 2015/2016.



Scrutiny Annual Report 2015-2016

Decision to be taken by: Council

Decision to be taken on: 24th November 2016

Presented by: Councillor Baljit Singh

Useful information

■ Ward(s) affected: ALL

■ Report author: Scrutiny Support Manager

■ Author contact details: Kalvaran Sandhu, Scrutiny Support Manager. Tel no: internal 37 6344, external 0116 454 6344, Email: Kalvaran.Sandhu@leicester.gov.uk

Cover Report to Scrutiny Annual Report 2014 - 2015

1. Purpose of Report

1.1 This report provides an overview of the Scrutiny Annual Report for 2015 - 2016.

2. Summary

2.1 The Chair of the Overview Select Committee submits the Annual Report as a summary of the activities undertaken by the scrutiny commissions during 2015-16. The Annual Report highlights their areas of work and also the outcomes achieved.

2.2 The Annual Report is split into sections to mirror themed work of the council and shows the work completed across all areas of scrutiny last year.

3. Recommendations

3.1 Full Council is asked to note the work of Scrutiny during 2015-2016.

4. Annual Report

4.1 The Annual Report contains an introduction by the Chair of the Overview and Select Committee, which gives an introduction to scrutiny as a whole.

4.2 Each Committee / Commission has reported on their activities during the year which is reported across the themes in the report.

5. Progress

5.1 All members will have received a copy of the Annual Report with the Council papers and those partners and stakeholders who have been involved in scrutiny activities will also receive an electronic copy.

5.2 Paper copies can be made available upon request but none are not being sent prior to any requests and an electronic version of the report will be made available on the Council's website.

6. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

6.1 Financial Implications

There are no financial implications associated with the preparation of the Annual Scrutiny Report, beyond the use of existing resources.

(Alison Greenhill, Director of Finance)

6.2 Legal Implications

There are no legal implications arising from this report.

(Kamal Adatia, City Barrister & Head of Standards)

7. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities		Implications were considered by each of the Scrutiny Commissions and the Overview Select Committee as part of the appropriate scrutiny process.
Policy		
Sustainable and Environmental		
Crime and Disorder		
Human Rights Act		
Elderly/People on Low Income		

Leicester City Council Scrutiny Annual Report 2015-16

Message from the Chair of the Overview Select Committee, 2015-16

It has been a pleasure to chair the Overview Scrutiny Committee and a great privilege to have been able to facilitate discussion and debate on some very critical and crucial issues of future policy and programmes implemented by the Executive.

The annual report details work undertaken by the Scrutiny Commissions and Task Groups. Throughout the year, a most important facet of Commissions work has been that members have had the confidence and skills to use information to drive the scrutiny process and this has been in evidence in the outcomes of work of all the Commissions.

Overview Select Committee (OSC) instituted the review of the Fire Service restructure proposals which eventually led to the Central fire station retaining its present status and preserving fire service provision in the City. The OSC role in leading the Council's response to the much debated Ofsted report highlighted its crucial collaborative role with the CYPS Commission to achieve strategic development and change.

I would mention that the exceptionally efficient management of Commissions' workload, appropriately supported by Council officers, has indicated that restructured timetables and reformed resourcing of scrutiny meetings has worked well.

Finally, I have enormous respect and gratitude to the 'due diligence' conducted by Commission constituent members and Chairs in their deliberations on policy issues within their remit and the discharge of their scrutiny role and functions. On a personal note, I would add that OSC has achieved a closer working relationship with the City Mayor and the Executive without compromising accountability and the scrutiny task at the strategic level of decision making in the City Council.



Councillor Baljit Singh
Chair, Overview Select Committee and Chair, Finance Task Group

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Leicester City Council's Scrutiny Structure



Membership of Scrutiny Commissions in 2015-16

The following is a list of the commissions for 2015-16 and the members who sat on them:

Overview Select Committee

Chair: Councillor Baljit Singh

Vice Chair: Councillor Vi Dempster

MEMBERS

Councillors: Susan Barton, Lucy Chaplin, Virginia Cleaver, Mohammed Dawood, Ross Grant, Lynn Moore, Paul Newcombe, Rita Patel, Nigel Porter, Lynn Senior, Bill Shelton, Baljit Singh, John Thomas and Ross Willmott.

Adult Social Care

Chair: Councillor Virginia Cleaver
Vice Chair: Councillor Deepak Bajaj

MEMBERS

Councillors: Elly Cutkelvin,
Mohammed Dawood, Elaine Halford,
Rashmikant Joshi, and Jean Khote.
Standing Invitee: Healthwatch
Leicester (Philip Parkinson).

Children, Young People & Schools

Chair: Councillor Lynn Moore
Vice Chair: Councillor George Cole

MEMBERS

Councillors: Teresa Aldred,
Manshukhlal Chohan, Ross Grant,
Inderjit Gugnani, Mustafa Malik and
Lynn Senior.

Co-opted Members: Bernard
Monaghan (Roman Catholic Diocese),
Carolyn Lewis (Church of England
Diocese), Mohammed Alauddin Al-
Azad: Parent Governor (Primary /
Special Needs).

Standing Invitees: Arshad Daud,
Brahmpreet Kaur Gulati, Yash
Sharma, Ryanvir Singh (Youth Reps),
Rabiha Hannan (Muslim Faith Rep),
Anu Kapur (Leicester Secular Society),
Peter Flack (Teaching Unions), Gary
Garner (Unison, Union Rep)

Economic Development, Transport and Tourism

Chair: Councillor Ross Willmott
Vice Chair: Councillor Rashmikant
Joshi

MEMBERS

Councillors: Hemant Rae Bhatia,
Patrick Kitterick, Lynn Moore, Nigel
Porter, Vijay Singh Riyait and Gurinder
Sandhu.

Health and Wellbeing Scrutiny Commission

Chair: Councillor Lucy Chaplin
Vice Chair: Councillor Luis Fonseca

MEMBERS

Councillors: Dawn Alfonso, Harshad
Bhavsar, Dr Shofiquil Chowdhury,
Deborah Sangster and Kulwinder
Singh Johal.

Standing Invitee: Healthwatch
Leicester (Surinder Sharma)

Housing

Chair: Councillor Paul Newcombe
Vice Chair: Councillor Dawn Alfonso

MEMBERS

Councillors: Teresa Aldred, Hanif
Aqbany, Annette Byrne, Diane Cank
and Rashmi Joshi

Heritage, Culture, Leisure and Sport

Chair: Councillor Susan Barton
Vice Chair: Councillor Malcolm
Unsworth

MEMBERS

Councillors: Deepak Bajaj, Ratilal
Govind, Elaine Halford, Bill Shelton
and Aminur Thalukdar.

Neighbourhood Services and Community Involvement

Chair: Councillor Mohammed Dawood
Vice Chair: Councillor Inderjit Gugnani

MEMBERS

Councillors: Stephen Corral, Elly
Cutkelvin, Elaine Halford, Sue Hunter
and Jean Khote.

Introduction

Scrutiny is an essential part of ensuring that the council and its partners remain effective and accountable. 'The definition of scrutiny provided by the Centre for Public Scrutiny explains it as "the activity by one elected or appointed organisation or office examining and monitoring all or part of the activity of a public sector body with the aim of improving the quality of public services. A public sector body is one that carries out public functions or spends public money. Scrutiny ensures that executives are held accountable for their decisions, that their decision-making process is clear and accessible to the public and that there are opportunities for the public and their representatives to influence and improve public policy."

For 2015-16 the council continued to have an Overview Select Committee and seven scrutiny commissions covering all parts of the council's business. Scrutiny is often cross-cutting and this report has retained the model of last year and looks at scrutiny work within key themes of the Council's work.

As in previous years, scrutiny has continued to do a considerable amount of work via reports to meetings, reviews, call-ins and task groups and making recommendations from the various commissions to the Council's Executive.

This report looks at some of the highlights but further details, including reports, can be found on the Council's website via the following link:

<http://www.cabinet.leicester.gov.uk:8071/ieDocHome.aspx?Categories>

Contact

For more information please contact the Scrutiny Team on **0116 4546340** or email **scrutiny@leicester.gov.uk**

Glossary

The following abbreviations are used during the course of this report.

ASC: Adult Social Care Scrutiny Commission

CYPS: Children, Young People and Schools Scrutiny Commission

EDTT: Economic Development, Transport and Tourism Scrutiny Commission

HCLS: Heritage, Culture, Leisure and Sport Scrutiny Commission

HSC: Housing Scrutiny Commission

HWB: Health and Wellbeing Scrutiny Commission

NSCI: Neighbourhood Services and Community Involvement Scrutiny Commission

OSC: Overview Select Committee

A place to do business

This theme focuses on how the council works with business, public, voluntary and community sectors to respond to the economic challenges the city faces.

Procurement strategy

The Economic Development Transport and Tourism Scrutiny Commission's examination of the council's **Procurement Strategy & Plan** focussed on the social value of Council procurement activities and how social value could be incorporated into future procurement and commissioning. EDTT asked the department:

- To report regularly to the Commission at appropriate intervals on the impact of Social Value on the Council's procurement activity; and
- To provide monitoring information to this Commission on training provision (such as apprenticeships), arising from the Social Value elements of procurement.

This has since lead to EDTT commencing a scrutiny review into the Council's procurement strategy and this will be concluded next year.

Jobs creation and recruitment

EDTT also looked at the work being done with former employees of **The Mark Group and SPS Technologies**. Almost 1,200 jobs were at risk, mainly due to the ending of Government support for solar energy technology. The Commission was briefed on a jobs fair organised in the wake of the job losses. Members supported the initiative and **recommended** that the council considered the feasibility of holding regular jobs fairs, possibly focussing on certain parts of the city. The commission will expect a report back within a few months on work being done to assist former staff at the Mark Group and the success of this.

King Richard III Economic impact assessment



A report to HCLS set out the economic impact of the Richard III discovery on tourism and the visitor economy in the city and further afield. The commission noted the rise in visitor numbers and that more than 1,000 jobs had been created among a range of economic benefits.

'The discovery of Richard III has singularly put a pin in the map for Leicester, a place where no one was even looking for a pin in the past. As stewards of the county we now have a responsibility to make the most of this legacy...'

Stakeholder reported in an Economic Impact Assessment

Commission members praised the strategy adopted by the council and wider business community, and called for measures to encourage day tourists to stay longer. Members stressed they felt development needed to be sustainable over a long period. Members felt one challenge would involve making sure hotel capacity was built to meet the increase in visitor numbers.

The economic impact of Leicester's heritage and culture:

HCLS also conducted a review into the performance indicators relating to the contribution and economic impact of culture and heritage in the city in the context of using culture as a means to secure inward investment.



The review also considered the capacity to build the city's artistic and cultural reputation and create a sense of place and identity. It also explored the prospect of future research regarding social impact of the arts, heritage and culture on the city.

[Draft recommendations from the review reported to HCLS in March included:](#)

- Establishing of clearer methodologies for how economic data could be gathered,
- Social impact of the city's heritage and culture be investigated and greater publicity given to what was achieved through investment in heritage and culture.

The report was due to be finalised later in 2016-2017.

Getting about in Leicester

This section prioritises the need for an effective traffic management network, including road maintenance programmes and an efficient public transport network which is technologically advanced, up to date and helps improve air quality. Safe provision for cyclists and pedestrians is also important.

Connecting Leicester

Economic Development Transport and Tourism commission members scrutinised proposals in their early stages of development. Projects on the agenda during the year included Guildhall Lane; Mill Lane; Jubilee Square; Harvey Walk Footbridge; Oxford Rd; Grey Friars Townscape; Belgrave Rd; Belvoir St and Welford Rd. EDTT scrutiny invited external witnesses to give evidence on the impacts to access, road layout, transport and traffic issues, including Leicester Disabled Persons Access Group and Belgrave Residents Association. EDTT sought assurances that work was on schedule and what residents in the area desired, and this will continue as the programme of work continues.

Review of Bus Lanes Policy and Operation

EDTT led a task group review into how well bus lanes were operating in the city. The bus lanes network has received major investment in recent years. The task group concluded the network delivered benefits for bus and other road users. They had increased numbers of passengers, reduced journey times and improved the cycling environment.

The bus operators praised the council for installing enforcement cameras in the city centre. This was done after surveys found contraventions were affecting the operation and efficiency of bus services. In evidence, the Bus Users Panel said: *“if there are regulations of any sort, then they should be enforced, and penalties applied for infringements. The proper enforcement of Charles Street and Causeway Lane has made a huge difference to the number of infringements, markedly improving bus journey times along Causeway Lane and does not appear to have caused any problems”*.

The task group's recommendations include urging the city council to:

- continue to operate its "24/7" bus lane policy
- improve enforcement with the help of additional cameras; and
- install extra signs to warn motorists from using the bus lanes.

The Executive have taken many of the recommendations on board.. [A link to the task group report is here](#).

A low carbon city

A key ongoing priority area of work for the city council is reducing the city's carbon footprint by focusing on reductions of greenhouse gas emissions from the council's own operations, as well as promoting sustainable travel, and reducing emissions from homes and businesses.

Air Quality Action Plan – Joint scrutiny

Members of the Health and Wellbeing Commission were invited to EDTT to review the council's draft Air Quality Action Plan. Poor air quality in the city has been associated with a number of deaths and nationally has the greatest impact on the most deprived communities.



Members endorsed the Action Plan but had a number of observations and suggestions. [A link to the minute of this report can be found here](#). Members felt evaluation of health data needed to be enhanced because it was not possible to definitely relate individuals' deaths to poor air quality. It was suggested 2013 data showing ward health profiles, and particularly winter care deaths, could be used to assess if a geographical correlation with air quality existed. Working with health partners was encouraged, as was the introduction of a low-emission zone. Further progress on this will be brought back to both commissions.

The built and natural environment

In recent years we have seen national and international focus on the city and its heritage. Initiatives such as Connecting Leicester have been important in promoting the heritage of the city and connecting shopping, leisure, heritage, housing and transport facilities.

Jewry Wall Museum

HCLS was briefed on proposals to make the Jewry Wall Museum more accessible and scrutinised plans to create a sustainable visitor attraction. External funding, including a bid for Heritage Lottery funding, was being sought for proposed works. Members looked at the proposed walkway from St Nicholas Circle to the Vaughan College podium and designs for a new staircase and lift for improved accessibility. They *recommended* discussions should take place on whether glass could be inserted into a proposed walkway.

Members scrutinised the designs and proposed improvements to the ground floor, reception and the first floor of the museum and *recommended* that if any film of the original excavation of the Jewry wall site was still available it should be part of the exhibits when the museum has been redeveloped. A further update on this will be received at a future meeting.

Market Redevelopment project

The Economic Development, Transport and Tourism Commission considered this issue at two meetings, the first during consultation on development proposals and a second which considered the results of the consultation. [Minutes of this meeting are accessible through this link.](#)

Options to attract younger shoppers to the market and suggestions to offer a wider range of products were proposed by Commission Members. The Commission broadly welcomed the redevelopment proposals but asked to be kept briefed on the project as it developed and this will continue on next year as plans develop.

Using Buildings Better

EDTT scrutinised the proposals for the **New Walk Centre / Welford Place Development Site**, with a focus on the change of use to mixed use, including residential, and impacts to the local area and residents. It was agreed comments raised by commission members would be passed onto the developer. Again, as this is a work in progress, scrutiny will continue to monitor the development.

A healthy and active city

Leicester has poorer health on average compared to the rest of the country - so it is important to provide excellent healthcare and promote healthier lifestyles to close the gap with the rest. Scrutiny calls to account all health partners in the city.

Leicestershire Partnership NHS Trust (LPT) – Quality monitoring following the Care Quality Commission (CQC) Inspection

A review by the Health and Wellbeing Commission monitored progress of LPT's efforts following a report and 'requires improvement' judgement from the CQC. The Commission wished to be assured LPT was making the necessary improvements to ensure services were not putting vulnerable people at risk. Initial findings of the review are that:

- Progress was being made but that all ligature risks needed to be removed immediately whether they are high risk or not.
- Further resources were needed in the Child and Adolescent Mental Health Services (CAMHS) to reduce waiting lists.
- Greater strategic planning is required to deal with the staffing issues, particularly at the Bradgate Unit.

Primary Care Workforce

An HWB task group reviewed NHS workforce planning and in particular the ability of the city to attract and retain high quality medical staff. This is a national issue, with a third of GPs planning to retire in the next five years. But there were also important local issues, including why graduates from the universities' medical schools were not being retained.

The task group asked Leicester City Council's executive and the Health and Wellbeing Board to launch "a concerted effort to promote the prospects of the city, not only in the city but other cities and maybe even internationally." It called on the Clinical Commissioning Group (CCG) to consider "better engagement and consultation with patients by GPs/Partners and the CCG with patients when surgeries are due to close";

"I remain to be convinced there is a sustainable workforce model for primary care in general in the UK.... This is particularly a problem for Leicester with a number of factors coming together (retirements from GP, rising demand and sometimes unrealistic expectation, low morale in the workforce, high levels of NHS red tape diverting dedicated workforce from front line patient care etc). All this is occurring in a tight financial environment."

*Evidence from Professor Kevin Harris,
University of Leicester*

and said: “Nursing courses should look at how doctors organise their trainees to help remove the barrier to GP placements for nurses in training”.

Public Health England and other national bodies were called on to consider the issue of notice periods, saying these should be “extended to ensure that there is enough time to ensure patients are adequately catered for.” The CQC is also asked to “reconsider their inspection regime and the impact that it has on patients by taking away the time of GPs, particularly on a single GP surgery.”

Investing more money into funding GPs is not the answer to solving the issues in the primary care workforce as there is a shortage of GPs. –

Dr Peter Miller

Since the review started the Deputy City Mayor has called on a summit to deal with the issue of Primary Care in the city. The commission will continue to review the position of primary care based on its recommendations.

Better communications when closing GP surgeries

This issue related in part to that of workforce planning and was prompted by a number of high-profile GP surgery closures and the public dismay and confusion caused by those closures. HWB considered this issue on a number of occasions. Members were told GP contracts allowed for three months’ notice of termination; they felt that a voluntary six month notice period would allow for better succession planning for the CCG and also to give more public notice of the closure and the possible need for patients to register with another GP practice. The CCG agreed to take on the Commission’s concerns.

Public Health Budget

The council’s public health programme was badly affected by an in-year government announcement of public health budget spending cuts. Additionally the public health budget is being reduced year on year nationally by 2.2% in 2016/17, 2.5% in 17/18, 2.6% in 18/19 and a further 2.6% in 2019/20. In-year budget cuts in 2015/16 of £1.6m will be followed by further cuts of £621k in 16/17 and £695k in 18/19. Ring-fencing of public health budgets would end from 2018-2019 onwards

HWB Commission members underlined the importance of highlighting where savings were identified as a result of duplication across the health economy and the importance of considering equality implications and impacts on specific communities. A letter was written to the Secretary of State about the concern in cutting Public Health Budgets, which negates against all the preventative work achieved by them which the Government believes should be promoted. The Commission will continue to monitor the situation.

Non-emergency patient transfers

Leicester City Clinical Commissioning Group reported that an option to extend the Non-Emergency Patient Transport Service by Arriva Transport Services was not being taken up. This followed criticism by the HWB and the wider public of Arriva's performance. Some of these had been apparent under the previous contract with Arriva. Despite this Arriva were awarded a further contract in 2012. However members recognised the health and care system was different to when the contract was originally awarded and more demands had been placed upon Arriva since then. The commission was pleased that concerns they had raised had been taken on board, and with the CCG's decision.

Patient transfers from EMAS to LRI

Waiting times for the transfer of patients from ambulances to Leicester Royal Infirmary (LRI) Accident and Emergency (A&E) unit continued to be a concern. East Midlands Ambulance Service (EMAS) and University Hospitals Leicester (UHL) representatives made presentations to the October 2015 and January 2016 meetings of HWB.

Comparisons were made with the Queen's Medical Centre (QMC) A&E unit, which was 30-40% larger than that of LRI and was specifically designed to accommodate patient flows through the hospital. Whilst 1,650 hours had been lost at the LRI in October 2015 through waiting to transfer patients from ambulances only 570 hours had been lost at the QMC. There were also significantly more walk-in patients at LRI whose A&E unit was the busiest in the country.

"Ambulance crews experienced additional emotional pressures as communications to all ambulances were open channel broadcasts and they would be aware there were Red category calls that they could not respond to whilst waiting to hand patients over to hospital staff." –

Evidence to the Health and

Wellbeing Scrutiny Commission



The Commission heard delays in discharging patients had a significant impact on ambulance staff. Communications to all ambulances were open channel broadcasts

and crews were aware of Red category calls to which they could not respond while waiting to hand patients over to hospital staff. The Commission will continue to observe this but:

- Wanted to be informed of reductions in performance for the handover process as it occurs rather than being informed 2-3 months afterwards
- Welcomed the measures introduced to improve performance and said the efforts of staff to achieve this be recognised
- Recognised the need to treat patients in corridors at periods of high volumes of admissions but indicated it would not wish to see this practice continued when the new Emergency Floor was completed.

Sports participation

HCLS was briefed on the extent of sports participation in the city and on the legacy of the Olympic / Paralympic Games following London 2012. There had been little change in participation since the games and rates remain lower than the national average. Members welcomed changes to the government's sporting strategy and the need to recognise physical activity other than competitive sports.

Members looked at plans to tackle barriers to participation and concluded there needed to be further encouragement among people aged over 60, disabled people and members of the BME community.

Better Care Fund – Letter sent to Minister of State

Members of ASC were told Leicester City was seen both regionally and nationally as an exemplar in delivering the Better Care Fund (BCF). However members were told of concerns that the BCF was very bureaucratic and that the Department of Health needed to be made aware of the issues that arose. Planning and bureaucracy were felt to be “unhelpful” despite an awareness that other regions that were not as well placed in dealing with BCF as Leicester.

The Commission members were also concerned at BCF bureaucracy and the chairs of the Adult Social Care and Health and Wellbeing Scrutiny Commissions wrote jointly to ministers to express and underline their concerns about the BCF, and in particular the bureaucratic nature of its structure.

Providing care and support

Care for older people needs to be adequate for their needs and this is moving from traditional social support services towards promoting independent living. These services are also being increasingly aligned with healthcare to ensure easier transition between the two. There is also a need to ensure carers are well supported.

Greater consideration of Autism and publicity for families.

Guidance for councils and NHS organisations to support the Adult Autism Strategy was published in March 2015. The guidance refers to what “must” and “should” be done by councils and NHS bodies to implement the strategy. Members of ASC were told a multi-agency Autism Board had taken over from the previous Autism Planning Group to oversee the work in the delivery action plan. The Chair of ASC suggested more action was needed to raise awareness as autism was not promoted as well as, for example dementia. Council officers needed to be more aware of the issue. Libraries, community centres and other public buildings could perhaps do more to promote public awareness. Regular updates on the strategy would be requested by ASC with museums and libraries asked to take particular action.

Closure of Elderly People’s Homes (EPHs)

ASC continued to receive reports relating to the closure of EPHs within the city as well as monitoring issues surrounding those closures and the resulting transfer of residents to other homes. In November 2015 the commission requested a report on the sale of Arbor House and ThurnCourt as going concerns to Leicestershire County Care Ltd and the closure of Preston Lodge. Commission members asked about impacts on residents and staff and how these were managed and were reassured appropriate actions were being taken to manage this, including supporting residents and their families.

Adult Social Care Budget

The Adult Social Care budget is under increasing pressure because of government budget cuts and increased demand for services. The ASC and HWB commissions [held a joint meeting](#) to consider the adult social care budget. Members felt older citizens appeared to be increasingly disadvantaged as the government was not adequately supporting the continuing demands for adult social care and preventative services. They said investment in public health campaigns had proved effective in keeping people healthier for longer which reduced the burden on more expensive acute sector services. Members also underlined that sports, arts and cultural activities all contributed to health and wellbeing, combated isolation, helped to deliver good quality of life to people and helped people stay fit and well. The commission will continue to monitor the impacts of the pressures on the budget.

Our children and young people

This priority is based on every child to be safe, loved and live a happy and healthy childhood, free from harm and given every chance to pursue their aspirations and fulfil their potential.

Leicester Safeguarding Children's Board (LSCB): 2014/15 annual report

The Children, Young People and Schools Scrutiny Commission considered the report in the context of an Ofsted review which had found Children's Services and the LSCB inadequate. The Board report to CYPS included reference to the publication of a two-year business plan for LSCB. This was the first time the Board had published such a plan and members were told the longer-term planning would help the work programme and would allow for the 2018 LSCB business plan to be aligned with the LCC Children's Trust Children and Young People's Plan.

Scrutiny members, concerned the report did not give a true reflection of what was happening on the ground, asked whether the action plans in the report had been implemented and what the improvement figures were. With numbers of children in need and caseloads increasing the Commission was told the government was reviewing the safeguarding framework in the light of serious pressures on families. The trend in Leicester echoed the national picture and the council had invested in early help and was working with families to get interventions in place as early as possible. However the Commission was warned these areas were under threat due to funding cuts because they were not statutory children's services.

Early Years Foundation Stage Outcomes

Results for Leicester continued to improve, with 2015 results being better than in 2014. However:

- Results also improved across the country and Leicester remained at or near the bottom on many measures
- Girls continue to achieve better outcomes than boys though the gaps in achievement between girls and boys are smaller than nationally
- Achievement for all children and the lowest performing 20% improved but the gap between them increased, contrary to regional and national trends.

CYPS members acknowledged that achieving the required improvements would not be simple and stressed the importance of ensuring the objective was embedded in schools' teaching without interfering with individual schools' classroom ethos. The commission will consider this again next year.

The strategy to improve educational outcomes in Leicester: 2015-2018

CYPS members received a report which set out the above strategy. Members were told the strategy, which had been developed with the Leicester Education Strategy Partnership (LESP), featured three main strands -

- Outstanding leadership
- Inspiring teaching and learning; and
- Early help and a good start in life.

Members asked how the strategy differed from previous strategies and were told it had been written in close co-operation with head teachers in the city - also that it was a working document and would be revised as appropriate. Concern was expressed at the falling numbers of teachers. Members were told that nationally there was a downward trend in numbers of teachers remaining in the profession. There was a concern there would not be enough teachers to meet future demand and the commission will keep a watching brief on this.

"We want to engage and harness the resources of all who care about children and young people and the future of a thriving Leicester City to work together to deliver our vision. The children of Leicester City deserve only the best. Our vision is one of partnership working, innovation and long term sustainability."

Leicester Education Strategic Partnership

Ofsted inspection of services for children in need

In 2015 a task group reviewed 'The historical context of the Ofsted Inspection of services for children in need of care and protection, inspected by Ofsted and assessed as *'inadequate.'*

The findings highlighted some weaknesses in management at the time of the Ofsted Inspection; however, the task group was satisfied the council has taken measures to make improvements.

It respected and acknowledged the efforts of frontline staff and welcomed assurances from the new Strategic Director and Councillor Russell, the Assistant City Mayor (Children Young People and Schools), that things were being turned around but that this was a considerable task against a national shortage of social workers. The task group praised social workers for their hard work and commitment.

The work of CYPS will continue to monitor that the improvement plan put in place following the Ofsted inspection is working well and meeting the required standards.

Our neighbourhoods and communities

Neighbourhood facilities allow people to access services locally and to run them themselves where possible, reducing costs and improving services through better use of buildings and joining up services locally where possible. It is also important to communicate the many welfare reforms taking place and to look at ways to potentially reduce the impact of those reforms.

Environmental and enforcement services help keep people safe, tackle anti-social behaviour, domestic violence and substance misuse and keep the city clean and green through waste collection and recycling, and tackling fly tipping. There is also an aim in this section to ensure council homes are good quality and energy-efficient.

Housing Voids Task Group

The Housing Scrutiny Commission has begun a review into void council homes. The time during which properties remain empty has been an on-going concern for members, tenants and tenant representatives. Each empty home meant a household or family, which should be in a decent home, cannot access that facility. There are also financial implications for the council through loss of rent and council tax. Members are seeking to understand why some homes remain unoccupied for months while work remains un-started or unfinished. The task group is due to report to the HSC in Autumn 2016.

Licensing Policies

In Autumn 2015 the city council reviewed its policies on licensing functions relating to alcohol outlets, gambling premises and hackney cabs and taxi drivers and these policy proposals were reported to the Neighbourhood Services and Community Involvement Commission.

On the council's alcohol licensing policy the Commission considered that "the policy of banning some stores from selling high alcohol content drinks while others are allowed to sell such drinks is anti-competitive and may lead to smaller local businesses losing trade".

The gambling licensing proposals attracted comment and recommendations from NCSI members. They were concerned that a number of gambling establishments were too close to places of worship. Concern also was raised about the number of betting shops that could be located in one street.

The commission asked for updates to these policies following implementation.

The impact of gambling on vulnerable communities

Members of the NSCI returned to the issue of gambling, and looked more closely at the impact of gambling on vulnerable communities as a review. The Task Group devoted a hearing to taking evidence from the Association of British Bookmakers at senior level, and the ABB's overall response was that Leicester City Council's engagement with the industry was a model for others to follow.

Evidence from STAR (Supporting Tenants And Residents) showed that, against expectations and experience, people were prepared to answer difficult questions about gambling problems. This included one client in a city centre betting shop who said he had lost more than £100,000 in two years on betting; it had cost him his family and his home. The losses had been made on Fixed Odds Betting Terminals (FOBTs) and this was experienced by clients of gambling support groups, one of which provided evidence to the investigation.

"I shoplift and sell goods to fund my gambling habit. I have lost money and an inheritance..."

"£250 per week. This was the entire household income, leaving us without food and the ability to pay bills..."

"Spends £100 per week leaves no money for food..."

"£10 a week on gambling which affect my financial situation..."

The wider picture appeared to be that while gambling is legal and regulated it can have damaging impacts on individuals and communities. But support and other agencies did not ask clients about gambling and if so what the impact was. Part of the wide range of recommendations from the Commission sought to raise the issue of gambling as a problem for individuals and communities, particularly vulnerable communities.

The Commission proved helpful in offering advice and guidance to the review at a number of points. Heather Wardle, consultant with Geofutures and who had worked with Westminster and Manchester councils and the Local Government Association, was extremely helpful to the review, offering information and guidance, particularly about the development of a risk assessment framework.

A total of 26 report [recommendations](#) to the Executive were accepted in full. Four further actions recommended to the Executive from the chair of the task group in the light of the Times story and other developments, including the formation of an all-party Parliamentary group on gambling issues, were also accepted by the executive.

Highfields Community Association

The decision to end funding for Highfields Community Association (HCA) and to make no retrospective payments was called in and referred to the Neighbourhood Services and Community Involvement Scrutiny Commission. Scrutiny looked at the underlying financial case for the decision and sought reassurances that disruption to services caused by the closure was minimised.

Discussions focussed on whether users of HCA buildings and services would have continued access to the services they required, and that where HCA staff were affected, assurances were in place about their futures. The Commission was assured appropriate alternative arrangements were in place for service users, in particular for those wishing to access adult education services, and that HCA staff had been supported in relation to seeking alternative employment.

Fire Service Review

The Overview Select Committee led on member responses to proposals from the Leicestershire Fire and Rescue Service (LFRS) to cut the LFRS budget, which included proposals to close Leicester's central fire station. Richard Chandler, the LFRS Chief Fire Officer, and representatives of the Fire Brigades Union (FBU) were invited to give evidence to the OSC.

(OSC) "urges the Leicester, Leicestershire and Rutland Combined Fire Authority and the City Mayor to look at a managed reserve strategy for the next two to three years, during which time a referendum is considered and planned for the most suitable time, with a county-wide campaign to support an increase in the fire precept for future years to address any budget shortfall.":-

Cllr Baljit Singh, OSC Chair

OSC was particularly concerned about the proposal to close Leicester's central fire station in the context of serious concerns that the most vulnerable communities in the city and county, particularly those in high-rise accommodation, as well as hospitals, two sports grounds and two universities, would be put at greater risk by the closure of the station. Members were critical that none of the proposals for savings included back-office reductions or proposals for joint working with other blue-light and public agencies.

OSC chair Cllr Singh wrote setting out the committee's views which were in a series of recommendations: that the Committee rejected the budget proposals on the basis that:

- 1) They would leave the city unsafe;
- 2) They did not include consideration of other savings, such as those outlined at by the Fire Brigades Union and Councillors, including savings at the Fire Authority's headquarters premises; and

- 3) The budget assumptions exaggerated the savings needed over the next three years, particularly because of the planning assumptions that are included;
- 4) OSC called on the Leicester, Leicestershire and Rutland Combined Fire Authority and City Mayor to fully explore other savings to be made, including at the Combined Fire Authority's headquarters and other savings referenced by the Fire Brigades Union; and
- 5) That the Leicester, Leicestershire and Rutland Combined Fire Authority and the City Mayor look at a managed reserve strategy for the next two to three years, during which time a referendum is considered and planned for the most suitable time, with a county-wide campaign to support an increase in the fire precept for future years to address any budget shortfall.

A major outcome from OSC and other representations was that the proposal to close the Central Fire Station was withdrawn.

Transforming Neighbourhood Services (TNS)

TNS continued to be a topic of interest for NSCI throughout the year. This city-wide programme of reviewing service delivery in relation to potential for disposal of buildings became part of the wider Using Buildings Better programme which also includes related work on Channel Shift that also forms part of this Commission's portfolio.

Members were concerned that where buildings are offered to the community or community groups, those groups had the training and support to sustain them as a community resource. They were also keen to ensure that where services were being concentrated within fewer buildings service levels were maintained and that as far as possible services continued to be accessible to the most vulnerable members of the community.

Communal Cleaning Review

The Housing department reported back on progress made since a wide-ranging report on problems of cleaning communal areas of mainly council-owned and managed homes – often on stairwells and balcony areas of flats across the city, notably within the St Matthews and New Parks areas. [A link to the report, in December 2015, is contained here.](#)

The report set out details of £137.5k of investment in improved floor surfaces, and in some cases, cleaning and redecoration, for 2016-2017, as well as £33.6k of similar work in 2015-2016. A £32k programme of deep-cleaning of surfaces was also re-introduced, at least partly in response to the Housing Scrutiny Commission report calling for this to be done. The Commission was keen that staff, often temporary and part-time, should be recruited from local housing estates so that they would have better knowledge of the local environment and a greater buy-in to the work. Access to better training for all staff was also being encouraged.

A strong and democratic council

It is important for the public to have confidence and value the work of the council and also for them to be able to participate in decisions affecting them. As such ensuring the way the council's work supports openness and accountability, communicating effectively, and encouraging the people of Leicester to participate in the democratic process and in the shaping of services is an important priority.

Channel Shift

The council is transforming the way in which it interacts with communities. The objective is to ensure as many contacts are made electronically – through emails, social media and other formats – as possible. There would be a consequent reduction in face-to-face contacts. Members of NSCI received a progress report and were concerned that the most vulnerable and possibly in most need would have least access to computer-based facilities. They were also concerned that channel shift might reinforce isolation within some communities. Members asked for a further report on progress on implementing the strategy and expressed concern about staff reductions associated with the programme. [A link to the minutes of this issue can be found here.](#)

Ward Community Meetings

NSCI received a progress report on the re-shaping of the way in which ward community meetings were organised and how funding applications might be made and monitored. This included a shift towards on-line applications for project funding. The Commission:

- Encouraged the potential further use of Voluntary Action Leicestershire
- Supported production of a ward meetings annual report
- Was concerned about the reduction in the number of community engagement officers and the need to manage community expectations about what could be subsequently achieved by ward meetings; and
- Requested a report on the new operating model during the 2016-2017 year.

[A link to the report on this issue can be found here.](#)

Tracking petitions

Each meeting of the Overview Select Committee received reports about progress made on petitions which had been made to the council. It was recognised that some petitions could not be resolved and closed in the timescales set out by the council because they involved decision-taking and programming which might take months to resolve. This was particularly apparent in transport-related petitions where proposed changes, responding to petitions, would themselves be subject to consultation, and where projects might be required to be programmed in future financial years

City Mayor's Questions

This standing item on the Overview Select Committee's agenda covered a wide range of topics. It provided an opportunity for members of the committee to raise issues of concern to them, and for the Mayor (and other executive members) to respond or act on. Issues included:

- Empty city centre shops
- Western Park Golf Club
- Partnership working with county and district counties in Leicestershire
- Parking fines
- Investment in the outer estates (and the relationship with Connecting Leicester)
- The impact of welfare cuts
- Bringing empty homes back into use
- The purchase of Vaughan College
- The refugee crisis
- Ward community meeting funding
- The Anchor centre (and its replacement)
- Schools admissions and school place planning
- Franklyn Fields
- Tuition fees and academies
- Adult Social Care budget provision
- Trees in Knighton
- Schools and associated traffic parking problems

Finance Task Group/Budgets

The Finance Task Group made a series of reports to the Overview Select Committee and OSC members highlighted a number of issues from these reports. These ranged from the effectiveness of revenue collection to over-spends in areas such as Adult Social Care and Children's Services. The OSC Chair stressed budgets for Children Services and Adult Social Care needed to remain a priority for the relevant commissions and suggested they request updates and examine these accordingly.

Members also highlighted the increasing numbers of looked-after children. A lack of fostering places and increasing costs were identified as issues but the rise in numbers of looked-after children was likely to be part of a national picture. The Committee [asked for more in-depth information](#) about numbers of children from the city sent out of the area for their care and for a breakdown of the funding involved. OSC also asked for further information on the numbers of agency staff, particularly social workers, who were taken on to address issues with Looked After Children.

The chair of OSC also expressed concern about the overpayment of housing benefits. However the committee was told the headline figure of £15m was mitigated by the fact that a third had been collected and another £10m had been invoiced or was scheduled to be invoiced.

Contacting Scrutiny

Contact

For more information please contact the Scrutiny Team on **0116 4546340** or email **scrutiny@leicester.gov.uk**

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Leicester
City Council

Minutes of the Meeting of the
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 3 NOVEMBER 2016 at 5:30 pm

P R E S E N T :

Councillor Singh (Chair)
Councillor Malik (Vice Chair)

Councillor Bajaj
Councillor Cleaver
Councillor Cutkelvin

Councillor Grant
Councillor Khote
Councillor Newcombe

Councillor Porter

Also present:

Sir Peter Soulsby City Mayor

Youth Representatives

Krishna Patel
Sagar Haria

* * * * * * * *

41. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Dempster and Dr Moore.

42. DECLARATIONS OF INTEREST

No declarations of interest were made.

51. DRAFT SCRUTINY ANNUAL REPORT 2015/16

The Chair of the Overview Select Committee submitted the Draft Scrutiny Annual Report for 2015/16. The Committee were asked to approve the draft report prior to its submission to Council on 24 November 2016.

Councillor Cleaver, Chair of the Adult Social Care Scrutiny Commission, commented that autism had been an item on the Commission's agenda over the last two years. Councillor Cleaver stated that she was pleased that the Museum Service had very recently highlighted this issue and had sent out a tweet asking what else they could do to support people living with autism. Leicester City Libraries had also worked hard to raise awareness and help people living with autism.

Councillor Khote, Chair of the Economic Development, Transport and Tourism (EDTT) Scrutiny Commission stated that further to the Procurement Strategy and Plan that had been examined by the Commission during the previous municipal year, a review was now underway to look into procurement and social value.

It was noted that the report included a reference to proposals for New Walk Centre and Welford Place being scrutinised by the EDTT Scrutiny Commission. This came under the title of Using Buildings Better and a comment was made that this might be more appropriately referenced as Demolition. The Scrutiny Policy Officer advised that at the time, the proposals for those buildings were part of the Using Buildings Better Project.

AGREED:

- 1) that the Overview Select Committee endorse the Draft Scrutiny Annual Report 2015/16; and
- 2) that the comments of the Committee in respect of the above report be noted.

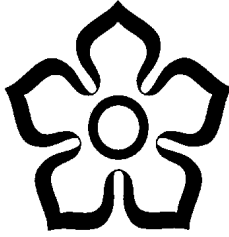
**9.1 ANNUAL REPORT OF THE AUDIT AND RISK COMMITTEE TO COUNCIL
COVERING THE MUNICIPAL YEAR 2015-16**

A report is submitted that presents the annual report of the Audit and Risk Committee, setting out what the Committee has achieved over the municipal year 2015-16.

The item was considered by the Audit and Risk Committee on 27 September 2016 and a minute extract from this meeting is attached.

Council is asked to receive and note this report.

**Sir Peter Soulsby
City Mayor**



Leicester
City Council

WARDS AFFECTED:
ALL

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Council

24 November 2016

Annual Report of the Audit and Risk Committee to Council covering the municipal year 2015-16

Report of the Director of Finance

1 PURPOSE OF REPORT

- 1.1 To present to the Council the annual report of the Audit and Risk Committee setting out what the Committee has achieved over the municipal year 2015-16.
- 1.2 There is no specific requirement for such a report. However, best practice is for the Audit and Risk Committee to be able to demonstrate its effectiveness in overseeing the City Council's control environment and this is reflected in the Committee's terms of reference. This report was presented to the Committee for approval at its meeting on 27 September 2016.

2 RECOMMENDATIONS

- 2.1 The Audit and Risk Committee is recommended to approve this report for submission to the Council.
- 2.2 The Council is recommended to receive this report.

3 SUMMARY

- 3.1 The Audit and Risk Committee has considered a wide range of business in fulfilment of its central role as part of the Council's system of corporate governance and internal audit and control. It has conducted its business in an appropriate manner through a programme of meetings and has fulfilled the expectations placed upon it.
- 3.2 The report covers the municipal year 2015-16 rather than the financial year so as to align with members' terms of office.

4 REPORT

- 4.1 The Committee's terms of reference had been reviewed and updated immediately prior to the beginning of the municipal year and the Committee

had approved these at its meeting on 31 March 2015. A further update of the terms of reference was approved by the Committee at its final meeting of the municipal year, 23 March 2016. The terms of reference formally confer upon the Committee the role of 'the board' for the purposes of the *Public Sector Internal Audit Standards*, issued jointly by Chartered Institute of Public Finance & Accountancy and the Chartered Institute of Internal Auditors as the recognised professional standards for local authority internal audit.

- 4.2 The Committee is well established and has continued to make an important contribution to the effectiveness of the City Council's internal control and corporate governance frameworks. It is also a central component of the Council's system of internal audit.

Achievements of the Committee

- 4.3 During the municipal year 2015-16, the Committee met on six occasions:

- 1 July 2015
- 12 August 2015
- 29 September 2015
- 2 December 2015
- 10 February 2016
- 23 March 2016

The Committee's terms of reference require it to meet at least three times a year. All of the Committee's meetings have been properly constituted and quorate.

- 4.4 The appendices to this report give further information on the activities of the Committee during the municipal year 2015-16:

- Appendix 1 - a summary of the Committee's work according to its responsibilities under its terms of reference.
- Appendix 2 – an assessment of the effectiveness of the Committee against the criteria in *Audit Committees - Practical Guidance for Local Authorities and Police*, CIPFA 2013.

- 4.5 Key outcomes from the Committee's work:

The responsibilities of the Committee are set out in its terms of reference:

- The Committee has continued to keep its own terms of reference under review to ensure compliance with current best practice.
- The Committee's membership in 2015-16 was well established and experienced. Nonetheless, Members considered their training needs in support of their role on the Committee. In furtherance of this, they received briefings on a number of relevant topics including: the published statement of accounts; the Regulation of Investigatory Powers Act 2000 (RIPA); the Council's approach to procurement; and the delivery of the Council's objectives for public health.

Internal Audit

- The Committee considered the Internal Audit annual and quarterly plans and monitored their delivery and outcomes during the year. The Committee also received the Internal Audit annual report and opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control.
- The Committee reserves the right to summon relevant officers to attend its meetings to discuss in more depth specific issues raised by Internal Audit reports. This has helped to maintain the profile of the Committee and its role in promoting adherence to procedures and improved internal control.
- The Committee received and approved the annual review of the effectiveness of the Council's system of internal audit, as required under regulation 6(3) of the Accounts and Audit (England) Regulations 2011. Further detail on this is given below at paragraph 4.12.

Fraud

- The Committee maintained an effective overview of the Council's measures to combat fraud and financial irregularity. Specifically, the Committee:
 - Reviewed and approved the Council's updated Anti-Fraud, Bribery and Corruption Policy and Strategy
 - Considered the annual counter-fraud report, which brought together the various strands of counter-fraud work in 2014-15 with data on the various types of work carried out by the teams involved
 - Reviewed and supported the Council's participation in the National Fraud Initiative
 - Reviewed the Council's activity and performance under the Regulation of Investigatory Powers Act 2000 and the Disclosure Policy and Whistleblowing Policy.

External audit

- The Committee considered the external auditor's plans and progress and the outcomes of this work, with particular reference to the annual audit of the Council's statutory financial statements.
- The external auditor uses Internal Audit work to inform the external audit of the Council's accounts and the certification of certain grant claims and returns. The Committee has received reports on the outcomes of such work and to this extent is fulfilling its responsibility to promote an effective working relationship between the two audit functions.

Risk Management

- The Committee confirmed the Risk Management Strategy and Policy and Corporate Business Continuity Management Strategy. The Committee maintained a regular overview of the risk management arrangements including the Council's strategic and operational risk registers and

‘horizon-scanning’ for potential emerging risks to the Council and its business.

- The continued management of the Internal Audit and Risk Management functions by one head of service has meant good coordination between the two related disciplines, including reporting to the Committee.

Corporate Governance

- During 2015-16, the Committee has fulfilled the responsibilities of ‘the board’ for the purposes of the City Council’s conformance to the CIPFA *Public Sector Internal Audit Standards* in terms of the overseeing of the Council’s arrangements for audit, the management of risk and the corporate governance assurance framework.
- The Committee maintained its oversight of the Council’s corporate governance arrangements. The Council’s updated assurance framework, which maps out the process for collating the various sources of assurance and from them preparing the Council’s statutory¹ Annual Governance Statement, was reviewed and approved by the Committee.
- Alongside this was the approval by the Committee of the updated Local Code of Corporate Governance.
- The Committee approved the draft Annual Governance Statement for 2014-15. The annual review of the assurance framework, which sets out the essential process for preparing the Annual Governance Statement, was approved by the Committee.
- This annual report to Council is part of the governance arrangements, through giving a summary of the Committee’s work and contribution to the good governance of the City Council and demonstrating the associated accountability.

Financial reporting

- The Committee received and approved the Council’s statutory Statement of Accounts for 2014-15 and associated external audit reports. It approved the Council’s letter of representation, by means of which the City Council gives assurance to the external auditor; there were no significant items that were not reflected in the Council’s accounting statements.

Effectiveness of Committee’s work

- 4.6 In considering the above, it is concluded that the Committee fulfilled in all material respects the requirements of its terms of reference.
- 4.7 The work of the Committee is reflected in the external auditor’s Annual Governance Report for 2014-15, which is issued to the Committee as ‘those charged with governance’. In this report, the auditors confirmed that their audit opinion on the Council’s financial statements for 2014-15 would be ‘unqualified’ and that the Council has ‘made proper arrangements to secure economy, efficiency and effectiveness in its use of resources except for arrangements regarding children’s services’.

¹ Regulation 4(3) of the Accounts and Audit (England) Regulations 2011

- 4.8 The Committee considered at its meeting on 12 August 2015 the annual review of the effectiveness of the system of internal audit, as required by the Accounts and Audit (England) Regulations 2011. This review found that for 2014-15 the Audit & Risk Committee met all of the main indicators of being an effective audit committee as set out by CIPFA². The criteria include:
- Regular meetings
 - Sufficient independence of other functions
 - Constructive meetings, conducted freely and openly and without political influence
 - Proper, approved terms of reference with a sufficient spread of responsibilities for internal and external audit, governance and risk management
 - Playing a sufficient part in the management of Internal Audit including approval of audit plans, review of Internal Audit performance and the outcomes of audit work plus management's responses to it
 - Maintaining a proper overview of the relationship with and the work of the external auditor.
- 4.9 An assessment of conformance to the CIPFA guidance has been conducted in the preparation of this report; the outcome is given in Appendix 2. There are no significant areas of non-conformance with this recognised best practice. There are points of detail that could be considered in the next annual review of the Committee's terms of reference.
- 4.10 As has been acknowledged in previous years, annual changes in membership are to be expected but can hinder the development of expertise and knowledge acquired by members. As a result, and given the complexities of the Committee's business, meetings of the Committee are normally preceded by a briefing or training session on a particular topic, usually linked to that meeting's agenda. Overall, throughout 2015-16, the Committee's membership was such as to ensure both continuity and that the Committee had a positive effect on the Council's control environment.
- 4.11 The Head of Internal Audit & Risk Management attends all meetings of the Committee. In addition, and in the interests of providing the full range of legal, constitutional and financial advice and expertise, meetings of the Committee are routinely attended by the Director of Finance and the City Barrister & Head of Standards (who is also the Council's designated monitoring officer) or their representatives.

Conclusions

- 4.12 The Committee fulfilled all of the requirements of its terms of reference and the good practice guidance issued by CIPFA.
- 4.13 It is the view of the Head of Internal Audit & Risk Management and the Director of Finance that during the municipal year 2015-16 the Audit & Risk Committee made a significant contribution to the good governance of the City Council. Through its work, it has reinforced the Council's systems of internal

² Chartered Institute of Public Finance & Accountancy: *Audit Committees: Practical Guidance for Local Authorities and Police*, 2013.

control and internal audit and has given valuable support to the arrangements for corporate governance, legal compliance and the management of risk.

- 4.14 Each year, following the changes in membership, there is a need to support members with relevant training and briefings on the Committee's responsibilities for internal and external audit, risk management, internal control and governance. These are technically complex subjects, particularly in the context of the governance of a large local authority and especially during a period of continued financial stringency and change. The effectiveness of the Committee is enhanced by having members who have sufficient expertise and experience, attributes which benefit from continuity of membership.

5 FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

An adequate and effective Audit & Risk Committee is a central component in the governance and assurance processes intended to help ensure that the Council operates efficiently, cost effectively and with integrity. Its support for the processes of audit and internal control will help the Council as it faces the financially challenging times ahead.

Colin Sharpe, Head of Finance (Corporate Resources) x37 4081

5.2 Legal Implications

The Audit & Risk Committee aids the fulfilment by the Council of its statutory responsibilities under the Accounts and Audit Regulations 2011 for monitoring the Council's system for internal control. It is an important part of the way the duties of the Director of Finance are met as the responsible financial officer under s151 of the Local Government Act 1972.

Kamal Adatia, City Barrister & Head of Standards, x37 1401

6 Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph references within supporting information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	Yes	4.5 – references to fraud and corruption
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities	No	
Risk Management	Yes	The whole report concerns the audit, risk management and governance process, a main purpose of which is to give assurance to Directors and this Committee that risks are being properly identified and managed appropriately by the business.

7 BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

Minutes of the Audit & Risk Committee meetings as listed at paragraph 4.3 above.

8 REPORT AUTHOR

Tony Edeson, Head of Internal Audit and Risk Management – 37 1621.

Summary of work of the Audit & Risk Committee – municipal year 2015-16

This table shows the activities of the Audit & Risk Committee during the municipal year 2015-16 alongside the terms of reference of the Committee as approved immediately prior to the municipal year (31 March 2015). (Note that the Committee also reviewed its terms of reference on 23 March 2016 in preparation for the 2016-17 municipal year.

There is no area that has not been covered at least sufficiently by the Committee.

Terms of Reference	Date considered	Item	Outcome
1. AUDIT FRAMEWORK			
1.1 Internal Audit			
On behalf of the Council, to approve the Head of Internal Audit's annual report and opinion, considering the level of assurance given over the Council's corporate governance arrangements and decide on appropriate actions.	29.09.15	Internal Audit Annual Report for 2014-15 including the Internal Audit opinion	Approved
To consider, challenge and approve (but not direct) Internal Audit's strategy and plan and monitor performance on an annual basis.	01.07.15	Internal Audit Q2 Operational Plan 2015-16	Noted
	02.12.15	Internal Audit Q3 and Q4 Operational Plan 2015-16	Noted
	10.02.16	Internal Audit Annual Plan 2016-17	Approved
	23.03.16	Internal Audit Q1 Operational Plan 2016-17	Noted
To receive summaries of Internal Audit reports and the main issues arising.	12.08.15	Outcomes of Internal Audit Work in Q4 2014-15 (January 2015 to March 2015)	Noted
	02.12.15	Internal Audit Update Q1 and Q2 2015-16 (April 2015 to September 2015)	Noted
To review and challenge management's responsiveness to the internal audit findings and recommendations, seeking assurance that appropriate action has been taken where necessary and agreed recommendations have been implemented within a reasonable timescale.	As last item	Internal Audit Updates - as last item	Noted
	29.09.15	Internal Audit Annual Report for 2014-15 including the Internal Audit opinion	Approved
To monitor and assess the role and effectiveness of the Internal Audit function.	12.08.15	Review of the Effectiveness of the System of Internal Audit 2014-15	Approved
	02.12.15	Annual Review of Internal Audit Charter	Approved
In fulfilling these functions, the Audit & Risk Committee fulfils the role of 'the board' for the purposes of the <i>Public Sector Internal Audit Standards</i> .	01.07.15	Schedule of A&R Committee meetings for 2015-16	Noted
	29.09.15	Draft A&R Committee Annual Report to Council 2014-15	Approved
	23.03.16	Annual Review of the Council's Assurance Framework, Local Code of Corporate Governance, and the Committee's Terms of Reference	Approved

Summary of work of the Audit & Risk Committee – municipal year 2015-16

Terms of Reference	Date considered	Item	Outcome
(Continued) In fulfilling these functions, the Audit & Risk Committee fulfils the role of 'the board' for the purposes of the <i>Public Sector Internal Audit Standards</i> .	23.03.16	Schedule of planned A&R Committee agendas and meeting dates for 2016-17	Approved
1.2 External Audit			
On behalf of the Council, to review with the external auditor and inspection agencies the findings of their work including any major issues which are unresolved; key accounting and audit judgments; and the levels of errors identified during the audit. The Committee should obtain explanations from management and from external auditors, where necessary, as to why errors might remain unadjusted.	29.09.15	Annual Governance Report 2014-15 and Letter of Representation	Approved
	02.12.15	External Auditor's Annual Audit Letter 2014-15	Noted
	10.02.16	Certification of Grants, Claims and Returns 2014-15 Annual Report (external auditor)	Noted
	01.07.15	Updated management briefing on Ofsted report on Children's Services	Noted
	As next item	External Audit Progress Reports and Technical Updates	Noted
To consider the scope and depth of external audit work and to assess whether it gives value for money.	02.12.15	External Audit Progress Report and Technical Update	Noted
	23.03.16	External Audit Progress Report and Technical Update	Noted
	23.03.16	Annual External Audit Plan for financial year 2015-16	Noted
To liaise with the Audit Commission (or such other body that assumes this responsibility ³) over the appointment of the Council's external auditor and conduct such other related functions as required by the local public audit regime.	N/A	This has not been needed during the 2015-16 municipal year.	
To facilitate effective relationships between external and internal audit, inspection agencies and other relevant bodies and ensure the value of these audit relationships is actively promoted.	Various	Reference to joint working or coordination is made in various internal and external reports, with particular reference to the annual audit of the main financial systems.	Noted
To approve any instances of non-audit work by the external auditors in accordance with the <i>Policy for Engagement of External Auditors for Non-Audit Work</i> and report any such instances to the Council.	01.07.15	Policy for Engagement of External Auditors for Non-Audit Work	Approved

2. RISK MANAGEMENT FRAMEWORK

³ Public Sector Audit Appointments Ltd with effect from 1st April 2015.

Summary of work of the Audit & Risk Committee – municipal year 2015-16

Terms of Reference	Date considered	Item	Outcome
On behalf of the Council, to consider and challenge the effectiveness of the Council's Risk Management Strategy and Framework, including the Risk Management and Insurance Services function.	01.07.15	Risk Management & Insurance Services update	Noted
	12.08.15	Risk Management & Insurance Services update	Noted
	29.09.15	Risk Management & Insurance Services update	Noted
	02.12.15	Risk Management & Insurance Services update	Noted
	10.02.16	Risk Management and Business Continuity Management Strategies and Policies for 2015	Noted
	23.03.16	Risk Management & Insurance Services update	Noted
To consider and approve, on behalf of the Council, the Council's Risk Management Strategy and its key risk management policies including the Council's statement of overall risk appetite.	10.02.16	Risk Management and Business Continuity Management Strategies and Policies for 2016	Approved
To approve, on an annual basis, the Risk Management and Insurance Services function's terms of reference and its annual plan.	10.02.16	Risk Management and Business Continuity Management Strategies and Policies for 2016	Approved
To review (and take any actions as a consequence of) reports from the Head of Internal Audit & Risk Management in respect of the status of key current and emerging risks and internal controls relating to those risks (the Operational and Strategic Risk Registers).	As above.	Risk Management & Insurance Services updates	Noted
3. INTERNAL CONTROL AND GOVERNANCE FRAMEWORK			
To review the adequacy of the Council's internal control framework through review of its system of internal control and system of internal audit and overseeing the production and approval of the Council's Annual Governance Statement prepared in accordance with the Local Code of Conduct Governance.	02.12.15	Annual Review of Internal Audit Charter	Approved
	12.08.15	Review of the Effectiveness of the System of Internal Audit 2014-15	Approved
	29.09.15	Annual Governance Statement 2014-15	Approved
	23.03.16	Annual review of the Council's, Assurance Framework, Local Code of Corporate Governance and annual review of the Committee's terms of reference	Approved
	02.12.15	Annual Review of Internal Audit Charter (refresh for next financial year)	Approved
To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts. (The Committee is to do this before approving the	29.09.15	Annual Governance Report 2014-15 and Letter of Representation	Approved

Summary of work of the Audit & Risk Committee – municipal year 2015-16

Terms of Reference	Date considered	Item	Outcome
Council's published financial statements. The Committee should take note of any adjustments set out in the external auditor's report and agree any such adjustments where management has declined to do so or set out the reasons for not doing so.)	02.12.15	External Auditor's Annual Audit Letter 2014-15	Noted
To maintain an overview of the Council's Constitution in respect of contract procedure rules, finance procedure rules and codes of conduct and behaviour.	Various	Reference is made to constitutional requirements and rules of procedure where relevant in internal and external audit reports	Noted
To review and approve, on an annual basis, the Council's anti-fraud, bribery and corruption and its disclosure (whistle-blowing) policies and procedures.	12.08.15	Regulation of Investigatory Powers Act 2000 - Biannual performance report January – June 2015	Noted
	12.08.15	Counter-Fraud Annual Report 2014-15	Noted
	01.07.15	Review of the Anti-Fraud, Bribery and Corruption Policy and Strategy	Approved
	12.08.15	Revenues & Benefits prosecutions data 2014-15	Noted
	02.12.15	Counter-Fraud update report – first half of 2015-16	Noted
	10.02.16	National Fraud Initiative - annual report	Noted
	23.03.16	RIPA Statistics and Performance report July - December 2015	Noted
<p>Annually, to assess all significant risk issues considering:</p> <ul style="list-style-type: none"> Changes since the last annual assessment and the Council's response; The scope and quality of management's ongoing monitoring of risks and the system of internal control; The incidence of significant control failings in relation to all significant risks and their impact. 	Dates as above	Risk Management & Insurance Services updates	Noted
<p>To review regular reports from Internal Audit and Risk Management on risk and internal controls, considering:</p> <ul style="list-style-type: none"> The effectiveness of systems of internal control across the Council 			
	12.08.15 02.12.15	Internal Audit Update reports	Noted
	29.09.15	Internal Audit Annual Report for 2014-15 including the Internal Audit opinion	Approved
<ul style="list-style-type: none"> Reports on major control issues and their impact on the Council's risk profile. 	Various as above	Risk Management & Insurance Services updates	Noted
To consider and decide on appropriate actions relating to the Council's compliance with its own and other published or regulatory policies, standards and controls, including:	29.09.15	Internal Audit Annual Report for 2014-15 including the Internal Audit opinion	Approved

Summary of work of the Audit & Risk Committee – municipal year 2015-16

Terms of Reference	Date considered	Item	Outcome
	12.08.15 02.12.15	Internal Audit Update reports (which include reference to the various legal and policy requirements as relevant to the specific subject matter)	Noted
	29.09.15	Annual Governance Statement 2014-15	Approved
o Policies relating to information governance and assurance	23.03.16	Regulation of Investigatory Powers Act 2000 - LCC policy and compliance	Training for Committee
	23.03.16	Regulation of Investigatory Powers Act 2000 - Biannual performance report January – June 2015	Noted
o Health & Safety at Work	Various as above	Risk Management & Insurance Services updates	Noted
o Civil Contingencies Act			
o Policies relating to disclosures and complaints	02.12.15	Disclosure Policy and Whistleblowing Annual Summary 2014-15	Noted
o Others as appropriate	02.12.15	Procurement Plan Update 2015-16	Noted
	23.03.16	Procurement Plan 2016-17	Noted
4. FINANCIAL REPORTING FRAMEWORK			
To review and approve the Council's published financial statements, the external auditor's annual opinion and other reports to Members and to monitor management action in response to issues raised.	12.08.15	Draft Statement of Accounts 2014-15	Noted
To review and approve the annual statement of accounts and the annual Letter of Representation on behalf of the Council, giving particular attention to critical accounting policies and practices, decisions requiring a significant element of judgement, how any unusual transactions should be disclosed and the clarity of the disclosures.	12.08.15	Introduction to the Statement of Accounts	Training for Committee
	29.09.15	Statutory Statement of Accounts 2014-15	Approved
	29.09.15	Annual Governance Report 2014-15 and Letter of Representation	Approved
To bring to the attention of the Council any concerns arising from the financial statements or from the audit.		None.	
5. OTHER MATTERS			
To consider, approve or make recommendations in respect of any other matters referred to it by the City Mayor, Chief Operating Officer (as the Head of Paid Service) or a Director or any Council body.	Training and briefings on:		
	01.07.15	Training - Effectiveness of an A&RC	Training for Committee
	29.09.15	Training – The Counter Fraud Team's Role	Training for Committee
	10.02.16	Training - Delivery of the Objectives of the Public Health service	Training for Committee
	02.12.15	Update on the DCLG Fraud Funding Work	Briefing for Committee

Summary of work of the Audit & Risk Committee – municipal year 2015-16

Terms of Reference	Date considered	Item	Outcome
To consider any relevant matters reserved for Member-level decision as detailed in Rules of Procedure.		None	
To present an annual report to the Council on the Committee's conduct, business and effectiveness.	29.09.15 (Council 27.11.15)	Draft A&R Committee annual report to Council 2014-15	Approved. Presented to Council 27.11.15

Audit & Risk Committee – municipal year 2015-16**August 2016 - Review of conformance to CIPFA *Practical Guidance for Audit Committees* (2013 Edition)**

	Good practice questions	Yes	Partly	No	Notes and actions
Audit committee purpose and governance					
1	Does the authority have a dedicated audit committee?	Y			
2	Does the audit committee report directly to full council? (Applicable to local government only.)	Y			
3	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?	Y			<p>Though we conform to the criteria, compliance could be strengthened by addressing the following:</p> <ul style="list-style-type: none"> • Ref 3(5): We do not routinely take all reports of other inspections agencies (e.g. Ofsted, Care Quality Commission) to A&R Committee • Ref 4(2): Closer working with the Standards Committee? • Ref 4(3): Decide whether review of Treasury Management arrangements should be within the Committee's specific remit and if so, update Terms of Reference accordingly
4	Is the role and purpose of the audit committee understood and accepted across the authority?	Y			
5	Does the audit committee provide support to the authority in meeting the requirements of good governance?	Y			
6	Are the arrangements to hold the committee to account for its performance operating satisfactorily?	Y			
Functions of the committee					
7	Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement?	Y			Subject to Q3 above.

Audit & Risk Committee – municipal year 2015-16**August 2016 - Review of conformance to CIPFA *Practical Guidance for Audit Committees* (2013 Edition)**

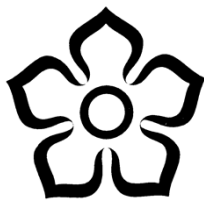
	Good practice questions	Yes	Partly	No	Notes and actions
	good governance	Y			
	assurance framework	Y			
	internal audit	Y			
	external audit	Y			
	financial reporting	Y			
	risk management	Y			
	value for money or best value		P		This is implied but is not explicit in the terms of reference.
	counter-fraud and corruption.	Y			
8	Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?	Y			
9	Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?		P		There has been no specific consideration of this by the Committee but there is no area in the Position Statement that has been fundamentally omitted in the Committee's remit or activity in 2015-16.
10	Where coverage of core areas has been found to be limited, are plans in place to address this?	Y			Further revision of the Committee's terms of reference.
11	Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?	Y			
Membership and support					
12	Has an effective audit committee structure and composition of the committee been selected?	Y			
	This should include:				

Audit & Risk Committee – municipal year 2015-16**August 2016 - Review of conformance to CIPFA *Practical Guidance for Audit Committees* (2013 Edition)**

	Good practice questions	Yes	Partly	No	Notes and actions
	separation from the executive	Y			
	an appropriate mix of knowledge and skills among the membership	Y			
	a size of committee that is not unwieldy	Y			
	where independent members are used, that they have been appointed using an appropriate process.	N/A			
13	Does the chair of the committee have appropriate knowledge and skills?	Y			
14	Are arrangements in place to support the committee with briefings and training?	Y			
15	Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?	Y			With the exception of Treasury Management (which is not specified in the Committee's terms of reference).
16	Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?	Y			
17	Is adequate secretariat and administrative support to the committee provided?	Y			
Effectiveness of the committee					
18	Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?	Y			The opportunity is there from the full Council on presentation of the Committee's annual report. There are regular discussions between the Chair and lead officers.
19	Has the committee evaluated whether and how it is adding value to the organisation?	Y			Such evaluations are done as part of the annual report and as part of the annual Review of the Effectiveness of the System of Internal Audit, which includes the Committee.

Audit & Risk Committee – municipal year 2015-16**August 2016 - Review of conformance to CIPFA *Practical Guidance for Audit Committees* (2013 Edition)**

	Good practice questions	Yes	Partly	No	Notes and actions
20	Does the committee have an action plan to improve any areas of weakness?	Y			<p>The Committee has a forward planner for agenda items including scheduled training sessions to address identified needs.</p> <p>Regular review of the Committee's terms of reference and associated governance documentation gives the opportunity to improve any necessary areas, e.g. Q3 and Q7 above.</p>



Leicester
City Council

MINUTE EXTRACT

Minutes of the Meeting of the
AUDIT AND RISK COMMITTEE

Held: TUESDAY, 27 SEPTEMBER 2016 at 5:30 pm

P R E S E N T:

Councillor Patel (Chair)
Councillor Westley (Vice Chair)

Councillor Alfonso

Councillor Dr Chowdhury

Councillor Hunter

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27. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Dr. Barton and Councillor Cank.

28. DECLARATIONS OF INTEREST

There were no declarations of interest made.

**34. ANNUAL REPORT OF THE AUDIT AND RISK COMMITTEE TO COUNCIL
FOR THE MUNICIPAL YEAR 2015-16**

The Director of Finance submitted a report for approval by the Audit & Risk Committee for submission to Council setting out what the Committee had achieved over the municipal year 2015-16. The Committee noted there was no specific requirement for such a report, but it was considered best practice for the Committee to be able to demonstrate its effectiveness in overseeing the City Council's control environment, as reflected in the Committee's terms of reference. The report covered the municipal year 2015-16 rather than the financial year, so as to align with Members' terms of office. Colin Sharpe, Head of Finance presented the report.

Members were asked to note that during the municipal year, the Committee had met on six occasions, and all meetings had been properly constituted and quorate. The Committee had fulfilled all legal requirements according to the responsibilities under its terms of reference, and made a significant contribution to the good governance of the City Council.

The External Auditor asked that two amendments be made to the report:

- a) Page 41, 4.5, final paragraph, to be amended to read 'The external auditor *uses* Internal Audit work *to inform* the external audit of the Council's accounts and the certification of certain grant claims and returns.'
- b) Page 43, 4.7, top paragraph, to be amended to read '...and that the Council has 'made proper arrangements to secure economy, efficiency and effectiveness in its use of resources *except for arrangements regarding children's services.*'

The Chair thanked the officer for the report.

RESOLVED:

that:

1. The Annual Report of the Audit & Risk Committee to Council covering the municipal year 2015-16 be approved and presented to Council, subject to the following amendments:
 - a) Page 41, 4.5, final paragraph, to be amended to read 'The external auditor *uses* Internal Audit work *to inform* the external audit of the Council's accounts and the certification of certain grant claims and returns.'
 - b) Page 43, 4.7, top paragraph, to be amended to read '...and that the Council has 'made proper arrangements to secure economy, efficiency and effectiveness in its use of resources *except for arrangements regarding children's services.*'

37. CLOSE OF MEETING

The meeting closed at 6.57pm.